



Liquidator's First Six Monthly Statutory Report

**Decmil Construction NZ Limited
(in Liquidation)**

Company Number: 5422686

**For the period:
15 April 2020 to 14 October 2020**

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1 Introduction

As you would be aware, I, Dermott Joseph McVeigh of Avior Consulting, was appointed as liquidator of Decmil Construction NZ Limited (in Liquidation) (**the Company**) on 15 April 2020 at 3:40pm by the sole shareholder pursuant to section 241(2)(a) of the Companies Act 1993 (**Act**).

I set out below my first six monthly statutory report of the Company as required by section 255(2)(d) of the Act.

2 Restrictions

This report has been prepared in accordance with and for the purpose of section 255 of the Act. It is prepared for the sole purpose of reporting on the state of affairs of the Company and the conduct of the liquidation.

This report is not intended for general circulation, nor is it to be reproduced or used for any purpose other than the above without my written permission. The report is prepared on the basis of the information available to me in the liquidation. I express no opinion on the reliability, accuracy or completeness of the information provided to me and upon which I have relied.

Myself, my employees, agents and advisors do not assume any responsibility or liability for any losses occasioned to any party for any reason including as a result of the circulation, publication, reproduction or use of this report.

I reserve the right (but will be under no obligation) to review this report and, if considered necessary, to revise the report in light of any further information coming into existence after the date of this report.

Certain values included in tables in this report have been rounded and therefore may not add up exactly. Unless otherwise stated, all amounts are in New Zealand dollars.

3 Interest statement

Attached at **Appendix A** is my Declaration of Independence, Relevant Relationships and Indemnities, as previously provided to creditors on 22 April 2020. There have been no changes to my interest or position since that time.

In relation to dealings between the Company and Decmil Group Limited (**DGL**), being the ultimate parent of the Company, I note that the Company borrowed \$300,000 on a non-recourse basis from DGL shortly after the liquidation began, because it was not yet apparent to me that the Company had cash assets. The borrowed funds were repaid in mid-June 2020.

4 Conduct of the liquidation to date

The Company was established in 2014 to provide civil engineering contracting and consulting services, and it had success in completing a number of large construction

contracts for customers including the Ministry of Education and the New Zealand Defence Force.

The Company was placed into liquidation due to an unresolved dispute with the New Zealand Department of Corrections (**Corrections**) in relation to a \$198m rapid deployment prison accommodation (**RDP**) contract. The contract was terminated, resulting in significant losses being incurred by the Company. The directors and shareholder concluded that the Company could not continue trading and proceeded to have the Company wound up. I was appointed on 15 April 2020.

Since my appointment, a number of steps have been taken in the liquidation. The key steps have been summarised below.

4.1 Key Events

4.1.1 Injunction

Shortly after my appointment, on 17 April 2020, Corrections advised that it was calling on \$12.5 million in performance bonds previously provided by the Company in Corrections' favour. My view was that Corrections was not entitled to cash in the bonds, as I believed, and continue to believe, that the Company was owed money by Corrections (and not the other way around).

I applied to court for an injunction to prevent Corrections' call on the bonds to minimise losses to the Company. The application was upheld by the Court on an interim basis. The matter proceeded to a hearing where the Court ultimately declined to uphold the injunction.

4.1.2 Examinations

Since appointment, I have conducted a number of examinations of key persons involved with the Company and the RDP project. This includes examinations of DGL, Corrections and key persons involved with the RDP contract works. The examinations process commenced on 10 June and concluded on 25 June 2020. The Company's claim against Corrections is discussed further in section 5.1.5 of this report. The initial investigations assisted me with obtaining information to better understand the affairs of the Company and the issues under the RDP contract, including the claim(s) against Corrections, which is the most significant asset of the Company as at the date of liquidation. I have reserved my right to re-convene the examinations or to pursue matters further.

4.1.3 Creditors' meeting

I initially gave notice that the first meeting of creditors was not to be held, having regard to the early stage of the liquidation and the complexity of the Company's affairs. At the time, New Zealand was also affected by the COVID-19 pandemic and public assemblies were prohibited by government restrictions.

