



McDonald
Vague

business recovery partners

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**Height-Worx Limited
(In Liquidation)
Liquidators' Second Report to Creditors and Shareholders
For the period
12 April 2018 to 11 October 2018**

1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Peri Micaela Finnigan, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed as joint and several liquidators of Height Worx Limited ("the company") on 12 April 2018 by the High Court at Auckland.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators report on the progress of the liquidation. This report should be read in conjunction with the liquidators' previous report. This report is being sent to shareholders and all creditors who have filed a claim in the liquidation.

A Statement of Realisations and Distributions is **attached**.

2 RESTRICTIONS

Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, revise this report in respect of any information existing at the date of this report which becomes known to us after that date.

3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

Upon appointment, the liquidators found the company was trading, and had been placed in liquidation due to a relatively small debt overlooked by the director. The shareholders stated their desire to have the company taken out of liquidation. The liquidators conducted an assessment of the proposal based on an assessment of assets values based on recent sales, confirmation of liabilities, trading forecasts, savings to be made, and other information provided by creditors and the director.

Once the assessment was complete, the liquidators put forward a proposal to the secured creditors that the company be allowed to trade its way into a position where application could be made to take the company out of liquidation in due course, pursuant to Section 250 of the Act.

The above proposal was also made possible by the introduction of funds by the shareholder and related parties, which enabled the payment of all preferential claims and finance instalments in arrears, as well as liquidation expenses and other costs.

The liquidators have continued to administer the company and control all funds. The liquidators have continued to pay monthly instalments due to secured lenders, with the consent of the secured lenders, allowing the company to continue operating.

The director has not taken any wages or salary since the start of the liquidation. Trading obligations are up to date.

A Statement of Realisations and Distributions is included below, detailing all funds realised and all payments made during the course of the liquidation.

4 INVESTIGATIONS

The liquidators have completed their investigations into the books, records and affairs of the company. Due to the continued payment of creditors to date and to the expectation that non-preferential unsecured creditors will be paid in full, there is at this stage no reason to pursue other avenues of recovery.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

\$211,214 has been paid to secured lenders to date.

5.2 Preferential Creditors

A preferential claim in respect of the applicant creditor's costs of \$3,949 has been paid in full.

The Inland Revenue Department has been paid \$82,358 being 100% of its preferential claims in the liquidation.

5.3 Unsecured Creditors

Of an amount of \$103,225 owing to the bank and trade creditors at the date of liquidation, the liquidators have made an interim distribution of 30 cents in the dollar.

6 LIQUIDATORS' FEES

Liquidators' fees to the date of this report are \$67,110 (excluding GST). The fees are based on 456 hours of work undertaken as follows:

Work Category	Hours	\$
Statutory required notice and reports.	6	940
Disbursements.	7	656
Appointment functions.	44	8,865
Asset realisations and trading management.	278	37,467
Creditors' proposal, correspondence and attendances, claims and reporting.	80	14,200
Taxation.	23	2,177
Investigations and legal.	18	3,460
Total	456	\$67,766

Liquidators' fees in a Court ordered liquidation are to be approved by the Court and if required a retrospective application for fee approval will be made by the liquidators.

Section 284 (1) of the Act provides that an application (with the leave of the Court) may be made by a creditor, shareholder or director of a company in liquidation to review or fix the remuneration of the liquidators.

7 FUNDS / LIKELY OUTCOME

There is expected to be a full recovery for all creditors.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Final distribution to unsecured creditors.
- Application to take the company out of liquidation.

9 ESTIMATED DATE OF COMPLETION

The liquidators hope to complete the liquidation within the next six months.

10 CONTACT DETAILS

Enquiries should be directed to Dalwyn Whisken on DDI (09) 969 5336 by email to dwhisken@mvp.co.nz.

The Liquidators can be contacted at:

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PERI M FINNIGAN
LIQUIDATOR

DATED this 30th day of October 2018

PMF/DW/gck/220
Height Worx/Reports/4101 Second Report

Realisations and Distributions

Height-Worx Limited (In Liquidation) 12 April 2018 to 11 October 2018

Realisations	
Advance from Shareholders	250,000
Bank Account Closure	4,735
Trading On Debtors	391,770
Interest	232
Sale of Assets	-
Pre Liquidation Debtors	84,588
	731
Total Realisations	731,326
Payments	
Liquidators Fees	
Liquidators Fees	67,110
Disbursements	656
Total Liquidators Fees	67,766
Other Costs of Liquidation and Trading On	
Trading on Expenses	40,148
Resident Withholding Tax on Interest	65
Wages and PAYE	163,177
Rent & Outgoings	75,566
Insurance	19,304
Total Costs of Liquidation and Trading On	298,260
Distributions	
Secured Creditor - MTF	56,992
Secured Creditor - Heartland	113,558
Secured Creditor - CrediFlex	4,423
Secured Creditor - UDC	3,728
Secured Creditor - L & F Limited	22,178
Secured Creditor - FlexiGroup	4,225
Secured Creditor - EFT	6,111
Preferential Distribution - Applicant Creditor	3,949
Preferential Distribution - GST and PAYE	82,358
Salvage rent	10,455
Dividends to Unsecured Creditors	36,474
Total Distributions to Unsecured Creditors	351,415
Total Payments	710,477
BALANCE HELD	20,849

Note: the above figures are GST exclusive