



McGrathNicol

McGrathNicol Limited

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RCR Building Products (New Zealand) Limited (In Liquidation) (Company) Company number 1560673

Liquidators' report (pursuant to s255 of the Companies Act 1993) For the period 7 May 2019 to 6 November 2019

1. Appointment

Conor McElhinney and Andrew Grenfell (**Liquidators**) were appointed jointly and severally as liquidators of the Company on 7 May 2019 by a resolution of the Company's creditors at the Watershed Meeting.

As Accredited Insolvency Practitioners, the Liquidators are bound by the Restructuring Insolvency and Turnaround Association of New Zealand Inc's (**RITANZ**) Code of Professional Conduct, a copy of which can be located on RITANZ's website (www.ritanz.org.nz).

2. Disclaimer

The purpose of this report is to report to the creditors and shareholders in accordance with Section 255 of the Companies Act 1993 (**Companies Act**).

This report has been prepared based on the information known to the Liquidators as at the date of this report. 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 that becomes known to us after that date. We have not independently verified the accuracy of information provided to us, nor have we conducted an audit in respect of the Company. We express no opinion on the reliability, accuracy, or completeness of information provided to us and upon which we have relied.

The Liquidators do not accept responsibility or liability for any losses occasioned to any party as a result of the circulation, publication, reproduction, or use of this report.

In association
with



ADVISORY
RESTRUCTURING



3. Company information

Date of incorporation:	24 September 2004
Trading address:	8A Westfield Place, Mt Wellington, Auckland 1060, NZ
Type of business:	Manufacturer of commercial doors, hot water boilers and thermal products for commercial building market
Shareholders:	RCR Infrastructure (Corporate) Pty Limited
Directors:	Andrew Robert Stevens, Bruce Maxwell James

4. Report on conduct of the liquidation

The Liquidators have attended to the following matters during the liquidation:

- a) Preparing statutory advertising of the liquidation appointment, updating Companies Office Records and McGrathNicol website recording appointment of the Liquidators.
- b) Providing transitional services to the purchasers of the businesses.
- c) Invoicing and recovery of transitional services costs and working capital adjustments payable by new business owners.
- d) Assigning customer contracts to business purchaser.
- e) Responding to creditor queries re status of the liquidation.
- f) Filing and tabulation of creditor claim forms.
- g) Issuing lease disclaimers.
- h) Resolving insurance claims relating to alleged faulty work.
- i) Collecting residual debtors' balances.
- j) Recording all receipts and payments into the Liquidation accounting system.
- k) Preparing and filing statutory reports.
- l) Compiling and filing Inland Revenue (**IR**) returns.
- m) Liaising with the IR re finalisation of their preferential claim.
- n) Determining validity of Personal Property Security Register (**PPSR**) registrations and settling valid security interests.
- o) Considering the prospect of recoveries for creditors from voidable transactions and reaches of Directors' duties.
- p) Considering other actions that may be available for the benefit of all unsecured creditors. Should any creditors have any information on any matter that they feel warrants investigation, please advise the Liquidators in writing.

A schedule of the receipts and payments for the period 7 May 2019 to 6 November 2019 is set out at Appendix 1.

5. Proposals for completing the liquidation

The Liquidators are continuing to resolve the IR preferential claim. The Liquidators will comply with all statutory reporting requirements during the period of the liquidation.



6. Liquidators' Declaration of Independence, Relevant Relationships and Indemnities (**Declaration**)

The Liquidators provided a Declaration in the Watershed Report dated 30 April 2019 previously provided to creditors. There have been no changes since that report.

7. Liquidators' remuneration

The Liquidators' remuneration is charged on an hourly basis at their standard hourly rates. These rates, the qualifications and experience generally of staff at each level, and how we charge disbursements, was set out in our Watershed Report dated 30 April 2019. There have been no changes since that report.

The Liquidators' remuneration received for the period 7 May 2019 to 6 November 2019 was \$108,285.50 plus GST. A breakdown of the remuneration charged in New Zealand dollars is set out in Appendix 2. Final Administrators' remuneration of \$15,211.83 plus GST was also paid during the period.