I subsequently received notice that two parties who asserted claims in the liquidation, Corrections and Tempest Litigation Funders (**Tempest**), wished to have the meeting. Tempest's principal is Mr Damien Grant and it became a purported creditor by purchasing a small claim for an even smaller amount (believed to be \$1,000.00). Mr Grant released a number of videos where he confirmed that he was "working with" Corrections in an attempt to replace me as the Company's Liquidator.

I resolved to call a meeting; however, the pandemic restrictions meant it was not possible to accommodate a meeting of the Company's creditors in person and directions from the Court were obtained to ensure that a meeting could be validly held by postal vote. I applied to the High Court for such directions on 21 May 2020. Orders were subsequently made for me to hold an information session, in advance of a creditors' meeting by way of postal vote.

One of the purposes of the creditors' meeting was to consider whether I should be replaced as liquidator. Replacement liquidators were proposed by Corrections and Tempest. Additionally, creditors were also asked whether they wished to appoint a Liquidation Committee.

In accordance with the Court's directions, I served notice of the information session and meeting. As part of this process, I also assessed and determined proofs of debt received to determine creditors' claims for the purposes of voting. Creditors with claims which were not accepted and/or accepted at a lesser value for voting purposes were notified of my decision.

The information session occurred on 22 June 2020, followed by the creditors' meeting by way of postal ballot on 24 June 2020.

The resolution to replace me as liquidator and to appoint Mr Andrew Bethell of BDO Auckland and Mr Ian Shephard of BDO Wellington did not pass by the requisite statutory majority at the creditors' meeting.

The resolution to appoint a Liquidation Committee to act with the appointed liquidator passed and the committee was formed comprising the following creditors' representatives:

- Ms Lynda Hill of Chubb New Zealand Ltd
- Mr Peter Liow of Ward Chandler Electrical Ltd
- Mr Damien Grant of Tempest Litigation Funders Ltd
- Mr Damian Kelliher of Decmil Australia Pty Ltd (**DAPL**)

4.1.4 Application in relation to bank account funds

As set out in the Liquidator's First Report on the State of Affairs (**First Report**) dated 22 April 2020, the Company's bank account held approximately \$3.3m at the commencement of the liquidation.

The status of these funds is currently before the Court for determination and is therefore under judicial consideration. My assessment, based on the available information, was that the funds were not held as retention monies. One of the issues leading me to this conclusion was that the Company had not maintained the asset levels at an amount at least equal to the value of retention claims. This was particularly true in the period leading up to the liquidation. The assertion is that the parent of the Company put money into the Company's bank account on account of retentions; however, the amount paid in was insufficient to discharge retentions liabilities of \$3.8m. (The difference between this amount and the value of \$3.3m recorded in the Company's accounts is the GST component of \$0.5m. GST is payable in relation to retentions claims, but was not recorded.) I therefore proceeded on the basis that the funds were not trust funds held for retention claimants. Further information provided by DGL after I shared my view with it did not alter my position.

I note that if the Court confirms my position, then I intend to commence legal proceedings against the Company's directors for recovery of damages arising from any breach of their duties.

To avoid any doubt about how the funds in the bank account should be categorised, I applied to court for directions on 24 July 2020. The application has been opposed by DAPL, and also by VAE NZ Limited and Stanley Construction (Auckland) Limited (in Receivership and Liquidation), on behalf of a group of retention creditors. The application is scheduled to be heard on 14 and 15 December 2020. Until the Court determines the application, the issue remains unresolved.

A copy of my application to the court and supporting documents can be found at: <https://www.aviorconsulting.com.au/wp-content/uploads/2020/04/10.-Decmil-Constructon-NZ-Limited-Circular-re-Court-Application.pdf>

Creditors' retentions claims are discussed further in section 5.2.4 of this report.

5 Statement of affairs and asset realisations

Presented below is the updated statement of affairs as at 14 October 2020. This should be read in conjunction with further commentary about other steps taken in the liquidation:

Statement of Affairs \$'000	Ref	Book Value	Estimated value as at 15 April 2020	Estimated value as at 14 October 2020
ASSETS				
Cash	5.1.1	3,320	3,315	Unknown
Plant & equipment	5.1.2	189	Unknown	Unknown
Receivables	5.1.3	964	Unknown	Unknown
Tax assets	5.1.4	1,576	Unknown	Unknown
Claim against Corrections	5.1.5	-	-	Unknown
Insurance claims	5.1.6	-	-	Unknown
Other assets	5.1.7	452	Unknown	12
Operating leases		407	Nil	Nil
Total Assets		6,908	3,315	Unknown
LIABILITIES				
Secured creditors	5.2.1	-	-	-
Preferential creditors	5.2.2	61	61	Nil
Unsecured creditors	5.2.3	34,198	38,195	47,947
Retention creditors	5.2.4	3,326	Unknown	2,351
Total Liabilities		37,584	38,256	50,298
Surplus / (Deficiency)		(30,676)	Unknown but negative	Unknown but negative

The referenced items are commented on in sections 5.1 and 5.2 below.

