



McGrathNicol

McGrathNicol Limited

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**Liquidators' fourth report
(pursuant to s255 of the Companies Act 1993)
Ziera Retail NZ Limited (In Liquidation) (Company)
Company number: 108298**

1. Appointment

Conor McElhinney and Andrew Grenfell (**Liquidators**) were appointed jointly and severally as liquidators of the Company on 7 February 2020 by a resolution of the Company's creditors at the Watershed Meeting.

The Liquidators are Licensed Insolvency Practitioners pursuant to the Insolvency Practitioners Regulation Act 2019. Liquidators of insolvent companies are required to be licensed insolvency practitioners. You may obtain more information regarding the regulation of insolvency practitioners from the Registrar of Companies.

As member of the Restructuring Insolvency and Turnaround Association of New Zealand Inc's (**RITANZ**), the Liquidators are bound by RITANZ's 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:	2 May 1980
Trading address:	59 Mahunga Drive, Mangere Bridge, Auckland
Type of business:	Women's Footwear Retailer
Shareholders:	Kumfs Group Limited (In Liquidation)
Directors:	Robert Paul Edwards, Andrew John Robertson, John David Robertson

4. Report on conduct of the liquidation

Since the previous report, the Liquidators have attended to the following matters during the course of the liquidation:

- a) Maintaining treasury function and management of bank funds.
- b) Maintaining accounting records of the liquidation.
- c) Reviewing and filing IRD returns.
- d) Responding to retail customer complaints and providing refunds as required pursuant to the Consumer Guarantees Act.
- e) Responding to creditor queries.

A schedule of the receipts and payments for the period 7 February 2021 to 6 August 2021 is set out at Appendix 1.

5. Proposals for completing the liquidation

The Liquidators expect to conclude the liquidation in November 2021, however the timetable is dependent on third parties and is outside of the Liquidators' control. Pending matters to resolve prior to the liquidation completing are:

- a) Receipt of final dividend distribution from related entities.
- b) Calculation of final unsecured creditors dividend distribution.
- c) Processing final creditor distribution and advising creditors.
- d) Filing of final IRD returns.
- e) Obtaining confirmation from IRD all trading taxation matters have been resolved.
- f) Completion and filing of final Liquidators' report(s).
- g) Compliance with statutory advertising and reporting requirements.

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

The Liquidators provided a Declaration in the Watershed Report dated 29 January 2020 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 first report dated 14 February 2020. There has been an annual increase in the Liquidators' hourly rates effective 1 April 2020, and 1 April 2021.



The Liquidators' remuneration received for the period 7 February 2021 to 6 August 2021 was \$20,881 plus GST. A breakdown of the remuneration charged is set out in Appendix 3.

8. Estimated date of completion of liquidation

The Liquidators estimate that the liquidation will be completed by 30 November 2021. However, as previously noted, finalising the liquidation is dependent on third parties that are outside the Liquidators' control.

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

The Liquidators paid a first distribution to creditors of the Company during September 2020 of 20 cents in the dollar. A final distribution will be paid at the conclusion of the liquidation.

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 Priscilla Cooper, direct dial (09) 926 5107.

Dated: 3 September 2021

A handwritten signature in black ink, appearing to read 'Andrew Grenfell', written in a cursive style.

Andrew Grenfell
Liquidator



Appendix 1 – Receipts and payments

Schedule of receipts and payments for the period 7 February 2021 to 6 August 2021

Ziera Retail NZ Limited (In Liquidation)	
Receipts and payments summary 7 February 2021 to 6 August 2021	\$
Funds on hand 7 February 2021	110,470
Receipts	
Interest	13
Total receipts	13
Payments	
Bank fees	51
GST paid	3,380
Legal fees	743
Liquidators' disbursements	911
Liquidators' fees	20,881
Total payments	25,967
Balance held as at 6 August 2021	84,515



