



ADBUILD
ADVANCED BUILDING & CONSTRUCTION

**ADVANCED BUILDING & CONSTRUCTION LIMITED
(ADMINISTRATORS APPOINTED)
(trading as AdBuild) (“Company”)**

**Voluntary Administrators’ report pursuant to section 239AU of the
Companies Act 1993**

23 July 2021

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EXECUTIVE SUMMARY

Purpose of this report

The purpose of this report is to:

- Provide creditors with information and details regarding the business, property, and affairs of Advanced Building & Construction Limited (Administrators Appointed) (trading as AdBuild) (“Company”); and
- Provide creditors with a recommendation as to which of the three options available to the creditors for voting at the Watershed Meeting of creditors.

Watershed Meeting

The Watershed Meeting will be held on **Thursday, 5 August 2021 at 1:00pm (NZST)** at the offices of **BDO Wellington (Level 1, Chartered Accountants House, 50 Customhouse Quay, Wellington)**.

Events leading to appointment of administrators

A number of factors, including delays with a significant Auckland project, the effects of the COVID-19 pandemic, and an unsustainable overhead structure, led to a projected cashflow constraint occurring in March 2021.

Prior to the anticipated cashflow constraint, the Company sought an informal compromise and repayment solution with its creditors.

The proposed repayment terms were not suitable to one of the Company’s secured lenders and, following the issue of a demand, the lender appointed administrators to the Company.

Sales process

The Administrators conducted a full sales process for either the sale of the business and assets of the Company or investment into the Company.

A conditional sale and purchase agreement for the business and assets of the Company was executed on 20 July 2021.

Has a DOCA been proposed?

At the date of this report, no DOCA has been proposed and, based on the information available to the Administrators, a DOCA proposal is unlikely to be received.

Will employees and other preferential creditors be paid?

Preferential creditors rank ahead of secured and unsecured creditors for the purposes of a distribution from the net proceeds of inventory and accounts receivable.

Employees will be paid their preferential entitlements (up to the statutory limit) in full.

The Administrators are yet to receive a claim from the Inland Revenue but expect to pay a full distribution to Inland Revenue in respect of its preferential entitlements.

Will secured creditors be paid?

The Company’s two secured lenders will be paid in full from the proceeds of the sale of the business and assets of AdBuild.

Subject to confirming which creditors have valid security and confirming the priority ranking of securities, the Administrators expect that secured creditors will be paid in full.

Will unsecured creditors receive a dividend?

Subject to calling for claims in the liquidation, there being no other secured creditors, and adjudicating creditor claims, the Administrators expect that there will be a dividend to unsecured creditors.

At this stage, on the basis that the sale of the business is confirmed, the creditors vote to place the Company into liquidation, and no other material creditor claims are received, the Administrators **estimate a dividend of between 45 and 60 cents in the dollar for unsecured creditors**. The Administrators note however that this is a preliminary estimate only based on the value of the claims known to the Administrators as at the date of this report. All claims must be finalised before the final dividend can be determined.

EXECUTIVE SUMMARY

What do the administrators recommend creditors vote for at the Watershed Meeting of creditors?

For the reasons set out further in this report, the Administrators recommend that creditors vote to confirm the sale of the business and resolve to place the Company into liquidation.

As a creditor, what do I need to do?

Creditors are not required to do anything, but are entitled to vote at the Watershed Meeting, either by postal vote, attending in person, or appointing a proxy.

Voting forms have been provided to creditors and further information regarding attending and voting at the Watershed Meeting (including attending virtually) are detailed further in this report.

INTRODUCTION

Appointment of administrators

Iain Bruce Shephard and Jessica Jane Kellow, both Licensed Insolvency Practitioners (registration numbers: IP71 and IP75) of BDO Wellington, were appointed as joint administrators (“Administrators”) to Advanced Building & Construction Limited (trading as AdBuild) (“Company”) on 31 March 2021 by GAMOS Services Limited (as secured creditor) pursuant to section 239K of the Companies Act 1993 (“Act”).

Objectives of voluntary administration and administrators’ role

The purpose of the voluntary administration regime is to maximise the prospects of a company continuing in existence or, if that is not possible, to achieve better returns to creditors than would be achieved in an immediate liquidation. During a voluntary administration there is a moratorium over most pre-administration creditor claims.

Administrators are also required to investigate the company’s affairs and report to creditors on the administrators’ opinion as to which outcome of the voluntary administration process is in the creditors’ best interests, informing the creditors prior to their voting at the watershed meeting. The administrators also have all of the management powers of the company and its directors.

First meeting of creditors

The First Meeting of Creditors (pursuant to section 239AN of the Act) was held by the Administrators on 14 April 2021 at the offices of BDO Wellington. A number of creditors attended this meeting virtually via Microsoft Teams.

Two resolutions were put forward to the creditors at this meeting:

- To appoint a creditor committee; and
- To replace the Administrators with other administrators.

The resolution to appoint a creditor committee failed to reach the requisite votes and therefore no committee was appointed.

No nominations to appoint an alternative administrator to the Company were presented either prior to, or during, the meeting, therefore this resolution was not voted on by creditors and the appointed administrators remained in office.

Extension of convening period

The Act requires that the Administrators convene the Watershed Meeting within 20 working days of the Administrators’ appointment - this being no later than 3 May 2021. As indicated at the First Meeting of Creditors, the Administrators noted that it would be in the best interests of creditors and would preserve value to make an application to the High Court to extend the convening period for the Watershed Meeting.

The Administrators’ focus during the first month of the administration was to continue trading the business of the Company, complete an assessment of the active and forecast projects, and prepare an information memorandum for interested parties.

The Administrators considered that having to convene the Watershed Meeting by 3 May 2021 (the date had no extension been sought) would have left insufficient time for potential purchasers or investors to comprehensively review the business of the Company, to make offers, and for negotiations. Additionally, the Administrators considered that they would not be in a position to report accurately to creditors and make meaningful representations as to the Company’s future. On this basis, the Administrators sought an extension of the convening period to 10 August 2021.

On 22 April 2021, the High Court at Wellington granted the orders sought to extend the convening period to 10 August 2021 (CIV-2021-485-192). In accordance with the Court Order, notice of the orders granted were advertised in the New Zealand Herald, the Dominion Post, and on BDO and the Company’s respective websites.

