



Renaissance Brewing Limited (In Liquidation)

Company Number: 1686292

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 Renaissance Brewing Limited (“the Company”) by special resolution of the creditors at a watershed meeting on 30 January 2018 under section 241(2)(d) 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

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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

As creditors will be aware, Renaissance Brewing Limited (now in liquidation) (“the Company”) was placed into voluntary administration on 9 October 2017.

The Company was suffering from cash flow difficulties as a consequence of significantly reduced sales revenue. Approximately 12 months prior the Company had entered into a new distribution agreement which, in hindsight, was ill-fated.

The Voluntary Administrators continued to trade the business whilst a sale was negotiated. The Administrators obtained an extension to the convening period of the watershed meeting to enable more time for the marketing of the business.

At a watershed meeting of creditors the creditors voted to place the Company into liquidation.

4. Liquidators' Actions

General

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 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.

Continued Trading

The Administrators and subsequently the Liquidators continued to trade the business of Renaissance from October 2017 to mid-February 2018. The trading involved the approval of all purchases, employment of staff and payment of wages, entering into agreements with and paying the landlords and all other general day-to-day management.

Sale of the Business

The Administrators/Liquidators conducted a comprehensive marketing campaign to sell the business of Renaissance. 10 parties undertook due diligence resulting in four offers to purchase the business as a going-concern. The sale settled on 19 February 2018. Whilst the offer that was accepted by the Liquidators was not the highest offer, it was the only offer capable of being accepted. The business continues to trade from the same premises, with the same or similar staff and improved distribution networks.

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

Sales Revenue

As mentioned above the Administrators/Liquidators continued to trade the business, generating sales in excess of \$435,000.

Plant & Equipment

As mentioned above the business was sold as a going concern for \$470,000 plus stock in trade of a further approximately \$134,000.

Debtors

The opening balance on the accounts receivable ledger (being the accounts that remain outstanding as at the settlement date for the sale of the business) was \$103,172 of which \$92,405 has been paid to the Liquidators. The balance of the accounts receivable ledger has been slow to collect with the remaining debtors either being written off or lodged with a credit collection house.

4.3 Creditors Claims

Secured Creditors

ANZ Bank New Zealand held a General Security Agreement over the assets of Renaissance. The bank have received a distribution of \$303,000 with a balance of approximately \$500,000 still outstanding.

Other secured creditors with a valid security interest over assets or stock were entitled to collect that over which they had security.

Preferential Creditors

All preferential creditors have been settled in full including the employee entitlements, the Inland Revenue preferential claim and the NZ Customs and Duty preferential claim.

Unsecured Creditors

We have received claims from unsecured creditors totalling \$90,270. Unfortunately there are insufficient funds to enable a distribution to unsecured creditors.

5. Further proposals for completing the liquidation

The Liquidators will finalise the collection of the accounts receivable ledger and complete the liquidation.

6. Estimated date of completion

We anticipate the liquidation will be completed within three months.

7. Contact information

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

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Dated this 11th day of October 2018.



JESSICA KELLOW
Liquidator

APPENDICES

Appendix 1 - Summary of Receipts & Payments

Schedule of Liquidators' Receipts & Payments

As at: 11 October 2018

Receipts	
Accounts Receivable and Sales	435,594.70
Assignment of Trademarks	11.00
Inland Revenue - GST Refund	57,126.58
Interest	124.30
Miscellaneous asset sale	2,300.00
Proceeds Pre Liquidation Account	610.75
Repayment of Purchases	1,887.90
Sale of Business	470,000.00
Sale of Stock	134,533.16
Utility Refund	513.73
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	1,102,702.12
Less Payments	
ACC Levy	758.34
Bank Fees and debit interest	2,085.68
Commissions	5,308.50
Inland Revenue - PAYE	46,125.28
Inland Revenue - Preferential Claim	14,685.69
Insurance	7,972.99
Legal Fees	11,055.59
Liquidator and Administrator Costs	305,057.52
Liquidator Disbursements	23,128.01
Liquidator Purchases	155,539.07
Liquidator Wages	96,463.95
NZ Customs - Excise Tax	45,090.26
Preferential Wages & Holiday Pay	20,871.46
Preferential Creditor Distributions	17,065.75
Rent	47,076.53
RWT	41.03
Secured Creditor distribution	303,000.00
Vehicle Finance	1,320.28
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	1,102,645.93
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Liquidators' Bank Account	56.19
