

**FOREST FURNITURE 2013 LIMITED
(IN LIQUIDATION)**

Company number: 1969399

**Liquidators' First Report to Creditors and
Shareholders**



1. Introduction

Forest Furniture 2013 Limited (In Liquidation) (“the Company”) was placed into liquidation by special resolution of the shareholders on the 4th day of March 2019 at 9:30am. Paul Thomas Manning and Kenneth Peter Brown, both Accredited Insolvency Practitioners of Tauranga, were appointed as Joint and Several Liquidators of the company.

In accordance with section 255 of the Act we report on the Company’s affairs together with our proposals for conducting the liquidation.

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. Company information

Date of Incorporation:	09 August 2007	
Trading Address:	740 Te Rapa Road, Hamilton	
Type of business:	Furniture Manufacture & Sales	
Directors:	Mark Leslie Irwin Nora Anne Irwin	
Shareholders:	Mark Leslie Irwin	Number of Shares: 25,250
	Nora Anne Irwin	
	Mark Leslie Irwin	Number of Shares: 24,749
	Nora Anne Irwin	Number of Shares: 1

4. Background and reasons for liquidation

The Directors of the company have advised product sales to Chinese customers living in New Zealand dramatically decreased during 2016 due to a restriction transferring funds from China. This led to cash flow and profitability issues, which in turn has ultimately led to the decision to place the Company into liquidation.

Attached as **Appendix 1** is the Declaration of Independence, Relevant Relationships and Indemnities.

5. Statement of affairs

Attached at **Appendix 2** is the Statement of Affairs of the Company. This statement has been prepared based upon financial statements of the Company as at the date of our appointment and as such may be subject to change.

In preparing the statement we have relied on information provided by the Directors of the Company. We have not carried out an audit of the information which has been provided, nor have we subjected the information provided to detailed verification procedures. While we believe the statement, based on the information provided to us, reasonably reflects the position of the Company, we cannot be held responsible for inaccuracies in the report arising from deficiencies in the information or explanations given to us.

Asset values have not been disclosed as this could prejudice a fair sale of the business as a going concern.

6. Creditors

List of creditors

Attached as **Appendix 3** is a full list of the names and addresses of creditors in accordance with section 255(2)(c)(ii)(C) of the Act.

Unsecured creditor claims

We attach as **Appendix 4** our Public Notice which sets 19 April 2019 as the day on or before which the creditors of the Company are to make their claims, and to establish any priority their claims may have under section 312 of the Act or to be excluded from the benefit of any distribution made before the debts are claimed or from objecting to the distribution.

Please complete the Unsecured Creditor's Claim form attached as **Appendix 5** and return to us at the following address or by fax or email:

The Liquidators
Forest Furniture 2013 Limited (In Liquidation)
C/- BDO Tauranga Limited
PO Box 15660
TAURANGA 3144
Email: denise.cooper@bdo.co.nz
Fax: (07) 571 6281

It is too early to reliably estimate what funds, if any, will be available for preferential and unsecured creditors.

Secured creditors notice

Creditors claiming a security interest (including retention of title or other claims) in the Company's assets who:

- have not advised the Liquidators of their security interest; or
- have not received correspondence from the Liquidators concerning their security interest,

Should contact the Liquidators immediately and should not file a claim as an unsecured creditor unless they wish to surrender their charge to the Liquidators.

This report constitutes notice under section 305 (8) of the Act to any secured creditor receiving it that pursuant to section 305 (8) of the Act, you as a secured creditor of the Company are required to (unless you have already advised the Liquidators in writing of such an election or have already received such a notice) elect and notify the Liquidators in writing within 20 working days after receipt of this notice, which of the following powers they wish to exercise:

- a. Realise the property subject to your charge, if entitled to do so; or
- b. Value the property subject to your charge and claim in the liquidation as an unsecured creditor for the balance due, if any; or
- c. Surrender the charge to the Liquidators for the general benefit of creditors and claim in the liquidation as an unsecured creditor for the whole debt.

Pursuant to section 305(9) of the Act, if a creditor fails to notify the Liquidators in compliance with this notice within 20 working days they will be taken as having surrendered their charge to the Liquidators for the general benefit of creditors and they may then claim in the liquidation as an unsecured creditor for the whole debt.

Creditors meeting

In accordance with section 245 of the Act, for the reasons given in the formal notice attached at **Appendix 6**, we have dispensed with the meeting of creditors.

