

**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**

## 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 addition to our statutory obligations, we are also bound by the RITANZ Code of Professional Conduct (“Code”) when carrying out all professional work relating to our appointment as Liquidators.

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 report(s) pursuant to section 255(2)(d) 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. Conduct of the Liquidation in the Reporting Period

### 4.1. Liquidation of the Company

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

#### 4.2. Schedule of Receipts and Payments

Attached as **Appendix 1** is a schedule of receipts and payments for the six-month period.

Attached as **Appendix 2** is a remuneration schedule covering the duration of the liquidation.

#### 4.3. Asset Realisations

##### *Vested Asset Bond*

A \$70,500 vested asset bond was released to the Liquidators with deductions made for expenses incurred by TCDC over the past few years such as property maintenance costs. The net sum refunded was \$58,167.

##### *Potential Voidable Claim*

The Liquidators have now settled the voidable preference claim. Funds are held in a solicitors trust account that, together with other asset realisations, will be sufficient to meet all unsecured creditor claims.

##### *Properties*

Two properties are still owned by the Companies that have consent notices attached to complete further works before the properties can be sold. The Liquidators are working with engineers/surveyors regarding the costs to remove the consent notices and with TCDC on the next steps to get the properties listed for sale.

#### 4.4. Creditor 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 however they have put the Liquidators on notice that the final claim will be significantly more than that filed to date.

### 5. Interests Statement

Attached as **Appendix 3** is an interests statement in accordance with section 255A and 255(2)(d)(ii) of the Act.

### 6. 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 further associated works;
- sell the remaining two sections;
- distribute available funds to preferential and unsecured creditors; 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.

## 7. 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 will, when appropriate, advise of an estimated completion date.

## 8. Contact Information

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

Jessica Kellow  
DDI: (+64 4) 555 0726  
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Level 1, Chartered Accountants House,  
50 Customhouse Quay,  
Wellington 6143

Dated this 21<sup>st</sup> day of March 2022



**JESSICA KELLOW**  
Liquidator

### *Appendices*

Appendix 1 - Statement of Receipts and Payments

Appendix 2 - Remuneration Schedule

Appendix 3 - Interests Statement

## APPENDICES

### Appendix 1 - Statement of Receipts and Payments

Sky Mason Developments Limited and Tairua Mason Trustee 2013 Limited (Both in Liquidation)	
Summary of Receipts & Payments	
27 September 2019 - 21 March 2022	
	\$
<b>RECEIPTS</b>	
ACC Refund	398
Inland Revenue - GST Refunds	2,806
Interest	2
Proceeds from Pre - Liquidation Bank Account	15,970
Release of Vested Asset Bond	70,500
Shareholder Advance - Legal Fees	3,000
<b>Total Receipts</b>	<b>92,676</b>
<b>PAYMENTS</b>	
Inland revenue - GST	52
Insurance	2,070
Legal Fees	21,000
Liquidators' Costs and Disbursements	33,695
Vested Asset Bond Deductions	12,333
Resident Withholding Tax	1
<b>Total Payments</b>	<b>69,151</b>
<b>Cash on hand</b>	<b>23,525</b>



## Appendix 2 - Remuneration Schedule

### Sky Mason Developments Limited and Tairua Mason Trustee 2013 Limited (Both in Liquidation)

Remuneration Report - Period: 27 September 2019 - 21 March 2022

	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	8,316.25	19.25	98.75	0.25	2,237.50	5.00	6,130.00	14.00	-	-	-	-	8,245.58	17.88
Managers	195 - 325	1,628.50	5.50	1,401.25	4.75	301.00	1.00	-	-	-	-	-	-	295.00	1.00
Analysts	110 - 295	-	-	122.50	0.50	510.00	4.25	195.00	1.00	-	-	-	-	-	-
Finance / Administration	195	-	-	-	-	341.25	1.75	-	-	-	-	-	-	2,340.00	12.00
Support Staff	100	-	-	225.00	2.25	25.00	0.25	243.75	1.25	-	-	-	-	186.00	1.55
		9,944.75	24.75	1,847.50	7.75	3,414.75	12.25	6,568.75	16.25	-	-	-	-	11,066.58	32.43

	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	84,387.08	190.92	8,076.25	17.25	-	-	4,534.33	10.13	98.75	0.25	1,926.25	4.75	124,050.74	279.68
Managers	195 - 325	958.75	3.25	73.75	0.25	-	-	1,548.75	5.25	73.75	0.25	1,032.50	3.50	7,313.25	24.75
Analysts	110 - 295	697.50	4.00	-	-	-	-	485.00	2.25	-	-	1,753.75	11.25	3,763.75	23.25
Finance / Administration	195	5,726.50	29.37	-	-	-	-	48.75	0.25	-	-	-	-	8,456.50	43.37
Support Staff	100	750.00	6.42	-	-	-	-	-	-	-	-	234.00	1.70	1,663.75	13.42
		92,519.83	233.96	8,150.00	17.50	-	-	6,616.83	17.88	172.50	0.50	4,946.50	21.20	145,247.99	384.47

Disbursements	Costs
Advertising	315.82
Miscellaneous	1,417.50
Overheads	841.77
Travel Costs	4,562.28
<b>Total</b>	<b>7,137.37</b>

**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 \$29,300 (excl. GST) has been received on account for both fees and disbursements.

### Appendix 3 - Interests Statement

(Pursuant to section 255A of the Companies Act 1993)

This Interests Statement is to be read in conjunction with the Liquidators' previous Interests Statement in their previous report(s).

We, Iain Bruce Shephard and Jessica Jane Kellow, Licensed Insolvency Practitioners of BDO Wellington, (Registration Numbers: IP71 and IP75 respectively), declare that:

- We have made the appropriate inquiries that are required for ensuring that this Interests Statement is complete; and
- Since the date of our previous Interests Statement, we confirm that we have not become aware of any additional circumstance, relationship, or other fact that creates, or could reasonably be perceived as creating, a conflict of interest in relation to the independence of our role as Liquidators.

DATED this 21<sup>st</sup> day of March 2022



**IAIN BRUCE SHEPHARD**  
Liquidator  
Licensed Insolvency Practitioner  
Registration Number: IP71



**JESSICA JANE KELLOW**  
Liquidator  
Licensed Insolvency Practitioner  
Registration Number: IP75