WATERSHED MEETING AND PURPOSE OF REPORT

Watershed meeting

The Watershed Meeting will be held on **Thursday, 5 August 2021 at 1:00pm (NZST)** at the offices of **BDO Wellington (Level 1, Chartered Accountants House, 50 Customhouse Quay, Wellington)**. A copy of the notice of meeting is attached to this report.

There will be audio-visual facilities for creditors who are unable to attend the Watershed Meeting in person. Please note, creditors who will attend the meeting virtually will be required to submit a postal vote or nominate a proxy prior to the Watershed meeting as there will be no electronic voting facilities available.

The purpose of the Watershed Meeting is for creditors to resolve what option to take in relation to the future of the Company. Pursuant to section 239AU of the Act, the three options available are whether the Company should:

- a) Enter into a deed of company arrangement (“DOCA”);
- b) Be returned to its directors; or
- c) Enter into liquidation.

In respect of the above options, given that the Company is insolvent and no DOCA has been proposed, **the Administrators’ opinion is that the only option is that the Company be placed into liquidation.**

Further details regarding the above alternatives, as well as additional information relating to voting at the Watershed Meeting can be found at pages 17 to 19 of this report.

Purpose of this report

Section 239AU of the Act requires that the Administrators provide a report to all creditors ahead of the Watershed Meeting, which contains:

- a) Information and details regarding the business, property, affairs and financial circumstances of the Company;
- b) The Administrators’ opinion and recommendation on the three options available to creditors regarding the Company’s future (above); and
- c) If a DOCA is proposed, the details of the DOCA.

Context of this report

Creditors reviewing this report should note that:

- This report and the statements herein are based upon our preliminary investigations to date. Any additional material issues identified subsequent to this report may be the subject of a further written report and/or tabled at the upcoming Watershed Meeting;
- The investigations of the Company’s affairs have been prepared from books and records made available to the Administrators, as well as information provided by the Company’s officers, key personnel where applicable, and from our own enquiries. While we have no reason to doubt any information contained in this report, we reserve the right to alter our conclusions should the underlying data prove to be inaccurate or materially changes from the date of this report;
- The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. Except where otherwise stated, we reserve the right to alter any conclusions reached on the basis of any changed or additional information that may be provided to us between the date of this report and the date of the Watershed Meeting;
- In considering the options available to creditors and formulating our recommendation, the Administrators have necessarily made forecasts of asset realisations and total creditors. These forecasts and estimates may change as asset realisations progress and claims are received from creditors. While the forecasts and estimates are the result of the Administrators’ best assessment in the circumstances, creditors should note that the outcome for creditors may differ from the information provided in this report; and
- Amounts in this report are in New Zealand dollars, unless otherwise stated exclude GST, and may not sum exactly due to rounding.

BACKGROUND INFORMATION & COMPANY OVERVIEW

Company overview

Advanced Building & Construction Limited (Administrators Appointed)		
Date of Incorporation:	2 October 2017	
Company Number:	6473113	
Registered Office: (Prior to administration)	8 Burnham Street Petone 5012	
Type of Business:	Modular Construction	
Shareholders:	ModuleXC Holdings Pty Limited	[1,600 shares]
Directors:	Darryn William Harmer Wayne Patrick O'Brien	
Date of Administration:	31 March 2021	

Background and trading history

Advanced Building & Construction Limited (now Administrators Appointed) (trading as AdBuild) (“Company”) was incorporated in October 2017 and commenced trading in 2018 with the intention of providing modular building solutions into the New Zealand market, especially in the area of social housing.

In early 2019, the first Kāinga Ora (formerly Housing New Zealand) contract was awarded to AdBuild. This was followed quickly by subsequent contracts.

Initial teething problems with design, multi-council consent processes and deployment learnings led to significant delays in the project and cost overruns. The flow-on effects were constructed units consuming factory space, expensive off-site storage needs, and additional factory space requirements to prevent delays to further new construction.

In October 2019, AdBuild partnered with the Ministry of Education and was appointed to its modular building panel. AdBuild has designed, constructed, and delivered buildings to the Ministry of Education with contract values totalling approximately \$45m over the past 18 months. Contracts with Kāinga Ora exceed \$20m across the same period.

In more recent times the Company had been approached by additional government agencies and private businesses looking for modular building solutions.

In late 2020, the Company, via the appointment of a new Chief Executive Officer, had commenced a strategic review and restructure of the organisation.

As part of the review and restructure, financial projections were undertaken which indicated cashflow constraints occurring in March 2021. In preparation of the anticipated constraint, the Company sought an informal compromise with creditors and sought to re-negotiate payment terms with its secured lenders. The Company also sought additional working capital from its shareholders, which was not forthcoming.

One of the secured lenders was not prepared to further negotiate the terms of the repayment of the debt and following meetings with a director of the Company and with management, the secured lender served a demand on the Company and when this demand was not met, then appointed administrators.



CREDITORS

Secured lenders

Kiwibank Limited (“Kiwibank”) holds a first-ranking general security agreement over the assets of the Company. At the date of the Administrators’ appointment, Kiwibank was owed \$1,982,244 in respect of the Company’s overdraft facility with Kiwibank.

GAMOS Services Limited (“GAMOS”) holds a second-ranking general security agreement over all present and after-acquired personal property of the Company. At the date of the Administrators’ appointment, GAMOS was owed \$1,020,989. We note that GAMOS (and/or its directors) have also guaranteed the Company’s Kiwibank obligations.

The debt to both secured lenders continues to accrue interest and other costs until repayment.

Security interests

At the date of our appointment, the Personal Property Securities Register (“PPSR”) indicated that 44 financing statements had been registered against the Company.

Since appointment, three financing statements have been discharged, and five creditors have registered new financing statements against the Company.

We understand that creditors with security registered over specific assets (“PMSI Creditors”) are owed approximately: \$552,916.

Should the Company be placed into liquidation, it will be necessary for the liquidator to review creditor claims with regards to security to determine the order of priority for distributions.

Preferential creditors

At the date of the Administrators’ appointment, the Company’s 25 employees were owed \$83,765 in respect of their accrued holiday pay entitlements. Since the Administrators’ appointment, and as a consequence of the trading period, employees have accrued additional leave and have taken holiday pay.

At the date of administration, the Company’s records indicated a GST liability of \$548,604. The Administrators have also arranged for the Company’s finance staff to complete the GST return for the period 1 February to 31 March 2021, which indicates a further GST liability of \$308,302.

