



Stonewood Homes (Hamilton) Limited (In Liquidation)

Liquidators' First Report

Company number: 832635

Introduction

Stonewood Homes (Hamilton) Limited ("the Company") was placed into liquidation by the shareholders pursuant to section 241(2)(a) of the Companies Act 1993 (the "Act") on 12 January 2016 and Wendy Ann Somerville and Malcolm Grant Hollis are the appointed joint and several liquidators of the Company.

The liquidators are employed by PwC and PwC has provided professional services to the secured creditors of the Company within the 2 year period prior to the commencement of the liquidation. Accordingly, an application under section 280 of the Act was made to the High court disclosing this relationship and seeking the Court's approval for the liquidators to act. The application was approved by the High Court.

Restrictions

This report has been prepared by us in accordance with and for the purpose of section 255 of the Act. It is prepared for the sole purpose of reporting on the state of affairs with respect to the Company in liquidation and the conduct of the liquidation.

This report is subject to the restrictions set out at Appendix A. In particular, all information contained in this report is provided in accordance with section 255 of the Act. Furthermore, in preparing this report we have relied upon and not independently verified or audited information or explanations provided to us.

Attachments

Please find attached the following documents:

- Appendix A – Restrictions to the report
- Appendix B - Notice of Liquidators' Decision to Dispense with Meeting of Creditors
- Appendix C – Statement of Affairs
- Appendix D - Listing of known creditors and their addresses as required by section 255(2)(c) of the Act. This listing is based on information available to the liquidators at the date of this report. If you are aware of other creditors not included in this listing please urgently advise the liquidators.
- Appendix E – Creditors Claim Form



Company structure and operation

Date of incorporation:	12 November 1996
Date ceased trading:	December 2015
Trading Address:	9 Udy Place, Te Rapa, Hamilton
Registered Office:	10 Logistics Drive, Harewood, Christchurch
Type of business:	House construction
Shareholders:	Double Trouble (2002) Limited, 18,000 shares Stonewood Homes Limited, 7,500 shares Eastend Properties Limited, 4,500 shares
Directors:	Kevin David Norris Brent Alfred Mettrick
Associated Companies	Nil

Liquidators' observations

Background

The Company was incorporated in November 1996 and operated a house construction business. The Company ceased trading in December 2015. Upon their appointment, the liquidators' staff attended the Company's leased premises at Udy Place, Te Rapa to discuss the business and affairs of the Company with a director and staff.

During the liquidation we will investigate the actions of the directors to ensure all relevant legislation has been complied with.

Reasons for insolvency

One of the directors advised that subsequent to the Company purchasing the business of Stonewood Homes (Hamilton), a number of warranty issues arose in relation to builds undertaken by the previous owners. The cost of rectifying these issues placed cash flow pressures on the company. The director also attributes the Company's insolvency in part to the onset of the Global Financial Crisis.

The shareholders accepted the company was insolvent and unable to pay its debts and resolved to appoint liquidators.

Assets and potential realisations

As at the date of liquidation the Company's assets consisted of work in progress; - represented by five partially built residential homes, a Mazda BT50 ute, office furniture and some building equipment. The liquidators uplifted the ute and have arranged for it to be sold shortly by public auction. All other physical assets will be sold in due course.



The customers' building contracts provide for incomplete contracts to be assigned to Stonewood Homes NZ Limited in the event of an insolvency event occurring. We are currently assessing each build and are in discussions with Stonewood Homes NZ Limited regarding this matter.

Further, the company is subject to a lease agreement in relation to a show home. Creditors should be aware that this home is not owned by the Company and therefore is not an asset in the liquidation.

An investigation into the Company will be carried out to determine if there are any other assets of which we are not aware and if there are any other potential avenues for recovery.

Insolvent transactions and potential breaches of legislation

An investigation into the books, records and affairs of the Company will be conducted to determine:

- if any insolvent transactions have occurred; and
- if there have been any breaches of legislation by the Company or its officers

If any insolvent transactions or breaches of legislation have occurred we will consider making any claims that will increase the recovery available to creditors.

