

Liquidators' Six Monthly Report

LESZEK STAINLESS STEEL LIMITED (IN LIQUIDATION)

Introduction

On 27 February 2017 at 11:30am, Iain Bruce Shephard and Jessica Jane Kellow, RITANZ-accredited insolvency practitioners, were appointed liquidators jointly and severally of Leszek Stainless Steel Limited by special resolution signed by the shareholder.

This is our six-monthly report required by Section 255(2)(d) of the Companies Act 1993 and is to be read in conjunction with our previous report.

Background

Leszek Stainless Steel Limited (now In Liquidation) ("the Company") had been operating as a stainless-steel goods manufacturer in Wellington primarily for the industrial and commercial markets since its incorporation in July 2015.

From the outset, the Company was undercapitalised. When further capital was introduced, the Company struggled to properly maintain its growth. Contracts that the Company had entered into became unprofitable and the Company began to incur liabilities with Inland Revenue for unpaid GST as well as its trade creditors.

As a consequence of unpaid rent, the landlord evicted the Company from their premises. Following this, the shareholder sought professional advice and subsequently resolved to place the Company into liquidation.

Liquidators' Actions

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.

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 corresponded with the Company's debtors. To date, the liquidators have received \$594.55 of the Company's accounts receivable. There remains a significant debtor with whom the liquidators have corresponded on numerous occasions. The liquidators and the debtor company have been unable to reach an agreement. The liquidators have therefore applied to the Disputes Tribunal for determination of this issue.

The liquidators have entered into an agreement for the sale of the Company's saw and welder.

Realisation of Assets

Tangible Assets

The liquidators received \$1,150.00 from the sale of the Company's tangible assets.

Accounts Receivable

As indicated above, the liquidators have received debtor payments totaling \$594.55.

Creditors' Claims

Preferential Creditors

The liquidators have received a preferential claim from Inland Revenue in the amount of \$9,156.61.

The liquidators have also received a claim from a former employee of the Company for unpaid holiday pay and wages, totaling \$1,740.18.

Unsecured Creditors

The liquidators have received 18 unsecured claims totaling \$28,246.95.

Prospect of a Distribution

It appears unlikely that the liquidators will be in a position to make a distribution to unsecured creditors.

Whether the liquidators may be in a position to make a distribution to preferential creditors depends on the result of the Disputes Tribunal in relation to the Company's principal debtor. It should be noted that significant liquidators' costs and disbursements remain outstanding.

Receipts and Payments

A schedule of the liquidators' receipts and payments is enclosed.

Estimated Date of Completion

It is not practical to estimate the date of completion at this time.

Contact Details

Contact Person	Jessica Kellow
Telephone	04 473 6747
Email	jessica@sd.co.nz
Postal Address	PO Box 11793 Wellington



JESSICA KELLOW
Liquidator

Dated 24 August 2017

LESZEK STAINLESS STEEL LIMITED (IN LIQUIDATION)

Schedule of Liquidators' Receipts & Payments

As at: 24 August 2017

Receipts

Accounts Receivable	594.55
Interest	0.79
Sale of Assets	1,150.00

1,745.34

Less Payments

Liquidators' Costs and Disbursements	1,600.00
Inland Revenue - GST	77.55
RWT	0.26

1,677.81

Liquidators' Bank Account

67.53