



Command Services Limited (In Liquidation)

Company Number: 599663

Liquidators' Six-Monthly Report to Creditors and Shareholders

1. Introduction

Iain Bruce Shephard and Christine Margaret Dunphy were appointed joint and several liquidators (“Liquidators”) of Command Services Limited (“the Company”) by special resolution signed by the shareholders on 22 April 2013 in accordance with section 241 (2)(a) 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

Command Services Limited (In Liquidation) (“the Company”) operated a business offering heating, ventilation, air conditioning and other mechanical services based in Lower Hutt.

The business had traded successfully for a number of years. The Liquidators understand that the Company was solvent up until the receivership of Mainzeal, the Company’s most significant debtor, in February 2013.

The Company attempted to enter a compromise with its creditors however this did not pass. Due to the failure of the compromise the directors were left with no option but to cease trading the Company and place it into liquidation.

4. Liquidators’ Actions

As previously reported, the only matter outstanding in the liquidation is the unsecured creditor claim that has been filed in the liquidation of Mainzeal Construction Limited (In Liquidation) (“Mainzeal”).

Any distribution to creditors of Mainzeal is dependent on the successful litigation brought by the liquidators of Mainzeal alleging breaches of directors’ duties under the Act. On 26 February 2019, the High Court released its judgment finding that the directors of Mainzeal had breached their duties and were liable to pay \$36m. The directors and liquidators have subsequently filed appeals and cross-appeals respectively.

4.1 Schedule of Receipts and Payments

Attached as Appendix 1 is a schedule of receipts and payments for the duration of the liquidation.

4.2 Asset Realisations

Please refer to our previous reports in respect of asset realisations.

GST Refunds

The Liquidators received a GST refund totalling \$104.39 since filing the previous Liquidators' report.

4.3 Creditors Claims

Secured Creditors

Where appropriate, creditors with valid security interests had the goods subject to the security interest returned to them.

Preferential Creditors

As previously reported, all preferential creditors have been paid in full.

Unsecured Creditors

The Liquidators have admitted claims totalling \$1,857,101.90. A distribution of ten cents in the dollar was made in late 2013.

The Liquidators are unable to comment as to the likelihood of a further distribution until such time as the Mainzeal liquidation has been finalised.

5. 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.

6. Contact information

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

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Dated 25 November 2019



IAIN SHEPHARD
Liquidator

APPENDICES

Appendix 1 - Summary of Receipts & Payments

<i>As at:</i>	<i>20 November 2019</i>
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Receipts	
Proceeds of Pre Liq Account	68,538.08
Debtors Pre - Liquidation	80,973.06
New Company Debtors	902.75
GST Refund	127,342.28
Interest	3,998.62
Sale of Service Contracts	218,325.68
Sale of Assets	178,825.00
Utility Refund	742.57
	<hr/> 679,648.04
 Less Payments	
Advertising	646.56
Bank Fees	222.76
Refund for Incorrect Debtor Payments	35,350.54
Preferential Claim	137,235.88
Legal Fees	26,033.65
Liquidation Costs and Disbursements	192,467.73
Employee Distribution	116,318.34
RWT	1,343.21
Secured Creditor Distributions	169,842.68
	<hr/> 679,461.35
 Liquidators' Bank Account	<hr/> 186.69