7. Proposals for conducting the liquidation

The Liquidators are continuing to sell the furniture stock at all sites and have a limited factory staff endeavouring to complete some work in progress, while advertising the business for sale as a going concern. The Company's books and records will be reviewed to establish if there are any potentially voidable transactions, any potential shareholder current account issues and ensure the Directors have complied with the duties and obligations imposed on them under the Companies Act 1993.

The Liquidators will then seek to have the Company removed from the register.

8. Estimated date of completion

It is not practical to estimate the date of the completion of the liquidation at this stage. Our subsequent six monthly reports to creditors will, when appropriate, advise of an estimated completion date.

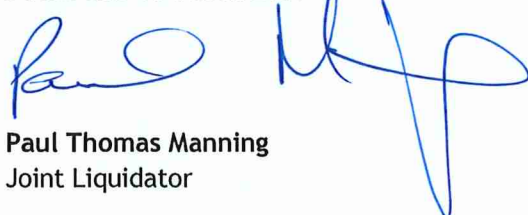
9. Contact information

If you require any further information or if you have any information that will be of assistance to the Liquidators, please direct enquiries to:

Denise Cooper
Phone: 07 571 6280
Email: denise.cooper@bdo.co.nz

BDO Tauranga Limited
PO Box 15660
TAURANGA 3144
Level 1, 525 Cameron Road
TAURANGA 3110

Dated this 11 March 2019



Paul Thomas Manning
Joint Liquidator

APPENDICES

Appendix 1 -

Declaration of Independence, Relevant Relationships and Indemnities

FOREST FURNITURE 2013 LIMITED (IN LIQUIDATION)
Reg No: 1969399
("COMPANY")

This document requires the Practitioners appointed to an insolvent entity to make declarations as to:

- A. their independence generally;
- B. relationships, including
 - i the circumstances of the appointment;
 - ii any relationships with the Company and others within the previous 24 months;
 - iii any prior professional services for the Company within the previous 24 months;
 - iv that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of ourselves, our co-directors and BDO Tauranga Limited.

A. Independence

We, Paul Thomas Manning and Kenneth Peter Brown, of BDO Tauranga Limited have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as Joint Liquidators of the Company in accordance with the law, RITANZ Code of Conduct and applicable professional standards. This assessment identified no real or potential risks to our independence. We have evaluated the significance of any real or potential risk to Independence and taken such action as is necessary to preserve the Practitioner's Independence. In all cases, we are not otherwise aware of any reasons that would prevent us from accepting this appointment.

B. Declaration of Relationships

i Circumstances of appointment

This appointment was referred to us by John Mackay of Holland Beckett, solicitor of the insolvent.

We met with the directors on 28 February 2019 and advised them as to the options available to them having regard to the financial state of the Company.

We believe that this referral does not result in a conflict of interest or duty because:

- It is recognised there is a need for practitioners to provide advice on an insolvency process and the options available for the Company. It is not considered that such advice results in a conflict or is an impediment to accepting the appointment;

- The nature of the advice provided during the first meeting is such that it would not be subject to review and challenge during the course of our appointment; and
- The pre-appointment advice will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with our appointment in an objective and impartial manner.

ii Relevant Relationships (excluding Professional Services to the Insolvent)

Other than disclosed herein, neither we, nor our firm, have, or have had within the preceding 24 months, any relationships with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has security over on the whole or substantially whole of the Company's property.

There are no other prior professional or personal relationships that should be disclosed.

iii Prior Professional Services to the Insolvent

Neither we, nor our Firm, have provided any professional services to the Company in the previous 24 months, other than those outlined herein.


iv No other relevant relationships to disclose

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company or any person or entity that has a valid and enforceable security interest on the whole or substantially the whole of the Company's property that should be disclosed.

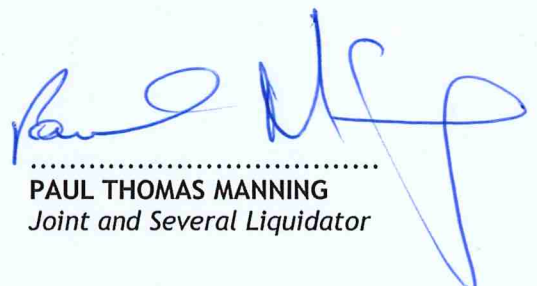
C. Indemnities and up-front payments

We have not been indemnified in relation to this liquidation, other than any indemnities that we may be entitled to under statute and we have not received any up-front payments in respect of my/our remuneration or disbursements.