Trade creditors

The Company’s records indicated that at the date of administration there was \$4,119,925 owing to the Company’s 78 trade creditors (including those with security registered over specific assets). In addition, we have been advised that one of the Company’s directors had made an unsecured loan to the Company of \$1,074,000.

The Administrators have received a number of claim forms both prior to the First Meeting of Creditors and the Watershed Meeting of Creditors. A formal adjudication process with payment of dividends to creditors will be performed by a liquidator.

Below is a summary of the Company’s creditors as at 31 March 2021:

Creditor Summary	31-Mar-21
Secured Creditors	
GAMOS Services Ltd	1,020,989
Kiwibank Ltd	1,982,244
PMSI Creditors	552,916
Total Secured Creditors	3,556,149
Preferential Creditors	
Employee Preferential Entitlements	83,765
Inland Revenue	818,859
Total Preferential Creditors	902,624
Unsecured Creditors	
Trade Creditors	3,728,420
Inland Revenue - Penalties & Interest	56,860
Director Loan	1,074,000
Total Unsecured Creditors	4,859,280
Total Creditors	9,318,053

FINANCIAL PERFORMANCE

Profit and Loss

Statement of Profit and Loss	Year Ended 31 Mar-21 000's
Revenue	34,071
Cost of Sales	(24,060)
Gross Profit	10,011
Operating Expenses	
Employees and Contractors	3,892
IT & Communications	138
Motor Vehicle Expenses	25
Other Operating expenses	219
Professional Fees	214
Property, Plant and Equipment	1,894
Travel & Entertainment	510
Total Operating Expenses	6,891
Operating Profit/Loss	3,120
Non-Operating Expenses - Other	309
Other Income	200
EBIT	3,011
Net Interest Expense	636
Earnings Before Income Tax	2,374
Income Tax Expense	(444)
Net Profit/(Loss) After Tax	1,930
Normalised Profit Before Tax*	2,913

Source: AdBuild Management Accounts

* - Normalised Profit Before Tax removes all funding and intercompany transactions

Balance sheet

Balance Sheet	31-Mar-21 000's
Cash	76
Inventory	5,460
Trade and Other Receivables	1,813
Total Current Assets	7,350
Deferred Tax	960
Fixed Assets	618
Loans Receivable	3,119
Right of Use Assets	5,959
Total Fixed Assets	10,656
Total Assets	18,005
Accounts Payable	4,555
Accruals	362
Deferred Income	4,952
GST Payable	484
Other Current Payables	222
Overdrafts	1,929
Provision for Employees' Costs	82
Total Current Liabilities	12,585
Lease Liabilities	6,032
Loans Payable	2,236
Total Liabilities	20,853
Net Assets	(2,848)
Equity	
Retained Earnings	(2,848)
Total Equity	(2,848)

Source: AdBuild Management Accounts

EVENTS LEADING TO APPOINTMENT OF ADMINISTRATORS

Directors' opinion as to reasons for failure and company position

The directors of the Company provided the Administrators with statements regarding the Company's business, property, affairs, and financial circumstances as required under section 239AF of the Act. These statements were tabled at the First Meeting of Creditors and read to creditors. The directors' statements summarise the financial position of the Company and their reasons for the appointment of Administrators. **Please note that these statements do not necessarily reflect the views of the Administrators.**

We have summarised the views of the directors below.

The Company was impacted by the following key challenges:

- Delays in relation to a significant Kāinga Ora project in Auckland and difficulties dealing with multiple territorial authorities. The delays lead to factory space constraints for several months and inability to produce new builds for other projects;
- The COVID-19 pandemic and the associated lock down trading restrictions and difficulty relying on Australian-based fly-in, fly-out staff due to border restrictions;
- A four-month period in which no new orders were placed and its flow-on effects for cashflow;
- An unsustainable overhead structure; and
- Insufficient working capital.

As a result of these challenges and the anticipated cashflow constraints, suppliers and contractors were contacted regarding a compromise or repayment solution.

The Company liaised with its two secured lenders seeking a 12-month delay for one and a monthly principal and interest payment for the other.

Administrators' opinion as to reasons for failure

The Administrators largely agree that the Company was impacted by the challenges indicated by the directors.

In addition, the Administrators note that at the date of the Administrators' appointment, the Company's records indicated loans to related parties of approximately \$3.12m that remain unpaid. Please refer to page 16 of this report for further details relating to these loans.



ADMINISTRATORS' ACTIONS TO DATE

Statutory and general obligations

- Attending to the Administrators' statutory duties, including informing Inland Revenue, Accident Compensation Corporation, and other statutory authorities of the appointment;
- Undertaking health and safety reviews to ensure the safety of AdBuild's and the Administrators' staff;
- Notifying the Company's banks of the appointment and obtaining freezes over accounts in the Company's name;
- Holding meetings with the Company's management team, key employees, directors and their advisors, to understand AdBuild's background, the events leading to appointment, operating structure, and financial performance;
- Securing the books and records of the Company;
- Liaising with the key stakeholders, including employees, secured creditors, the Ministry of Education, Kāinga Ora, landlords, suppliers, sub-contractors, and unsecured trade creditors;
- Attending to other statutory and general requirements.

Employees

- Meeting with employees on day one of the appointment to discuss the effect of administration on their employment with AdBuild and responding to employee queries;
- Review of payroll system and books and records of the Company to understand employee details and liabilities;
- Liaising with Company payroll provider for continued filing of PAYE returns;
- Preparing and filing an application to the High Court for an extension to the 14-day notice period to employees under section 239Y of the Act;
- Review and calculate employee entitlements as at date of appointment.

Creditors

- Reviewing books and records, preparing and issuing notices of appointment and circulars to creditors regarding effect of appointment and First Meeting of Creditors;
- Convening the First Meeting of Creditors;
- Preparing and filling an application to the High Court to seek an extension of the convening period for the Watershed Meeting;
- Preparing the Administrators' Report (this report) pursuant to section 239AU of the Act, including undertaking investigations, making a recommendation to creditors on the future of AdBuild, and convening the Watershed Meeting;
- Liaising with creditors with financing statements registered on the Personal Property Securities Register, requesting copies of underlying security documentation;
- Corresponding with creditors in response to queries in relation to the administration and their debt; and
- Indicatively reviewing books and records of the Company to form a view on the value of the unsecured creditor claims.