5.1 Asset realisations

5.1.1 Cash

As at the date of liquidation, the Company had approximately \$3.3m in its bank account. The treatment of this bank account is the subject of a court application and is discussed in section 4.1.4 of this report.

Since that time, a further \$2.3m has been received as a tax refund from the Inland Revenue Department. These funds are not held on trust for the retention claimants. See below at section 5.1.4.1.

The outcome of the court application will determine the amount of cash held that belongs to the Company.

5.1.2 Plant and equipment

Shortly after my appointment and subject to COVID-19 restrictions in place at that time, I instructed a valuation be undertaken of the office furniture, fittings and the Company's IT equipment (computers and server) located at the Company's premises. The Company did not own any other plant and equipment assets.

I did not auction the office furniture, as the costs of removal and disposal was higher than the estimated realisable value of these assets.

I secured all of the IT equipment and relocated it to my office in Perth, Western Australia. Relocation of the IT equipment was necessary to access and extract books and records that may have been present on the computers, for the purposes of the liquidation.

A number of items of IT equipment were subject to finance. These items have been retrieved by the financier following extraction of the records they contained. The remaining IT equipment will be sold at auction and I estimate the realisable value will be approximately \$10k to \$13k, less auction costs.

5.1.3 Receivables

On appointment, the books and records of the Company indicated \$964k of receivables outstanding. Upon review, I concluded that the total amount owed to the Company was approximately \$1.5m, including \$1.3m in retentions due from the Company's clients.

To date, \$97k has been recovered. I am actively pursuing the remaining receivables; however, I note that some clients may have counter claims against the Company which may reduce the amounts receivable, especially in relation to retentions. My current assessment of the receivables is as follows:

Receivable	Invoices (\$)	Retentions (\$)	Total (\$)	Counter claim (\$)	Expected (\$)
Kauri Flats	-	516,429	516,429	awaiting details	unknown
Orewa	48,389	76,646	125,036	awaiting details	at least 20,089
Scott Point	-	83,454	83,454	awaiting details	at least 30,319
Waiheke	-	575,000	575,000	2,433,701	nil
Parkside	78,258	18,886	97,145	awaiting details	unknown
Total	126,648	1,270,416	1,397,063	2,433,701	

The two largest debtor amounts according to the Company's records relate to the Kauri Flats and Waiheke projects. The Kauri Flats project requires some remedial works. Costs of such repairs are currently being calculated by the client, and I will review this information when it is available.

The Waiheke contract was terminated by the client (Ministry of Education) shortly after my appointment. It was approximately 85% complete at the time. It is unclear to me whether the termination was valid and I look forward to investigating this issue further in the future.

5.1.4 Inland Revenue Department (IRD)

5.1.4.1 Income tax

As a result of COVID-19 the New Zealand government introduced the COVID-19 Temporary Losses Carry Back Scheme (**Scheme**). I have prepared and lodged the relevant documents and obtained a refund of \$2.2m in relation to income tax paid by the Company in the previous year. I do not expect any further income tax refunds to be available under the Scheme.

5.1.4.2 GST

The books and records of the Company indicated \$867k of GST receivable as at the date of my appointment. I conducted a review of the Company's position and I engaged in correspondence with the IRD in an attempt to recover this pre-appointment GST amount. I have sought advice in relation to this receivable and am of the view that it should be recoverable.

The IRD has objected to the Company's position and disallowed the pre-appointment GST refund, but has not yet put its reasons for doing so in writing.

5.1.5 Claim against Corrections

On appointment, the Company's representatives believed there was a breach of contract claim against Corrections, the value of which may exceed \$60 million. The information I have received to date by reviewing company records and through examinations, support there being a claim. However, more work will be required to assess the substantive merits. Further funding is necessary before the claim can be advanced further. I am currently exploring sources of funding for the litigation claim.

