

# Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Lloyd Hayward

## Liquidators' First Report

### Sky Blue Investments Limited (In Liquidation)

#### 1 Appointment

We advise that Jeffrey Philip Meltzer and Lloyd James Hayward were appointed joint and several Liquidators of the above company on 23 December 2010 by special resolution of shareholders.

Jeff Meltzer and Lloyd Hayward 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>	16 November 2006
<i>Trading Address:</i>	6th Floor, 120 Mayoral Drive, Auckland
<i>Type of Business:</i>	Trustee
<i>Date Ceased Trading:</i>	23 December 2010
<i>Shareholder:</i>	Duane Michael Davies 1,000 shares
<i>Directors:</i>	Duane Michael Davies
<i>Share Capital:</i>	1,000 ordinary shares
<i>Date of Liquidation:</i>	23 December 2010

#### 3 Events Leading to Appointment

The company acts as Trustee for the Sky Blue Trust and contracted to purchase development land in Northland. A deposit was paid and ultimately the contract became unconditional. The directors have come to the view (supported by expert reports) that the vendor cannot deliver property as it contracted to do. There are very serious issues as to ground stability. On this expert advice the directors refused to settle. The vendor has cancelled to contract. The directors anticipate that the deposit paid will not be refunded.

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Jeff Meltzer  
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Karen Mason  
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Arron Heath



In the circumstances the director and shareholder have concluded that the company is insolvent and should be placed into liquidation.

#### **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 director advises that the only assets are a small sum cash at bank and the deposit paid on the development land purchase contract. While the director believes that the deposit may not be recovered, the Liquidators will explore (including receiving legal advice) all of the circumstances of the contract and the subsequent actions of the vendor.

The bank account will be closed and the funds recovered.

##### **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. Should this initial review confirm that a substantive investigation is warranted creditors may be called upon to provide funding to ensure the investigation proceeds.

##### **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 4 February 2011. 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 Sky Blue Investments 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**

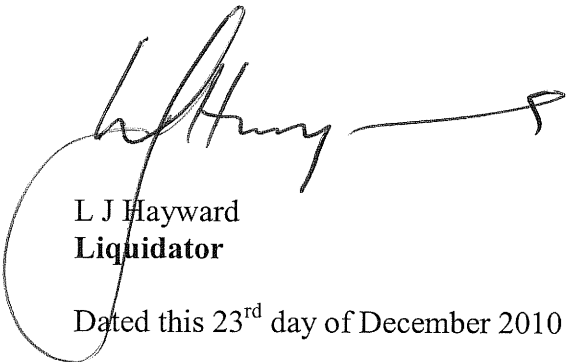
At any time during the liquidation, any creditor may in writing, request the Liquidators to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the Committee.

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: Lloyd Hayward



L J Hayward  
**Liquidator**

Dated this 23<sup>rd</sup> day of December 2010

Attach:

**Estimated Statement of Affairs of  
Sky Blue Investments Limited (In Liquidation)  
As at the date of the Appointment of Liquidators  
Being 23 December 2010**

	<i>Book Value</i>	<i>Estimated Realisable Value</i>
	\$	\$
<b>Assets not Specifically Pledged:</b>		
Cash at Bank	5,000	5,000
Deposit on Land Purchase	596,738	<u>Unknown</u>
<b>Estimated Total Assets Available for Preferential Creditors and Secured Creditors</b>		Unknown
<i>Less – First Ranking Preferential Creditors</i>		Unknown
Wages and Holiday Pay (Includes PAYE)		<u>Nil</u>
		<u>Unknown</u>
<i>Less – Second Ranking Preferential Creditors</i>		
Inland Revenue Department	GST PAYE	
	650,000 <u>Nil</u>	
		<u>650,000</u>
<b>Estimated Total Assets Available for Secured Creditors and Unsecured Creditors</b>		Unknown
<i>Less – Secured Creditors</i>		<u>Nil</u>
<b>Estimated Total Deficiency as regards Secured Creditors and Unsecured Creditors</b>		Unknown
<i>Less – Unsecured Creditors</i>		
<b>Total Deficiency as regards Unsecured Creditors and Shareholders</b>		Unknown
<i>Less – Issued and Paid Up Capital</i>		<u>1,000</u>
<b>Total Deficiency as regards Unsecured Creditors and Shareholders</b>		<u>Unknown</u>

**Note:** 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 23 December 2010.

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.

**Sky Blue Investments Limited (In Liquidation)**  
**Creditors Known at Liquidation**  
**December 2010**

<b>Creditor</b>	<b>Address1</b>	<b>Address2</b>	<b>Address3</b>
Fraser Thomas Ltd	PO box 23273	Hunters Corner	Auckland 2155
Yara Nominees Ltd	PO Box 6444	Wellesley Street	Auckland