Where sufficient evidence exists, breaches of legislation will be reported to the relevant authorities.

Employees

The Company employed two permanent staff members and two staff members on commission. We will work with the Company to determine amounts owing to employees in relation to unpaid wages and holiday pay.

Creditors with security interests

A search of the Personal Property Securities Register disclosed the following security interests registered against the Company at the date of liquidation:

Financing Statement	Secured Party	Date	Collateral Type	Asset(s) Description
FA4HJ5073BZ95098/C0001	Canon Finance New Zealand Limited Canon New Zealand Limited	19/12/2006	Goods - other	All goods sold, leased, bailed or supplied by Canon
F71J529G2DM03262/C0001	Fisher & Paykel Appliances Limited	29/12/2009	Goods - other	All electrical goods, whiteware and associated products supplied by Fisher & Paykel Appliances Limited
FP1926VN99303F8J/C0002	Steel Building Products (Central) Limited	28/06/2010	Goods - other	All goods and services supplied

F4322TR2HN2W9458/C0002	Sharp Corporation of NZ Ltd	08/10/2010	Goods- other	All Sharp copiers
F48X9M05H45Z2242/C0003	Placemakers Hamilton	10/05/2012	Goods - other	All goods supplied
FK3F352U48EW3760/C0001	Fletcher Construction and Infrastructure Limited T/A Firth Industries	22/07/2012	Goods- other	All building, masonry, stone and concrete products supplied
F726ZY23770DP581	Hostess Joinery Ltd	15/05/2013	Goods - other	Showrooms etc
FJ2VV24N4268492T	Clay Bricks Limited	13/10/2015	Goods - other	All good supplied
FT84F88886V50TF9	Placemakers Hamilton	22/10/2015	Goods- other	All goods and services supplied
FT3443G24D0FG225/C0030	Harvey Norman Stores (NZ) Pty Ltd	01/08/2011	Goods- other	All goods supplied
FC0269592DY0MJ52/C0007	Harvey Norman Stores (NZ) Pty Ltd	12/10/2012	Goods- other	All goods supplied
F97F3F0MV069925M/C0011	Harvey Norman Stores (NZ) Pty Ltd	24/10/2012	Goods- other	29/272372 PIE675N14E Induction cooktop, RWV3CL9G Glass rangehood, KAD62V70AU Side by side fridge/ freezer, NN-SD381SQPQ microwave, 29/272374 HBA13B253A Oven, SMU50E05AU dishwasher, WTB86200AU Dryer, WAE22464AU front load washer

We have written to all secured creditors and asked them to confirm the amounts owing to them. We have received responses from two of the secured creditors to date, one of which was discharging their security interest.

Preferential Creditors

As at the date of this report we are aware that the employees have a claim in respect of unpaid wages and holiday pay. We understand that the Commissioner of Inland Revenue will also be owed for outstanding GST and PAYE in respect of the most recent filing periods.



Financial Statements

We have requested, but are yet to receive, any financial statements for the Company.

Conduct and estimated completion date of liquidation

The liquidators will look to realise the assets of the Company and will investigate potential avenues of recovery for the benefit of creditors. It is not practicable to provide an estimated date for the completion of the liquidation at this stage.

Should you have any information that you believe would lead to realisations for the benefit of creditors, please set it out in writing, attaching copies of all documentary evidence, and send it to the liquidators. Please note that the liquidators can only act on written information as telephone or other conversations will be regarded as hearsay by any Court.

Reporting

Reports on the conduct of the liquidation and on proposals for completion of the liquidation will be prepared and distributed six monthly in accordance with section 255 of the Act. A final report will also be prepared and distributed in accordance with section 257 of the Act at the completion of the liquidation.