I remain of the view that the claim against Corrections is the best prospect of obtaining a return to creditors.

5.1.6 Insurance claims

I am currently pursuing a claim in relation to damage to contract works, which was commenced prior to my appointment. It arises from a number of potential factors and the matters to be considered are complex and time consuming. With the assistance of the insurance advisory firm, Arthur J. Gallagher, I am in discussions with the insurer's loss adjuster and it is possible that those talks may lead to a settlement. The face value of the claim exceeds \$2m; however, there is no assurance that a settlement offer, if tabled, will be in that range.

A second insurance claim lodged before my appointment relates to panels and other components purportedly damaged during marine transit. The face value of this claim is approximately \$3m; however, I am still determining whether it has commercial merit.

5.1.7 Other assets

The Company's other assets at the time of my appointment, as per the books and records, included payroll clearing and salaries related accounts and project insurance invoices. My enquiries revealed that these were mostly accounting entries rather than assets with recoverable value.

The Company was involved in a joint venture with Stanley Interiors Limited (Receiver Appointed) (**Stanley Interiors**). The Company received \$12k from the joint venture, as agreed with the Receiver of Stanley Interiors, being 50% of the balance remaining in the joint venture's bank account. I do not expect any further recoveries from the joint venture.

5.2 Liabilities

5.2.1 Secured creditors

The National Australia Bank Limited (**NAB**) has advanced funds to DGL. As a result of those borrowings and cross guarantees, NAB has senior ranking security over DGL and its member entities, including the Company. DGL's borrowings at the end of February 2020 exceeded \$15m. NAB has not drawn on its guarantee from the Company. Accordingly, the Company's debt to NAB has not yet been determined.

5.2.2 Preferential creditors

All employee entitlements had been paid in full prior to my appointment. The only potential preferential creditor is the IRD.

5.2.3 Unsecured creditors

I have received 170 unsecured creditors' claims to date totalling \$130.3m, including claims in relation to retentions, which are discussed further in section 5.2.4 of this report.

For those creditors that participated in the creditors' meeting (as discussed in section 4.1.3 of this report), I assessed their claims at the time of the meeting for voting purposes. Where claims were rejected or admitted for less than the claimed amount, those creditors were notified. My current assessment is that there are 167 unsecured creditors totalling \$47.9m, including related party claims of \$25.3m.

Corrections submitted a claim for \$73.7m, comprising amounts paid to subcontractors of \$4.8m and an unsubstantiated claim for costs to complete the terminated contract of \$68.9m. I dispute Corrections' claim in relation to completion costs on the grounds that it owes the Company money, not the other way around, as outlined in section 5.1.5 of this report.

5.2.4 Creditors' retentions

My current assessment of retentions owed by the Company is \$2.4m.

As described in section 4.1.4 of this report, the Court's determination in relation to the Company's funds is crucial to the progress of the Company's retention claims as it will determine what funds are available to satisfy retention claims.

6 Receipts and payments

Attached at **Appendix B** is a statement of receipts and payments for the six-month period ending 14 October 2020.

7 Investigations

As liquidator, I am required to evaluate actions of management, review transactions and generally investigate the Company's affairs. If appropriate, I will report any adverse findings to the relevant authorities and/or initiate proceedings for recovery of funds.

My investigations are ongoing and I welcome any information creditors may have that may assist my enquiries. If you believe you have such information then please set out the details in writing, attaching copies of documentary evidence, and forward it to my office.

Please note that a liquidator can only act on written information, as undocumented information is deemed to be hearsay only and is inadmissible in court.

8 Report on Liquidator's remuneration

The remuneration received for the period between 15 April 2020 to 14 October 2020, charged at hourly rates and including disbursements, totalled \$1,097,060, exclusive of GST. I am satisfied that the remuneration incurred was in respect of necessary work, properly performed, in the conduct of the liquidation.

I note that the amount of remuneration (and legal fees) has been aggravated by the actions of Corrections and Mr Grant in their unsuccessful efforts to have me replaced as liquidator.

A detailed breakdown of the remuneration and disbursements for the six-month period is enclosed at **Appendix C**, including a schedule of the qualifications and experience generally of staff at each level. A schedule of the work undertaken during the six-month reporting period is also summarised in Appendix C.

