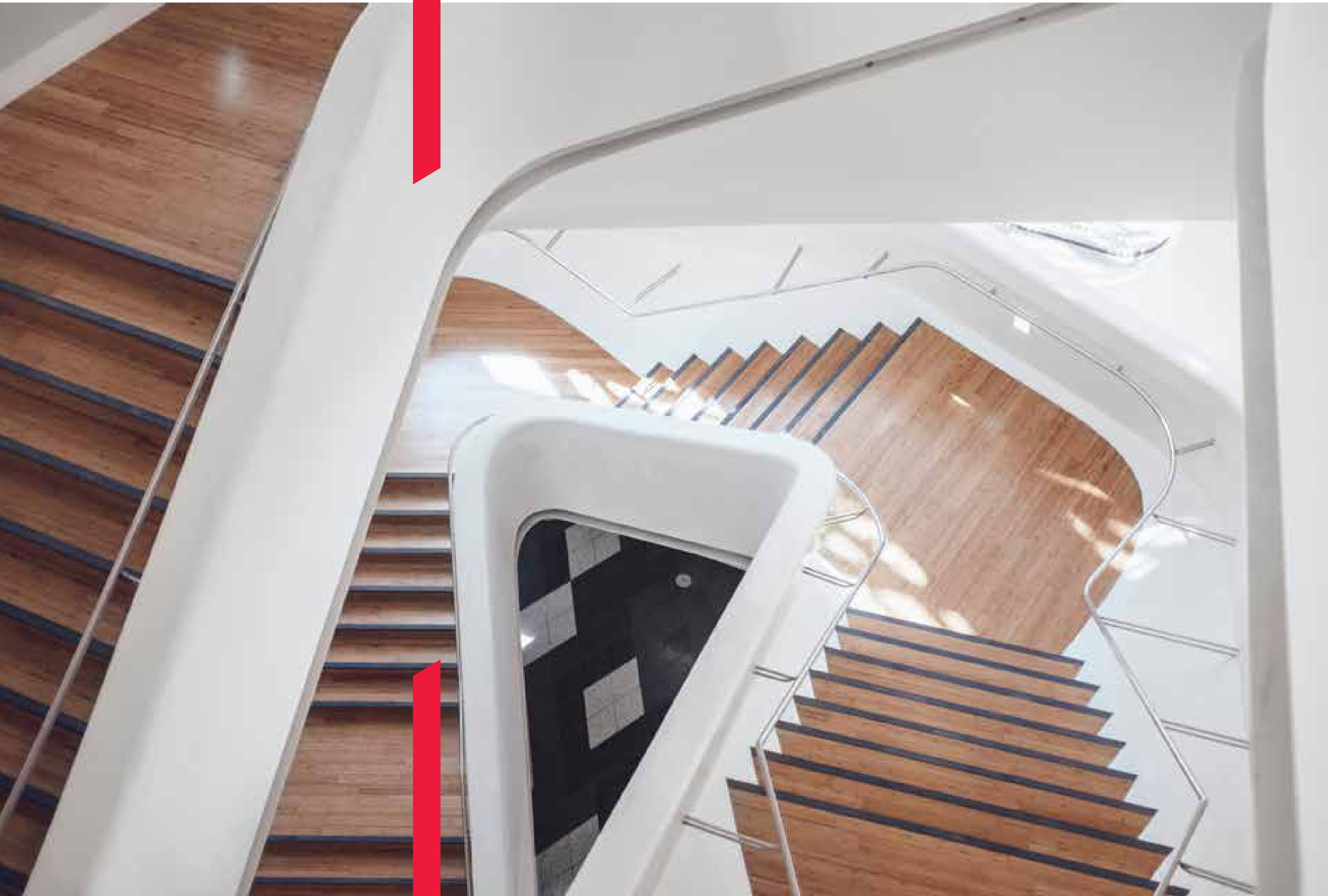
THE CONSTRUCTION SURVEY REPORT



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SURVEY RESPONDENTS GREATEST CHALLENGES AND CONCERNS?

1. Staffing – subcontractor shortages / staff shortages / finding skilled staff / retaining staff / skill shortage / competition
2. Cashflow – financial funding / management / land costs / price increases / bonding
3. Economy – Government / legislation changes / recession / imported products
4. Subcontractor failure / head contractor failure
5. Council
6. Long term workflow
7. And a long list of other concerns

In April 2018, BDO surveyed NZ Construction Industry Businesses on an anonymous basis. This mainly covered construction companies and sub-contractors, but also included material suppliers and consultants. The sectors covered housing (including apartments), commercial construction and civil/infrastructure. The majority of participants were construction companies and sub-contractors in the housing and commercial sectors.

Our thanks to those who took part in this research. We hope the results presented in this report will provide a useful insight into the reality of the NZ construction sector today. It is planned to repeat this survey in late 2018 to ascertain any significant changes in the sector and to drill down on areas highlighted in which significant challenges or opportunities exist. The questions were designed to be easy to answer without requiring participants to share confidential financial information.

Where we could and where relevant we have drilled down into sub-categories. Due to the smaller number of replies in some sub-categories it is inevitable there will be some statistical variances but the trends are still apparent.

NEW ZEALAND CURRENTLY HAS A 2-TIER CONSTRUCTION SECTOR

- The good operators with strong balance sheets and robust cash resources **(The majority)**
- Fragile businesses that lack the necessary robustness making them particularly susceptible to Industry challenges and forces. Without rapid improvements, they face the risk of entering a downward spiral **(Too many for comfort)**

Robust Businesses

- Profitable
- Strong cash reserves
- Robust balance sheets
- Strong forward workflow
- No big gaps between projects
- Good governance
- Quality management reporting
- Timely reporting
- Accurate and proven forecasting
- Strong project management
- Resilient systems
- Appropriate systems
- Strong experience (or access to it)
- Sufficient staff for committed work
- Reliable estimating
- Above average margins
- Tidy organised work sites
- No big job losses
- Spare bonding capacity
- Retentions held in trust
- Pay on time
- Get paid on time
- Cover for key roles
- A clear business plan
- Operate in a niche
- Communicated ownership succession plan
- Staff succession plan
- Strong and consistent culture
- Industry specialist advisors
- Controlled growth
- Projects delivered on time
- High quality finished work
- Competitive
- Sound track record
- Loyal and reliable sub-trades
- Adequately understand and price in risk

Forces of the downward spiral

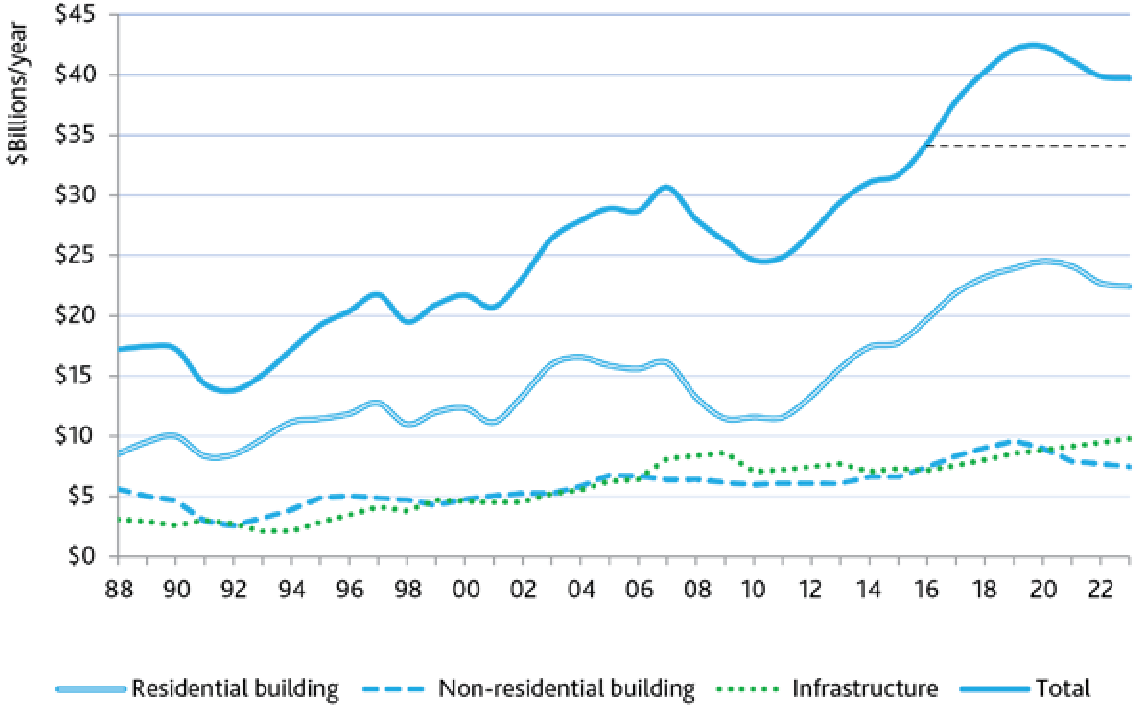
- Low margins
- Delayed projects
- Staff shortages
- Subcontractor/ principal failure
- Inadequate project documentation
- Tightening bank credit
- Transfer of risk down the chain
- Quality issues
- Councils
- Surprises
- Desperate tendering
- Tight budget projects
- Below spec, cheap materials
- Regulations
- Compliance costs
- Overzealous H&S
- Unreasonable payment certificates
- Inexperience
- Failure to price in risk