Contact Details

The liquidators can be contacted at PricewaterhouseCoopers, Corner Anglesea & Ward Streets, Hamilton, (P.O. Box 191, Hamilton) or on telephone (06) 768 3852. Enquires can be emailed to restructuring@nz.pwc.com. If you have not already done so, please submit your proof of debt as soon as possible.

Dated: 18 January 2016

A handwritten signature in blue ink, appearing to read 'Wendy Somerville', written over a horizontal line.

Wendy Somerville
Liquidator



Stonewood Homes (Hamilton) Limited (In Liquidation)

Appendix A

Restrictions

All information contained in this report is provided in accordance with section 255 of the Companies Act 1993.

The statements and opinions expressed herein have been made in good faith, and on the basis that all information relied upon is true and accurate in all material respects, and not misleading by reason of omission or otherwise.

We have not independently verified the accuracy of information provided to us, and have not conducted any form of audit in respect of the Company. Accordingly, we express no opinion on the reliability, accuracy, or completeness of the information provided to us and upon which we have relied. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever arising from this report.

The statements and opinions expressed in this report are based on information available as at the date of the report.

We reserve the right, but will be under no obligation, to review or amend our report, if any additional information, which was in existence on the date of this report was not brought to our attention, or subsequently comes to light.

In addition the following should be noted:

- Certain numbers included in tables throughout this report have been rounded and therefore do not add exactly.
- Unless otherwise stated all amounts are stated in New Zealand dollars.



***Stonewood Homes (Hamilton) Limited
(In Liquidation)***

Appendix B

IMPORTANT NOTICE – PLEASE READ

***Notice of Liquidators' Decision to Dispense with Meeting of Creditors
pursuant to Section 245 of the Companies Act 1993***

Having regard to the assets and liabilities of the company, the likely result of the liquidation of the company and other relevant matters, the liquidators have decided pursuant to Section 245 of the Companies Act 1993 to dispense with the meeting of creditors. The reason for this is that there are no issues that would require consideration by creditors.

You are advised that should you desire a meeting for the purposes of appointing a liquidator in place of Wendy Ann Somerville and Malcolm Grant Hollis, and/or a Liquidation Committee, notice in writing to the Liquidators is required within 10 working days of receiving this notice.

You are also advised that section 314 of the Companies Act 1993 permits any creditor or shareholder of the company to request the Liquidators in writing (at any time during the course of the liquidation) to call a meeting of creditors or shareholders for the purpose of:

- voting on a proposal that a liquidation committee be appointed to act with the liquidator;
- and
- to choose the members of the committee.

Dated: 18 January 2016

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

Wendy Somerville
Liquidator



Stonewood Homes (Hamilton) Limited (In Liquidation)

Appendix C

Statement of Affairs as at 12 January 2016

	Notes	(\$)	(\$)
Assets available for secured creditors			
Stock on hand		Unknown	
Amounts owed to secured creditors	1	258,689	
Total loss to secured creditors			(258,689)
Assets available for preferential creditors			
Office furniture and building tools	2	Unknown	
Motor vehicle	3	15,500	
Building work in progress	4	Unknown	
Bank funds		34	
Debtors	5	<u>81,500</u>	
Total			97,034
Amounts owed to preferential creditors			
Inland Revenue Department	6	13,000	
Employees	7	<u>2,500</u>	
			(15,500)
Less: Amounts owed to unsecured creditors	1		(1,286,234)
Total loss to creditors			<u><u>(1,463,389)</u></u>

This statement is subject to the costs of the liquidation

Notes

1. Based on records supplied by the company
2. Pending valuation
3. Based on valuation received
4. Value of work in progress still be assessed, however this is not likely to be significant
5. Based on company records
6. Based on advice received to date from creditor, which will not include most recent periods
7. Estimated by employees



Stonewood Homes (Hamilton) Limited (In Liquidation)