9 Remaining matters

The matters yet to be concluded in the liquidation pertain to the Company's claim against Corrections (refer to section 5.1.5 of this report), the status of the funds in the Company's bank account (refer to section 4.1.4 of this report), collection of debtors where recoverable and recovering insurance claims that are commercially feasible. In the meantime, I continue to investigate the affairs of the Company and its directors in the period prior to my appointment to determine if there may be any further avenues of recovery available to the Company.

10 Estimated date of completion and dividend

It is currently too early to estimate a completion date for the liquidation or the likelihood of a dividend being paid to creditors. My subsequent reports to creditors will, when appropriate, advise of an estimated completion date and provide updates in relation to dividend prospects.

11 Contact information

Enquiries regarding the liquidation should be directed to:

Name: Eve Switka
Phone: +61 8 6145 0708
Email: eswitka@aviorconsulting.com.au
Website: <https://www.aviorconsulting.com.au/creditors/decmil-construction-nz-limited-in-liquidation/>

This report and all preceding and subsequent reports will be made available on the above website.

Dated 12 November 2020

Yours faithfully
For the Company



Dermott McVeigh
Liquidator

Encl.



DECMIL CONSTRUCTION NZ LIMITED (in Liquidation) (the Company)
Company Number 542 2686
NZBN 942 904 136 3485

Declaration of Independence, Relevant Relationships and Indemnities

Practitioner/s appointed to an insolvent entity are required to make declarations as to:

- A Their independence generally
- B Relationships, including
 - a) the circumstances of the appointment;
 - b) any relationships with the company and others within the previous 2 years;
 - c) any prior professional services for the company within the previous 2 years;
 - d) that there are no other relationships to declare; and
- C Any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of myself and Avior Consulting.

A Independence

I, Dermott McVeigh, and Avior Consulting have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as Liquidator of the Company in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to my independence. I am not aware of any reasons that would prevent me from accepting this appointment.

B Declaration of Relationships

(i) Circumstances of Appointment

I was contacted by the Company's director, Mr Scott Criddle, on 25 March 2020 to discuss the Company's position and the prospect of placing the Company into Liquidation. Following that telephone call, I had further telephone calls with Mr Andrew Barclay (in house lawyer for the Company) on 25 & 26 March 2020 to further discuss the prospect of liquidating the Company.

On 26 March 2020, I wrote to Mr Barclay explaining the process of appointing a liquidator, my experience as a liquidator and my firm's hourly rates that would apply if I was appointed liquidator of the Company. In that letter I also identified the minimum funds that the Company should be in possession of at the time of my appointment in order to fund the core aspects of the liquidation.

I had four telephone calls with Mr Barclay and sent 6 e-mails to him between 26 March 2020 and the date of my appointment. Those calls and e-mails related to the prospect of my appointment and did not include any substantive discussion in relation to the Company's position.

I have provided no other information or advice to the Company, the directors and its advisors prior to my appointment beyond that outlined in this DIRRI.

(ii) Relevant Relationships (excluding Professional Services to the Insolvent)

Neither I, nor Avior Consulting, have, or have had within the preceding 24 months, any relationships with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has security over the whole or substantially whole of the Company's property.

(iii) Prior Professional Services to the Insolvent

Neither I, nor Avior Consulting, have provided any professional services to the Company in the previous 2 years.

I also confirm that there are no matters within section 280 of the Companies Act 1993 that would preclude me from accepting this appointment as Liquidator.

(iv) No Other Relevant Relationships to Disclose

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 2 years with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has security over the whole or substantially whole of the Company's property that should be disclosed.

C Indemnities and up-front payments

I have not been indemnified in relation to the liquidation, other than any indemnities that we may be entitled to under statute and, have not received any up-front payments in respect of our remuneration or disbursements.