Fragile Businesses

- Cashflow is a juggle
- Poor quality
- Slow to be paid
- Slow to pay others
- Breached bank covenants
- Untidy work sites
- IRD arrears, especially PAYE
- Poorly documented projects
- Retentions regime non compliance
- High staff turnover
- Insolvent
- Poor planning
- Cost over-runs
- Poor estimating
- Poor reporting
- Inadequate governance
- The opposite of all Robust Businesses features

GROWTH, CAPACITY AND FORWARD WORK

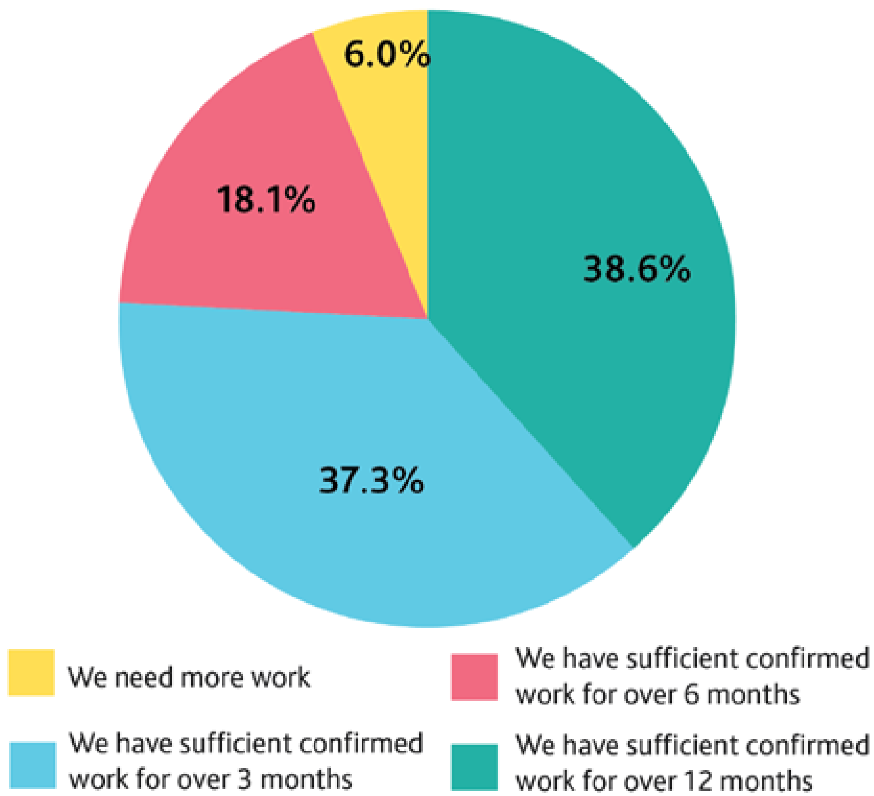
All Building and Construction nationally, by value



Source: BRANZ / Pacifecon

High building costs are impacting project feasibility which may flatten out the graph curve. Financing constraints may also flatten it out.

Future Work Outlook

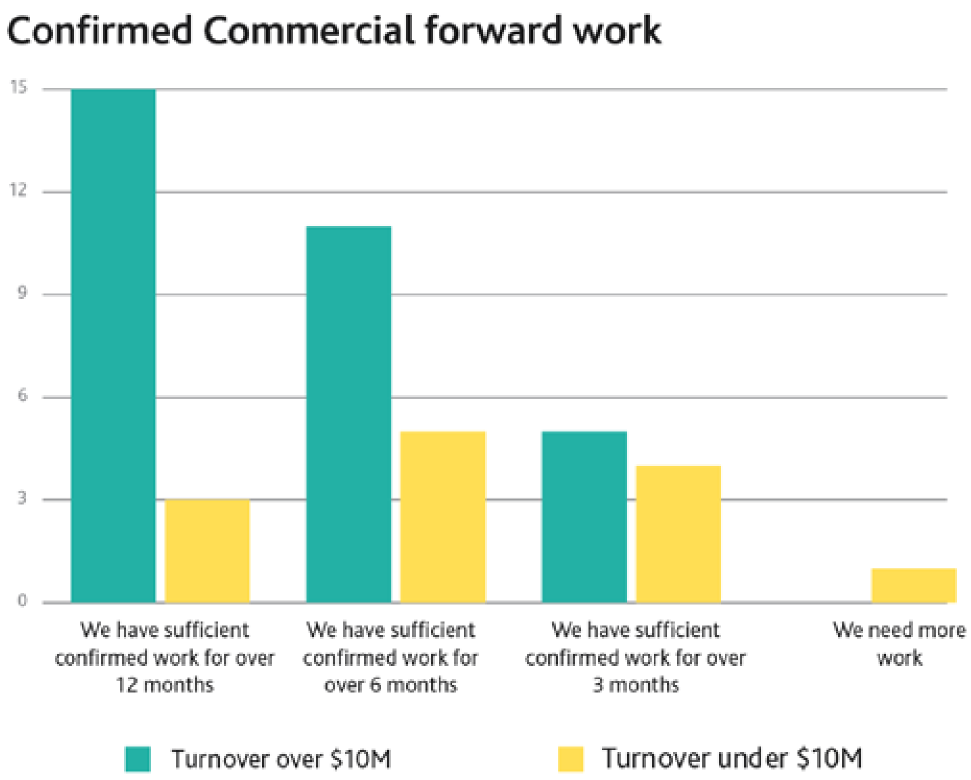


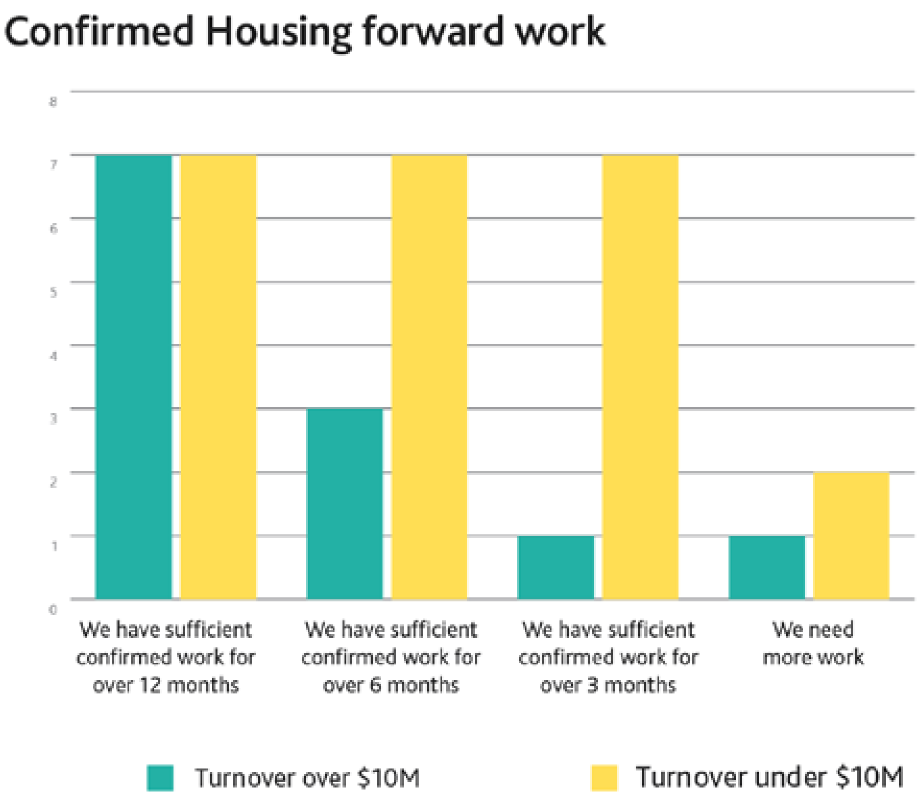
THE INDUSTRY STILL HAS A STRONG HEAD OF STEAM

With the sustained growth of the sector and the highest activity levels ever, there are questions around the sustainability of that growth and whether it is about to peak and drop away. Our first measure of this, is the forward work position. "Sufficient" in the context of this question means enough work to operate at above break-even profitability on a monthly basis.

Nobody "desperately needs" more work and only 6% currently "need" more work. The level of committed forward work indicates a strong sector.

When broken down by sector and the annual sales level (size) of organisations the following trends emerge.





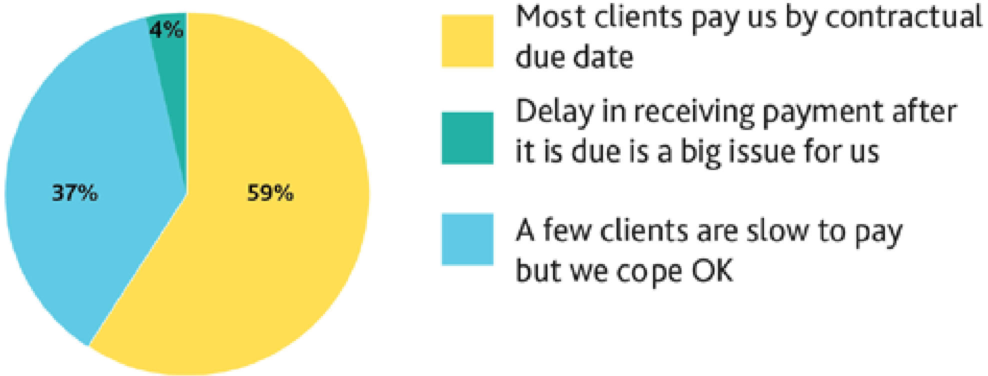
CASH COLLECTIONS AND CASH RESOURCES

41% HAVE CLIENTS WHO PAY LATE DESPITE A CONTRACTUAL COMMITMENT TO PAY ON TIME

The construction sector is different to others; there is a contractual due date for payment and industry practice is to pay by the contractual date.