Appendix 2 – Hourly rates and disbursements

Liquidators' charge out rates effective 1 April 2021

Explanation of hourly rates		
Title	Guide to qualifications and roles	Hourly rate (excl GST)
Appointee/ Partner	Licensed Insolvency Practitioners, Chartered Accountant or equivalent and generally degree qualified with more than twelve years of experience. Leads assignments with full accountability for strategy and execution.	\$645
Director	Generally, Chartered Accountant or comparable relevant qualification and degree qualified with more than ten years of experience. Autonomously leads insolvency appointments reporting to Appointee/Partner.	\$555
Senior Manager	Generally, Chartered Accountant or comparable relevant qualification and degree qualified with more than seven years of experience. Self-sufficiently conducts small to medium insolvency appointments and leads major work streams in larger matters.	\$485
Manager	Generally, Chartered Accountant or comparable relevant qualification and degree qualified with more than five years of experience. Self-sufficiently conducts small insolvency appointments and takes a supervisory role on work streams in larger matters.	\$430
Assistant Manager	Generally, Chartered Accountant or comparable relevant qualification and degree qualified with more than three years of experience. Autonomously manages work stream activity within appointments.	\$380
Senior Analyst	Generally, degree qualified and undertaking Chartered Accountant's qualification or comparable relevant qualification with more than 16 months of experience. Completes tasks within work streams and appointments under supervision.	\$305
Analyst	Generally, degree qualified and undertaking or about to undertake Chartered Accountant's qualification or comparable relevant qualification with less than one year of experience. Assists with tasks within work streams and appointments under supervision.	\$290
Administrator	Appropriately experienced and undertakes senior level administrative support activities or Treasury activities. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$280
Secretaries	Appropriately experienced and undertakes support activities, such as meeting co-ordination and preparation of materials where it is efficient and appropriate to do so.	\$175



Explanation of disbursements	
Disbursements	Rate (excl GST)
Externally provided professional services	At cost
Externally provided non-professional services	At cost
Internal disbursements: office service charge	3.0% of hourly rate
Internal disbursements: staff vehicle use*	\$0.62-\$1.00 per KM, depending on the size of the vehicle's engine
Internal disbursements: conference calls	At cost



Appendix 3 – Liquidators’ remuneration

Liquidators’ time costs invoiced in the period from 7 February 2021 to 6 August 2021, relating to time incurred from 1 December 2020 to 31 July 2021¹.

Ziera Retail Ltd time costs for the period 1 December 2020 to 31 July 2021							
Position	\$/hour (excl GST)	Administration		Creditors		Asset realisation	
		Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
Partner	645	-	-	-	-	-	-
Director	555	4.9	2,714	2.3	1,484	-	-
Senior Manager	485	-	-	0.5	278	-	-
Manager	430	-	-	-	-	-	-
Assistant Manager	380	-	-	11.5	4,327	0.6	225
Senior Analyst	305	19.3	5,815	10.6	3,205	-	-
Administrator	280	-	-	-	-	-	-
Total (excl GST)		24.2	8,529	24.9	9,293	0.6	225

Ziera Retail Ltd time costs for the period 1 December 2020 to 31 July 2021							
Position	\$/hour (excl GST)	Trading		Reporting		Total	
		Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
Partner	645	-	-	0.1	65	0.1	65
Director	555	-	-	-	-	7.2	4,198
Senior Manager	485	0.4	194	-	-	0.9	472
Manager	430	-	-	-	-	-	-
Assistant Manager	380	-	-	-	-	12.1	4,552
Senior Analyst	305	1.1	330	6.9	2,247	37.9	11,596
Administrator	280	-	-	-	-	-	-
Total (excl GST)		1.5	524	7.0	2,311	58.2	20,881

Please note that a rate change came into effect on the 1st of April 2021 and that for certain positions, hours multiplied by rate will not equal fees due to this.

Disbursements at cost for the period 7 February 2021 to 6 August 2021	
\$	Total
IT costs	285
Office services charge	626
Total (excl GST)	911

The Liquidators declare that all disbursements were necessary and proper.

¹ The Liquidators had accrued time from 1 December 2020 to 6 February 2021 as the balances were insufficient to bill during the relevant periods.