Dated this 22nd day of April 2020



Dermott McVeigh
Liquidator



Decmil Construction NZ Limited (in Liquidation)
Summary of Receipts and Payments (GST Inclusive)
15 April 2020 to 14 October 2020

Receipts and payments		(\$)
Cash at bank		3,314,316
Receipts		
Interest received		392
IRD income tax refund		2,253,760
Loan proceeds		300,000
Other receipts		11,964
Receivables		97,087
Total receipts		5,977,519
Payments		
Bank charges		240
Consulting and accounting		370,424
Insurance		3,955
Transport costs		4,302
Legal fees and disbursements		1,795,774
Liquidator's disbursements		7,640
Liquidator's fees		1,089,420
Loan repayment		300,000
Public notices		185
Total payments		3,571,941
Cash at bank as at 14 October 2020		2,405,578

Key legal tasks	Amount (\$)
General Liquidation	190,009
Creditors	87,137
Department of Corrections claim	562,779
Examinations	308,479
Injunction	383,250
Retentions	264,120
Total	1,795,774



Decmil Construction NZ Limited (in Liquidation)
Liquidator's Remuneration Report
15 April 2020 - 14 October 2020

	Hourly	Assets realisations		Dept of Corrections		Creditors		Retentions		Administration		Total	
	Rate \$	Hours	Cost (\$)	Hours	Cost (\$)	Hours	Cost (\$)	Hours	Cost (\$)	Hours	Cost (\$)	Hours	Cost (\$)
Partners	590	59.5	35,105	396.1	233,699	323.5	190,836	169.8	100,182	75.8	44,722	1,024.7	604,544
Senior Managers	475	48.6	23,085	13.4	6,365	248.2	117,895	115.3	54,768	67.7	32,158	493.2	234,270
Senior Analysts	275	192.5	52,938	2.8	770	342.9	94,298	175.6	48,290	35.6	9,790	749.4	206,085
Analysts	220	12.3	2,706	-	-	-	-	32.7	7,194	124.0	27,271	169.0	37,171
Support Staff	180	-	-	-	-	15.7	2,826	-	-	25.1	4,524	40.8	7,350
Total		312.9	113,834	412.3	240,834	930.3	405,854	493.4	210,434	328.2	118,465	2,477	1,089,420

Basis of Disbursement Claim	Total (\$)
Postage and couriers	69
Public notices	949
Subscriptions	421
Sundry	746
Transport costs	5,455
Total	7,640

Explanation of Hourly Rates

In accordance with normal practice in liquidations, my remuneration is charged on an hourly basis at standard hourly rates, which are set out below. Amounts are in New Zealand Dollars

The hourly rates for my remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the liquidation and the role they take. The hourly rates encompass the total cost of providing professional services and should not be compared to an hourly wage.

Title	Rate (NZD)	Experience
Partner / Appointee	590	The Partner/Appointee has more than 10 years of corporate insolvency and restructuring experience, may be accredited as a registered liquidator by the Australian Securities and Investments Commission, is a member of the CAANZ or equivalent body, is a member of the Australian Restructuring, Insolvency and Turnaround Association (ARITA), and brings specialist skills to the administration or insolvency task.
Senior Manager	475	Generally, more than 7 years' experience with at least 2 years as a Manager. University degree; member of the CAANZ or equivalent body, member of the ARITA; very strong knowledge of relevant insolvency legislation and issues.
Manager	400	4-7 years' experience with well-developed technical and commercial skills. University degree; member of CAANZ and, generally, the ARITA; strong knowledge of relevant insolvency legislation and issues.
Senior Analyst	275	Generally, 2-4 years' chartered accounting or insolvency management experience. University degree; completed or completing the CAANZ's program. Good knowledge of basic insolvency legislation and issues.
Analyst	220	Generally, 2-3 years' chartered accounting or insolvency management experience. University degree, CAANZ's program commenced.
Personal Assistant	180	Appropriate skills including machine usage.

Notes:

- The hourly rates are exclusive of GST.
- The guide to staff experience is intended only as a general guide to the qualifications and experience of staff engaged in the liquidation. Staff may be engaged under a classification considered appropriate for their experience.
- Time is recorded and charged in six-minute increments.

Disbursements are recharged at cost. Printing and photocopy expenses are charged at nil.

