



Going To Blue Limited (In Liquidation)

Formerly known as Metro Productions Limited

Company Number: 554063

Liquidators' Six-Monthly Report to Creditors and Shareholders

1. Introduction

Iain Bruce Shephard and Jessica Jane Kellow, Licensed Insolvency Practitioners of BDO Wellington, were appointed joint and several Liquidators (“Liquidators”) of Going To Blue Limited (now In Liquidation) (formerly known as Metro Productions Limited) (“Company”) by special resolution of the shareholders on 27 July 2020 at 1.53pm in accordance with section 241(2)(a) of the Companies Act 1993 (“the Act”).

In accordance with section 255 of the Act we are obliged to report to all creditors and shareholders on the conduct of the liquidation during the preceding six-month period.

This report should be read in conjunction with our previous reports pursuant to section 255(2)(c) of the Act.

2. Restrictions

This report is not intended for general circulation, nor is it to be reproduced or used for any purpose other than that outlined above without our written permission in each specific instance.

We do not assume any responsibility or liability for any losses occasioned to any party as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

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

3. Background

Going To Blue Limited (now In Liquidation) (formerly known as Metro Productions Limited) (“the Company”) was incorporated in September 1992. The Company operated in the event sector providing equipment hire and sales and production services for events in the lower North Island.

As a result of the outbreak of COVID-19, the Company suffered significant losses due to the subsequent lockdowns and trading restrictions. The Company’s shareholders sought professional advice and resolved to place the Company into liquidation.

4. Liquidators' Actions

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 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.

4.1 Schedule of Receipts and Payments

Attached as **Appendix 1** is a schedule of receipts and payments for the duration of the liquidation.

Attached as **Appendix 2** is a remuneration schedule, in accordance with the RITANZ Code of Conduct, covering the duration of the liquidation.

4.2 Asset Realisations

Pre-Liquidation Bank Account

The Liquidators received \$381,780.88 from the Company's pre-liquidation bank account. This amount included a term deposit that matured on 14 September 2020.

Debtors

The Liquidators have received \$2,241.58 from the Company's accounts receivable ledger. A debtor account of \$14,212.84 remains outstanding.

Inland Revenue - GST Refunds

We have received GST refunds totalling \$4,365.90.

Business and Assets

The assets (including the intellectual property) of the Company were subject to the security interests of the secured creditors, who made an election to realise the assets subject to their charge. Further information is detailed below.

4.3 Creditors Claims

Secured Creditors

The shareholders' respective family trusts (referred to collectively as "Secured Creditors") were owed \$496,884 pursuant to two general security agreements ("GSAs") in respect of which financing statements were registered on the Personal Property Securities Register ("PPSR"). The Liquidators reviewed and confirmed the validity of the underlying security documentation and the corresponding registrations on the PPSR. Prior to liquidation, the Secured Creditors had signed a deed of priority under which it was agreed that the two GSAs ranked *pari passu* between themselves and each secured creditor would receive the same amount per dollar owed on a pro rata basis.

Unsecured Creditors

The Liquidators received one unsecured claim in the amount of \$268,525.

4.4 Distribution to Creditors

The Liquidators distributed the funds from the Company's pre-liquidation bank account to the Secured Creditors. The Secured Creditors made an election pursuant to section 305 of the Act to realise the assets subject to their security. Following the distribution of the funds held, the value of the remaining assets subject to the Secured Creditors' security was insufficient to discharge the debt and a shortfall remains owing to the Secured Creditors.

There are insufficient funds to allow for a distribution to unsecured creditors as the value of the remaining asset (the debtor account) is insufficient to discharge the debt still owed to the Secured Creditors.

5. Further proposals for completing the liquidation

The Liquidators continue to pursue the remaining debtor account.

6. Estimated date of completion

We anticipate the liquidation will be completed within the next reporting period.



7. Contact information

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

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Dated this 8th day of March 2021

A handwritten signature in black ink, appearing to read 'Iain Shephard'. The signature is stylized and cursive.

IAIN SHEPHARD
Liquidator



APPENDICES

Appendix 1 - Summary of Receipts & Payments

	<i>As at:</i>	8 March 2021
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Receipts		
Accounts Receivable		2,241.58
Inland Revenue - GST Refunds		4,365.90
Interest		11.84
Proceeds Pre-Liquidation Bank Accounts		381,780.88
		390,687.13
Less Payments		
Liquidation Costs and Disbursements		34,840.41
RWT		3.02
Secured Creditor Distributions		352,591.37
Bank Fees		604.72
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		390,326.45
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<i>Liquidators' Bank Account</i>		360.68



Appendix 2 - Remuneration Schedule

Going To Blue Limited (In Liquidation)

Remuneration Report - Period: 27 July 2020 - 8 March 2021

	Hourly Rate	Assets		Company Records		Creditors		Day One/Initial Tasks		Debtors		Employees		Financial	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Partners	395 - 4965	1.00	495.00	-	-	1.50	742.50	7.25	3,563.75	-	-	-	-	3.75	1,731.25
Managers	295 - 325	-	-	-	-	4.50	902.50	2.75	536.25	4.25	866.25	-	-	8.25	1,621.25
Analysts	145 - 295	7.25	2,138.75	-	-	1.50	442.50	8.00	2,360.00	7.25	2,138.75	-	-	3.00	885.00
Support Staff	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Hourly Rate	Admin/General		Litigation		On-Going Trading		Planning/Review		Secured Creditors		Reporting		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Partners	395 - 445	7.00	3,340.00	-	-	-	-	2.00	890.00	-	-	1.00	482.50	23.50	11,245.00
Managers	225	5.25	1,036.25	-	-	-	-	1.00	245.00	-	-	2.75	586.25	28.75	5,793.75
Analysts	145 - 295	1.00	295.00	-	-	-	-	3.25	973.75	13.75	4,056.25	2.25	701.25	47.25	13,991.25
Support Staff	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-
														99.50	31,030.00

Disbursements	Cost
Advertising	427.49
Miscellaneous	4.00
Overheads	2.00
Travel Costs	-
Total	433.49

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 \$30,296 (excl. GST) has been received on account for both fees and disbursements.