Appendix D

List of creditors

A - Z Rigging & Scaffolding Ltd	PO Box 5369	Frankton	Hamilton 3242
AA Business Vehicle Solutions	PO Box 10187	Te Rapa	Hamilton 3241
ABBAS Limited	PO Box 4126	Mount Maunganui	
ACC	Attention: Robbie Baltazar	PO Box 242	Wellington 6011
ACE Maintenance	21 Hinau Street	Maeroa	Hamilton 3200
Action Electrical	PO Box 35	Te Kuiti 3941	
B Select	PO Box 10335	Te Rapa	Hamilton 3241
BA Fink and LR Fink Family Trust	PO Box 10437	Hamilton 3241	
Base Up Contracting 2012 Ltd	PO Box 14094	43 Poturi St, The Lakes	Tauranga 3171
Blue Wallace Surveyors Ltd	25 Harwood Street	Hamilton 3204	
Brite Spark Electrical	50 Barrowclough Street	Hoon Hay	Christchurch 8025
Buddle Findlay	PO Box 2694	Wellington 6140	
Canon Finance New Zealand Limited	PO Box 33-336	Takapuna	Auckland
Canon New Zealand Limited	PO Box 33-336	Takapuna	Auckland
Cardinal Print Solutions	4 Campbell Street	Whitianga	Thames-Coromandel, Waikato
Chris Gilderdale			
Christies Flooring	145 Karori Road	Marsden Village	Karori, Wellington 6012
Clay Bricks Limited	50 Tregoweth Lane		Huntly 3700
Collins And Sons Ltd	PO Box 871	Cambridge	Cambridge 3450
Commissioner of Inland Revenue	C/o Collections	PO Box 39010	Wellington Mail Centre, Lower Hutt
Contact Energy Ltd	PO Box 10742	The Terrace	Wellington 6143
Contemporary Homes Ltd	73 Awatere Avenue	Hamilton	
DBCON	PO Box 1123	Taupo	Taupo 3350
Directions Advertising Ltd	PO Box 37156	Christchurch	
Door Solutions Ltd	PO Box 10049	Te Rapa	Hamilton 3241
Enhance Tiling 2009 Ltd	17 Grace Ave	Rototuna North	Hamilton 3210
Fairview Motors Ltd	PO Box 10244	Hamilton 3241	
Firth Concrete	585 Great South Road	Penrose	Auckland 1061
Fisher & Paykel Appliances Limited	PO Box 58546	Greenmount	Auckland
Fletcher Concrete and Infrastructure Limited T/A Firth	585 Great South Road	Penrose	Auckland 1061