Dated: 4 March 2019



.....
KENNETH PETER BROWN
Joint and Several Liquidator



.....
PAUL THOMAS MANNING
Joint and Several Liquidator

Appendix 2 - Statement of affairs

	Notes	Estimated to realise
Assets		\$
Plant & Equipment	1	<i>Not Disclosed</i>
Stock		<i>Not Disclosed</i>
Work in Progress		12,500
		12,500
Less Secured Creditors:		
ASB Bank Limited		879,693
Lion Liquor Retail		<i>Unknown</i>
Steel and Tube Holdings Limited		<i>Unknown</i>
Baytech Systems Limited		<i>Nil</i>
Parnell Agencies Limited		<i>Discharged</i>
		879,693
Less Preferential Creditors		
Staff - Wages (Gross)		10,485
Staff - Holiday Pay (Gross)		77,208
IRD - GST Dec / Jan		18,203
IRD - PAYE / KSR / KSE / SL		22,856
		128,752
Surplus before unsecured creditors		(995,945)
Unsecured creditors:		
IRD - penalties & Interest		2,580
Trade Creditors - excluding PPSR charges		163,285
		165,865
Estimated deficit (subject to costs of Liquidation)		(1,161,810)
Note 1: This has not been disclosed so as to not prejudice a fair sale.		
Disclaimer		
This statement should be read in conjunction with the disclaimer on page one of the above Liquidators report and BDO Tauranga Limited have not audited the report and they, their directors or employees accept no liability to any other party in relying on the information presented. The purpose of the report is to give creditors of the company an indication of the financial position of the company as at the date of the appointment of the Liquidators.		
BDO Tauranga Limited		

Appendix 3 - List of creditors

Creditor Name	Address 1	Address 2	Address 3
Ace Furniture Freight Ltd	PO Box 237		Tauranga 3110
Aitkenhead Distributors Ltd	PO Box 5553	Frankton	Hamilton
Allen Family Holdings Ltd	25 Palazzo Drive	Papamoa Beach 3118	Tauranga
Allfast Solutions (Waikato) Ltd	PO Box 10246	Te Rapa	Hamilton 3241
Archant	Stortford Lodge	PO Box 2440	Hastings 4153
Artia	PO Box 22410	Otahuhu	Auckland 1640
ASB Bank Limited	Lending Services	PO Box 35	Auckland
Auto & Marine Trimming World	59 Riverlea Road		Hamilton
Baytech Systems Ltd	PO Box 4161		Mt Maunganui 3149
Chubb New Zealand	PO Box 68 649	Newton	Auckland
City Glass Services Ltd	PO Box 11 016		Hamilton
Competenz	PO Box 9005	Newmarket	Auckland 1149
DX MAIL	DX CR599901		Auckland
EDL Fastners Ltd	PO Box 5673	Hamilton	
Elite Streamlining Business Systems	PO Box 1029	Waikato Mail Centre	Hamilton 3240
Empower Marketing NZ Ltd	PO Box 137127	Parnell	Auckland
Endeavour Giftware 2018 Ltd	PO Box 15 680		Tauranga 3144
Fit Ltd	Northgate Business Park	22 Hood Street	Wellsford 0900
Hafele NZ Ltd	PO Box 58542	East Tamaki	Auckland
J & M Trading	PO Box 38		Waihi
JJ Richards	PO Box 76 647	Manukau	Auckland
JK Business Systems	PO box 12029	Chartwell	Hamilton 3248
Kerridge Ltd	PO Box 1084		Levin 5510
Lion Liquor Retail	PO Box 17-306	Greenlane	Auckland 1546
Liquorland	529 Te Rapa Road	Te Rapa	Hamilton
Mark Irwin	21 Alba place		Cambridge 3434
Matrix Security	PO Box 62669	Greenlane	Auckland 1546
Mo Moves 4 U	190 Forest Hill Rd	Henderson	Auckland
Nora Irwin	21 Alba Place		Cambridge 3434
NZME	PO Box 91976		Auckland 1142
Parnell Agencies Ltd	PO Box 51-049	Tawa	Wellington 5349
PCL Adhesives Ltd	PO Box 204025	Highbrook	Auckland 2161
PJE Investment Trust	1857 River Road	Flagstaff	Hamilton 3210
Pot Black	PO Box 34		Horotiu 3262
Protective Paints Ltd	PO Box 204293	Highbrook Postal Centre	Manukau 2161
QEC	62D Victoria Street	PO 898	Cambridge 3450
Rembrant Fine Arts Ltd	PO Box 318	Onekawa	Napier
Richmond Barr Electrical	PO Box 20426	Te Rapa	Hamilton 3241
Robert Mark Ltd	PO Box 8877		Christchurch
Robertson & Sinclair	Private Bag 93307	Otahuhu	Auckland 1640
Rosenfeld Kidson & Co Ltd	PO Box 621		Auckland
Satlan Corporation Ltd	PO Box 21 048		Hamilton
Select Alarms Ltd	PO Box 544		Hamilton
Steel and Tube Holdings Ltd	PO Box 30543	Lower Hutt	Wellington
Stuff Ltd	Private Bag 4906		Christchurch
Te Rapa Tyre Centre	718 Te Rapa Road	Te Rapa	Hamilton 3200
Versatile Products (Waikato) Ltd	Unit 1	67 Duke St	Hamilton
Virtual Print	PO Box 202	Waikato Mail Centre	Hamilton 3240
Viva Max	PO Box 18275	PO Box 18275	Auckland 1743