Those waiting to be paid are mainly those in the housing market and the larger subcontractors who are presumably working on the larger projects.

Are cash collections received when due



The fact that 27% of respondents either use an overdraft or find that juggling cashflow is a challenge for them is a concern and risk to the industry. The resilience of these companies to even a small shock is likely to be small.

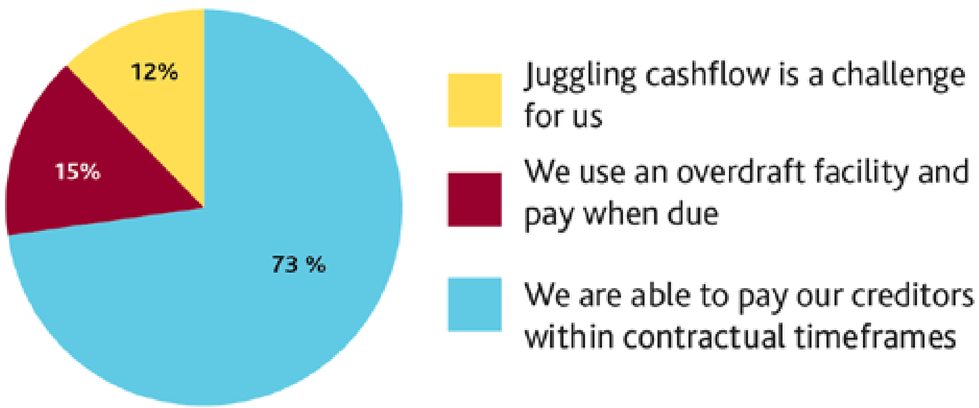
It should not be necessary for an established construction company to use an overdraft. Use of an overdraft so staff can be paid is expected for subcontractors, or if there are a lot of on-site staff, but the proportion that do need an overdraft highlights their vulnerability.

When we delve deeper, 20% of construction companies with a turnover of over $10m found juggling cashflow a challenge and amongst the smaller ones, some used an overdraft but none were finding cashflow too much of a juggle.

There is some correlation with nearly 73% of responses indicating that payment is made within contractual timeframes; 27% can't pay or need an overdraft. 55% identify that they have clients that are slow paying them.

This industry has a very effective grapevine as to who is and who is not paying on time. The industry also has an effective and industry specific credit reporting agency: Creditworks. With most respondents having a good forward work situation, they should be focussing on those that can pay them and not performing additional work for those with a bad payment record. Otherwise the risks may be too high.

Ability to make payment when due



PROFIT MARGINS

MARGINS ARE TOO LOW AND NOT SUSTAINABLE

HEAD CONTRACTORS' MARGINS

As gross margins are particularly sensitive and confidential our question was phrased in the context of when competing for new projects, at what margin are you missing out on winning contracts. Whilst there are more factors to awarding a contract than purely price, there is still too much emphasis in NZ on price as compared to quality and whole-of-life costs.

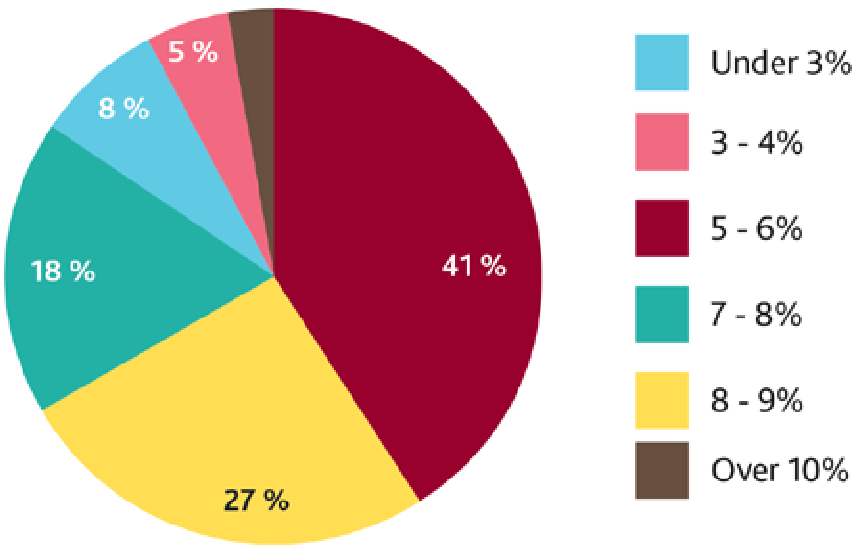
This can be subdivided as follows:

Housing is a bit better at around 8% but due to its scale, housing needs a better margin.

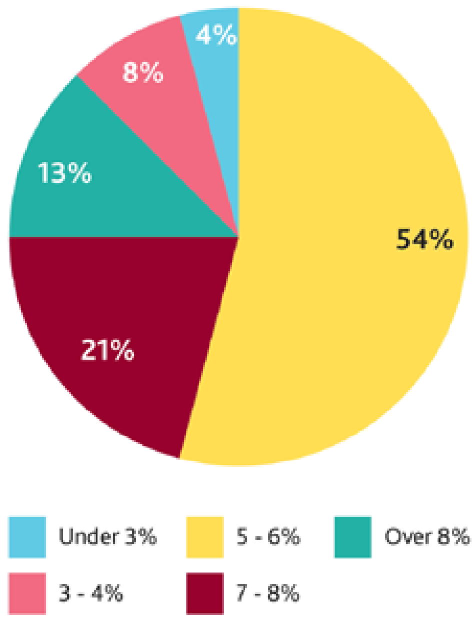
The dividing line for winning or losing the majority of commercial building contracts is between 5-6% gross margin. Those obtaining better margins appear to be generally larger companies undertaking large projects, which smaller companies don't have the resources to undertake. Larger projects also carry higher risks. Poor margins are not just an Auckland issue; they are an issue across the country.

Level of margin that contracts are not won

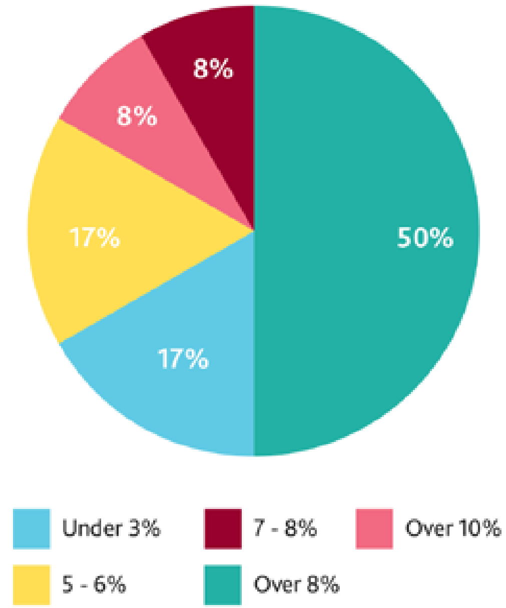
All Head Contractors



Commercial Sector



Housing Sector (including Apartments)

