

# Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Lloyd Hayward

## Liquidators' First Report

### Upper Hutt Developments (No 6) 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 6 October 2010 by special resolution of shareholders.

Jeff Meltzer and Lloyd Hayward are Chartered Accountants and 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>	2 September 1999
<i>Trading Address:</i>	5 Gibbons Street, Upper Hutt
<i>Type of Business:</i>	Trustee of Property Development Trust
<i>Date Ceased Trading:</i>	6 October 2010
<i>Shareholder:</i>	Malcolm John Gillies 1,000 shares
<i>Director:</i>	Malcolm John Gillies
<i>Share Capital:</i>	1,000 ordinary shares
<i>Date of Liquidation:</i>	6 October 2010

#### 3 Events Leading to Appointment

The company had ceased trading some time ago other than to sell real property it owned. It had an agreement with the IRD to keep current with its GST liability and pay off arrears if it was able to do so. This arrangement remained until September 2010 when a secured lender advised it required all proceeds of sale of a property to be paid to the secured lender. This left the company unable to pay its GST liability on that sale. In that circumstance the shareholder/director chose to place the company into liquidation.

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Jeff Meltzer  
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Karen Mason  
\_\_\_\_\_  
Arron Heath



#### **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 company acts as the corporate trustee for Upper Hutt Development Trust and does not own any assets as beneficial owner. Its only asset is an indemnity from the trust assets.

Trust assets consist of a small sum of cash at bank and 6 lots of real property. In each case there is a mortgage loan and mortgage security on these properties. Initial assessments by the company suggest that the value of each of the lots of real property does not exceed the mortgage secured debt on that property. It is likely that on realisation there will be no equity in any of the real property lots.

Therefore there is unlikely to be any sum available to meet any liability of the trustee company.

##### **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 November 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 Upper Hutt Developments (No 6) 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**

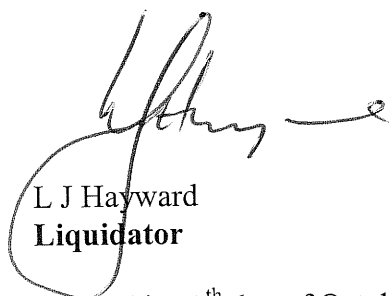
At any time during the liquidation, any creditor may in writing, request the Liquidators to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the Committee.

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 13<sup>th</sup> day of October 2010

Attach:

**Estimated Statement of Affairs of  
Upper Hutt Developments (No 6) Limited (In Liquidation)  
As at the date of the Appointment of Liquidators  
Being 6 October 2010**

	<i>Estimated Realisable Value \$</i>
<b>Assets not Specifically Pledged:</b>	
Indemnity as Trustee	Nil
<b>Estimated Total Assets Available for Preferential Creditors and Secured Creditors</b>	Nil
<i>Less</i> – First Ranking Preferential Creditors	
Wages and Holiday Pay (Includes PAYE)	Nil
	Nil
<i>Less</i> – Second Ranking Preferential Creditors	
Inland Revenue Department - GST	1,002,499
<b>Estimated Total Assets Available for Secured Creditors and Unsecured Creditors</b>	Nil
<i>Less</i> – Secured Creditors in Excess of Mortgage Security	1,522,905
<b>Estimated Total Deficiency as regards Secured Creditors and Unsecured Creditors</b>	2,525,404
<i>Less</i> – Unsecured Creditors	297,426
<b>Total Deficiency as regards Unsecured Creditors and Shareholders</b>	2,822,830

**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 6 October 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.

**Upper Hutt Developments (No 6) Limited (In Liquidation)**  
**Creditors Known at Liquidation**  
**October 2010**

<b>Creditor</b>	<b>Address1</b>	<b>Address2</b>	<b>Address3</b>
ASB Bank	PO Box 35		AUCKLAND
Southland Building Society	PO Box 13801		CHRISTCHURCH
Capital Mortgage Income Trust	PO Box 10700		WELLINGTON
Braemar	C/- PO Box 36		WELLINGTON
Strategic Finance Limited (In Receivership)	PO Box 24 042		WELLINGTON
ACC Corporation	PO Box 795		WELLINGTON
BDO Wellington Ltd	PO Box 10 340		WELLINGTON
Brandons Ltd	PO Box 36		WELLINGTON
Cardno TCB	PO Box 869	40 Chapel Street	MASTERTON
Eastern Consulting Ltd	PO Box 40554		UPPER HUTT 5140
Greater Wellington Regional Council	PO Box 11646		WELLINGTON
Upper Hutt City Council	Private Bag 907		UPPER HUTT 5140