Trade-on management

- Assessing the financial position of the approximately 30 active projects as well as those at differing stages of development;
- Liaising with management and key stakeholders to stabilise the business, developing and maintaining a 'business-as-usual' trade-on strategy;
- Communicating with suppliers, sub-contractors, landlords, and other key creditors regarding continuity of service on contracts and securing payments and supply;
- Establishing ongoing trading processes including, purchase orders, payroll, and payment of trading expenses;
- Liaising with suppliers to establish new trading accounts and securing ongoing supply of goods and services;

ADMINISTRATORS' ACTIONS TO DATE

Trade-on management (continued)

- Meetings with the Ministry of Education, Kāinga Ora, as well as other clients of AdBuild as to the status and delivery of the active projects and the prospect of future work in the pipeline for the Company;
- Reviewing and executing contracts for new forward work for AdBuild with the Ministry of Education and other parties;
- Liaising with sub-contractors and suppliers, and where required, arranging for duress payments to be made to certain creditors to ensure continued support on projects and provision of necessary documentation;
- Liaising with AdBuild's trading bank in relation to funds held and funds deposited during the administration, organising bank sweeps of funds held in Company accounts to the Administrators' trust account;
- Reconciling cash held and regular evaluation of the ongoing trading position;
- Reviewing key financial information required for monitoring ongoing trading, including cashflow forecasts and related financial information;
- Liaising with legal advisors in relation to ongoing trading matters; and
- Liaising with the Company's insurance broker and underwriter to obtain renewal of the annual insurance policies due for renewal in July 2021.

Sale of business / investment into AdBuild

- Shortly following appointment, the Administrators commenced offering either investment into the Company or a sale of the business and assets of AdBuild;
- Please refer to 'Sales Process' (page 14 of this report) for full details regarding the sales process conducted by the Administrators.

Investigations into trading history and AdBuild's affairs

- The Administrators have conducted preliminary investigations into the trading history and AdBuild's affairs in order to comment on additional recoveries that may be available to creditors if:
 - a) the Company is placed into liquidation; and
 - b) there is a shortfall to unsecured creditors.
- Please refer to 'Administrators' Investigations' (pages 15 and 16 of this report) for full details regarding the preliminary investigations taken to date.



PROJECT SUMMARY

General

As at the date of the Administrators' appointment, the Company had approximately 30 active projects all at differing stages of completion. The Administrators reviewed the financial position of the individual contracts to determine whether ongoing trading was viable.

Ministry of Education projects

The Ministry of Education school projects comprised all bar two of the Company's current projects. These projects were all at differing stages of progress at the date of the Administrators' appointment from the draft contract works order stage (preliminary design works) to defects liability period stage (the retentions period following completion of the project).

On the evening prior to the Administrators' appointment, a large number of classroom modules were being landed at Wellington High School.

The Administrators reviewed the financial position of the individual projects to ascertain the profitability of these projects and whether it would be viable to continue trading the business of the Company to complete these through the administration. The Administrators appreciated that the Ministry of Education projects had formed the majority of the Company's work in recent times and determined that in order to preserve value both for the Company and potential purchasers/investors into the business, it would be vital to ensure that the relationship with the Ministry of Education was maintained.

The Administrators liaised with the Ministry of Education at all stages during the administration regarding operational matters pertaining to individual projects and the prospect of future work being awarded to the Company during the administration.

A number of contracts were awarded to the Company during the administration which are currently at differing stages of development.

Kāinga Ora - Mt Roskill

In November 2019, the Company entered into a design and build contract with Kāinga Ora for a three-story social housing building in Mt Roskill, Auckland.

Prior to the Administrators' appointment, the Company had delivered the building to site. However, we understand that the landing of the building did not go well, which led to Council consenting and remedial issues. The progress of this project had stalled prior to the administration due to Council requirements.

A financial review of this project determined that it was likely to result in a loss and the Administrators would not be able to complete the project on the contracted terms. The Administrators liaised with Kāinga Ora in order to reach a mutually-beneficial solution. Following significant discussion, the Administrators and Kāinga Ora agreed to terminate the contract and hand over possession of the site.

Other projects

Prior to the Administrators' appointment, the Company was in discussions with new clients regarding prospective future work.

Progress regarding this future work was maintained by AdBuild and the Administrators during the administration. During the course of the administration, a significant contract was signed with Callaghan Innovation for the design and build of two science laboratories.

SALE PROCESS

Process run by Administrators

- The Administrators invited potential investors/interested parties to apply to invest in or acquire the business and assets of AdBuild;
- The Administrators targeted trade buyers, private equity investors, established modular construction competitors and also advertised the investment and/or acquisition opportunity in local and national newspapers;
- An Information Memorandum (“IM”) was prepared detailing the anticipated sales process, the business overview, and financial information;
- 29 individuals or companies expressed an interest in AdBuild and, after signing confidentiality/non-disclosure agreements, were provided with a copy of the IM;
- Following the provision of the IM, the Administrators requested for parties that wished to undertake further due diligence to apply to be shortlisted;
- The Administrators received eight applications, of which seven were accepted, to the second stage of due diligence;
- The seven shortlisted parties were provided access to a virtual data room containing detailed financial and other information regarding the Company’s operations;
- Factory visits and meetings with key employees and personnel were scheduled and took place in late June and early July 2021;
- Further information and records requested by interested parties, as well as updates regarding the sales process, were communicated to all interested parties via the virtual data room communication platform;
- Interested parties were invited to meet and liaise with key stakeholders (including the Ministry of Education, employees of AdBuild, and landlords) as part of their due diligence process;
- The Administrators were available to meet with any interested parties that requested so and provided further other information regarding the sales process;
- Draft sale and purchase agreements were provided to shortlisted interested parties;

- The Administrators required all offers to be submitted in writing by 12 noon on Thursday, 8 July 2021;
- All offers submitted needed to be capable of being accepted (in that the prospective purchaser needed to be acceptable to the Ministry of Education and Callaghan Innovation in order for the contracts for the on-going projects to be novated to the new purchaser);
- The Administrators have entered into a conditional agreement for the sale of the AdBuild business to Niche Modular Construction Limited.

Transaction for the sale of the business and assets

The transaction for the sale of the business and assets of the Company is conditional on certain events. One such condition is the approval of creditors at the Watershed Meeting. Assuming that all conditions are satisfied, the parties are working towards a settlement date of 10 August 2021.

The sale to Niche Modular Construction Limited (“Niche”) includes all assets of the Company, including the novation of the contracted projects. Niche will, following settlement, be liable for ongoing costs associated with these projects.