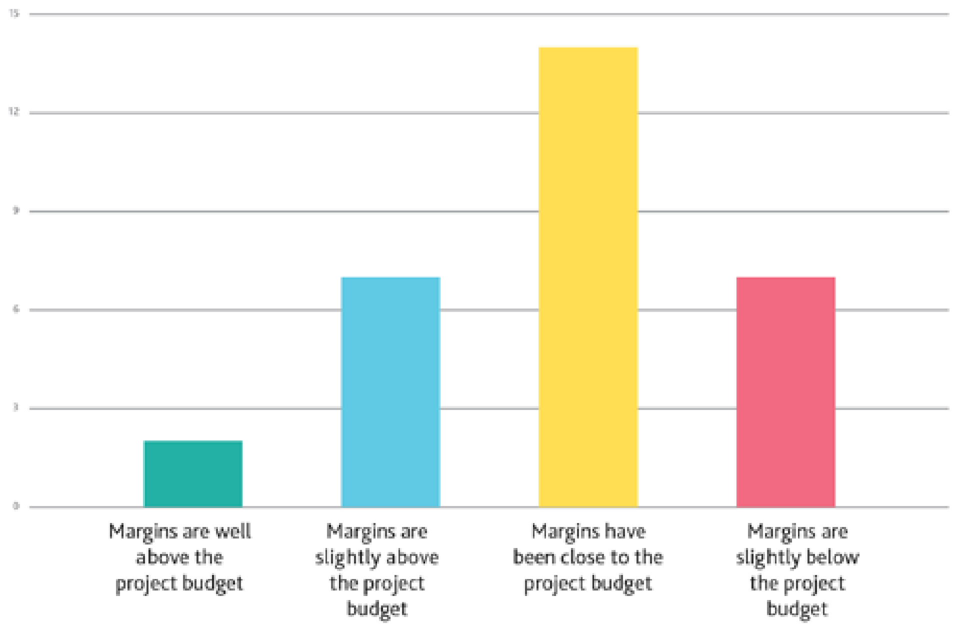


NOT TOO MANY DISASTROUS PROJECTS

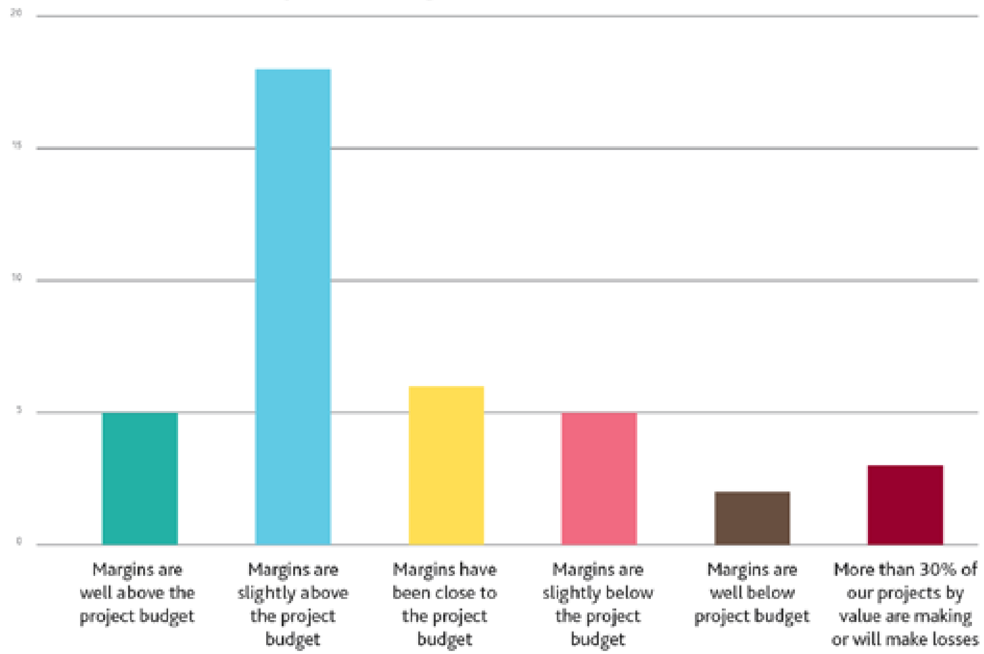
We measured how projects ran against their budget and as shown, margins were generally, but only slightly, above the forecast margin. This should be the case as projects are usually costed in anticipation of finding some efficiency gains or letting gains during the project. Similarly, risks should be factored in and as these are resolved, it may release a bit of extra margin.

After staff availability and quality, cost control and cost increases were the greatest concern. The survey result shown in the graphs should not be reason to celebrate, because better than planned margins should be the goal. It is a concern that several respondents noted that over 30% of their projects by value are making or will make losses.

Housing Project Margin Performance



Commercial Project Margin Performance



SUB-CONTRACTORS' MARGINS

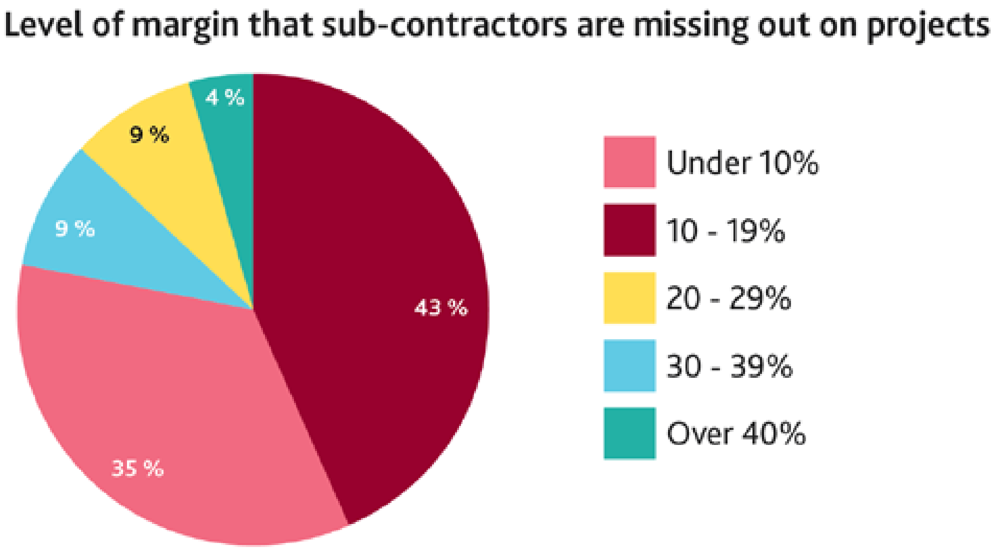
As gross margins are particularly sensitive and confidential our question was phrased in the context of when competing for new projects, at what margin are you missing out on winning contracts.

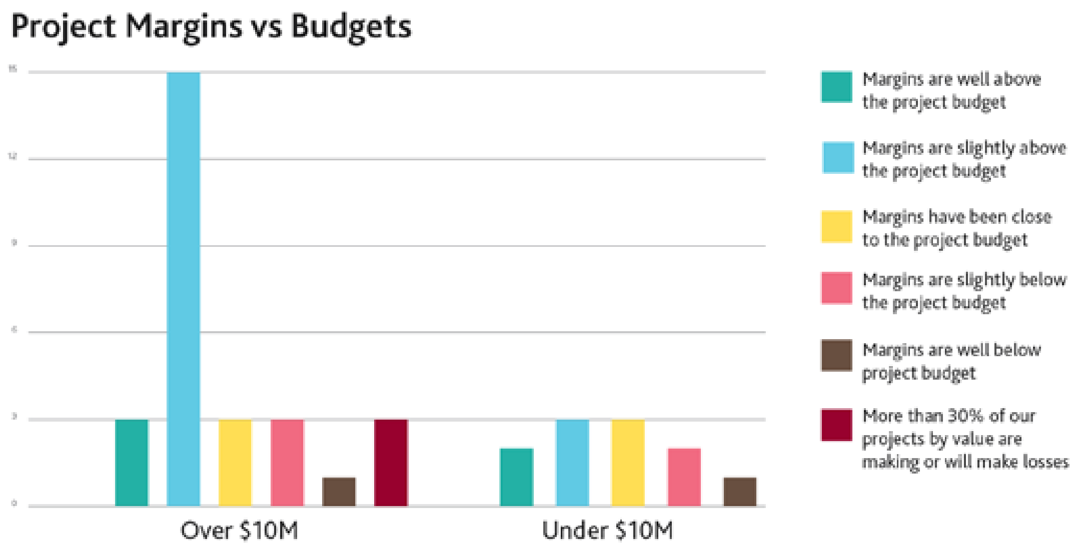
The immediate observation is how poor the margins are for those in the below 10% sector and how many are in that group. Other benchmarking has indicated that subcontractors should be in the 20% to 35% range but this appears to be no longer the case. Most of those with a turnover over $10M were evenly split between under 10% and under 19%. Those obtaining better margins appear to be generally smaller companies, no doubt in more specialist trades, but they also need larger margins to cover their overheads for survival.

The fact that margins for sub-contractors are so low is both a risk and a concern. Other benchmarking indicates that margins for sub-contractors are generally in the 20-35% range with the better sub-contractors getting margins between 30-39%. This survey tells a different story. Sub-contractors generally have a much lower turnover than head contractors and also generally have a higher proportion of overheads. For those achieving a gross margin of under 10%, it is unlikely that they are making a worthwhile net profit and therefore their long term financial viability must be in question. It seems the smaller subcontractors more commonly have margins below where they expected.

Similar to the head contractors, after staff availability or quality, cost control and cost increases were the greatest concern so there is major pressure on margins.

We need to look after our sub-contractors for the survival of the industry – refer separate page.





FINANCIAL CONSTRAINTS ON THE ABILITY TO PROVIDE PERFORMANCE BONDS

Inability to obtain additional bonds is a constraint to further growth. To measure this we have only reported on those that do require bonding. Some projects, especially in housing or smaller projects are able to be undertaken without bonding but for the larger projects, bonding is a prerequisite.

However, after staffing issues, bonding is the greatest single concern for those with a turnover over $10M.

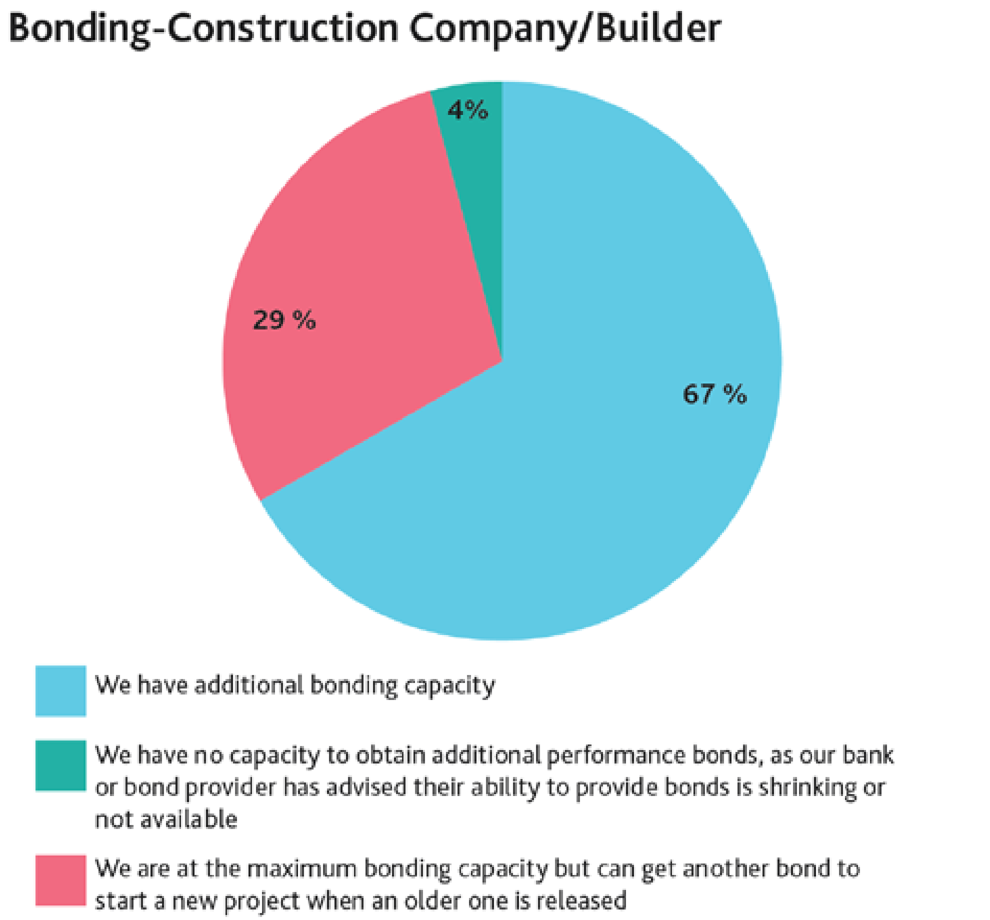
BONDING CAPACITY IS NOT AS MUCH OF A CONSTRAINT AS EXPECTED.

