



**BISHOP INDUSTRIES (WELLINGTON) LIMITED
(IN LIQUIDATION)**

Company number: 285628

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

1. Introduction

Iain Bruce Shephard and Jessica Jane Kellow, RITANZ accredited insolvency practitioners, were appointed joint and several liquidators (“Liquidators”) of Bishop Industries (Wellington) Limited (“the Company”) by order of the High Court at Auckland on 11 April 2017 at 11:05am in accordance with section 241 (2)(c) of the Companies Act 1993 (“the Act”).

In accordance with section 255 of the Act we are obliged to report to all creditors and shareholders on the conduct of the liquidation during the preceding six month period.

This report should be read in conjunction with our previous reports pursuant to section 255 (2) (c) 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

Bishop Industries (Wellington) Limited (In Liquidation) (“the Company”) was involved in the construction sector in Wellington. The Company was an offshoot of Bishop Industries (Auckland) Limited (also In Liquidation).

We understand that the Company undertook work for the Ministry of Education and latterly on the Transmission Gully Project.

The Director advises that the Company geared up to work on Transmission Gully however for reasons unknown to the Director they were removed from the site.

The Director contends that he was attempting to source external funding to pay creditors but was unable to do so. The High Court appointed liquidators on 11 April 2017.

4. Liquidators' Actions

The Liquidators have liaised with many 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 have communicated with multiple parties in order to source company records. This has proved somewhat difficult and it appears that very few records were maintained by the Company. The Liquidators have commenced a review of the records at hand in order to gain a

better understanding of the Company's operation and to ascertain whether breaches of the relevant sections of the Companies Act 1993 may have occurred.

At this stage, the Liquidators are continuing their enquiries as to whether the Directors have breached their duties under the Act, in particular, the insolvent trading provisions. The Liquidators have conducted an aging of the Company's creditors to ascertain the Company's financial position throughout various stages of the contracts it was undertaking. The Liquidators will likely seek further information from creditors as our investigations progress further.

The Liquidators have reviewed the Company's bank statements in the two years preceding liquidation. We note that shortly prior to liquidation there were a number of sizable withdrawals to an unknown bank account. The Liquidators arranged a trace of this bank account and it transpired it was the account of Bishop Industries (Auckland) Limited (In Liquidation). A claim has been filed in the liquidation of this company.

The Liquidators have liaised with Inland Revenue and certain creditors for further information regarding the conduct of the Directors.

4.1 Schedule of Receipts and Payments

Attached as Appendix 1 is a schedule of receipts and payments.

4.2 Asset Realisations

Inland Revenue - GST Refunds

The Liquidators have received Inland Revenue GST refunds totalling \$10,073.95.

Tangible Assets

The Liquidators were not aware of any remaining tangible assets as at the date of liquidation.

Inter-Company Advances

The latest financial statements indicate that advances had been made to three related companies. Two of these companies are now in liquidation and claims have been filed in the respective liquidations. The third company has been removed from the Companies Register. At this stage, it does not appear that funds will be available from either of the companies in liquidation to settle the inter-company debt.

Shareholder Current Accounts

The latest financial statements indicate the existence of several overdrawn shareholder current accounts. The liquidators are communicating with the shareholders seeking repayment of these accounts. A review of the Company's bank statements indicates that significant drawings have been taken from the Company. The likely result being significantly larger overdrawn current accounts than indicated on the financial statements.

4.3 Creditors Claims

Secured Creditors

The Liquidators have contacted all known secured creditors and reviewed all security documentation received. The Liquidators have received three secured claims, however, due to the assets subject to the security not being present, these have been recorded as unsecured.

Preferential Creditors

The Liquidators have received two preferential claims totalling \$71,350.37. Included in this amount is a claim from Inland Revenue for \$69,285.62.

Unsecured Creditors

The Liquidators have received 28 unsecured claims totalling \$903,095.08.

5. Further proposals for completing the liquidation

The Liquidators will consider further actions subsequent to additional information regarding the Company's affairs that comes to the Liquidators' attention. Further actions will be subject to the availability of funding and an assessment of the benefits of pursuing recoveries.

6. Estimated date of completion

It is not practical to estimate the date of the completion of the liquidation at this stage. Our subsequent reports to creditors and shareholders will, when appropriate, advise of an estimated completion date.

7. Contact information

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

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Dated 16 May 2018.

A handwritten signature in blue ink, appearing to read 'J Kellow'.

JESSICA KELLOW
Liquidator



APPENDICES

Appendix 1 - Summary of Receipts & Payments

BISHOP INDUSTRIES (WELLINGTON) LIMITED (IN LIQUIDATION)

Schedule of Liquidators' Receipts & Payments

As at: **16 May 2018**

Receipts

Inland Revenue - GST Refunds 10,073.95

10,073.95

Less Payments

Liquidators' Costs and Disbursements 10,073.95

10,073.95

Liquidators' Bank Account

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