



GOING TO BLUE LIMITED (IN LIQUIDATION)
Formerly known as Metro Productions Limited

Company Number: 554063

Liquidators' Final 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 (“Company”) by special resolution signed by the shareholders on 27 July 2020 at 1.53pm in accordance with section 241(2)(a) of the Companies Act 1993 (“Act”).

In accordance with section 257 of the Act we are obliged to report to all creditors and shareholders that the liquidation has been completed. This report should be read in conjunction with our previous reports pursuant to section 255(2)(c) of the Act.

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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) (“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

Sale of Business and Distribution to Secured Creditors

The Liquidators sold the business and assets of the Company to a new entity, which has continued to trade the business of Metro Productions. The two secured creditors consented to the transfer of the business and assets of the Company with the transfer being treated as an in-specie distribution of the business and assets to the secured creditors.

The Liquidators also distributed the cash in the Company’s pre-liquidation bank accounts and the matured term deposit to the secured creditors in accordance with their security over the assets of the Company.

General

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 reviewed the actions of the directors with consideration as to whether there were any potential breaches of appropriate sections of the Companies Act 1993. The Liquidators' investigations included examining the Company's financial statements and considering the Company's bank transactions. Nothing arose from these investigations that may be of benefit to creditors of the Company.

The liquidation was completed at the date and time that this report was filed with the Registrar.

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 Accounts and Term Deposits

The Liquidators received \$381,780.88 from the Company's pre-liquidation bank accounts (including a term deposit that matured during the course of the liquidation).

Debtors

At the date of liquidation, the Company's records indicated an accounts receivable ledger of \$16,445. During the course of the liquidation, the Liquidators recovered \$2,241.58 from one debtor.

As indicated in our previous reports, the Liquidators attempted to recover the balance owed by the remaining debtor. The Liquidators liaised with the debtor's lawyers and considered an application to the Disputes Tribunal. Due to the aging of the debt and missing correspondence between the Company and the debtor, the Liquidators considered it uneconomic to pursue the debt further and wrote the remaining debt off.

Inland Revenue - GST Refunds

The Liquidators have received GST refunds totalling \$6,468.59 from the Inland Revenue.

4.3 Creditors Claims

Secured Creditors

The shareholders' respective family trusts 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. 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.

As indicated above, the Liquidators made an in-specie distribution of the business and assets of the Company to the secured creditors. The Liquidators also distributed the cash balances from the Company's pre-liquidation bank accounts.

The value of the Company assets (including the cash balances, the plant and equipment, and the intellectual property) was insufficient to meet the secured debt and a shortfall remains owing to the secured creditors.

Unsecured Creditors

The Liquidators received one unsecured creditor claim for \$268,525. Due to the shortfall owed to the secured creditors, there were insufficient funds to allow for a distribution to unsecured creditors.

4.4 Other Matters

The unsecured creditor's claim was unable to be satisfied in full due to a shortfall in the realisation of the Company's assets.

5. Liquidators' Statement

All known assets have been disclaimed, or realised, or distributed without realisation.

All proceeds of realisation have been distributed. Please find as **Appendix 1** a schedule of the Liquidators' Receipts and Payments during the course 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.

The Company is ready to be removed from the New Zealand Register of Companies.

6. Removal from New Zealand Register of Companies

As Liquidators, we are obliged to give public notice of the intention to have the Company removed from the Register of Companies. A copy of our notice is attached as **Appendix 3**.

The attention of all creditors and shareholders is drawn to section 321 of the Act which provides that, where public notice is given of an intention to remove a company from the Register, any person may send or deliver to the Registrar, not later than the date specified in the notice, an objection to the removal on any one or more of the following grounds:

- (a) That the company is still carrying on business or there is other reason for it to continue in existence; or
- (b) That the company is party to legal proceedings; or
- (c) That the company is in Receivership, or Liquidation, or both; or

- (d) That the person is a creditor, or a shareholder, or a person who has an undischarged claim against the company; or
- (e) That the person believes that there exists, and intends to pursue, a right of action on behalf of the company under Part IX of this Act; or
- (f) That for any other reason, it would not be just and equitable to remove the company from the New Zealand register.

