



McDonald  
Vague

business recovery partners

## ALV Group Limited (In Liquidation)

### Liquidators' Third Report For the period from 18 March 2021 to 17 September 2021

McDonald Vague Limited  
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#### 1 INTRODUCTION AND APPOINTMENT

Iain McLennan and Peri Micaela Finnigan, Licensed Insolvency Practitioners, of Auckland, were appointed jointly and severally as liquidators of ALV Group Limited ("the company") on 18 September 2020 by the High Court at Auckland.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This third report should be read in conjunction with the liquidators' previous reports. This report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

A Statement of Realisations and Distributions is **attached**.

#### 2 RESTRICTIONS

Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction or use of this report.

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

#### 3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

##### *Asset Realisations*

##### **3.1 Related party loans**

**(Statement of Affairs: \$216,499)**

\$216,499 was recorded in the company's records as being advanced to a number of related parties. One of the related company's owned a property and the liquidators were able to lodge a

caveat over the property in relation to the \$35,814 of advances to that company. Payment of the full amount owed has been received and the caveat withdrawn.

The remaining related party loans were not recoverable.

#### 4 INVESTIGATIONS

The liquidator's investigations have been completed and challenges to certain transactions and activity were advanced. A full and final settlement agreement was entered into, resulting in funds for distribution to all creditors by agreement, without court proceedings being required.

#### 5 CREDITORS' CLAIMS

##### 5.1 Secured Creditors

No secured claims have been received.

##### 5.2 Preferential Creditors

A preferential claim has been received in respect of the applicant creditor's costs of \$4,501. This has been paid in full.

The Inland Revenue Department has submitted a preferential claim for \$269,764.

A distribution of \$217,588 has been made in respect of this claim.

##### 5.3 Unsecured Creditors

An agreed distribution will be made to the remaining unsecured creditors once an expected GST refund is received.

#### 6 LIQUIDATORS' FEES

Liquidators' fees paid to the date of this report are \$38,632 (excluding GST) of a total \$40,465 of recorded time and cost. The fees are based on 118.78 hours of work undertaken as follows:

<b>Work Category</b>	<b>Hours</b>	<b>\$</b>
Appointment functions	14.48	4,655
Asset realisations	16.17	5,994
Creditors' claims, enquiries and reports	6.18	1,865
Taxation & Management	29.25	8,542
Investigations/ Recovery Steps	52.70	19,409
<b>Total</b>	<b>118.78</b>	<b>\$40,465</b>

Liquidators' fees in a Court ordered liquidation are to be approved by the Court and if required a retrospective application for fee approval will be made by the liquidators.

Section 284 (1) of the Act provides that an application (with the leave of the Court) may be made by a creditor, shareholder, or director of a company in liquidation to review or fix the remuneration of the liquidators. In circumstances where no application has been made to review or fix the liquidators' remuneration the Court will be less inclined to rigorously examine the fees submitted by the liquidators for subsequent approval.

## **7 FUNDS / LIKELY OUTCOME**

See section 5 above.

## **8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION**

- A distribution to unsecured creditors
- An application to the High Court for fee approval

## **9 ESTIMATED DATE OF COMPLETION**

Based on the information contained in this report the liquidators presently propose to complete all outstanding matters with a view to retiring as liquidators within the next six months, if a settlement can be achieved.

## **10 CONTACT DETAILS**

Enquiries should be directed to Colin Sanderson on DDI (07) 838 0908 or by email to [Csanderson@mvp.co.nz](mailto:Csanderson@mvp.co.nz).

The Liquidators can be contacted at:

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IAIN MCLENNAN  
LIQUIDATOR

DATED this 8th day of October 2021

Realisations and Distributions				
ALV Group Limited (In Liquidation)				
18 September 2020 to 17 September 2021				
				Cash
				Received
<b>Realisations</b>				
Bank account closure			\$	2,010
Settlement funds			\$	227,986
Related party debt recovered			\$	35,814
Interest			\$	19
Pre liquidation GST refund			\$	83
<b>Total Realisations</b>			\$	<b>265,912</b>
<b>Payments</b>				
<b>Liquidators Fees</b>				
Liquidators Fees			\$	38,632
Disbursements			\$	1,572
<b>Total Liquidators Fees</b>			\$	<b>40,204</b>
<b>Other Costs of Liquidation and Trading On</b>				
Legal fees			\$	853
Resident Withholding Tax			\$	5
<b>Total Costs of Liquidation and Trading On</b>			\$	<b>858</b>
<b>Distributions</b>				
Applicant creditor costs				4,363
Preferential GST and PAYE				217,588
Dividends to Unsecured Creditors				-
<b>Total Distributions to Creditors</b>			\$	<b>221,951</b>
<b>Total Payments</b>			\$	<b>263,013</b>
<b>BALANCE HELD</b>			\$	<b>2,899</b>
<b>Note:</b> the above figures are GST exclusive				