Industries			
Freeflow Pipes Ltd	36B Grasslands Place	Frankton	Hamilton
G & L Clasper Ltd	8 Raleigh Avenue	Fairview Downs	Hamilton
GDC Consultants Ltd	1/516 Pollen Street	Thames 3500	
Genesis Energy	Genesis Business Team	Private Bag 3131	Waikato Main Centre, Hamilton
Graham Owen Raine			
Hamilton City Council	Private Bag 3010	Hamilton 3240	
Hannah and Associates	1220 Victoria St	Whitiroa 3200	
Hirepool Ltd	PO Box 12048	Penrose 1642	
Holmfirth Properties	C/o 10 Logistics Drive	Harewood	Christchurch 8051
Hostess Joinery Ltd	14 Sunshine Ave		Hamilton
Insight CCTV Jetting Ltd	PO Box 1002	Hamilton 3240	
Interiors.com			
Iviis Limited	PO Box 962	Christchurch Central 8140	
J Davis Builders			
JB Glover			
Jims Mowing	PO Box 21275	Hamilton	
Johnston Fencing Ltd	5 Rewiti La	Huntington	Hamilton
Karen Darrall			
Kirk Roberts Consulting Engineers	PO Box 353201	Christchurch 8640	
Kiwi Bobcats & Landscaping Ltd	13 Mexted Place	Riverlea	Hamilton 3216
Knobs'n Knockers	293 Ti Rakau Drive	East Tamaki	Auckland 2013
KPMG	18 Viaduct Harbour Ave	Auckland 1140	
Laser Plumbing Cambridge	2B Oliver Street	Cambridge 3493	
Laser Plumbing Hamilton East	PO Box 24033	Hamilton 858 4921	
Leonard Frelan Decorating			
Lighting Direct	PO Box 75-257	Manukau City Centre	Manukau, Auckland 2241
Malachi Farrant Builders	655 River Road	Chartwell	Hamilton 3210
Marc One Plastering	1/9A Union Street	Claudlands	Hamilton 3214
Marshwood Construction Ltd	30 Duke Street	Cambridge 3434	New Zealand
Master Build Services Ltd	PO Box 1796	Wellington	
Matamata Mitre 10	PO Box 428	Matamata	
Media Works	PO Box 92624	Symonds Street	Auckland 1150
Mend-a-Bath Waikato/ BOP	PO Box 15-504	Tauranga	
Metalcraft Roofing	25 Sheffield Street	Hamilton	
Mico New Zealand Limited	810 Great South Road	Penrose	Auckland 1061
Mico Wakefield Ltd	Mico Accounts Recievable	PO Box 4641	Christchurch 8140
Midland Brick NZ	8 Cowley Place	Rosedale	Albany, Auckland
Mitre10	PO Box 428	7 Waharo Road East	Matamata 3400
Neil Curgenvan	5 Elmira Avenue	Chartwell	HAMILTON



Neil Curgenven	5 Elmira Ave	Chartwell	Hamilton
Newtech	PO Box 2050	281 Heads Rd	Wanganui 4543
NKJ Trust TA Neustroski	56 King Street	Te Kuiti 3910	
Plumbing			
NZ Brick and Stone Ltd	PO Box 300069	Albany	Auckland 0752
NZ Windows Hamilton Ltd	18 Kaimiro St	Pukete 3110	
OCS Ltd	PO Box 8122	Symonds Street	Auckland 1150
Office Products Depot	793 Te Rapa Road	PO Box 20146	Te Rapa, Hamilton
Ohinewai Farm Services Ltd	PO Box 112305	Penrose	Auckland 1642
Online Security Services	40 Killarney Rd	Frankton 3204	
Opal Glass	51 Shakespeare St	Leamington	Cambridge 3432
Opoutere Builders			
Pegov Ltd	Cnr Eastbourne and Market Streets	Hastings 4122	
Placemakers Hamilton	PO Box 3	Waikato Mail Centre	Hamilton 3240
Plumb.Co (2004) Ltd	PO Box 299	11A Garland St	Matamata 3400
Premiere Group NZ Ltd	PO Box 12172	Chartwell	Hamilton 3248
Premium Lawns and Gardens Hamilton	22 Arista Way	Hamilton 3210	
Prestige Home Grommers (Rototuna)	PO Box 3065	Tauranga 3142	
Prestige Wallboards			
QCI Ltd	14 Woodward Road	RD 2	Taupiri 3792
Quantum Group - Flooring Design	PO Box 8044	Palmerston North 4446	
Rasmussen Electrical	PO Box 10425	Te Rapa	Hamilton 3241
Runacres & Associates Ltd	148 Somerfield Street	PO Box 12106	Beckenham, Christchurch
S & S Installations	PO Box 40902	Glenfield	Auckland 0747
Scottish Pacific	32-34 Mahuhu Crescent	Auckland 1010	
Sharp Corporation of NZ Ltd	PO Box 12244	Penrose	Auckland
Simon O'Neil Builders			
Spark Digital	Level 3, Caro Street Exchange Building	Anglesea Street	Hamilton
SPL Ceiling Limited	1600 State Highway	17 Silverdale	Auckland
Stage Me	3/23 Tukoraka Dr	Mount Maunganui 3116	
Steel Building Products (Central) Limited	PO Box 51,286	Pakuranga	Auckland 2140
Stirling Brick and Block Layers	6 Boyack Drive	Hamilton	Waikato 2001
Stonewood Homes - Marketing			
Stonewood Homes Ltd	Private Bag 3038		Hamilton 3240
Stonewood Homes NZ			
Stonewood Homes NZ Account 2			
Stonewood Homes Tauranga Limited	C/o Candy Gillespie	20 Arawa Street	Matamata 3400
SuperLoo Sanitation	PO Box 97729	Manukau City Centre	Auckland 2241