Creditors and shareholders should be aware of section 321(2)(b)(ii) of the Act which provides that a claim by a shareholder or any other person against a company is not an “undischarged claim” if a receiver or Liquidator has notified the shareholder or that person that the company has no surplus assets.

7. Contact information

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

Brad Burness
DDI: (+64 4) 555 0728
Email: brad.burness@bdo.co.nz

BDO Wellington
PO Box 10340
Level 1, Chartered Accountants House,
50 Customhouse Quay,
Wellington 6143

Dated this 2nd day of November 2021



IAIN SHEPHARD
Liquidator

APPENDICES

Appendix 1 - Summary of Receipts & Payments

Going to Blue Limited (In Liquidation)	
Summary of Receipts & Payments	
27 July 2020 - 2 November 2021	
	\$
RECEIPTS	
Inland Revenue - GST Refund (Yet to be received)	1,924
Inland Revenue - GST Refund	4,544
Interest Received	12
Accounts Receivable	2,242
Proceeds Pre-Liquidation Bank Accounts	381,781
Total Receipts	390,503
PAYMENTS	
Bank Fees	605
Liquidation Costs and Disbursements	37,304
Resident Withholding Tax	3
Secured Creditor Distribution	352,591
Total Payments	390,503
Cash on hand	-



Appendix 2 - Remuneration Schedule

Going to Blue Limited (In Liquidation)

Remuneration Report - Period: 27 July 2020 - 2 November 2021

	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
Partners	395 - 495	495.00	1.00	-	-	742.50	1.50	3,563.75	7.25	-	-	-	-	1,731.25	3.75
Managers	195 - 325	2,138.75	7.25	-	-	442.50	1.50	2,360.00	8.00	2,545.00	8.50	-	-	885.00	3.00
Analysts	110 - 295	-	-	-	-	122.50	0.50	-	-	238.75	1.25	-	-	61.25	0.25
Finance / Administration	195	-	-	-	-	-	-	-	-	731.25	3.75	-	-	1,950.00	10.00
Support Staff	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2,633.75	8.25	-	-	1,307.50	3.50	5,923.75	15.25	3,515.00	13.50	-	-	4,627.50	17.00

	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
Partners	395 - 495	3,340.00	7.00	-	-	-	-	1,001.25	2.25	-	-	540.25	1.12	11,414.00	23.87
Managers	195 - 325	376.25	1.25	-	-	-	-	973.75	3.25	4,056.25	13.75	782.50	2.50	14,560.00	49.00
Analysts	110 - 295	61.25	0.25	192.50	1.75	-	-	245.00	1.00	-	-	668.75	3.50	1,590.00	8.50
Finance / Administration	195	2,925.00	15.00	-	-	-	-	-	-	-	-	-	-	5,606.25	28.75
Support Staff	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		6,702.50	23.50	192.50	1.75	-	-	2,220.00	6.50	4,056.25	13.75	1,991.50	7.12	33,170.25	110.12

Disbursements	Costs
Advertising	-
Miscellaneous	6.00
Overheads	-
Travel Costs	427.49
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 \$32,438.20 (excl. GST) has been received on account for both fees and disbursements.



Appendix 3 - Notice of Intention to Remove

GOING TO BLUE LIMITED (IN LIQUIDATION)
Company Number: 554063
Trading As:
("the Company")

**Notice of Intention to Remove Company from Register
(Pursuant to Section 320 of the Companies Act 1993)**

We, Iain Shephard and Jessica Kellow, joint and several Liquidators of the Company whose registered office is situated at:

BDO Wellington
Level 1, Chartered Accountants House
50 Customhouse Quay
Wellington 6011

Hereby give notice that pursuant to section 318(1)(e) of the Companies Act 1993, and having filed with the Registrar our final report on the liquidation, it is intended to remove the Company from the New Zealand register.

Any objection to the removal pursuant to section 321 of the Companies Act 1993 must be delivered to the Registrar no later than 5 January 2022.

DATED this 5th Day of January 2021.

IAIN SHEPHARD
Liquidator