Niche intends to trade from the same location, with primarily the same employees/contractors, suppliers, and sub-contractors.

ADMINISTRATORS' INVESTIGATIONS

Overview

The Administrators have undertaken a limited preliminary investigation into the affairs of the Company and whether there would be any potential recoveries or actions available in a liquidation, or any transactions that appear to be voidable where a liquidator (if appointed) might recover funds for the benefit of creditors.

The Administrators' investigations will assist the Administrators in forming their opinion on the possible options available to creditors at the Watershed Meeting.

As indicated earlier in this report, the Administrators are of the opinion that the only option available to creditors is to resolve to place the Company into liquidation. No DOCA has been proposed and given that the Company is insolvent, it is unrealistic for the Company to be returned to the control of its directors.

Investigations undertaken

The Administrators' preliminary investigations included (but were not limited to):

- Review and preliminary analysis of the Company's historical financial statements and current financial records;
- Review of the Company's taxation liabilities and the period over which these accrued;
- Discussions with the board and members of the wider management team;
- Review of the Company's pre-administration bank transactions;
- Review of inter-company loans and transactions;
- Analysis of accounts payable;
- Meetings and discussions regarding specific concerns raised by creditors.

Books and records

Section 194 of the Act provides that a board of a company must ensure that at all times accounting records are kept that correctly record the transactions of the company, which ensure that the financial statements will comply with generally accepted accounting principles and will enable the financial statements to be readily and properly audited.

Failure to comply with this requirement can mean that a director commits an offence and could be liable on conviction to a penalty not exceeding \$50,000.

Based on the records available, it is the Administrators' preliminary opinion that the Company's books and records are adequate.

Voidable transactions

Should the Company be placed into liquidation, certain transactions that occurred prior to the Administrators' appointment may be subject to review and recovery action by a liquidator. Such transactions include:

- Insolvent transactions;
- Transactions at undervalue; and
- Transactions for the purpose of defeating creditors.

At this stage, the Administrators have not undertaken a comprehensive investigation of such potential claims and note that any recovery action initiated by a liquidator would be dependent upon the likely benefit to creditors and the financial ability to pursue such claims.

We note that in accordance with section 239ACB of the Act, the duress payments made by the Administrators during the administration process do not fall within the voidable transaction and voidable disposition provisions of the Act (sections 292 to 296D of the Act) and therefore do not provide an avenue for recovery for a liquidator.

ADMINISTRATORS' INVESTIGATIONS

Inter-company loans

The books and records of the Company indicate that there are inter-company loan receivables totaling approximately \$3.12m. The loans both appear to be made from AdBuild to other entities that are wholly-owned subsidiaries of ModuleXC Holdings Pty Ltd (which is also the Company's shareholder).

Preliminary investigations into these loans suggest that the related-party expenses appear to have been paid for by AdBuild (including payment of related-party's professional fees, suppliers, contractors, and settlement fees).

A liquidator, if appointed, would need to investigate these transactions further and assess the recoverability of these loans from the related-parties. We note that recovery of these loans would make a material impact on the funds available for distribution to creditors.

Directors' duties under the Act

Directors have statutory duties contained in sections 131 to 138 of the Act. The most significant duties are summarised as follows:

- To act in good faith and in the best interests of the company (section 131);
- Powers must be exercised for a proper purpose (section 133);
- Directors to comply with the Act and constitution (section 134);
- Duty not to trade recklessly (section 135). A director must not:
 - Agree to the business of the company being carried in a manner likely to create a substantial risk of serious loss to the company's creditors; or
 - Cause or allow the business of the company to be carried on in a manner likely to create a substantial risk of serious loss to the company's creditors
- A duty not to incur an obligation unless believing on reasonable grounds that the company will be able to perform the obligation when it is required to do so (section 136); and
- Director's duty of care (section 137).

At this stage, the Administrators have not been able to form a view as to whether the Company's directors have breaches their duties under the Act.

A liquidator, if appointed, would conduct a full investigation to assess:

- Whether the directors have complied with their duties under the Act; and
- If not, whether to proceed with a claim against the directors for breaches.

We note that the Company did have Directors and Officers insurance cover, however, this contained an insolvency exclusion and has therefore not been retained by the Administrators.



ALTERNATIVES AVAILABLE TO CREDITORS

Alternative courses of action

As indicated earlier in this report, the primary purpose of the Watershed Meeting is for creditors of the Company to vote on its future. The Administrators are required to provide their opinion as to whether it would be in the creditors' interests for the Company:

- a) To enter into a deed of company arrangement ("DOCA");
- b) Be returned to its directors; or
- c) Enter into liquidation.

Deed of Company Arrangement ("DOCA")

A DOCA is a binding arrangement between a company and its creditors governing how the company's affairs will be dealt with. It aims to maximise the chances of the company, or as much as possible of its business, continuing, or to provide a better return for creditors than an immediate liquidation.

To date, no DOCA proposal has been submitted to the Administrators for their consideration. As such, there is no DOCA proposal on which the Administrators can report or provide an opinion on, or on which creditors can vote. This option is therefore not available.

Administration to end

Creditors may consider ending the administration and returning the control of the Company to its directors.

In our opinion, it is not in the best interests of creditors to vote for the administration of the Company to end as the Company is insolvent and without sufficient working capital.

That a liquidator be appointed

An administrator would usually recommend that creditors vote for an insolvent company to be placed into liquidation in the absence of an acceptable DOCA proposal. The liquidation of the Company would involve:

- Settlement of the conditional sale of AdBuild to Niche;
- Adjudicating creditor claims and payment of distributions; and
- Investigating further into potential insolvent trading and voidable transactions, in the event that there is likely to be a shortfall to creditors.

Given that the Company is insolvent and no DOCA has been proposed, **the Administrators recommend that creditors vote in favour of the Company being placed into liquidation.** The Administrators consider that this is the only viable option at this time.

Return to creditors

Preferential creditors (including certain employee entitlements and core Inland Revenue GST and PAYE) rank ahead of secured and unsecured creditors for distribution purposes against the net proceeds of realisation from inventory, work in progress, and accounts receivable. Employees have had, or will have, their preferential entitlements paid in full. We are currently assessing the Inland Revenue's preferential claim, but this is also expected to be paid in full.

We expect that the Company's two secured lenders (GAMOS Services Ltd and Kiwibank Ltd) will both be paid in full.

