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**Sky Mason Developments Limited
(In Liquidation)**

Company Number: 4409158

**Tairua Mason Trustee 2013 Limited
(In Liquidation)**

Company Number: 4408958

**Liquidators' Six-Monthly Report to
Creditors and Shareholders**

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1. Introduction

Iain Bruce Shephard and Jessica Jane Kellow, Licensed Insolvency Practitioners of BDO Wellington, were appointed joint and several liquidators (“Liquidators”) of Sky Mason Developments Limited and Tairua Mason Trustees 2013 Limited (both now In Liquidation) (“the Companies”) by special resolution of the shareholders on 27 September 2019 in accordance with section 241(2)(a) of the Companies Act 1993 (“the Act”).

In accordance with section 255 of the Act we are obliged to report to all creditors and shareholders on the conduct of the liquidation during the preceding six-month period.

This report should be read in conjunction with our previous reports pursuant to section 255 (2) (c) of the Act.

2. Restrictions

This report is not intended for general circulation, nor is it to be reproduced or used for any purpose other than that outlined above without our written permission in each specific instance.

We do not assume any responsibility or liability for any losses occasioned to any party as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

We reserve the right (but will be under no obligation) to review this report and if we consider it necessary to revise the report in the light of any information existing at the date of this report which becomes known to us after that date.

3. Background

Sky Mason Developments Limited and Tairua Mason Trustees 2013 Limited (“the Companies”) purchased land in Tairua in the Coromandel to develop into residential sections.

Earthworks had started on Stage One of the development when a one in 50 year weather event occurred. The damage to the land resulted in further geotechnical reports and recommendations. The effect was significant additional costs for the development.

Title was issued some time ago subject to a variation of the consent in respect of the “essential works” as set out in the geotechnical report. The funds to cover these works were set aside by way of a cash backed bond in favour of Thames-Coromandel District Council.

Latterly the Companies have not been in a position to undertake the essential works and prior to liquidation TCDC took control of the works subject to the resource consent.

Significant shareholder advances had supported the Companies however, the shareholders elected not to advance further funds and therefore the Companies were placed into liquidation.

4. Liquidators' Actions

Please refer to the Liquidators' previous report for further details regarding our actions during the course of the liquidation.

The Liquidators are continuing to liaise with the Thames-Coromandel District Council (“Council”) and their lawyers with respect to the completion of the remedial works in relation to the bonds held.

4.1 Schedule of Receipts and Payments

Attached as **Appendix 1** is a schedule of receipts and payments for the duration of the liquidation.

Attached as **Appendix 2** is a remuneration schedule, in accordance with the RITANZ Code of Conduct, covering the duration of the liquidation.

4.2 Asset Realisations

No assets have yet been realised in the course of the liquidation. There are two sections that remain in the name of Tairua Mason Trustees 2013 Limited. Both of these sections have consent notices attached to them and require further geotechnical reports. The liquidators are again, working with the Council and the engineers to satisfy these consent notices. Matters have been held up as a consequence of remaining works required under the amended consent notices.

Inland Revenue - GST Refund

The Liquidators have received \$2,806.30 in GST refunds from the Inland Revenue Department

4.3 Creditors Claims

Preferential Creditors

The Liquidators have received one preferential claim from Inland Revenue to the value of \$2,207.92.

Unsecured Creditors

The Liquidators have received 10 unsecured claims totalling \$534,257.05, for both of the Companies. We note that this includes an estimated claim from TCDC. Given the works are ongoing, they are unable to substantiate their claim at this time.

5. Further proposals for completing the liquidation

The Liquidators propose to take the following further actions:

- continue to liaise with the Council and their advisors regarding the bonds and the associated works;
- continue a review the actions of management, directors, officers and advisers of the Company and any potential claim against them;
- realise the Company’s assets;
- distribute available funds (if any) to preferential and unsecured creditors;
- consider what steps are required in respect of a transfer of land prior to liquidation that has given preference to an unsecured creditor;
- assessing other areas of potential recovery; and
- complying with our statutory obligations.

