



McDonald
Vague

business recovery partners

McDonald Vague Limited

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KSN GROUP LIMITED (IN LIQUIDATION)

Liquidators' Third Report For the period from 8 August 2022 to 7 August 2023

1 INTRODUCTION AND APPOINTMENT

KSN Group Limited (In Liquidation) ("the company") was placed into liquidation by the High Court at Auckland pursuant to Section 241(2)(c) of the Companies Act 1993 ("the Act") on 04 November 2022 at 10:12 a.m. on application of Robert Nigel Gauld. Iain McLennan Licence No: IP82 and Keaton Pronk Licence No: IP107, Licensed Insolvency Practitioners, of Auckland (**Liquidators**) were appointed as joint and several liquidators of the company. The liquidators had previously been appointed as interim liquidators of the company by the Court on 8 August 2022, and this report continues from the commencement of the interim liquidation.

This report has been prepared pursuant to Section 255(2)(d) of the Companies Act 1993 (**Act**) for the purpose of reporting on the liquidation of the Company. A Statement of Realisations and Distributions is **attached** as Appendix 1.

The report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

2 RESTRICTIONS

This report should be read in conjunction with the liquidators' previous reports.

This report has been prepared using the information known to us. We have not independently verified the accuracy or reliability of the information provided or undertaken audit of the Company. We do not accept any liability whatsoever to any party arising from 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 UPDATED INTERESTS STATEMENT

We have not become aware of any circumstances, relationships, or other facts since we last prepared an interests statement that create, or could reasonably be perceived as creating, a conflict of interest for us in relation to our independence as liquidators.

4 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

During the reporting period, we have:

- Reviewed the claim of an unsecured creditor and amended the claim by agreement
- Filed various income tax returns
- Finalised other accounting matters
- Made a distribution to the unsecured creditor
- Made a distribution to shareholders

Since our appointment, we have:

- All of the above
- Realised all known assets
- Paid all known unsecured creditors
- Advanced the finalisation of the
- Interviewed the directors and other parties with knowledge of the affairs of the Company
- Uplifted and reviewed the Company's books and records
- Investigated the affairs of the Company and the reasons for its liquidation

5 INVESTIGATIONS

The liquidators have completed their investigations into the books, records and affairs of the company. There are no further matters that have come to the knowledge of the liquidators that could eventuate in a benefit to creditors or stakeholders.

6 CREDITORS' CLAIMS

In the interest of minimising liquidator's fees, the liquidators will only formally accept or reject creditors' claims if there are funds available to pay a distribution.

The following claims have been received:

CLAIMS RECEIVED	NUMBER	VALUE	DISTRIBUTIONS	¢ IN THE \$
GSA Holders	Nil	Nil		
Specific Securities	Nil	Nil		
Applicant Creditor Preferential Claim	1	1,691	1,691	100
IRD Unsecured Claim	1	4,071	4,071	100
Other Unsecured Claims	2	113,608	113,608	100

The claims above exclude any further payment to IRD. The claim of one unsecured creditor was reviewed and amended by agreement. The claims have been paid in full.

No securities remain registered over the Company's assets.

7 LIQUIDATORS' FEES

The Company has paid interim and liquidators' fees and disbursements to the end of the reporting period totalling \$26,117 including GST. Including the interim liquidation period. The liquidators' time costings to the cut-off date total \$29,835 plus GST, based on 116.58 hours of work undertaken are detailed in Appendix 2.

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.

8 FUNDS / LIKELY OUTCOME

All known company creditors have been paid in full and a distribution has been made to the company shareholders. A distribution to two of the shareholders continues to be held on trust for them by the liquidators at their request.

9 COMPLETION DATE AND MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Finalise tax affairs with IRD
- Consider a final distribution to shareholders
- Wind the company up

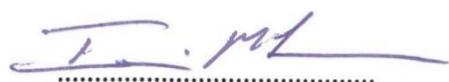
We estimate the above will occur within the next 6 month reporting period

10 CONTACT DETAILS

Enquiries should be directed to Colin Sanderson on DDI +64 (7) 838 0908 or by email to csanderson@mvp.co.nz. The Liquidators can be contacted at:

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Iain McLennan
LIQUIDATOR (License No: IP82)

Dated this 3rd day of October 2023

Appendix One

Realisations and Distributions					
KSN Group Limited (In Liquidation)					
8 August 2022 to 7 August 2023					
				As at end of interim liquidation 4 November 2022	Movement this reporting period
			03/10/2023		
Realisations					
Bank Account Closure			31,539	31,539	-
Refund Funds			21,200	21,200	-
Income Tax refund			-	-	-
Interest			3,835	5	3,830
Sale of Land			476,406	-	476,406
Total Realisations			532,980	52,744	480,236
Payments					
Liquidators Fees					
Liquidators Fees			25,863	15,337	10,526
Disbursements			254	254	0
Total Liquidators Fees			26,117	15,591	10,526
Other Costs of Liquidation and Trading On					
Legal Fees			2,422	-	2,422
Accounting Fees			7,000	-	7,000
Withholding Tax			1,074	1	1,073
Maintenance			437	-	437
Rent via BNZ Loan Payment			5,381	3,990	1,391.30
Rent via Rates			1,105	554	551.41
Rent via Property Valuation			1,610	1,400	210.00
Total Costs of Liquidation and Trading On			19,030	5,945	13,085
Distributions					
Secured Creditor			118,931	-	118,931
Applicant Creditor preferential Court costs			1,691	-	1,691
Distribution to shareholders			240,000	-	240,000
Dividends to Unsecured Creditors			117,680	-	117,680
Total Distributions to Unsecured Creditors			478,302	-	478,302
Total Payments			523,449	21,536	501,913
BALANCE HELD			9,532	31,208	(21,676)

Appendix Two

KSN GROUP LIMITED (IN LIQUIDATION) BREAKDOWN OF LIQUIDATORS REMUNERATION AND EXPENSES FOR THE PERIOD OF THE LIQUIDATION

8 August 2022 to 7 August 2023

Time costs by Position and Work Type	Hourly rate	Appointment Functions		Asset Realisation		Creditors & Report		Management & Tax		Investigation		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Directors /Partners /Consultants/Liquidators	\$400	15.90	4,079	6.9	2,664	9.8	3,724	7.60	3,090	6.1	1,465	46.30	15,022
Forensic Accountants / Associates	\$300 - \$380	4.65	970	12.57	2,773	16.24	3,962	6.0	2,165	5.72	1,143	45.18	11,013
Insolvency Managers	\$140 - \$280												
Insolvency Accountants	\$140 - \$200	6.50	1,250			1.8	360	3.5	740			11.80	2,350
Secretarial & Clerical Assistants	\$50 - \$170							13.3	1,450			13.30	1,450
Total		27.05	6,299	19.47	5,437	27.84	8,046	30.40	7,445	11.82	2,608	116.58	29,835

Disbursements	Cost
Airfares - domestic	
Local Travel	
General Expenses	\$222
Total	\$222

Work completed includes but is not limited to:

Appointment	All matters on the commencement of the appointment
Creditors	All communications, claims, reporting, enquiries
Asset Realisations	All matters in respect of the potential sale of assets/business/IP and subsequent sale of assets including trading/debtors
Management & Tax	All matters in respect of statutory reporting and the management of the file
Investigation	Analysis of bank statements, review of historic transactions and accounts to identify avenues for recovery