Therefore, we expect there to be funds available to unsecured creditors. **We currently estimate that unsecured creditors of the Company could recover between 45 and 60 cents in the dollar** subject to final recoveries, costs, and claims being assessed.

The above estimate is on the basis that the sale of the business to Niche settles, the creditors resolve to place the Company into liquidation, and no other material creditor claims are received.

ALTERNATIVES AVAILABLE TO CREDITORS

Return to creditors (continued)

Any further recovery for unsecured creditors is dependent on actions that become available in the liquidation, such as voidable transactions, recovery of inter-company loans, or legal claims. A summary of our investigations during the course of the administration are outlined earlier at pages 15 and 16 of this report.

Return to creditors if sale of business to Niche does not proceed

If creditors do not approve the sale of the business to Niche, the liquidators (if appointed) would proceed with an orderly wind-down of the business, complete the current work in progress, and sell the assets of the Company. We note that this option is likely to result in a significantly worse return to creditors compared to a sale of the business to Niche and a distribution to unsecured creditors (if any) would likely only take place after the work in progress has been completed.

It is for this reason that the Administrators are of the opinion that the sale of the business to Niche results in the best outcome and return to creditors.

Expected conduct of liquidation

Assuming that the creditors vote to confirm the sale of the business to Niche, resolve to place the Company into liquidation at the Watershed Meeting, and that the Administrators are appointed as liquidators, we expect to make a distribution to creditors during October 2021.

In the event that the balance of the funds held by the liquidators is insufficient to meet all admitted creditor claims in full, the liquidators will also investigate whether there have been any breaches of directors' duties under the Act, voidable transactions, or any other matters that may increase returns to creditors.

Set out below is an expected timeline of the liquidation (on the basis that the creditors approve the transaction of the sale of the business to Niche):



VOTING AT WATERSHED MEETING

Details of debt to be submitted

Prior to voting at the Watershed Meeting, creditors must lodge details their debt or claim with the Administrators. A copy of a creditor claim for voting purposes is included in the creditor information pack sent to creditors with this report.

Please note, if you have already submitted a claim form for voting purposes at the First Meeting of Creditors and the value of your debt has not changed, you are not required to re-submit this form.

Voting by proxy

You may appoint a proxy to attend and vote at the Watershed Meeting on your behalf. The completed proxy form (included in the creditor pack) must be provided to the Administrators before the meeting.

You can specify on the proxy form how the proxy is to vote on a particular resolution and the proxy must vote in accordance with that instruction; this is called a 'special proxy'. Alternatively, you can leave it to the proxy to decide how to vote on each of the resolutions put before the meeting; this is called a 'general proxy'.

You can appoint the chairperson to represent you either through a special or general proxy.

Postal vote

Included in the creditor pack is a postal voting form that enables creditors to cast their vote at the Watershed Meeting by post. Postal voting forms should be lodged with the Administrators no later than 1:00pm on 4 August 2021. Postal voting forms may be scanned and emailed to wlg.bri@bdo.co.nz. Brad Burness at the Administrators' office is authorised to receive and count postal votes in relation to the Watershed Meeting.

Attending the Watershed Meeting virtually

As indicated earlier this report, there will be audio-visual facilities for creditors who are unable to attend the Watershed Meeting in person. Please note, creditors who wish to attend the meeting virtually and would like to vote will be required to submit a postal vote or nominate a proxy prior to the Watershed Meeting as there will be no real-time electronic voting facilities available.

If you would like to attend the Watershed Meeting virtually, please contact Brad Burness by email (brad.burness@bdo.co.nz) for a Microsoft Teams meeting link.

Deciding how to vote at the Watershed Meeting

How you vote at the meeting is a commercial decision based on your assessment of the Company and its future prospects, and your personal circumstances. The information provided by the Administrators, including opinions expressed, will assist you. However, you are not obliged to accept the Administrators' recommendation.

Votes of related creditors

In accordance with section 239AM of the Act, an administrator must disregard a related creditor's vote on a resolution at the creditors' meeting unless the High Court orders otherwise.

Related party creditors who wish to vote at the Watershed Meeting are advised to seek legal advice prior to the Watershed Meeting.

OTHER MATTERS, ENQUIRIES & CONTACT DETAILS

Communication

Material updates and will be communicated to affected parties either in writing or via the Administrators' website at: <https://www.bdo.nz/en-nz/news/2021/bdo-appointed-as-joint-administrators-of-advanced-building-construction-limited>.

Additional information is also be available under the 'Voluntary Administration' tab on the Company's website: <https://adbuild.co.nz/voluntary-administration/>.



Contact details

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

Brad Burness
Brad.Burness@bdo.co.nz
(+64 4) 555 0728

Advanced Building & Construction Limited (Administrators Appointed)
c/- BDO Wellington
PO Box 10-340
The Terrace
WELLINGTON 6143

Report dated 23 July 2021

JESSICA KELLOW
Administrator

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IAIN SHEPHARD
Administrator

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APPENDICES

Appendix One - Administrators' Interests Statement

ADMINISTRATORS' INTERESTS STATEMENT

For the purposes of Section 239AU(3)(aa) of the Act

Background

- Iain Bruce Shephard and Jessica Jane Kellow (“Administrators”) of BDO Wellington were appointed administrators of the Company on 31 March 2021 by GAMOS Services Limited (“GAMOS”) (as a secured party) in accordance with section 239K of the Act.
- In accordance with section 239AU(3)(aa) of the Act, the Administrators are required to provide an updated interests statement that complies with section 239APA of the Act to creditors prior to the Watershed Meeting. An initial interests statement was tabled at the First Meeting of Creditors on 14 April 2021.
- The Administrators hereby make the following declaration in respect of ourselves, our partners and BDO Wellington. We have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as administrators of the Company in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence.

Relevant Relationships

- We have undertaken a search of our client database system to determine relationships with the Company, or any of its officers, shareholders or creditors.
- Given the large number of creditors of the Company (approximately 105 including employees) it is possible that relationships exist that are required to be disclosed which the Administrators have been unable to identify. However, the Administrators are confident that any material relationships have been disclosed.
- BDO Wellington has not identified any relationships with other PPSR secured creditors other than those listed below.