8. Estimated date of completion of liquidation

It is not practicable to estimate the date of the completion of the liquidation at this stage.

9. Further information

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 the Court.

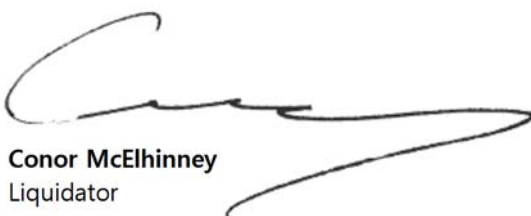
10. Prospect of a dividend

As set out in the Watershed Report to creditors/first report to creditors, currently we do not expect there to be any surplus funds to distribute to unsecured creditors. Any distribution to unsecured creditors or shareholders will be dependent on the success of any voidable transactions or legal actions commenced by the Liquidators (if any).

11. Contact details

The Liquidators can be contacted at McGrathNicol, Level 17 AIG Building, 41 Shortland Street, Auckland (PO Box 106-733, Auckland 1143). Telephone enquiries should be directed to Leanne de Seymour, direct dial (09) 926 5105.

Dated: 5 December 2019



Conor McElhinney
Liquidator



Appendix 1 – Receipts and payments

Schedule of receipts and payments for the period 7 May 2019 to 6 November 2019

RCR Building Products NZ Limited (In Liquidation)	
Receipts and payments summary 7 May 2019 to 6 November 2019	\$
Funds on hand 6 May 2019	14,176,263
Receipts	
Accident compensation levies refund	3,975
Debtor collections	171,158
GST received	158,368
Interest	29,232
Sales	47,927
Total receipts	410,660
Payments	
Bank fees	167
Cleaning and laundry	580
Consultants fees	320
Contractors	10,044
Debtor receipts for purchaser	11,789
Distribution to secured lender	10,200,000
FBT	16,961
Freight	3,740
GST paid	30,866
Hire and leasing	7,949
IT services	1,553
Legal disbursements	546
Legal fees	14,526
Liquidators' disbursements	3,444
Liquidators' fees	108,287
Preferential creditors: Inland Revenue and Customs	386,139
Purchases	40,835
Security	105
Telephone	2,258
Voluntary Administrators' fees	15,212
Voluntary Administrators' disbursements	1,025
Wages and salaries	360
Total payments	10,856,705
Balance held as at 6 November 2019	3,730,218



Appendix 2 – Liquidators' remuneration

RCR BP time costs								
# staff	Position	\$/hour (excl GST)	Administration		Asset realisation		Creditors	
			Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
2	Partner	640	1.1	683	2.5	1,600	0.8	491
2	Director	545	6.7	3,633	45.5	24,816	20.3	11,045
2	Manager	420	2.9	1,232	24.9	10,458	9.7	4,088
2	Senior Analyst	295	12.2	3,599	2.5	728	11.0	3,245
1	Administrator	275	0.3	83	-	-	-	-
1	Secretary	170	3.7	629	1.1	187	7.5	1,275
Total (excl GST)			26.9	9,859	76.5	37,788	49.3	20,144

RCR BP time costs								
# staff	Position	\$/hour (excl GST)	Reporting		Trading		Total	
			Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
2	Partner	640	2.6	1,685	1.2	747	8.1	5,205
2	Director	545	9.3	5,087	18.8	10,246	100.6	54,827
2	Manager	420	1.8	756	31.3	13,132	70.6	29,666
2	Senior Analyst	295	3.2	944	26.4	7,788	55.3	16,304
1	Administrator	275	0.2	55	0.2	55	0.7	193
1	Secretary	170	-	-	-	-	12.3	2,091
Total (excl GST)			17.2	8,527	77.8	31,968	247.6	108,286

Disbursements at cost for the period 7 May 2019 to 6 November 2019

\$	Total
Advertisements	195
Office service charge	3,249
Total (excl GST)	3,444

The Liquidators' declare that all disbursements were necessary and proper