

# Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Lloyd Hayward

No. of Company: 1169874

## Liquidators' Further Report

**Pin Limited (In Liquidation)**  
Formerly Mortgages By Design Limited

**For the period to 22 June 2010**

### Introduction

PIN Limited was placed into voluntary liquidation in Auckland on 23 December 2009 and Jeffrey Philip Meltzer and Lloyd James Hayward were appointed joint and several Liquidators.

In accordance with section 255 of the Companies Act 1993 the Liquidators are obliged to report to all creditors and shareholders on the conduct of the liquidation during the preceding six months. This report covers the period to 22 June 2010

### Schedule of Receipts and Payments

A schedule of receipts and payments for the period is attached.

### Asset Realisations

The only realisation is a recovery of provisional tax paid in advance.

### Dividends

There is a substantial debt remaining unpaid to the secured lender and there will therefore be no dividend to unsecured creditors.

### Liquidators' Investigations

Immediately prior to the company being placed into liquidation it sold the mortgage broking business it conducted and changed its name to PIN Limited. The sale price was based on a valuation undertaken by independent valuers. The Liquidators were concerned as to the valuation and commissioned an independent expert to review the valuation and advise on its conclusions. The independent expert concluded that the valuation understated the value of the business sold to the extent of \$129,000. The Liquidators exercised remedies in Section 298 of the Companies Act 1993 and the purchasing company – Mortgages By Design Limited has agreed to an adjustment in the purchase price.

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Jeff Meltzer

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Karen Mason

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Arron Heath



This price adjustment is subject to the security interests of the secured lender and will be distributed to the secured lender when recovered.

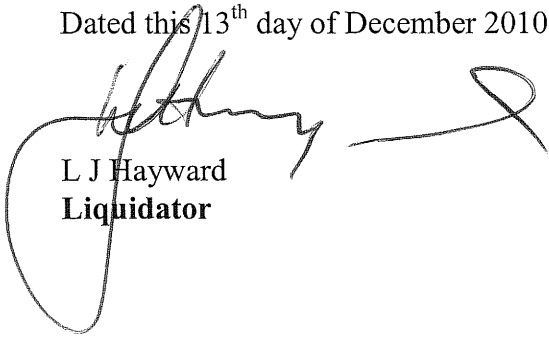
The secured lender is a trust associated with the shareholder/director. Independent legal counsel was commissioned by the Liquidators to review the security documents. The advice received was that the security documents created a valid charge and that this is not a security interest voidable under Section 293 of the Companies Act 1993.

### **Outstanding Matters**

Recovery of the undervalue referred to above is expected shortly and will be distributed to the secured lender.

Please contact Lloyd Hayward of this office should you require any further information.

Dated this 13<sup>th</sup> day of December 2010



L J Hayward  
**Liquidator**

**Pin Limited (In Liquidation)**

**Receipts and Payments**

**For the period 22 June 2010**

	\$
<b>Receipts</b>	
Income Tax Refund	30,885.31
Pre Liquidation GST Refund	1,673.76
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	32,559.07
 <b>Payments</b>	
Liquidators' Remuneration	11,773.00
Liquidators' Disbursements	235.46
Advertising	387.24
Legal Fees	4,683.98
Professional Fees	2,060.00
GST Expense	2,392.46
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	21532.14
 <b>Balance as at 22 June 2010</b>	 <hr/> <hr/>
	11,026.40

Notes: The funds held are subject to further costs of winding up.