



McGrathNicol

**McGrathNicol Limited**

Level 17, AIG Building  
41 Shortland Street  
Auckland 1010, New Zealand

PO Box 106-733  
Auckland 1143, New Zealand

T +64 9 366 4655

F +64 9 366 4656

mcgrathnicol.com

## RCR Energy Limited (In Liquidation) (Company) (company number 159951)

### 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](http://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:	23 August 1954
Trading address:	6 Albion Street, Napier 4110, NZ
Type of business:	Thermal Energy Plant Construction
Shareholders:	RCR Energy Service 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) Finalising transfer of agencies pursuant to the business sale agreement.
- e) Responding to creditor queries re status of the liquidation.
- f) Filing and tabulation of creditor claim forms.
- g) Collecting residual debtors' balances and contract retention payments together with the resolution of disputed debts.
- h) Recovering prepayments balances.
- i) Realising surplus fixed assets.
- j) Disclaiming leases.
- k) Recording all receipts and payments into the Liquidation accounting system.
- l) Preparing and filing of statutory reports.
- m) Compiling and filing of Inland Revenue (**IR**) returns.
- n) Liaising with the IR re finalisation of its preferential claim.
- o) Determining validity of Personal Property Securities Register (**PPSR**) registrations and settling valid security interests.
- p) Considering the prospect of recoveries for creditors from voidable transactions and breaches of Directors' duties.
- q) 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 collect residual debtors' balances, and resolving the IR's 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 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 \$153,277.00 plus GST. A breakdown of the remuneration charged in New Zealand dollars is set out in Appendix 2. Final Administrators' remuneration of \$29,213.34 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.

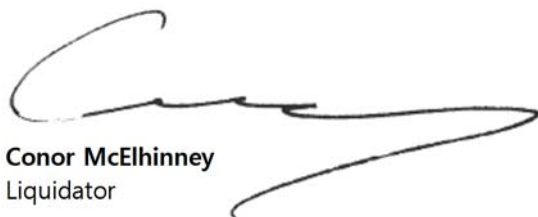
## 10. Prospect of a dividend

As set out in the watershed report to creditors, 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 Energy Limited (In Liquidation)	
Receipts and payments summary 7 May 2019 to 6 November 2019	
	\$
<b>Funds on hand 6 May 2019</b>	<b>6,582,987</b>
<b>Receipts</b>	
Debtor collections	134,332
GST received	188,299
Interest	17,516
Pre appointment GST refund	3,410
Recharges to purchaser	751,071
Retentions fund	80,207
Sale of plant and equipment	24,564
Sales	452,753
Supplier refunds	2,335
<b>Total receipts</b>	<b>1,654,487</b>
<b>Payments</b>	
Accident compensation levies	3,900
Bank fees	462
Cleaning and laundry	1,726
Consultants fees	1,250
Distribution to secured lender	3,800,000
Document storage	590
Electricity and gas	3,371
Freight	637
GST paid	74,797
Hire and leasing	39,323
IT services	470
Legal disbursements	370
Legal fees	9,905
Liquidators' disbursements	4,794
Liquidators' fees	153,277
PPSR settlements	1,799
Preferential creditors: Inland Revenue and Customs	529,432
Purchases	35,461
Receipts for purchaser	11,431
Rubbish removal	550
Staff expenses	5,309
Voluntary Administrators' fees	29,213
Voluntary Administrators' disbursements	1,445
<b>Total payments</b>	<b>4,709,513</b>
<b>Balance held as at 6 November 2019</b>	<b>3,527,961</b>



## Appendix 2 – Liquidators' remuneration

RCRE time costs								
# staff	Position	\$/hour (excl GST)	Administration		Asset realisation		Creditors	
			Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
2	Partner	640	1.1	683	3.6	2,304	0.1	43
2	Director	545	11.2	6,086	52.3	28,522	25.7	13,988
2	Manager	420	2.8	1,190	2.8	1,176	7.9	3,332
2	Senior Analyst	295	57.0	16,815	62.4	18,398	3.0	885
1	Administrator	275	-	-	-	-	-	-
1	Secretary	170	4.3	731	0.2	34	9.2	1,564
<b>Total (excl GST)</b>			<b>76.4</b>	<b>25,505</b>	<b>121.3</b>	<b>50,434</b>	<b>45.9</b>	<b>19,812</b>

RCRE time costs								
# staff	Position	\$/hour (excl GST)	Reporting		Trading		Total	
			Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
2	Partner	640	2.6	1,685	1.4	875	8.7	5,589
2	Director	545	15.8	8,629	31.1	16,950	136.1	74,175
2	Manager	420	1.8	756	18.8	7,882	34.1	14,336
2	Senior Analyst	295	2.5	738	67.0	19,765	191.9	56,601
1	Administrator	275	0.2	55	0.7	193	0.9	248
1	Secretary	170	-	-	-	-	13.7	2,329
<b>Total (excl GST)</b>			<b>23.0</b>	<b>11,863</b>	<b>118.9</b>	<b>45,664</b>	<b>385.4</b>	<b>153,277</b>

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

\$	Total
Advertisements	195
Office service charge	4,599
<b>Total (excl GST)</b>	<b>4,794</b>

The Liquidators' declare that all disbursements were necessary and proper