



**Prestiged.co.nz Limited
(In Liquidation)**

Company Number: 5568705

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

1. Introduction

Iain Bruce Shephard and Jessica Jane Kellow were appointed joint and several liquidators (“Liquidators”) of Prestiged.co.nz Limited (now In Liquidation) (“the Company”) by special resolution of the shareholders on 20 May 2019 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

Prestiged.co.nz Ltd (“the Company”) operated as a scaffolding construction business. Having previously operated under ‘Baltic Scaffolding Ltd’, the Company was successful in gaining several contracts throughout the wider Auckland region since 2015.

However, the Company did not have sufficient capital at the outset to purchase the scaffolding required, and as such it entered a lease agreement for the majority of its plant and equipment. This resulted in reduced margins, and the Company’s turnover was insufficient to meet its repayment obligations. Cash flow difficulties were further compounded by historic tax debts.

The Director/Shareholder sought professional advice and, having attempted to reduce the outgoing expenses, resolved to place the Company into liquidation on 20 May 2019.

4. Liquidators’ Actions

Please refer to previous Liquidators’ reports for full details.

4.1 Schedule of Receipts and Payments

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

Attached as **Appendix 2** is a remuneration schedule, in accordance with the RITANZ Code of Conduct, covering the duration of the liquidation.

4.2 Asset Realisations

Pre-Liquidation Bank Account

The Liquidators have received a total of \$2,695.28 from the Company's pre-liquidation bank accounts.

Sale of Assets

As mentioned in previous reports, the Liquidators sold miscellaneous residual scaffolding equipment for a total of \$17,250.00 (including GST). It was agreed that the purchase price would be made in monthly instalments of \$5,750.00 (including GST) over a three-month period. The Liquidators have received two instalments, with the third instalment delayed due to cash flow issues brought on by COVID-19.

Debtors

The opening balance of the accounts receivable was \$93,435.35. The Liquidators have collected debtor payments totalling \$38,956.25 to date. A total of \$5,022.05 debtor payments have been written off.

A further eight debtors are still owing to the Company in an amount totalling \$41,884.30. The Liquidators will continue to pursue the recovery of this balance.

Shareholders' Current Account

The most recent financial statements show that the shareholder has an overdrawn current account totalling \$95,240.00. The Liquidators will investigate the balance of this current account.

4.3 Creditors Claims

Secured Creditors

One creditor held registered security interests over the Company. The Liquidators notified the creditor accordingly.

Preferential Creditors

The Liquidators have received three preferential claims from employees in respect wages and holiday pay totalling \$7,071.16. The Liquidators made a distribution to all employees equating to 80% of gross pay owed by the Company.

Inland Revenue filed a preferential claim in the amount \$151,060.70.

Unsecured Creditors

The Liquidators received four claims from unsecured creditors totalling \$50,532.19.

Included in this amount is a further unsecured claim from the Inland Revenue Department in the amount of \$32,715.64.

5. Further proposals for completing the liquidation

The Liquidators propose to take the following further actions: review potential voidable transactions;

- continue a review the actions of management, directors, officers and advisers of the Company and any potential claim against them;
- distribute available funds (if any) to preferential and unsecured creditors;

- assessing other areas of potential recovery; and
- complying with our statutory obligations.

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 4 June 2020



IAIN SHEPHARD
Liquidator

APPENDICES

Appendix 1 - Summary of Receipts & Payments

As at: 4 June 2020

Receipts

Accounts Receivable	38,956.25
Inland Revenue - GST Refund	674.70
Interest	10.33
Pre-Liquidation Bank Account	395.28
Sale of Assets	11,500.00
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	51,536.56

Less Payments

Inland Revenue - GST Payable	1,694.53
Liquidation Costs and Disbursements	43,153.67
Preferential Distribution - Employee Wages	6,637.61
RWT	3.41

51,489.22**Liquidators' Bank Account**

47.34



Appendix 2 - Remuneration Report

Prestiged.co.nz Limited (In Liquidation)

Remuneration Report - Period: 20 May 2019 - 5 June 2020

	Hourly Rate	Assets		Company Records		Creditors		Day One/Initial Tasks		Debtors		Employees		Financial	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Partners	395 - 445	26.75	11,903.75	-	-	-	-	7.50	3,337.50	0.75	308.75	0.50	222.50	2.63	1,071.83
Managers	225	10.25	2,473.75	0.25	48.75	-	-	-	-	10.25	2,136.25	0.50	97.50	11.25	2,243.75
Analysts	145 - 295	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support Staff	100	2.00	390.00	-	-	5.25	1,023.75	10.00	1,950.00	4.25	828.75	4.75	926.25	2.75	536.25

	Hourly Rate	Admin/General		Litigation		On-Going Trading		Planning/Review		Secured Creditors		Reporting		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Partners	395 - 445	0.50	222.50	-	-	-	-	4.88	2,123.08	-	-	1.50	667.50	45.01	19,857.41
Managers	225	9.50	1,877.50	-	-	-	-	3.25	796.25	-	-	6.25	1,531.25	51.50	11,205.00
Analysts	145 - 295	-	-	-	-	-	-	1.00	257.50	-	-	0.50	147.50	1.50	405.00
Support Staff	100	7.25	1,318.75	-	-	-	-	6.25	1,052.50	-	-	4.00	780.00	46.50	8,806.25
														144.51	40,273.66

Disbursements	Cost
Advertising	500.67
Miscellaneous	400.00
Overheads	2.00
Travel Costs	46.09
Total	948.76

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 \$37,524.93 (excl. GST) has been received on account for both fees and disbursements.