Whilst frustrating for those that are at maximum bonding capacity, this constraint is a useful mechanism to protect the clients, head contractors and their sub-contractors from the adverse financial impact arising from over-trading. All of the banks in NZ are taking a cautious approach with the level of performance bonds they are comfortable to issue due to their perception of the risks facing the industry and inadequacy of security available. Some contractors are unable to obtain performance bonds from their bankers and utilise bonds provided by insurers. The insurers too are becoming more cautious. Length of time in the industry is taken into account making it a lot more difficult for new entrants to grow quickly and obtain bonds for larger projects or bonds spanning the cross over between projects. The bankers' and insurers' view is that if one bond is called up, it is likely that all bonds are called up and further it is likely that any contract receivables are unlikely to be received. Hence their requirement for director personal guarantees and specific security that they can take a mortgage or GSA over.

Building financial capacity to provide security for bonding is a challenge in this industry due to a tendency to declare dividends soon after profits are earned. While the entity is confidently solvent when the dividend is declared, adverse events can occur later making it difficult or impossible to access those accumulated profits.

Given these factors and comments from bankers the proportion that still have capacity for more is encouraging but a little surprising.

A recent court case involving Mainzeal allowed a bond to be called up, even after the project completion certificate was issued. It is too early to know how this will impact the availability of future bonds to some industry participants.



THE RETENTIONS REGIME HAS HAD A FUNDAMENTAL AND PERMANENT IMPACT ON CASH RESOURCES

BUT, ONLY FOR SOME...

The Construction Contracts Amendment Act 2015 introduced the requirement for those that deduct retentions to hold those retention monies in trust in relation to contracts entered into on or after 31 March 2017. The Act places the onus for enforcement on those that have retentions deducted from their progress claims by giving them the ability to inspect the trust records at any reasonable time.

OF THOSE WHO HAVE RETENTIONS DEDUCTED, 74% OF RESPONDENTS HAVE NOT ASKED TO INSPECT OR CONFIRM THAT THEIR RETENTIONS ARE HELD IN TRUST.

It would be interesting to understand why. Are they simply too scared to obtain bad news or frightened to offend the source of their income?

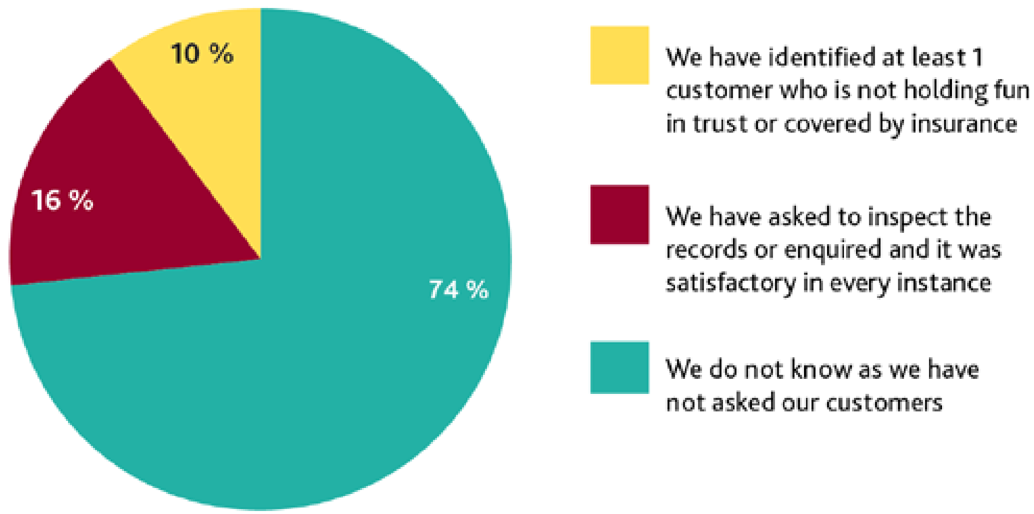
Surprisingly it's the larger companies that face the higher risks and should be more aware of managing their risks that have failed to ask: 90% of large construction companies and 70% of large subcontractors.

It is good basic risk management to ensure that those that you work for are able to pay you for the work that you are doing for them. This makes the inaction even more surprising. From the perspective of those who deducted the retentions, they should be welcoming that inspection as it indicates the person doing the inspection is interested in the risk management of their own business and further, enables the party holding the funds in trust to distinguish themselves from those who don't and therefore be perceived as a better quality client to have. In many cases, most of the profit on a project is locked up in retentions receivable.

For those who did ask to inspect, the results were equally concerning.

36% OF THOSE WHO ASKED TO INSPECT RETENTIONS RECORDS FOUND AT LEAST ONE CUSTOMER WHO WAS NOT HOLDING FUNDS IN TRUST OR COVERED BY INSURANCE.

Inspection of retention Receivables held in trust

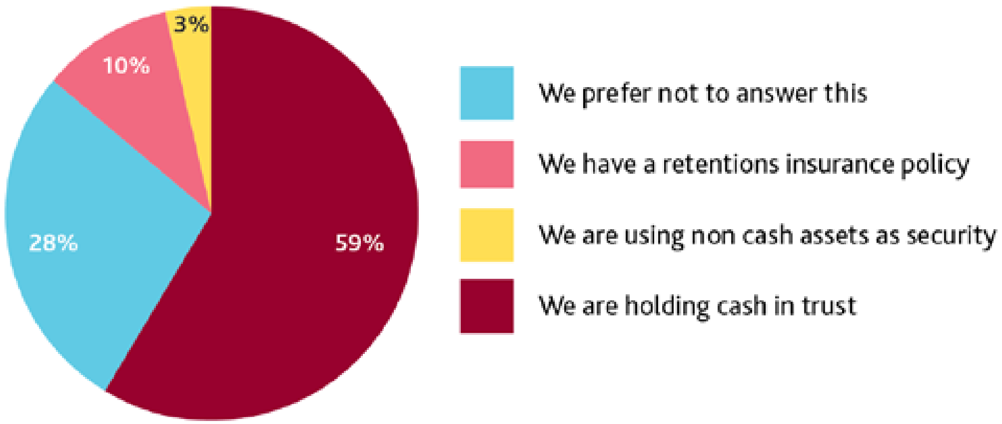


The remaining 64% advised that their inspections were satisfactory.

These new legal requirements still appear to be poorly understood. Failure to hold the funds in trust in a liquid form is a criminal offence and at worst, the responsible directors could be given a prison term.

The law relating to holding retention monies in trust is confusing. Best practice is to hold the retention monies in a specific trust account at the bank, labelled "XYZ Construction Retentions Trust Account" so that in a receivership or liquidation situation or when the records are being inspected, it is very clear that the retention monies are in trust and cannot be taken for any other purpose. Simply having the money in a bank account that is not labelled as a trust account may prove ineffective in an insolvency situation and gives the person inspecting the records no confidence that the funds are clearly in trust. Although the Act allows intermingling of funds, this is very risky and provides no assurance of success.

How companies are, or not, complying with the retentions regime



The law was amended two days prior to the commencement date to allow an insurance policy to be taken out instead of holding funds in trust. A number of companies applied for those insurance products but only those who had a strong record of financial performance and a strong balance sheet were provided with insurance cover. Subsequently, one of the two insurance companies, CBL Insurance, has gone into liquidation and those insurance policies now have limited value. At the time, the cost of that insurance was surprisingly low and therefore it was a good option for those that were able to obtain it.

The non-compliance response for those who hold retentions was almost identical.

NEARLY 1/3 ARE NOT AND PRESUMABLY CAN'T COMPLY WITH THE NEW RETENTIONS LAW.

Rather than ask whether respondents were not complying with the law we reworded the question to say "we prefer not to answer this". 28% of those that have retentions payable preferred not to answer the question and we can deduce that the majority of these answered in this way because they could not confirm they were holding the funds in trust in cash or an insurance policy.

The most likely reason is a simple lack of funds to do so. When the regime first became effective, most work was being performed under "old" contracts which pre-dated the commencement date and had no requirement for retentions to be held in trust. Now, some 14 months after the commencement of the regime, the majority of contracts will be under the "new" rules.

