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**RITEWAY RIGGING & SCAFFOLDING LIMITED
(IN RECEIVERSHIP & IN LIQUIDATION)**

Company number: 616678

NZBN: 9429038745904

BIC Code: L663100 Heavy Machinery & Scaffolding Rental

Receivers' Final Report on the State of Affairs

Pursuant to Section 24 of the Receiverships Act 1993

Reporting Period: 28 September 2020 to 16 April 2021

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1. Introduction

Kenneth Peter Brown, IP10 and Paul Thomas Manning, IP39, both Chartered Accountants and Licensed Insolvency Practitioners, were appointed joint and several receivers and managers (“Receivers”) of Riteway Rigging & Scaffolding Limited (In Receivership & In Liquidation) (“the Company”) on 28 September 2020 at 8am under the powers contained in a General Security Agreement and Term Loan Agreement dated 7 August 2020 which property consists of all present and after-acquired personal property and a mortgage over all other property (including land), together defined in the security agreement as the collateral.

Wendy Somerville and Malcolm Hollis of Pricewaterhouse Coopers Hamilton were appointed joint and several liquidators of the Company on 15 February 2021.

The business was based in Kawerau and operated primarily in the Bay of Plenty and Waikato.

The receivership concluded on 16 April 2021 following consultation with our appointer.

This report should be read in conjunction with our previous report pursuant to sections 23 and 24 of the Receiverships Act 1993.

2. Restrictions

This report has been prepared by us in accordance with and for the purposes of Section 24 of the Receiverships Act 1993. It is prepared for the sole purpose of reporting on the state of affairs with respect to the property in receivership and the conduct of the Receivership.

All information contained in this report is provided in accordance with Sections 26 and 27 of the Receiverships Act 1993. In compiling this report, we have relied upon and not independently verified or audited information or explanations provided to us.

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.

Certain information can be withheld by the Receivers if inclusion would materially prejudice the exercise of the Receivers’ functions.

3. Property disposed of since date of our previous report

The business was sold as a going concern on 30 October 2020.

Assets realised during the reporting period are included in the Summary of Receipts and Payments in Appendix 1.

4. Proposals for disposal of remaining property in receivership

There remains 1 vehicle that requires repair sitting at a mechanics premises in South Auckland. The Liquidator has been advised of the details and can arrange a sale or disclaim as required.

5. Summary of receipts and payments

We attach as Appendix 1 a Summary of Receipts and Payments for the Company for the reporting period.

6. Particulars of debts and liabilities outstanding

Secured creditors

Monies due to the Bank of New Zealand the first General Security Agreement (GSA) holder either directly or through cross guarantees as at the date of receivership totalled \$546,150.00. Updated figures have meant a payment of \$546,116.90 was made in full settlement of this debt.

The second GSA holder, Riteway Investments Limited were owed \$370,000.00 at the same date. Amounts due relate to loan advances.

Safesmart Rentals Limited leased scaffolding to the company and this contract was assigned to the purchaser.

Preferential creditors

Employees

Preferential gross wages of \$50,201.83, holiday pay claims of \$287,761.68 and time in lieu claims of \$6,315.88 were owed to staff. The Receivers have paid the wage claims and the balance of these claims were taken over by the purchaser of the business.

Inland Revenue

Inland Revenue have filed a preferential claim for \$494,326.41 with the Receivers, which covers the outstanding amounts at 31 August 2020. A payment of \$25,000 has been made to date.

Unsecured creditors

The Receivers do not settle unsecured creditor claims. An amount of \$7,000 was distributed to the Liquidator, but due to the level of Secured and Preferential claims it is unlikely these funds will be available for unsecured creditors.

7. Contact Information

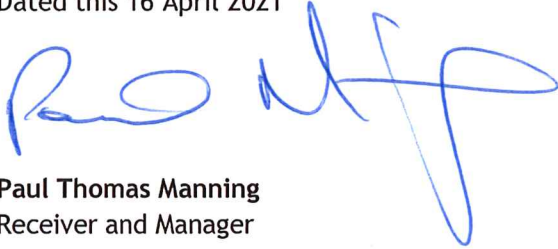
If you require any further information, please direct enquiries to:

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BDO Tauranga Limited
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TAURANGA 3144

Level 1
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TAURANGA 3110

Dated this 16 April 2021



Paul Thomas Manning
Receiver and Manager

Partners and staff acting as Receivers or Administrators do so as agents of the company without personal liability.

APPENDICES

Appendix 1 - Receipts and Payments

| Receiver and Managers' Summary of Receipts and Payments | | |
|--|------|---------------------|
| 28 September 2020 to 16 April 2021 | | |
| | Note | Total (NZD) |
| RECEIPTS | | |
| Accounts Receivable | | 318,566.10 |
| Advances Received | | 50,319.85 |
| Legal Settlement | | 629.52 |
| Sale of Business | 1 | 880,000.00 |
| Trading Sales | | 192,724.90 |
| | | <u>1,442,240.37</u> |
| PAYMENTS | | |
| ACC | | 4,405.42 |
| Accommodation - Alinta Turbine Shutdown | | 11,895.65 |
| Advances repaid | | 50,319.85 |
| Advertising | | 1,914.46 |
| Bank Charges | | 100.20 |
| Computer Expenses | | 782.61 |
| Distribution to Liquidator | | 7,000.00 |
| GST on Expenses | | 22,171.37 |
| GST Paid/Refunded | | 3,008.80 |
| Hire of Equipment | | 785.03 |
| Lease Payments | | 13,038.34 |
| Legal Fees | | 37,719.08 |
| PAYE | | 82,647.11 |
| Preferential Employee Entitlements | | 284,313.19 |
| Preferential Payment - IRD | | 25,000.00 |
| Printing & Stationery | | 205.00 |
| Receivers Fees | | 78,229.31 |
| Repairs & Maintenance | | 2,202.56 |
| Salvage Payment | | 280.78 |
| Secured Creditor | | 546,116.90 |
| Storage | | 300.00 |
| Telephone | | 1,311.26 |
| Trading Expenses - Receivership | | 3,100.77 |
| Transport Costs | | 3,877.22 |
| Valuation Fees | | 800.00 |
| Wages & Salaries | | 260,715.46 |
| | | <u>1,442,240.37</u> |
| <i>Note 1: In addition to the payment the purchaser took over some secured debt plus most of the preferential wage debts</i> | | |