

Liquidators' Six Monthly Report

PEDDLE THORP & MONTGOMERY LIMITED (IN LIQUIDATION)

Introduction

On 17 November 2016 at 3:30pm, Iain Shephard and Jessica Kellow, accredited insolvency practitioners were appointed liquidators jointly and severally of Peddle Thorp & Montgomery Limited by special resolution signed by the majority 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

Peddle Thorp & Montgomery Limited (now In Liquidation) ("the Company") was established in Wellington in 1973, becoming an incorporated business in 1988.

Offering architectural practices across education, private and public sectors, the Company had a solid reputation. Various legal disputes concerning leaky properties and employment law issues have resulted in significant costs being incurred. A lack of sufficient contracts resulted in reduced cash flow and an inability to meet rental and tax liabilities.

In recent times, the Director has been challenged by health concerns and therefore unable to continue operating the Company.

Following professional advice, the majority shareholder 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 are currently reviewing the actions of the director with consideration as to whether there were any potential breaches of appropriate sections of the Companies Act 1993. The liquidators' investigations have thus far included examining the Company's financial statements and considering the Company's bank transactions.

The Company is currently a defendant in proceedings on foot in the High Court at Wellington regarding the construction of an apartment complex in Napier. Prior to the appointment of liquidators, the insurers for the Company had responded to the claim. The insurers and their legal representatives are defending the claim on behalf of the Company. We understand the matter has been set down for a further case management conference in September 2017.

Realisation of Assets

Tangible Assets

The liquidators organised for the sale of Company's tangible assets at auction for \$1,782.65. These assets consisted primarily of general office equipment.

Intangible Assets

The liquidators entered into an agreement for the purchase of the Company intellectual property by instalments for \$3,450. To date, the liquidators have received \$1,380. The liquidators are expecting to receive the remaining balance within the next six months.

Creditors' Claims

Secured Creditors

The liquidators have contacted all known secured creditors, and reviewed all security documentation received. The liquidators have received one secured claim totaling \$55,985.67.

Preferential Creditors

The liquidators have received one preferential claim, totaling \$15,334.37.

Unsecured Creditors

The liquidators have received six unsecured claims, totaling \$294,752.13.

Prospect of a Distribution

There is no prospect of a distribution to any class of creditor.

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

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JESSICA KELLOW
Liquidator

Dated 13 June 2017

PEDDLE THORP & MONTGOMERY LIMITED (IN LIQUIDATION)

Schedule of Liquidators' Receipts & Payments

As at: 29 May 2017

Receipts

ACC Levy Refund	30.26
Interest	2.80
Sale of Assets	2,702.65

2,735.71

Less Payments

Liquidators Costs & Disbursements	2,200.01
RWT	0.92
Inland Revenue - GST	59.08

2,260.01

Liquidators' Bank Account

475.70