



WAIRARAPA AGGREGATES 2017 LIMITED (IN LIQUIDATION)

Company number: 6241510

New Zealand Business Number: 9429045971181

**Liquidators' Six-Monthly Report to Creditors and
Shareholders**

1. Introduction

Iain Bruce Shephard and Jessica Jane Kellow, Licensed Insolvency Practitioners of BDO Wellington, (Registration Numbers: IP71 and IP75 respectively) were appointed joint and several liquidators (“Liquidators”) of Wairarapa Aggregates 2017 Limited (“Company”) on 14 July 2020 at 10:19am by order of the High Court at Wellington on the application of Equipment and Transport Leasing Limited in accordance with section 241(2)(c) 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 sections 257(1)(a)(i) and 257(1)(c) of the Act we are obliged to report to all creditors, shareholders, and the Registrar that the liquidation has been completed. This report should be read in conjunction with our previous reports 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

The Company entered into a conditional purchase agreement for the Waingawa Quarry that allowed it to undertake various quarrying activities. This was done in association with another company which is now in Receivership and Liquidation - Core Infrastructure Limited (“Core”).

The Company, alongside Core, supplied large quantities of rock to the Transmission Gully project.

Following the receivership (and eventually liquidation) of Core, the conditional sale and purchase agreement was cancelled, and subsequently a third party acquired the quarry.

The fortunes of the Company and Core were closely intertwined, and following the failure of Core a creditor applied to the High Court to have the Company placed into Liquidation.

4. Liquidators' Actions

The Liquidators have liaised with parties including Inland Revenue, the Companies Office, the New Zealand Gazette and the Accident Compensation Corporation, and completed a review of all information received.

The Liquidators advertised their appointment in the relevant publications and made a call for creditor claims. The Liquidators also directly contacted all known creditors and answered any queries they may have had. The Liquidators subsequently reviewed all completed creditor claim forms received.

The Liquidators reviewed the actions of the director with consideration as to whether there were any potential breaches of appropriate sections of the Companies Act 1993. The Liquidators' investigations included interviewing the director, examining the Company's financial statements and considering the Company's bank transactions.

Several transactions had been made to a related party in the year preceding liquidation that were identified as being voidable. The Company was no longer trading and not in a position to pay the full balance, and a full and final settlement of \$7,000 was agreed.

A transaction related to the sale of a quarry shortly prior to liquidation was investigated and discovered to be transferred at undervalue. The Liquidators wrote to the purchaser of the quarry to advise and eventually a full and final settlement of \$120,000 was reached.

The Company had close dealings with Core, which is also in liquidation and receivership. The intercompany transactions were investigated as much as the minimal records permitted and no avenue of recovery was available.

4.1. 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.

4.2. Asset Realisations

Plant & Equipment

The Company owned two major assets. The first was a Metso Lokotrack LT1213S Impact Crusher that was secured to the BNZ. The Liquidators engaged a third party to value and sell the crusher on the international market. The sales agent had the crusher independently valued by a firm that specialises in such equipment. The result was an expected sales value of approximately \$50-60k. The Liquidators and sales agent met a few interested parties so they were able to view the crusher, and ended up receiving an offer of \$230,000 + GST which was accepted.

The second asset was a Caterpillar Front End Loader which was sold by the same sales agent as the crusher mentioned above. This was sold for \$25,000 + GST.

4.3. Creditor Claims

Secured Creditors

The Liquidators received one secured claim from the BNZ. The BNZ agreed to a full and final settlement of \$230,000 and were therefore repaid in full from the proceeds of the crusher.

The only other secured creditor had repossessed their equipment prior to liquidation and have filed an unsecured claim.

Preferential Creditors

Three preferential claims were received relating to petitioning creditor court costs and Inland Revenue debt totalling \$8,926.86. A full distribution has been made in respect of these claims.

Unsecured Creditors

The Liquidators admitted ten unsecured claims totalling \$788,274.91.

A distribution of approximately 5.45 cents in the dollar totalling \$43,000 was made in respect of these claims.

4.4. Other Matters

The unsecured creditors' claims were unable to be satisfied in full due to a shortfall in the realisation of the Company's assets.

The final remaining balance owed to creditors that filed a claim is outlined below:

Unsecured creditors - \$745,274.91

5. Liquidators' Statement

All known assets have been disclaimed, or realised, or distributed without realisation.

All proceeds of realisation have been distributed.

The Company is ready to be removed from the New Zealand Register of Companies.

For the purposes of regulation 9(g) of the Companies (Reporting by Insolvency Practitioners) Regulations 2020, the liquidation of the Company is completed at the date and time the notice is provided to the Registrar of Companies.

6. Removal from New Zealand Register of Companies

As Liquidators, we are obliged to give public notice of the intention to have the Company removed from the Register of Companies. A copy of our notice is attached as **Appendix 3**.