THE OFFENDERS SEEM TO BE MAINLY LARGER CONSTRUCTION COMPANIES

An average construction company is achieving a gross margin of close to 5%, they will need at least 3% of revenue to cover overheads and .6% for tax leaving only approximately 1.4% of revenue as spare cashflow. The amount required to be held in trust will be in the range of 4% - 8% of turnover, averaging around 6%. Therefore if they did not have spare financial reserves at the commencement of the regime, they have had no ability to quickly accumulate those financial reserves subsequently and if margins remain at current levels, will always struggle to build sufficient financial reserves to either satisfy their insurer or put funds in trust. Using the example above, it will take up to 5 years to become compliant.

FOR THEIRS AND EVERYONE'S FINANCIAL SURVIVAL, MARGINS IN THE INDUSTRY CLEARLY NEED TO IMPROVE.

Take the test yourself.

THE AUSTRALIAN SOLUTION TO POOR COMPLIANCE

When our regime was implemented, the government had a choice of a heavy-handed or a light-handed approach. They chose a light-handed approach on the basis that the industry could self-regulate and police itself. Such an approach did not work in Australia and it is apparent is also not working in New Zealand.

The Australians are now in the process of introducing an exceptionally heavy-handed approach. There is a requirement to establish a separate bank account for each project. This is starting with government contracts in Queensland, then spreading to other construction contracts in Queensland, and we understand that this is going to be extended to some other states as well. Their new rules will be a nightmare to administer and be even more onerous and destructive to cash flow then our rules.

Therefore the New Zealand industry needs to improve its administration and self-police or it may face a much more oppressive and more complex regime.

SUBCONTRACTORS MUST HAVE BETTER RECORDS TO HELP THEMSELVES TOO.

Most subcontractors use common accounting systems which do not account for retentions very well, if it all. Because the common small business accounting systems only have one category of accounts receivable, one of 3 things usually occur:

- Retentions are invoiced at the same time as the progress charge and allowed to age out into the over 120 days column. The trouble is the debtors ledger gets so messy and confusing, they lose the ability to properly reconcile and then lose track as to exactly what is owing and when it is due.
- Retentions are not invoiced or recorded so that the receivables ledger is clean and tidy, but they then forget to invoice when retentions are due.
- They rely on their clients issuing buyer created tax invoices and don't take sufficient responsibility for their own financial affairs.

PROTECTING SUBCONTRACTORS

WE MUST SPEND MORE TIME AND EFFORT PROTECTING OUR SUBCONTRACTORS

A strong theme emerging from this survey is the importance of but potential vulnerability of subcontractors. What has occurred before, and inevitably will occur again, perhaps soon, is the financial collapse of a significant construction company. The unwitting victims, and sometimes the most surprised, are subcontractors who are suddenly without a project to do and will not be paid for the work they have done in the current month, or the preceding month and quite possibly the month before.

Those subcontractors are unable to pay their bills or their staff and therefore their ability to perform on the projects of other construction companies is severely constrained as their solvency has been destroyed.

Those remaining construction companies desperately need the subcontractors to work on their projects. Subcontractor non-availability immediately hits scheduling of all the other sub-trades and completion dates. Often a replacement cannot be found so the whole project is severely compromised. If one can be found, rest assured it will cost a lot more.

This could lead to a domino effect through the industry impacting a lot more participants than those in the first wave.

That is when those with strong balance sheets and significant cash reserves will be able to obtain the subcontractors they need at the expense of those without strong balance sheets.

Subcontractors tend to try to keep their financial pressures a secret for obvious reasons. It would be better if they openly communicated with the construction companies they work for and reach a joint solution that maintains their viability as well as getting the project completed.

Post Mainzeal, a number of construction companies financially assisted their good subcontractors who had been impacted, as the team, their expertise and quality were all good; they simply were short of cash for a year or so. For a construction company, loss of a subcontractor and the impact on affected projects has a much greater impact on financial performance than supporting a friend in need.

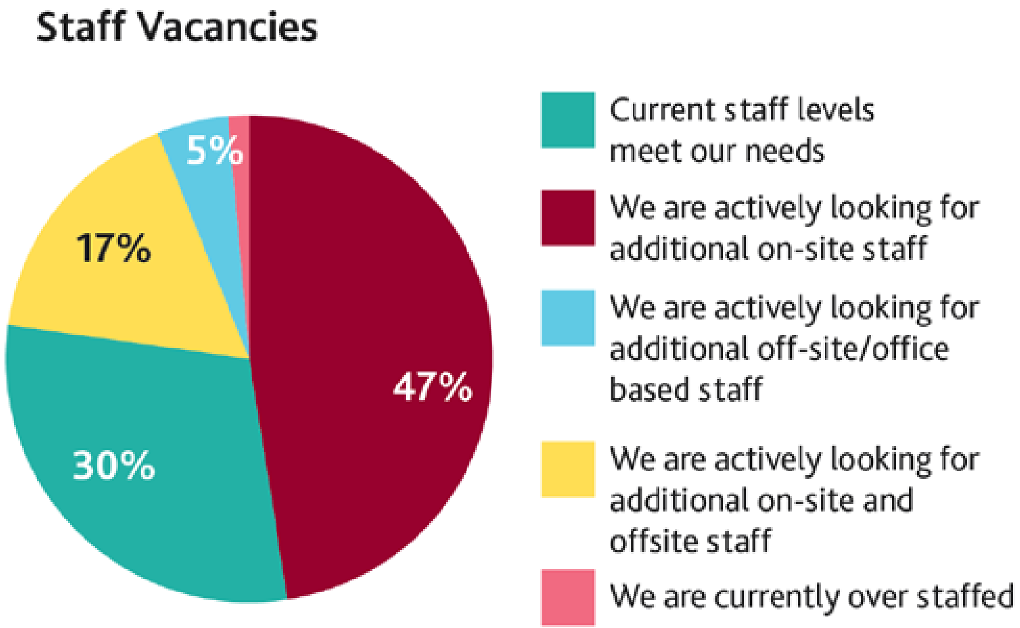
It is however not a one-way street. Subcontractors need to operate their business in a business-like and professional manner, perhaps learning and making a few changes after reading this report. Construction companies too will see the risk and prefer those subcontractors that can confidently finish the job and deliver all the paperwork and guarantees rather than simply be the cheapest.

STAFF

THE SINGLE GREATEST ISSUE IS STAFF; BOTH AVAILABILITY AND QUALITY

Only 1 respondent is overstaffed. The smaller portion still looking for office-based staff is consistent with the feedback from clients that salary pressures for these staff are easing.

As much as businesses prefer not to pay recruitment agencies, our survey suggests that those who use agencies have less of a challenge meeting their recruitment needs than those who rely on word of mouth or do their own advertising.

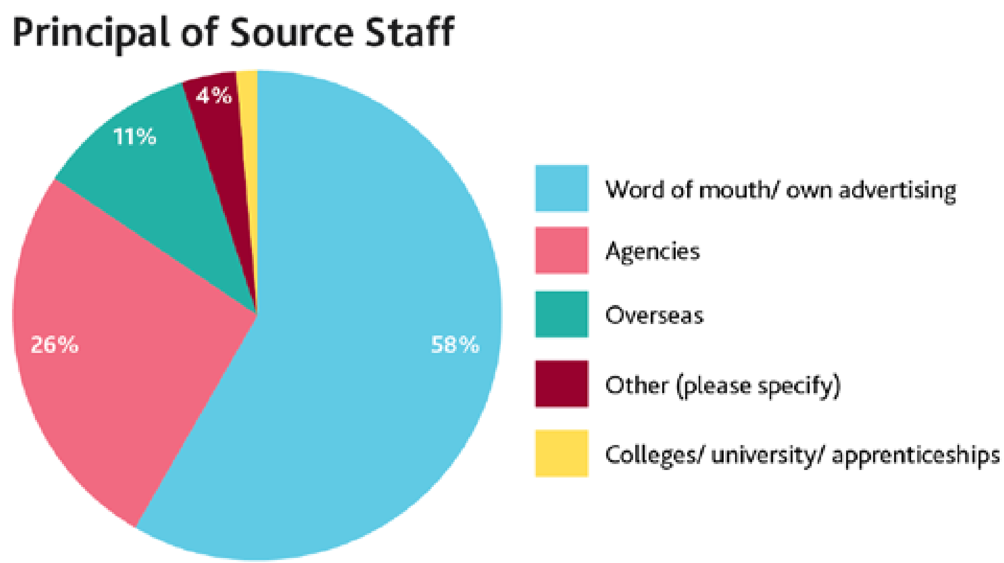


2/3 OF THOSE SURVEYED ARE LOOKING FOR MORE STAFF.

Sourcing new staff from school or university leavers was very low. The reason is unclear although lack of immediate technical or onsite skills is likely to be a factor. This pool of potential talent is a resource for the industry if appropriate training can be provided.

We asked what were the 3 greatest challenges or concerns. Staff related matters absolutely dominated over all other issues.

The most frequent challenges related to recruiting and retaining staff (almost 50% of responses). The next most frequent challenges related to the availability of skilled labour and training challenges.



SUCCESSION AND EXIT PLANNING

50% OF THOSE SURVEYED WHO WERE OVER 50 STILL NEEDED TO CONSIDER SUCCESSION OR EXIT PLANNING OR HOPED TO SELL THEIR BUSINESS BUT HAD NOT STARTED ANY PLANNING OR PREPARATION FOR THIS.

Prior to the global financial crisis, there were a number of succession plans implemented and business sales occurring. As soon as the GFC occured, business sales in the construction sector virtually ceased and succession plans were more challenging due to poor financial results.

When the current high activity times come to an end, the same cycle will likely be repeated.