Vodafone New Zealand Ltd	74 Taharoto Road	Takapuna	Auckland 0622
VPNZ	4B Piermark Drive	Albany	Auckland
Warehouse Stationery	26 Warehouse Way	Northcote	Auckland 0627
Waste Management	Private Bag 14919	Panmure	Auckland 1741
Waste Management - Botany	86 Lunn Avenue	Mt Wellington	Auckland 1072
Waste Management - Highbrook	PO box 204253	Highbrook	Auckland 2161
Watercare Services Limited - Botany	Private Bag 94010		Auckland 2241
White Cliffs Timber Ltd	Private Bag 93010	New Lynn	Auckland
Wilson Trading	P.O. Box 339	Silverdale	Auckland
World Glass	27 Tynan Street		Te Puke
Celeste Barber			
Tony Hunt			
Jarred Yates			
Laith Goodman			
Sydney Tate			
Brandon Hodge			
Richard Tucker			
Troy Lupson			
Billy Cole			
Nick Cameron			
Helen Geraghty			
Joseph Geraghty			
Ann Wales			
Michelle Noble			
YingYin Zang			



Appendix 4 - Public notice of appointment

FOREST FURNITURE 2013 LIMITED (IN LIQUIDATION)
COMPANY NUMBER 1969399
("the Company")

NOTICE OF APPOINTMENT OF LIQUIDATORS
AND
NOTICE TO CREDITORS TO CLAIM

Pursuant to Section 255(2)(a) and
Liquidation Regulation 12 of the Companies Act 1993

Paul Thomas Manning and Kenneth Peter Brown, both Accredited Insolvency Practitioners of Tauranga, were appointed joint and several liquidators of the Company by special resolution of the shareholders on 4 March 2019 at 9:30am.

NOTICE is hereby given that as joint and several liquidators of the Company, we fix 19 April 2019, as the day on or before which the creditors of the Company are to make their claims, and to establish any priority their claims may have under section 312 of the Companies Act 1993 or to be excluded from the benefit of any distribution made before the debts are claimed, or as the case may be, from objecting to the distribution.

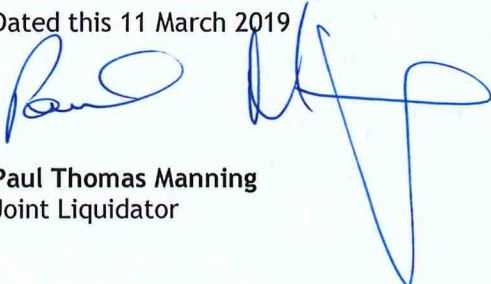
Creditors and shareholders may direct enquiries during normal business hours to:

Denise Cooper

Postal Address BDO Tauranga Limited
 PO Box 15660
 Tauranga 3144

Telephone (07) 571 6280
Facsimile (07) 571 6281
Email denise.cooper@bdo.co.nz
 <http://www.bdo.co.nz/>

Dated this 11 March 2019



Paul Thomas Manning
Joint Liquidator



Appendix 5

UNSECURED CREDITORS CLAIM FORM
Section 304(1) Companies Act 1993

NAME AND POSTAL ADDRESS OF CREDITOR IN FULL Principal Contact: E-mail Address: Telephone Number: My Reference is: (if applicable)	* Any personal information collected is for the purpose of administering the claims in accordance with the Companies Act 1993. The information will be used and retained by BDO Tauranga Limited and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993. Any claim by an unsecured creditor against a company in a liquidation must be in this prescribed form and must - (a) Contain full particulars of the claim; and (b) Identify any documents that evidence or substantiate the claim. You may have access to and request correction of any personal information. (* Not applicable if creditor is not an individual entity within the meaning of the Privacy Act 1993)
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NAME OF COMPANY: Forest Furniture 2013 Limited(In Liquidation)

I, (Name).....
 (If claim is made on behalf of creditor, specify relationship to creditor and authority)

claim that the company was at the date of liquidation indebted to the above named creditor for the sum of (Amount in words and figures):

.....