The attention of all creditors and shareholders is drawn to section 321 of the Act which provides that, where public notice is given of an intention to remove a company from the Register, any person may send or deliver to the Registrar, not later than the date specified in the notice, an objection to the removal on any one or more of the following grounds:

- (a) That the company is still carrying on business or there is other reason for it to continue in existence; or
- (b) That the company is party to legal proceedings; or
- (c) That the company is in Receivership, or Liquidation, or both; or
- (d) That the person is a creditor, or a shareholder, or a person who has an undischarged claim against the company; or
- (e) That the person believes that there exists, and intends to pursue, a right of action on behalf of the company under Part IX of this Act; or
- (f) That for any other reason, it would not be just and equitable to remove the company from the New Zealand register.

Creditors and shareholders should be aware of section 321(2)(b)(ii) of the Act which provides that a claim by a shareholder or any other person against a company is not an "undischarged claim" if a receiver or liquidator has notified the shareholder or that person that the company has no surplus assets.

7. Contact information

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

Ryan Kilkolly
DDI: (+64 4) 472 5812
Email: ryan.kilkolly@bdo.co.nz

BDO Wellington
PO Box 10-340
Level 1, Chartered Accountants Building
50 Customhouse Quay
Wellington

Dated this 26th day of October 2021

A handwritten signature in black ink, appearing to read 'Iain Shephard'. The signature is stylized and cursive.

IAIN SHEPHARD
Liquidator

Appendices

- Appendix 1 - Statement of Receipts and Payments
- Appendix 2 - Remuneration Schedule
- Appendix 3 - Notice of Intention to Remove

APPENDICES

Appendix 1 - Statement of Receipts and Payments

Wairarapa Aggregates 2017 Limited (In Liquidation)	
Summary of Receipts & Payments	
14 July 2020 - 26 October 2021	
	\$
RECEIPTS	
Inland Revenue - GST Refunds	14,409
Interest Received	22
Sale of Assets	293,250
Settlement of Claim	127,000
Total Receipts	434,681
PAYMENTS	
Duress Payment	5,750
Inland Revenue - GST Payments	31,628
Insurance	343
Legal Fees	8,619
Liquidators Fees and Expenses	95,310
Preferential Creditor Distribution	8,927
Resident Withholding Tax	7
Sales Commission	11,098
Secured Creditor Distribution	230,000
Unsecured Creditor Distribution	43,000
Total Payments	434,681
Cash on hand	0



Appendix 2 - Remuneration Schedule

Wairarapa Aggregates 2017 Limited (In Liquidation)

Remuneration Report - Period: 14 July 2020 - 26 October 2021

	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	15,365.00	32.00	-	-	2,041.25	4.25	2,326.25	4.75	-	-	111.25	0.25	2,024.00	4.37
Managers	195 - 325	2,065.00	7.00	147.50	0.50	4,093.75	13.75	147.50	0.50	-	-	-	-	302.50	1.00
Analysts	110 - 295	5,508.75	28.25	228.75	1.50	4,718.75	23.75	97.50	0.50	3,607.50	18.50	-	-	405.00	2.00
Finance / Administration	195	-	-	-	-	97.50	0.50	-	-	-	-	-	-	2,535.00	13.00
Support Staff	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		22,938.75	67.25	376.25	2.00	10,951.25	42.25	2,571.25	5.75	3,607.50	18.50	111.25	0.25	5,266.50	20.37

	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	7,717.50	16.50	10,630.00	21.50	-	-	1,001.25	2.25	1,361.25	2.75	742.50	1.50	43,320.25	90.12
Managers	195 - 325	368.75	3.25	442.50	1.50	-	-	900.00	3.00	147.50	0.50	-	-	8,615.00	31.00
Analysts	110 - 295	2,737.50	23.00	1,072.50	5.50	-	-	1,627.50	8.25	877.50	4.50	3,040.00	14.70	23,921.25	130.45
Finance / Administration	195	3,607.50	18.50	-	-	-	-	-	-	-	-	-	-	6,240.00	32.00
Support Staff	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		14,431.25	61.25	12,145.00	28.50	-	-	3,528.75	13.50	2,386.25	7.75	3,782.50	16.20	82,096.50	283.57

Disbursements	Costs
Advertising	62.94
Miscellaneous	726.74
Overheads	-
Travel Costs	925.27
Total	1,714.95

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 \$82,878.27 (excl. GST) has been received on account for both fees and disbursements.



Appendix 3 - Notice of Intention to Remove

WAIRARAPA AGGREGATES 2017 LIMITED (IN LIQUIDATION)
Company Number: 6241510
("the Company")

Notice of Intention to Remove Company from Register
(Pursuant to Section 320 of the Companies Act 1993)

We, Iain Shephard and Jessica Kellow, joint and several liquidators of the Company whose registered office is situated at:

BDO Wellington
PO Box 10340
Level 1, Chartered Accountants House,
50 Customhouse Quay,
Wellington 6143

Hereby give notice that pursuant to section 318(1)(e) of the Companies Act 1993, and having filed with the Registrar our final report on the liquidation, it is intended to remove the Company from the New Zealand register.

Any objection to the removal pursuant to section 321 of the Companies Act 1993 must be delivered to the Registrar no later than 30 November 2021.

DATED this 27th Day of October 2021.

A handwritten signature in black ink, appearing to be 'Iain Shephard'.

IAIN SHEPHARD
Liquidator