- BDO Wellington has connections with GAMOS Services Limited (who appointed us as Administrators) (“Secured Creditor”), ASB Bank Limited and Kiwibank Limited, which are all secured creditors of the Company. In addition to this assignment, these secured creditors from time to time refer engagements for BDO Wellington, however we do not consider these are a risk to our independence.
- We have considered whether our relationship with the Secured Creditor before consenting to being appointed as Administrators of the Company, the Administrators investigated whether there was any matter that would disqualify them from acting as Administrators of the Company under sections 239F and 280 of the Act and additionally for the purposes of this statement whether there were any other relationships that are required to be disclosed.

Declaration

- The Administrators declare that no actual or potential issues of conflict of interest arise in respect of the administration of the Company by the Administrators, other than the relationships as set out above.
- The Administrators are well aware of their obligations to act independently and professionally in the role of Administrators of the Company and do not consider that any of the identified relationships presents a conflict of interest or any risk to the independence of the Administrators.

Dated 23 July 2021



JESSICA KELLOW
Administrator



IAIN SHEPHARD
Administrator

APPENDICES

Appendix Two - Administrators' receipts & payments from 31 March 2021 to 23 July 2021

Advanced Building & Construction Limited (Administrators Appointed)		
Summary of Receipts & Payments		
31 March 2021 - 23 July 2021	Notes	\$
RECEIPTS		
Contract Receivables - Progress Payments	1	9,125,977
Deposit for Sale of Business	2	560,000
Insurance Settlement	3	115,211
Interest Received		117
Proceeds Pre-Administration Bank Account	4	75,666
Sale of Scrap Metal		796
Total Receipts		9,877,767
PAYMENTS		
Administrators' Costs & Disbursements		534,518
Advertising		5,794
Bank Fees		701
Building Consent Fees		114,572
Cleaning and Utilities		49,494
Computer / Software Expenses		46,564
Duress Payments	5	724,468
Employee and Contractor Wages - Trading Period		1,029,279
Employee Travel Expenses	6	40,001
Equipment Lease Payments		48,071
External Accountancy Fees	7	11,144
Inland Revenue - GST		201,629
Inland Revenue - PAYE		300,223
Insurance		66,298
Labour Hire	8	799,900
Legal Fees		82,949
Miscellaneous Trading Expenses		7,106
On-Going Trading - Sub-Contractor Payments		2,705,382
On-Going Trading - Supplier Payments		1,503,470
Payroll Fees		462
Rent		385,488
Resident Withholding Tax		39
Secured Creditor Distribution	9	27,574
Staff Expenses		29,406
Vehicle Expenses		10,061
Total Payments		8,724,591
Balance of Funds in Administrators' Trust Account		1,153,176

Note: all values indicated above are expressed on a GST-inclusive basis

Notes to Receipts & Payments
General Notes
The Administrators will continue to trade the business of AdBuild until the Watershed Meeting, as such, values will be subject to change. A finalised statement of receipts and payments will be prepared when the final accounts are filed with the Companies Office in accordance with section 239ACZ(2) of the Companies Act 1993.
Specific Notes
1) Progress payments received during the administration in relation to projects.
2) These funds are held on trust pending the Watershed Meeting of creditors.
3) Insurance payment received from a pre-administration claim.
4) Funds held in a separate bank account and therefore not subject to Kiwibank's right of offset.
5) Payments required to ensure provision of necessary documentation and continuity of trading.
6) AdBuild employee expenses where onsite travel was necessary for projects outside of the Wellington region.
7) Fees paid to the Company's former accountants to complete financial statements and Inland Revenue returns.
8) AdBuild engaged the services of an external labour hire company for its factory builds.
9) Payment made to a secured creditor of inventory to ensure continuity of supply for on-going trading.

APPENDICES

Appendix Three - Remuneration report from 31 March 2021 to 23 July 2021

Staff Level	Hourly Rate (\$)	Assets		Company Records		Creditors		Day One/Initial Tasks		Debtors		Employees		Financial	
		Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours
Partner / Administrator	395 - 495	63,241	136.75	-	-	4,786	10.25	21,994	46.25	668	1.50	2,003	4.50	12,119	26.63
Managers	295 - 395	8,775	27.00	4,063	12.50	18,850	58.00	3,169	9.75	731	2.25	10,806	33.25	25,890	80.10
Analysts	110 - 245	1,658	8.00	-	-	8,469	38.47	-	-	-	-	1,058	5.00	98	0.50
Finance / Administration	195	77	0.42	-	-	146	0.75	-	-	49	0.25	-	-	15,356	78.75
		73,751	172.17	4,063	12.50	32,252	107.47	25,163	56.00	1,448	4.00	13,866	42.75	53,463	185.98

Staff Level	Hourly Rate (\$)	Admin/General		Litigation		On-Going Trading		Planning/Review		Secured Creditors		Reporting		Total	
		Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours
Partner / Administrator	395 - 495	12,683	28.38	1,188	2.50	152,806	325.87	5,921	13.25	3,375	7.50	10,872	4.82	291,655	608.20
Managers	295 - 395	2,863	8.92	2,031	6.25	114,725	353.00	1,463	4.50	3,250	10.00	5,119	15.75	201,734	621.27
Analysts	110 - 245	33,649	51.45	49	0.25	21,372	165.02	469	2.25	653	3.00	536	2.75	68,009	276.69
Finance / Administration	195	9,057	46.90	-	-	-	-	-	-	98	0.50	-	-	24,782	127.57
		58,251	135.65	3,268	9.00	288,903	843.89	7,853	20.00	7,375	21.00	16,527	23.32	586,180	1,633.73

Disbursements	Costs
Advertising	4,104
Miscellaneous	18
Overheads	749
Travel Costs	2,112
Total	6,983

Note: The hours and costs shown in the table above are the actual WIP totals to date. All totals are exclusive of GST. Payment of \$464,798.36 (excl. GST) has been received on account for both fees and disbursements.

Remuneration report provided in accordance with the Code of Professional Conduct for RITANZ (Restructuring Insolvency & Turnaround Association of New Zealand Incorporated)

APPENDICES

Appendix Four - Explanation of hourly rates

Staffing Level	Hourly Rate (Excl GST) (\$)	General Experience
Partner / Administrator	445 - 495	Licensed Insolvency Practitioners with a vast range of industry knowledge and experience. Significant experience in complex insolvency engagements. Leads assignments with overall responsibility for strategy and implementation.
Manager	295 - 395	RITANZ member with at least five years of insolvency experience. Well-developed technical and commercial skills and is responsible for small insolvency assignments.
Analyst	110 - 245	RITANZ member and insolvency specialist with one to three years of insolvency experience. Depending on the complexity of the administration, required to either control or assist with day to day fieldwork.
Finance / Administration	195	Skilled in administration and process management, specifically experienced working with insolvency related files.