Those that have not planned their succession or exit during the good times will find it challenging and may either have to close their business down or struggle on in it when they would rather be fishing, travelling or playing golf.

The other theme we are finding is that the spouses of business owners are ready to enjoy a retirement lifestyle well before the business owner has successfully extracted themselves from their business.

Business sales do not occur overnight. It takes a number of years to groom the business to optimise the value received. Similarly succession plans take a number of years to identify the appropriate people and to successfully implement. Outright business sales for some types of companies and in more specialised trades are infrequent and finding a purchaser can be challenging. We have had success with alternate exit strategies but the planning and implementation usually occur over a longer period.

Advisors with specific industry experience are often better placed to assist and devise a solution suitable to each company's unique needs.

Remember staff succession planning too. It is difficult to operate a business if replacement staff are not groomed prior to retirement of older staff. It also makes it harder to sell your business if all the senior staff are ready to retire when the owner exits.

SHAREHOLDERS' AGREEMENTS

The number that have a shareholders agreement is encouraging, however has your agreement been tested at a time of stress? That is when the shortcomings of the agreement rear their ugly head.

Over time BDO have developed a number of innovative clauses that are better at meeting the needs of the sector and the specific culture and issues of each client than generic shareholder agreements.

BUSINESS PLANNING AND ADVICE

20% DO NOT PREPARE BUDGETS OR HAVE A BUSINESS PLAN

The over-used phrase is those that fail to plan, plan to fail. It seems that 20% of respondents fall in that category.

51% of respondents both have a business plan and do annual financial projections and for those that only do one of those, the majority do prepare financial projections. A surprising number of larger (over $10M) companies operating in the commercial space don't prepare either, as do the smaller companies in the housing sector.

Financial projections in this industry are often difficult to prepare and if not done well, will be at variance to actual results and therefore meaningless. Consequently they will not warn of tight periods or similar issues.

Given the financial concerns identified in this survey, financial planning is critical and business planning goes hand in hand with this. For head contractors or those with large long term projects, we highly recommend having a revenue and cost line for each major project so that pressure points in workflow or cashflow are clearly identified prior to becoming problems.

An encouraging proportion felt they were getting the advice they required. However, the construction sector has important differences to other industries and a number of important issues which are unique to it. It is a sector where specialist industry knowledge and experience can make a real difference.

BUSINESS SYSTEMS - COMPUTER SOFTWARE

Each sector in the industry will have specific software for their specialisation, for example CAD programs, estimating programs, design and engineering programs, but at the heart of all projects is project management software. Good project management is fundamental to good business management and strong financial performance.

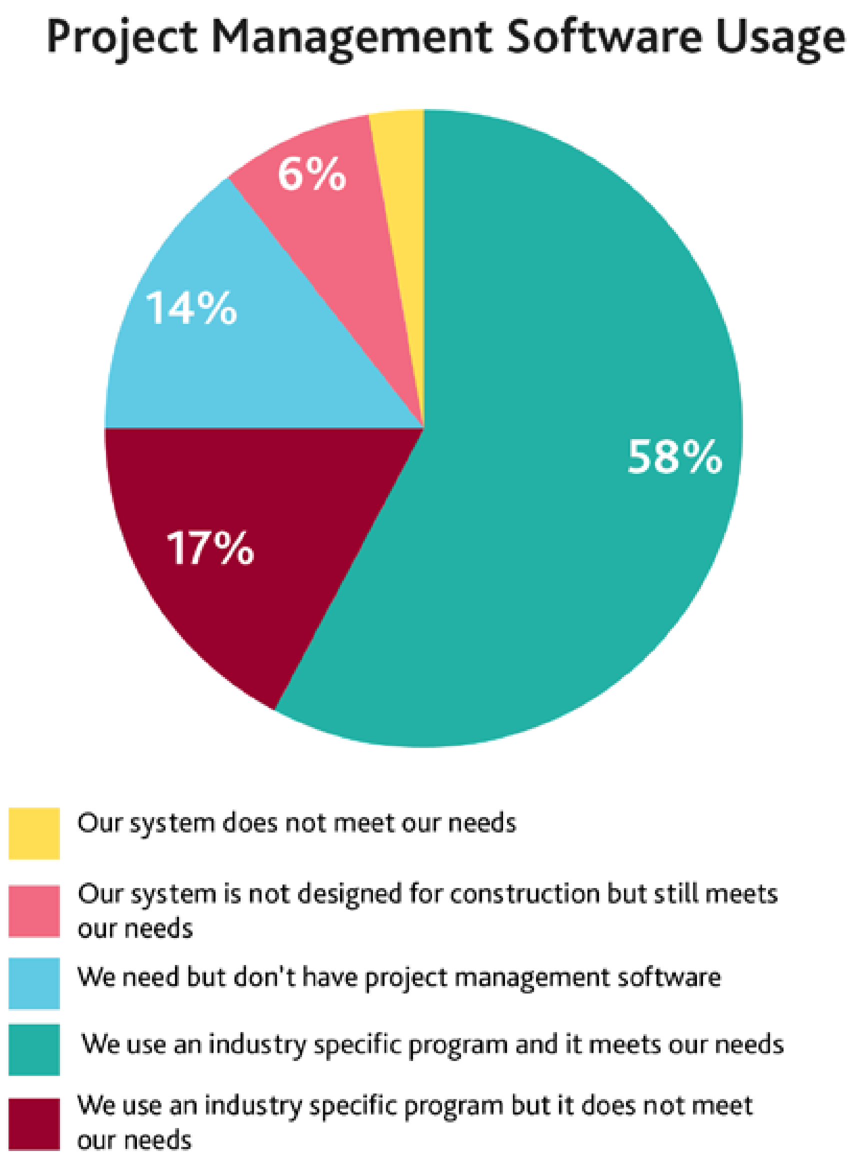
For those that do need computer software for their project management, we asked them whether it met their needs. 25% of respondents need computer software for project management and their current system does not meet their needs.

Our survey found some correlation with those who don't have a system that meets their needs and those that have longer delays on their projects.

There are a number of project management software systems used in NZ and there are some clear favourites.

The first requirement must be that it is designed for use in NZ and the best test is whether it will specifically provide a list of retentions payable split between those that need to be held in trust and those that don't. These days Cloud based software is preferable, particularly for those out at site or moving from site to site.

A clear favourite amongst our clients is the CAT suite of products from Construction Software NZ Limited.

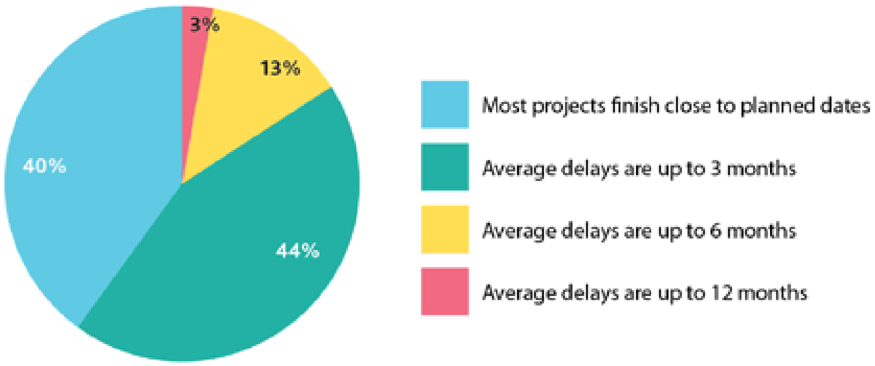


PROJECT DELAYS

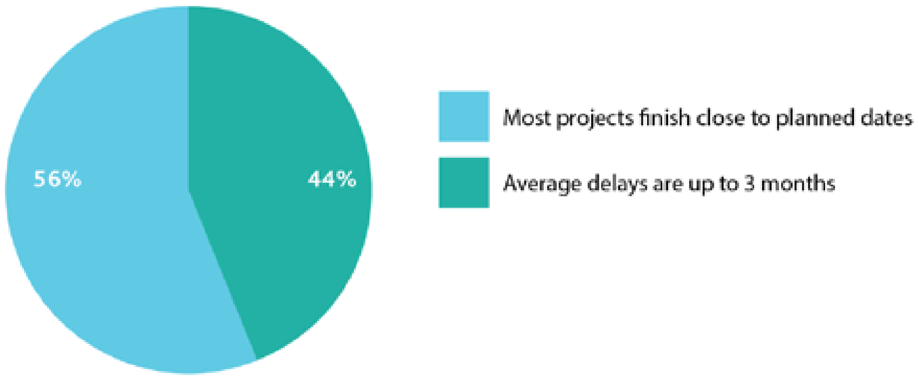
Project delays impact directly on margins but we have noticed over the years that project delays are the dominant cause of a 'bad year'. This is because the company must still pay all its staff and overheads continue every month whether there is work to do or not. Another theme being relayed to us are instances of a larger than expected team of subcontractors turning up on site as some are waiting for their scheduled work to be able to be commenced.

Given the overall shortage of skilled resources in the industry, the inefficiency caused by the delays exacerbates the problem.

