



## **Bruce Buchanan Limited (In Liquidation)**

Company Number: 16636

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

## 1. Introduction

Iain Bruce Shephard and Jessica Jane Kellow, Licensed Insolvency Practitioners, were appointed joint and several liquidators (“Liquidators”) of Bruce Buchanan Limited (“the Company”) by special resolution signed by the shareholders on 16 October 2015 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

The Company’s business and assets, save for one major contract, were sold to Fulton Hogan prior to liquidation. The proceeds of the sale were then used to settle secured lending from the bank, cover financed machinery and meet employee entitlements.

Following the sale, it became clear that even with the realisation of residual assets, there was likely to be a shortfall to unsecured creditors.

Following the receipt of professional advice, the shareholders resolved to place the company into liquidation.

## 4. Liquidators' Actions

Please refer to the Liquidators’ previous reports for full details of the actions taken to date.

### 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

### *Pre-Liquidation Bank Account*

A total of \$13,756.83 was received from the Company's pre-liquidation bank account.

### *Debtors & Retentions*

The Liquidators have received \$592,235.71 of the Company's accounts receivable.

There were significant debtors remaining on the accounts receivable ledger that totalled \$137,692. The Liquidators have been unable to recover the remaining proceeds and have subsequently written them off.

### *Fulton Hogan Retention*

As noted in earlier Liquidators' reports, a retention continues to be held with respect to a parcel of land and its corresponding extraction right. The Liquidators continue to work with the instructed solicitors in finalising the resolution.

## 4.3 Creditors Claims

### *Secured Creditors*

Following receipt of an ACC Refund, the Liquidators made a partial payment to Hunter Premium Funding and AML Limited.

### *Unsecured Creditors*

The Liquidators received 123 unsecured claims totalling \$1,559,748.92.

As per previous reports, two partial distributions have subsequently been made which represent a cumulative value of 30 cents in the dollar. This represents payment of \$432,460.69 to all admitted creditors able to receive the funds.

## 5. Further proposals for completing the liquidation

As outlined above, the collection of accounts receivable requires continued efforts by the Liquidators. This remains a priority and consideration is being given to the appropriateness of legal assistance. The outstanding retention held by Fulton Hogan is a particular focus given the extent of the negotiations to date.

In addition to pursuing balances due to the Company, assessments will be made as to the most effective and proportionate recovery method. All other areas will similarly be reviewed to ensure assets have been fully realised, and the Liquidators will continue to comply with their statutory obligations.

Should additional information regarding the Company's affairs be brought to their attention, the Liquidators will consider further actions subject to the availability of funding and a decision as to the benefits of likely 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 this 25<sup>th</sup> day of November 2021

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

**IAIN SHEPHARD**  
Liquidator

## APPENDICES

### Appendix 1 - Schedule of Receipts & Payments

As at: 25 November 2021

#### Receipts

ACC Refund	2,294.72
Acc Interest Refund	751.15
Accounts Receivable	592,235.71
Cash Sales	4,415.20
Inland Revenue - GST Refund	129,136.65
Interest	4,916.05
Missing Plant Compensation	2,445.00
Proceeds Pre Liquidation Account	13,756.83
Returned Creditor Distribution Payments	1,524.44
Sale of Assets	14,563.88
Share Dividend	910.15
Settlement - Shareholder Current Account	481,145.42

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**1,248,095.20**

#### Less Payments

Accountancy	16,301.25
Advertising	1,088.00
Bank Fees	145.30
Contract Remedial Work	9,753.15
Imputation Tax	152.60
Inland Revenue - GST	3,061.06
Interest ('If I'm Still Around' Account)	1,030.94
IT Services	776.25
Legal Fees	200,771.42
Liquidators' Costs & Disbursements	498,659.14
Liquidators' Purchases	590.86
Rates	2,339.00
Real Estate Commission and charges	11,755.00
Rent	7,043.75
Resident Withholding Tax	1,641.42
Transportation Charges	19,599.63
Unsecured Creditor Distributions	433,985.20
Valuers Costs	1,794.00
Wages	7,688.93

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**1,218,176.90**

#### *Liquidators' Bank Account*

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**29,918.30**