Note: Rates charged by BDO are subject to change.

RITANZ refers to the Restructuring Insolvency & Turnaround Association of New Zealand Incorporated

Disbursements

Disbursements are those out of pocket expenses incurred during the course of an appointment. They are recovered from available funds and are broadly grouped into three types:

- a) Costs paid from the Appointment's bank account directly to third parties not associated with the Practitioner or their firm; or
- b) Costs paid by the Practitioner to third parties not associated with the Practitioner or their firm and later claimed back from the Appointment; or
- c) Costs claimed by the Practitioner for non-professional services provided by the Firm (e.g. phone calls, photocopying & printing, stationery, data room hosting) and/or outlays incurred by their staff in the proper conduct of the Appointment.

APPENDICES

Appendix Five - Description of work completed from 31 March 2021 to 23 July 2021

TASK AREA	GENERAL DESCRIPTION
Assets	<ul style="list-style-type: none"> Review of fixed assets at date of appointment Discussions and meetings with insurance brokers re insurance requirements Preparing information memorandum and non-disclosure agreement for interested parties Communication and liaison with interested parties Agreeing shortlist of interested parties Set up of data room and updating with additional Arranging site visits for shortlisted interested parties Preparation of additional information related to sale of the business Preparation and review of offers received for sale of business Discussions and meetings with lawyers regarding sale and purchase agreement
Company Records	<ul style="list-style-type: none"> Review of company records Obtaining details of IT records Review and liaising with external accounting software provider and arranging administration access Review of monthly management accounts during trading period Review of related-party transactions and supporting documentation
Creditors	<ul style="list-style-type: none"> Corresponding with creditors and providing information and documentation for First Meeting of Creditors Arranging and chairing First Meeting of Creditors Recording, filing, and tabulating creditor claims Responding to numerous creditor queries regarding the administration Uploading information to AdBuild and BDO websites Preparing and submitting application to the High Court for the extension to convening period Preparation of meeting presentations Drafting meeting minutes Review of Inland Revenue and Accident Compensation Corporation liabilities Updating creditor position following duress payments
Day One & Initial Tasks	<ul style="list-style-type: none"> Drafting initial correspondence and notices to stakeholders Gathering of day one initial information required Meeting with management and directors regarding administration process Initial meetings with staff, contractors, suppliers, landlords Factory visit with staff to ensure health and safety policies and procedures in place and adhered to
Debtors	<ul style="list-style-type: none"> Review and collection of pre-administration debtor invoices Discussions with debtors and arranging for payment of invoices Updating ledger and receipting payments

TASK AREA	GENERAL DESCRIPTION
Employees	<ul style="list-style-type: none"> Initial meeting with employees upon appointment Meetings with all employees during administration process with updates Obtaining employee details and reviewing employment agreements Employee correspondence regarding effect of administration Calculating and reviewing employee entitlements Reviewing health and safety controls Preparing and submitting application to the High Court for the extension to employee notice period Receiving and responding to numerous employee enquiries Liaising with management regarding hiring new employees during administration Review, authorisation, and payment of payroll and employee expenses during trading period
Financial	<ul style="list-style-type: none"> Review of financial statements and management accounts prepared by AdBuild Liaising with Company's external accountants Review of cashflow projections Meeting and discussion to value the Company's WIP Review of GST calculations and filing for period ended 31 March 2021 Review of GST return for period ended 31 May 2021 and filing Liaising with bond holder regarding release of performance bond Tax review by tax teams at BDO Review and authorisation of payments Specialist tax advice re sale and purchase agreement and tax losses
General Administration	<ul style="list-style-type: none"> Meetings with management and shareholders Preparing advertisements and notices for local publications and the Gazette Filing, printing, scanning, and other administrative attendances Arranging notices to be filed on AdBuild and BDO websites
Litigation	<ul style="list-style-type: none"> Application to Court for extension to convening period attendances Preparation and swearing of affidavit in support Review of pre-administration litigation, liaising with solicitors and High Court Registrar
On-Going Trading	<ul style="list-style-type: none"> Discussions and regular meetings with the Ministry of Education regarding administration process and ongoing operation matters On-going operational management of the business Reviewing individual projects and assessing whether continued trading is viable Monitoring account balances Managing ongoing trading issues Establishing purchasing authorities Meetings and discussions with key sub-contractors and suppliers and agreeing on duress payments to ensure continued supply to assist with ongoing trading

APPENDICES

Appendix Five - Description of work completed from 31 March 2021 to 23 July 2021

TASK AREA	GENERAL DESCRIPTION
On-Going Trading (continued)	<ul style="list-style-type: none"> Establishing a purchase order system and process for staff and suppliers/ sub-contractors Reviewing and authorisation of purchase orders raised by quantity surveying and procurement teams Communication with suppliers and providers establishing trading accounts Reviewing leased premises and assets and issuing 'non-use notices' where leased premises / assets were not required for ongoing trading Discussions and meetings with Kāinga Ora regarding resuming work on Mt Roskill site Kāinga Ora project handover matters Regular project status meetings Review of supplier and sub-contractor invoices submitted for payment Meetings and discussions with staff regarding status of variation invoices Meetings with insurance brokers and review of insurance documentation Arranging accommodation and travel requirements for site visits for projects outside of wider Wellington region Arranging for payments to be made for work carried out in administration period Meetings with Ministry of Education regarding future possible work for AdBuild (or purchasing entity) Meetings with landlord Review of contracts for future pipeline work for purchasers of the business Requesting sweeps from pre-administration bank account to Administrators' trust account
Planning & Review	<ul style="list-style-type: none"> Planning of staff allocations and responsibilities for appointment Planning of tasks for day one matters Review meetings to ensure compliance with statutory and regulatory requirements Review of projected outcomes for key stakeholders
PPSR & Secured Creditors	<ul style="list-style-type: none"> Searching and review of Personal Property Securities Register ("PPSR") Meetings with GAMOS Services Ltd and Kiwibank Ltd Liaising with creditors with security interests registered over specific assets Arranging payment of certain secured creditors' pre-administration debt to ensure ongoing supply Reviewing security status of inventory suppliers Liaising with and requesting amendments to certain financing statements
Reporting	<ul style="list-style-type: none"> Drafting Administrators' report (this report) Reporting letters to secured lenders



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WHANGAREI

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