Task area	General description	Includes
Assets realisations 312.9 hours \$113,834	Cash	<ul style="list-style-type: none"> • Providing notice of appointment to pre-appointment bank • Liaising with pre-appointment bank
	Property, plant & equipment	<ul style="list-style-type: none"> • Cataloguing retrieved computers and digital equipment • Corresponding with computer and digital equipment financing company regarding return of financed equipment • Preparing computers and digital equipment for auction
	Receivables	<ul style="list-style-type: none"> • Review of receivables and assessment of recoverable amounts • Review of contracts to determine quantum of potential recoveries • Correspondence with debtors • Review of counterclaims • Liaising with lawyers regarding communication with debtors' legal representatives
	Tax assets	<ul style="list-style-type: none"> • Calculation and realisation of tax assets/refunds • Liaising with tax consultants regarding lodgement of returns and dealing with correspondence from the IRD
	Other	<ul style="list-style-type: none"> • Conducting asset related searches • Reviewing books and records to identify potential assets • Discussions with directors regarding assets • Liaising with insurance agent regarding recoveries from insurance claims • Correspondence with receiver of Stanley Interiors
Department of Corrections claim 412.3 hours \$240,834	Injunction re performance bonds	<ul style="list-style-type: none"> • Assessing merit of preventing call on performance bonds • Liaising with lawyers regarding strategy and materials required for court application • Preparing affidavits for court application • Reviewing judgement and considering appeal • General correspondence with relevant parties
	Examinations	<ul style="list-style-type: none"> • Liaising with lawyers and relevant consultants regarding examinations strategy • Creating and updating "data room" of evidence • Attending to lawyers' questions and requests • Attending examinations of various key personnel • Reviewing and analysing examinations material

Task area	General description	Includes
Department of Corrections claim (continued)	Legal claim / strategy	<ul style="list-style-type: none"> • Liaising with engineering consultant regarding Corrections building contract and status of build • Attending planning and strategy meetings with lawyers • Considering directions received from lawyers • Correspondence with relevant parties • Calculations of possible quantum of claim
Creditors 930.3 hours \$405,854	Enquiries	<ul style="list-style-type: none"> • Receiving and following up creditors' enquiries • Updating contact information of creditors
	Reports	<ul style="list-style-type: none"> • Preparation of initial circular to creditors • Preparing circulars to creditors with updates • Preparing circulars regarding retentions trust court application • Reviewing responses to retentions trust circular • Preparing statutory 6 month report
	Meetings	<ul style="list-style-type: none"> • Planning and holding information session and creditors' meeting by postal ballot • Liaising with and assisting lawyers regarding court application regarding creditors' meeting • Adjudicating claims for voting purposes • Collating votes and notifying creditors of outcomes • Correspondence with creditors nominated for the Liquidation Committee
	Employees	<ul style="list-style-type: none"> • Review of books and records in relation to employees' files • Assessing and verifying employee entitlements
	Security claims	<ul style="list-style-type: none"> • Search of the PPSR register and review of registrations • Correspondence with secured creditors
Retentions 493.4 hours \$210,434	Retention creditors	<ul style="list-style-type: none"> • Assessment and verification of retention claims • Considering and analysing subcontractors' contracts • Attending meetings with the Company's management to verify retentions claims • Liaising and discussing retentions legal issues with lawyers and advisors • Preparation of court application • Preparing and reviewing opposing and response affidavits • Preparing circulars for retention creditors • Preparing and holding meetings for retentions creditors and non-retentions creditors • General correspondence with creditors regarding their retentions claims

Task area	General description	Includes
Retentions (continued)	Retention creditors (continued)	<ul style="list-style-type: none"> Preparing and maintaining analysis worksheet of expenses associated with retention creditors
	IRD and other statutory reporting	<ul style="list-style-type: none"> Notification of appointment Preparing and lodging statutory returns
Administration 328.2 hours \$118,465	Bank account administration	<ul style="list-style-type: none"> Opening and closing bank accounts Correspondence with banks Preparing and authorising payments and receipts Reconciliations of bank accounts
	Books and records / storage	<ul style="list-style-type: none"> Obtaining books and records Accessing employee computers to retrieve additional books and records Cataloguing and organising digital books and records
	Correspondence	<ul style="list-style-type: none"> Notification letters for relevant agencies, service providers and other authorities General correspondence
	Directors	<ul style="list-style-type: none"> Preparing directors information documents Attending meetings with the directors in relation to the affairs of the Company Reviewing documentation provided by the directors
	Document maintenance / file review / checklist	<ul style="list-style-type: none"> File reviews Updating checklists
	Planning / Review	<ul style="list-style-type: none"> Discussions regarding status of liquidation Review of completed and outstanding tasks
	Total: \$1,089,420	