



McDonald
Vague

business recovery partners

**Saversupermarket Manukau Limited
(In Liquidation)**

**Liquidators' Third Report
for the period from 30 October 2018 to 29 April 2019**

McDonald Vague Limited
Level 10, 52 Swanson Street,
Auckland Central

PO Box 6092, Wellesley Street,
Auckland 1141, New Zealand

p: 09 303 0506
f: 09 303 0508
e: insol@mvp.co.nz

www.mvp.co.nz

1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Iain McLennan, Accredited Insolvency Practitioners, of Auckland, were appointed joint and several liquidators of Saversupermarket Manukau Limited ("the company") on 30 April 2018.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators are reporting 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 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 but that becomes known to us after that date.

3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

3.1 *Post-Liquidation Trading On Period*

When the liquidators were appointed, the company had failed to renew its lease of the premises, the existing lease for the company's premises had expired, and the landlord had locked the company out of the premises.

Following the liquidators' appointment, they negotiated with the landlord to allow the company access to the premises and to trade on the supermarket business for a short period of time with a view to maximising the realisable value of the company's remaining stock and assets.

The liquidators discussed the possibility of selling the company's business as a going concern with the landlord. As the landlord had alternative plans for the premises, it was not prepared to grant a further lease for the premises to be operated as a supermarket. The company's business could not, therefore, be sold as a going concern.

While the book value of the company's stock recorded in the company's records was significant, much of the stock on hand as at the date of liquidation was unsaleable because it was either significantly out of date, was perishable and had spoiled, or had not been properly stored so could not be sold for food safety reasons.

The trading on period ceased when it became uneconomic to continue trading the business. An auction was held on site at the end of the trading on period. Most of the saleable stock was sold during the trading on period and the remaining stock was sold at auction. The company's saleable fixed assets were sold either during the trading on period or at auction. Due to their age, condition, size, and/or decommissioning/commissioning cost, there was no interest in a significant number of the company's fixed assets. The fixed assets and chattels that were not sold at or shortly after the on-site auction passed to the landlord in accordance with the terms of the lease.

3.2 Asset Realisations

3.2.1 Stock

Trading on stock sales realised \$8,029.

3.2.2 Fixed Assets and Chattels

The fixed assets and chattels realised \$7,043. The commission on sales totalled \$2,200.

3.2.3 Pre-Payments and Refunds

The company had a credit of \$248 with one of its suppliers. This credit has been paid to the liquidators.

4 INVESTIGATIONS

The liquidators' investigations into the books, records, and affairs of the company are ongoing.

A number of matters have come to the attention of the liquidators in the course of their investigations that, if pursued, have the potential to result in recoveries for the benefit of the company's creditors. The liquidators are continuing to investigate these matters and will take recovery action, if appropriate. As the liquidators do not want to prejudice these potential recoveries, no further information is being provided at this time.

If you have any information that you believe may assist the liquidators' investigations, please email that information together with any relevant documents to mbrugeyroux@mvp.co.nz.

5 CREDITORS' CLAIMS

5.1 *Secured Creditors*

Eight securities remain registered on the Personal Properties Securities Register as at the date of this report. All of the assets over which these securities are registered has been dealt with by the liquidators, in conjunction with the relevant secured creditors.

Secured creditors with assets specifically pledged have had those assets returned to the secured creditor entitled to receive those assets.

There was one secured creditor with a general security over the company's present and after acquired personal property. The secured creditor agreed to surrender its security, which allowed the liquidators to make a salvage payment to the landlord in relation to the trading on period.

The liquidators have received one secured claim relating to stock supplied prior to the company's liquidation. As the creditor could not trace into the stock or its proceeds, this creditor's claim in the liquidation is unsecured.

5.2 *Preferential Creditors*

The liquidators were advised that there were no employees and no outstanding preferential employee claims as at the date of liquidation. The liquidators have not received any employee claims.

The Inland Revenue Department has submitted a preferential claim for \$501.

No distributions have been paid to preferential creditors at the date of this report.

5.3 *Unsecured Creditors*

As at the date of preparing this report, 24 unsecured creditors' claims have been received. The total value of unsecured claims received is \$177,018. No distributions have been paid to unsecured creditors at the date of this report.

In the interests of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting creditors' claims until such time as we are in a position to pay a distribution.

7 FUNDS / LIKELY OUTCOME

It is too early to determine whether there will be a distribution to unsecured creditors. Any distribution is dependent on the liquidators making further recoveries arising from any actions taken.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completing investigations into the books, records, and affairs of the company
- Taking any actions arising from the liquidators' investigations, if appropriate

9 ESTIMATED DATE OF COMPLETION

It is too early to determine the likely date of completion of this liquidation.

10 CONTACT DETAILS

Enquiries should be directed to Marisa Brugeyroux on DDI (09) 306 3340 or by email to mbrugeyroux@mvp.co.nz.

The liquidators can be contacted at:

McDonald Vague Limited
Level 10, 52 Swanson Street
Auckland 1010

P O Box 6092
Wellesley Street
Auckland 1141



PERI M FINNIGAN
LIQUIDATOR

DATED this 28 day of May 2019

Realisations and Distributions

Saversupermarket Manukau Limited (In Liquidation)

30 April 2018 to 29 April 2019

Realisations	
Sale of Assets	7,043
Refunds	248
Sale of Stock	8,029
Interest	39
Pre-Liquidation GST Refund	17,566
Total Realisations	\$32,925
Payments	
Liquidators' Fees	
Liquidators' Fees	22,373
Disbursements	736
Total Liquidators Fees	\$21,109
Other Costs of Liquidation and Trading on	
Contractor – Cleaning Costs	3,000
Insurance	314
Rent	2,870
Trading on Costs – Rubbish Removal	1,000
Wages and PAYE	132
Commission on Sale of Assets	2,200
Total Other Costs and Trading on Costs	\$9,516
Total Payments	\$30,625
BALANCE HELD	\$300