The Liquidators will consider further actions subsequent to additional information regarding the Company’s affairs that comes to the Liquidators’ attention. Further actions will be subject to the availability of funding and an assessment of the benefits of pursuing recoveries.

6. Estimated date of completion

It is not practical to estimate the date of the completion of the liquidation at this stage. Our subsequent reports to creditors and shareholders will, when appropriate, advise of an estimated completion date.

7. Contact Information

If you require any further information, please direct enquiries to:

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Dated this 6th day of April 2021

A handwritten signature in blue ink, appearing to read 'Kellow'.

JESSICA KELLOW
Liquidator

APPENDICES

Appendix 1 - Summary of Receipts & Payments

As at: 6 April 2021

Receipts	
ACC Refund	398.39
Inland Revenue- GST Refunds	2,806.30
Interest	1.58
Proceeds from Pre - Liquidation Bank Account	15,969.77
Shareholder Advance - Legal Fees	3,000.00
	<hr/>
	22,176.04
Less Payments	
Insurance	2,070.00
Inland Revenue - GST	51.96
Liquidators' Costs and Disbursements	16,445.00
Legal Fees	3,000.00
Resident Withholding Tax	0.61
	<hr/>
	21,567.57
Liquidators' Bank Account	<hr/>
	608.47



Appendix 2 - Remuneration Schedule

Sky Mason Developments Limited & Tairua Mason Trustee 2013 Limited (both In Liquidation)

Remuneration Report - Period: 27 September 2019 - 6 April 2021

	Hourly Rate (\$)	Assets		Company Records		Creditors		Day One/Initial Tasks		Debtors		Employees		Financial	
		Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours
Partners	395 - 495	5,238.75	12.25	98.75	0.25	1,297.50	3.00	6,130.00	14.00	-	-	-	-	6,365.58	13.88
Managers	195 - 325	1,548.75	5.25	1,327.50	4.50	221.75	0.75	-	-	-	-	-	-	295.00	1.00
Analysts	110 - 295	-	-	122.50	0.50	-	-	243.75	1.25	-	-	-	-	-	-
Finance / Administration	195	-	-	-	-	243.75	1.25	-	-	-	-	-	-	2,047.50	10.50
Support Staff	100	-	-	225.00	2.25	211.00	1.80	-	-	-	-	-	-	-	-
		6,787.50	17.50	1,773.75	7.50	1,974.00	6.80	6,373.75	15.25	-	-	-	-	8,708.08	25.38

	Hourly Rate (\$)	Admin/General		Litigation		On-Going Trading		Planning/Review		Secured Creditors		Reporting		Total	
		Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours
Partners	395 - 495	64,138.75	147.25	3,992.50	9.00	-	-	3,608.75	8.25	98.75	0.25	1,703.75	4.25	92,673.08	212.38
Managers	195 - 325	958.75	3.25	73.75	0.25	-	-	1,327.50	4.50	73.75	0.25	885.00	3.00	6,711.75	22.75
Analysts	110 - 295	489.00	2.20	-	-	-	-	61.25	0.25	-	-	899.00	4.70	1,815.50	8.90
Finance / Administration	195	4,095.00	18.25	-	-	-	-	48.75	0.25	-	-	-	-	6,435.00	30.25
Support Staff	100	555.00	5.42	-	-	-	-	-	-	-	-	234.00	1.70	1,225.00	11.17
		70,236.50	176.37	4,066.25	9.25	-	-	5,046.25	13.25	172.50	0.50	3,721.75	13.65	108,860.33	285.45

Disbursements	Costs
Advertising	315.82
Miscellaneous	1,830.75
Overheads	
Travel Costs	4,588.80
Total	6,735.37

Note: The hours and costs shown in the table above are the actual WIP totals to date. All totals are exclusive of GST. Payment of \$14,300 (excl. GST) has been received on account for both fees and disbursements.