



McDonald
Vague

business recovery partners

R D S INTERNATIONAL LIMITED (IN LIQUIDATION)

McDonald Vague Limited

Level 10, 33 Federal Street,
Auckland Central

Liquidators' Second Report

PO Box 6092, Victoria Street West,
Auckland 1142, New Zealand

For the period from 04 June 2021 to 03 December 2021

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1 INTRODUCTION AND APPOINTMENT

Keaton Pronk and Iain McLennan, Licensed Insolvency Practitioners, of Auckland, were appointed as joint and several liquidators of R D S International Limited (In Liquidation) ("the company") on 04 June 2021.

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 report.

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 that create, or could reasonably be perceived as creating, a conflict of interest for us in relation to our independence as liquidators since we last prepared an interests statement.

4 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

During the reporting period, we have:

- Collected an ACC refund of \$2,471
- Contacted the company director on many occasions requesting books and records

- Investigated company emails and the available accounting and bank records
- Sought explanations and the recovery of significant amounts of money
- Recovery of bank account of \$55

Since our appointment, we have:

- Sought to uplifted and review the Company's books and records however the director has not fully cooperated
- Investigated some of the affairs of the Company and determined the reasons for its failure
- Investigated a customer dispute
- Liaised with the significant company creditor in regard to various matters arising

5 INVESTIGATIONS

The liquidators have commenced their investigations into the books, records and affairs of the company. As a result of the investigation the following matters arose: The company exported product to various markets and sold some domestically. It claims to have acted as an agent but during the course of its trading it appears to have unilaterally changed the way it invoiced the overseas customers which meant it stopped issuing invoices to customers in some instances. The reason for that is unknown.

This meant the company suppliers were not able to be paid however the uninvoiced overseas customers dispute any obligation is owed to RDS. The director has not assisted in any practical way in explaining this.

The company bank records and legal files show it sold its business. The sale proceeds did not go to pay all creditors.

The liquidators continue to explore various recovery actions arising.

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				
Specific Securities				
Employee Preferential Claims				
Applicant creditor Preferential Claims	1	4,858	Nil	
Unsecured Claim	1	1,019,571	Nil	

7 LIQUIDATORS' FEES

The Company has paid liquidators' fees and disbursements to the end of the reporting period totalling \$2,518 plus GST.

The liquidators' time costings to the cut-off date total \$14,524 plus GST, based on 43.2 hours of work undertaken are detailed as follows:

Work Category	Hours	\$
Appointment functions	8.7	2,160
Asset realisations	1.3	260
Creditors' claims, enquiries and reports	2.7	942
Taxation & Management	2.6	272
Investigation	27.9	10,890
Total	43.2	\$14,524

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

The liquidators consider recovery is likely to some extent.

9 COMPLETION DATE AND MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Complete collection of books and records
- Complete investigations
- Recovery steps

There is no change to the estimated date of completion since our last report.

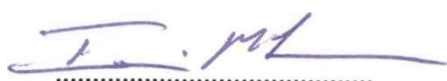
10 CONTACT DETAILS

Enquiries should be directed to Iain McLennan on DDI +64 (9) 303 9512 or by email to imclennan@mvp.co.nz.

The Liquidators can be contacted at:

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33 Federal Street
Auckland 1010

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Auckland 1142



Iain McLennan
LIQUIDATOR (Licence No: IP82)

Dated this 24th day of December 2021

Realisations and Distributions			
R D S International Limited (In Liquidation)			
4 June 2021 to 3 December 2021			
			03/12/2021
Realisations			
Advance from Shareholders			-
Bank Account Closure			55
ACC refund			2,471
Debtors			-
Interest			1
Sale of Assets			-
Pre receivership GST Refund			-
Total Realisations			2,526
Payments			
Liquidators Fees			
Liquidators Fees			2,263
Disbursements			255
Total Liquidators Fees			2,518
Other Costs of Liquidation and Trading On			
Legal Fees			-
Debt Collection Costs			-
Wages and PAYE			-
Bank Fees			-
Total Costs of Liquidation and Trading On			-
Distributions			
Secured Creditor			-
Preferential Wages and Holiday Pay			-
Preferential GST and PAYE			-
Dividends to Unsecured Creditors			-
Total Distributions to Unsecured Creditors			-
Total Payments			2,518
BALANCE HELD			8