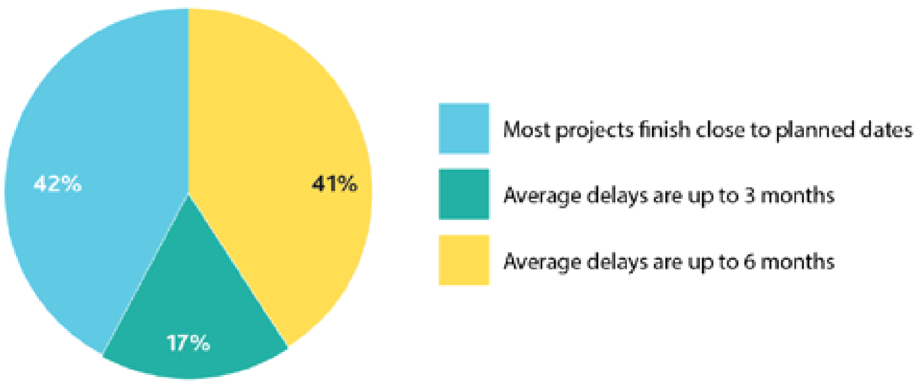
Project Delays (Commercial Over 10M)



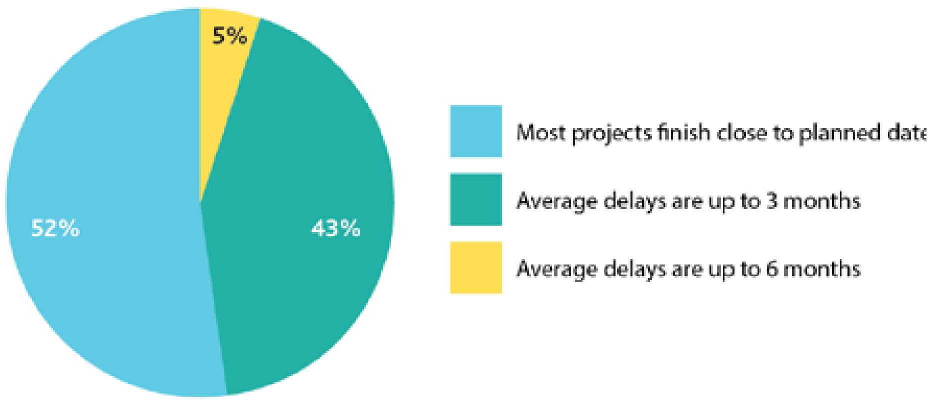
Project Delays (Housing Over 10M)



Project Delays (Commercial Under10M)



Project Delays (Housing Under 10M)



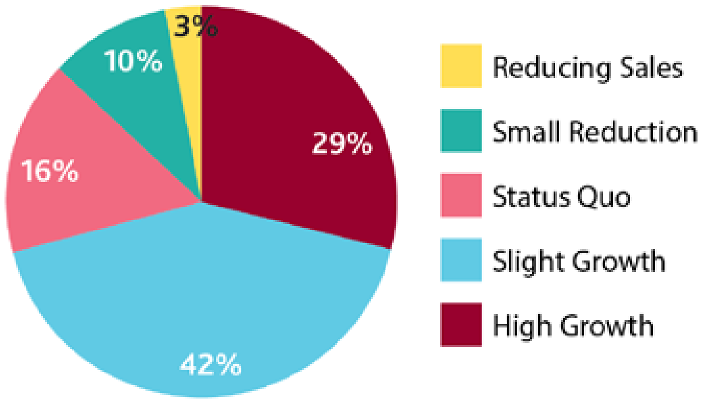
INDUSTRY OPTIMISM

There are mixed messages around optimism.

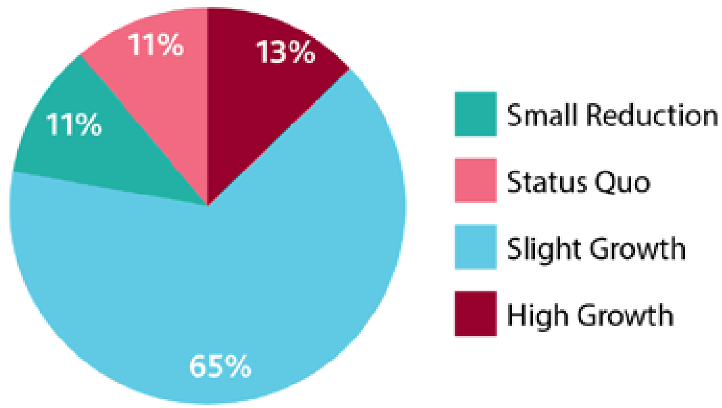
- The government has ambitious plans for housing, infrastructure as well as requirements in education and health.
- A number of the larger architecture firms have just laid off a record number of staff.
- There are simply not enough workers to get through the existing workload.
- Some of the positive expectations around growth are based on recently signed contracts, but what happens when these are finished?
- Some more recent bank sponsored surveys are starting to show a different result.

In the housing sector, all of the pessimism is from the smaller builders, whereas in the commercial construction sector it's in the larger companies.

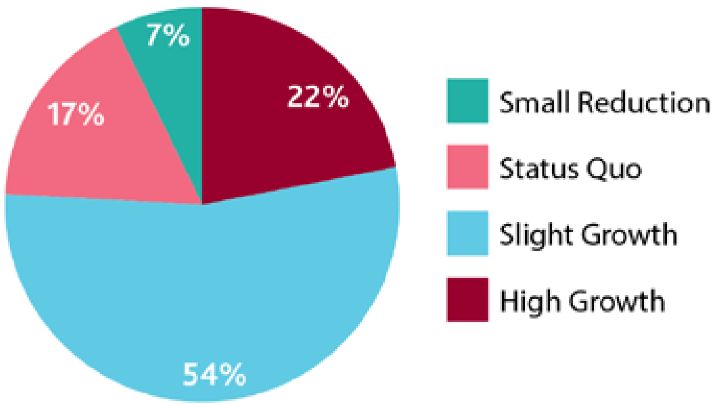
Housing Sector Optimism



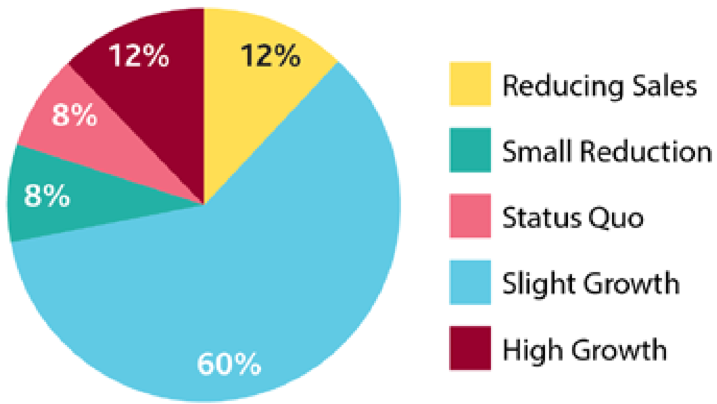
Commercial Sector Optimism

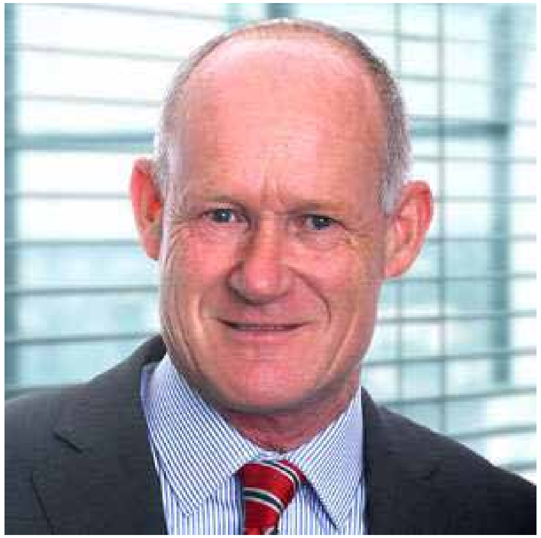


Construction Company Optimism



Sub-contractor Optimism





JAMES MACQUEEN

Advisory Partner, Construction and Real Estate Sector National Leader

BDO Auckland

09 274 9340

09 272 0860

james.macqueen@bdo.co.nz

QUALIFICATIONS

Chartered Accountant (B.Com)

EXECUTIVE SUMMARY

With more than 40 years of advisory, business services, tax, corporate finance and audit experience James maintains a proactive partnership approach with his clients who benefit from his multi-disciplinary range of services and experience across a wide range of industries.

James passions include Construction, Manufacturing and Family Business. He has great insight into the issues and challenges facing these sectors. James develops a very close relationship with his clients and provides practical and pragmatic advice. His clients appreciate his strong industry expertise and look to him for leadership in emerging issues.

NICK INNES-JONES

Advisory Associate

BDO Auckland

09 274 9340

09 272 0861

nick.innes-jones@bdo.co.nz

QUALIFICATIONS

Chartered Accountant (B.Com, LLB)

EXECUTIVE SUMMARY

Nick is an Advisory Associate in the BDO's East Tamaki office where he works closely with James MacQueen. He works with a range of clients in a wide variety of businesses, including property, construction & family businesses. Nick is involved with corporate finance transactions, valuations and general business advisory work.

Nick has more than eleven years business services, audit, business recovery and restructuring and commercial experience. He spent the first four years of his career in the "Big 4" working in Business Advisory Services and Business Recovery before moving to London.

Nick worked for BHP Billiton, the largest company in Australasia in various finance roles for three and a half years working in London, Johannesburg, Melbourne and Brisbane before settling in Sydney with the company. He returned to Auckland in 2013, joining BDO.

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JAMES MACQUEEN
Advisory Partner, Construction and Real Estate Sector National Leader
BDO Auckland
Tel: 09 274 9340 | 09 272 0860
james.macqueen@bdo.co.nz

NICK INNES-JONES
Advisory Associate
BDO Auckland
Tel: 09 274 9340 | 09 272 0861
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