

# Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

**Refer to: Arron Heath or Rachel Mason**

## Liquidators' First Report

### Munroe Developments Limited (In Liquidation)

#### 1. Appointment

We advise that Karen Betty Mason and Arron Leslie Heath were appointed joint and several Liquidators of the above company on 2 December 2009 by special resolution of shareholders.

Karen Mason and Arron Heath are full time Insolvency Practitioners. They have not previously acted in any capacity for the company or the officers and shareholders of the company.

#### 2. Background

<i>Date of Incorporation:</i>	4 October 2004	
<i>Trading Address:</i>	2 Kerrs Road, Manukau City, Auckland	
<i>Type of Business:</i>	Property Development	
<i>Date Ceased Trading:</i>	30 November 2009	
<i>Shareholder:</i>	Sonsram Development Holdings Limited	100 shares
<i>Director:</i>	Arjun Sami	
<i>Share Capital:</i>	100 ordinary shares	
<i>Date of Liquidation:</i>	2 December 2009	

#### 3. Events Leading to Appointment

The Director advises “the property market has been in decline in the last two years and values have fallen by up to 40% in certain parts of New Zealand. That combined with the global financial crisis, finance has been scarce and whatever has been available comes at exorbitant rates.”

The Director has therefore decided to place the company in liquidation as it can no longer continue to operate.



#### **4. Statement of Affairs**

The Liquidators have prepared an Estimated Statement of Affairs being the assets and liabilities of the company at the date of liquidation. We attach a copy.

#### **5. Proposals for Conducting the Liquidation**

##### **5.1 *Realisation of Assets***

The Liquidators will collect the taxation refunds due.

##### **5.2 *Examination of Books and Records***

The Liquidators will examine the company's available books and records and conduct a brief review of the company's affairs.

##### **5.3 *Knowledge of Information Relevant to the Liquidation***

Should creditors and other parties possess any information that may be relevant to the liquidation, or may lead to realisations for the benefit of creditors, please advise the Liquidators in writing and provide them with copies of supporting documents.

#### **6. List of Creditors**

A list of all known creditors has been compiled by the Liquidators. We attach a copy.

#### **7. Creditors Claim Form**

Creditors should complete and return the attached Creditor's claim form by 15 January 2010. Creditors who do not make a claim within the period may be excluded from any distribution that may be made.

#### **8. Retention of Title Claims/Security Interests**

Please note, if you believe you have a valid retention of title claim or security interest over goods or equipment supplied to Munroe Developments Limited (In Liquidation), and you have not yet contacted the Liquidators, please contact us immediately.

#### **9. Initial Creditors Meeting**

As it is unlikely there will be a distribution to creditors, pursuant to s245 of the Companies Act 1993 the Liquidators propose to dispense with the meeting of creditors to consider whether to appoint different Liquidators, and to consider the views of creditors.

Accordingly a meeting of creditors will not be called unless a creditor gives notice to the Liquidators within 10 working days after receiving this notice, requiring a meeting to be called.

**10. Liquidation Committee**

At any time during the liquidation, any creditor may in writing, request the Liquidators to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the Committee.

A Liquidation Committee has certain powers set out in s315 of the Companies Act 1993, including to assist the Liquidators as appropriate in the conduct of the liquidation.

**11. Estimated Date of Completion of Liquidation**

It is not practicable to estimate the date of completion of the liquidation at this stage.

Enquiries should be directed to: Arron Heath or Rachel Mason

A L Heath  
**Liquidator**

Dated this 7<sup>th</sup> day of December 2009

Attach:

**Estimated Statement of Affairs of  
Munroe Developments Limited (In Liquidation)  
As at the date of the Appointment of Liquidators  
Being 2 December 2009**

		<i>Book Value</i>	<i>Estimated Realisable Value</i>
		\$	\$
<b>Assets not Specifically Pledged:</b>			
Taxation Refunds			523
Related Entity Loans (Note 1)		678,121	<u>NIL</u>
<b>Estimated Total Assets Available for Preferential Creditors and Secured Creditors</b>			<u>523</u>
<i>Less – First Ranking Preferential Creditors</i>			
Wages and Holiday Pay (Includes PAYE)			<u>NIL</u>
			<u>523</u>
<i>Less – Second Ranking Preferential Creditors</i>			
Inland Revenue Department	GST	274,240	
	PAYE	<u>NIL</u>	274,240
			<u>273,717</u>
<b>Estimated Total Deficiency as regards Secured Creditors and Unsecured Creditors</b>			
<i>Less – Secured Creditors</i>			
			<u>NIL</u>
<b>Estimated Total Deficiency as regards Secured Creditors and Unsecured Creditors</b>			
			<u>273,717</u>
<i>Less – Unsecured Creditors</i>			
			<u>160,263</u>
<b>Total Deficiency as regards Unsecured Creditors and Shareholders</b>			
<i>Less – Issued and Paid Up Capital</i>			
			<u>100</u>
<b>Total Deficiency as regards Unsecured Creditors and Shareholders</b>			
			<u><u>434,080</u></u>

**Note 1:** The related entity loans are uncollectable due to those entities also being in liquidation.

**Note 2:** The above estimates are subject to the costs of realisation, including Liquidators' fees.

**Disclaimer of Liability:**

We have prepared the Estimated Statement of Affairs as at the date of liquidation being 2 December 2009.

The Estimated Statement of Affairs has been prepared based on information from the books and records of the company together with information supplied by the Director. This information has not been verified. The Liquidators have not carried out an audit or reviewed the information supplied and therefore they do not accept any responsibility for the accuracy of the information from which the Estimated Statement of Affairs has been prepared. Further, the Estimated Statement of Affairs has been prepared for the purpose of the liquidation only, and the Liquidators do not accept any responsibility on any ground whatever, including liability in negligence, to any other person.

**Munroe Development Limited (In Liquidation)**  
**Creditors Known at Liquidation**  
**December 2009**

<b>Creditor</b>	<b>Address1</b>	<b>Address2</b>	<b>Address3</b>
Crewcut Corporate	19 Robert Ross Place	Clendon Park, Manurewa	Auckland
B.N.P Building Services	P O Box 6037	Wellesley St	Auckland 1141
Patel Nand Legal Mat 35937	P.O Box 26-717	Epsom	Auckland
Oswin Griffiths	P.O Box 6077	Wellesley Street	Auckland