..... \$.....

STATUS OF CLAIM:

1. I hold no security for the claimed amount 2. I am surrendering the security I hold and I am claiming as an unsecured creditor 3. I am making a preferential claim (Refer details on reverse) 4. I am claiming reservation of title rights pursuant to rights held by me (Refer details on reverse)	TICK <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
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Full particulars of the claim are set out, and any supporting documents that substantiate the claim, are identified on the reverse of this form.

(The liquidators may require the production of a document under Section 304(2) of the Companies Act 1993. You are **not required** to attach any supporting documents at this stage, but you may attach them now, if you think it would expedite the processing of the claim.)

SIGNED:	Date:
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Warning	It is an offence under Section 304(6) of the Companies Act 1993 to - Make, or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or Omit, or authorise the omission from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular
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Received (Date Stamp)	<p>RESERVED FOR OFFICE USE: Claim admitted/rejected for voting purposes: Signed: Date</p> <p>(Delete one)</p> <p>CLAIM REJECTED FOR PAYMENT: Preferential Claim for: Ordinary Claim for</p> <p style="margin-left: 100px;">\$ <input type="text"/> \$ <input type="text"/></p> <p>or</p> <p>CLAIM ADMITTED FOR PAYMENT: Preferential Claim for: Ordinary Claim for</p> <p style="margin-left: 100px;">\$ <input type="text"/> \$ <input type="text"/></p> <p>Signed Liquidator: Dated</p> <p style="margin-left: 100px;"><input type="text"/> <input type="text"/></p>
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PARTICULARS OF CLAIM

If the creditor owes money to the company, please give full details

Date	Details of Claim and Identification of Documents that Evidence or Substantiate the Claim	Amount \$
	<p><i>If applicable, less any purchase money security interests in relation to goods supplied by creditor to the company [Describe goods]</i></p> <p><i>If applicable, less debts owed by creditor to the company [Describe goods]</i></p> <p>RETENTION OF TITLE CLAIMANTS ONLY Please provide details of the basis of your retention of title claim and furnish a copy of the documentation showing that such reservation of title clause is a condition of contract.</p>	

PREFERENTIAL CLAIMANTS ONLY

The Seventh Schedule of the Companies Act 1993 sets out those claims which are regarded as preferential and shows their extent and order of priority.

1. Are you claiming the full amount of your claim as preferential? Yes / No
2. If no, what part of the claim is preferential? \$.....
3. Why do you believe you are a preferential creditor?
(eg. Employee, IRD, NZ Customs).....
4. Details of your claim:.....

If applicable please record here your GST Registration number:

And total GST included in your claim: \$.....

**Return to: BDO Tauranga Limited
PO Box 15660, Tauranga 3144
Or email: denise.cooper@bdo.co.nz**



Appendix 6

**FOREST FURNITURE 2013 LIMITED (IN LIQUIDATION)
COMPANY NUMBER 1969399
("the Company")**

**Notice of Liquidators Decision to Dispense with Meetings of Creditors
(Pursuant to section 245 Companies Act 1993)**

Paul Thomas Manning and Kenneth Peter Brown, both Accredited Insolvency Practitioners of Tauranga, were appointed joint and several liquidators of the Company by special resolution of the shareholders on 4 March 2019 at 9:30am.

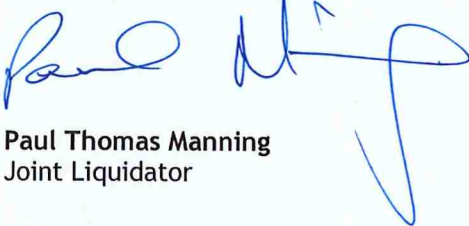
We do not consider that a meeting of creditors should be held because there are limited prospects of funds being available for payment of a dividend to creditors other than to those who hold specific security or have a preferential claim.

No meeting of creditors will be called unless we receive notice in writing from a creditor requiring us to hold a meeting of creditors pursuant to section 314 of the Companies Act 1993 within 10 working days of their receipt of this notice. However the liquidators reserve the right to not hold a meeting if it is felt the request is frivolous or there are no available funds to cover the costs involved.

Notices should be forwarded to:

Postal Address	BDO Tauranga Limited PO Box 15660 Tauranga 3144
Telephone	(07) 571 6280
Facsimile	(07) 571 6281
Email	denise.cooper@bdo.co.nz http://www.bdo.co.nz/

Dated this 11 March 2019



Paul Thomas Manning
Joint Liquidator