Tania Mackie			
The Information Management Group NZ	PO Box 12-360	Penrose	Auckland 1642
Tyson Brothers Limited	12 Lingfield Street	Tokoroa 6420	
V.J. Oliver Bricklaying Ltd	54 Coulston Road	RD 2	Pukekohe, Auckland
Van Dykes Flooring	44 Duke St	Cambridge 3434	
Waikato Office Products Depot	PO Box 20146	Te Rapa	Hamilton 3241
Waikato Security Services Ltd	PO Box 697	244 Tristram St	Hamilton 3240
Waikato Steel Fabricators	PO Box 24057	Hamilton	
Warmup Heating Systems	PO Box 19 144	Avondale	Auckland
Waste Management	PO Box 5513	14 Edgar St, Frankton	Hamilton 3204
Watersons Retail Ltd (Carpet Court)	Cnr Tainui & Tamihana Street	Matamata 3400	
Wet Seal NZ	42A McCandlish Rd	RD 10	Hamilton 3290
Windsor Doors TA Hamilton Garage Doors	PO Box 428	Takanini 2245	

Form 1
Unsecured Creditor's Claim
Section 304 (1) Companies Act 1993

Stonewood Homes (Hamilton) Limited (In Liquidation) - "the Company"

Creditor Details:

Name and postal address

.....
.....
.....

Email Address:

.....

Telephone Number:

.....

Reference (if applicable):

.....

Reserved for Office Use:

Claim admitted / rejected for voting purposes

Claim admitted / rejected for payment:

- Preferential Claim for: \$.....
- Ordinary Claim for: \$.....
- Deferred Claim for: \$.....

Signed:

Dated:

Note: If the decision to admit or reject the claim is amended, regulation 8 of the Companies Act 1993 Liquidation Regulations 1994 requires that it be recorded in writing.

Claim Details:

I,

.....
(If claim is made on behalf of creditor, specify relationship to creditor and authority)

claim that, at the date the Company was put into liquidation, it was indebted to the abovenamed creditor for the sum of

\$
(Amount in words and figures)

Omit whichever does not apply

- I hold no security for the amount claimed; or
- I am surrendering my security and I am claiming as an unsecured creditor; or
- I am claiming as a preferential creditor

Signed: Date:

Important Information:

Under section 304 (1) of the Companies Act 1993 any claim by an unsecured creditor against a company in liquidation must be made in this prescribed form and must-

- (a) Contain full particulars of the claim; and
- (b) Identify any documents that evidence or substantiate the claim.

Full particulars of the claim are set out, and any supporting documents that substantiate the claim are identified, on the reverse of this form. The liquidator will require the production of any supporting documents and accordingly, these should be attached to expedite the processing of the claim.

It is an offence under section 304(6) of the Companies Act 1993 to -

- (a) Make, or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or
- (b) Omit, or authorise the omission, from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.

Privacy Act 1993*

Any personal information collected is for the purpose of administering the liquidation in accordance with the Companies Act 1993. The information will be used and retained by PricewaterhouseCoopers, Business Recovery Services, P.O. Box 191, Corner Anglesea & Ward Streets, Hamilton and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993. You may have access to and request correction of any personal information.

*Not applicable, if creditor is not an individual within the meaning of the Privacy Act 1993.

Form 1 – continued Particulars of Claim

Supporting documents must be attached.

[illegible]

GST Registration number: _____

Total GST included in claim: