



McDonald
Vague

business recovery partners

**Singh Enterprises Limited
(In Liquidation)
Trading Name: Avi's Cafe
Liquidators' First Report**

McDonald Vague Limited
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Auckland Central

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TO: The directors, shareholders, and known creditors of the company

1 INTRODUCTION AND APPOINTMENT

Singh Enterprises Limited ("the company") was placed into liquidation by special resolution of shareholder pursuant to Section 241(2)(a) of the Companies Act 1993 ("the Act") on 28 September 2019 at 10:40 a.m. Peri Micaela Finnigan and Iain McLennan, Accredited Insolvency Practitioners, of Auckland, were appointed joint and several liquidators of the company.

2 RESTRICTIONS

In preparing this report and its appendices, we have relied on information provided to us. We have not independently verified or audited that information. 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, amend this report to take into account any information existing as at the date of this report that becomes known to us after the date of this report.

3 INDEPENDENCE

A declaration of independence is attached at Appendix 2. To the best of the liquidators' knowledge and belief, there are no real or perceived conflicts of interest or risks to our independence.

4 ATTACHMENTS

The following documents are attached to this report:

- Appendix 1: Statement of affairs setting out the company's estimated financial position
- Appendix 2: Declaration of independence, relationships, indemnities, and upfront payments
- Appendix 3: Schedule of company creditors' names and addresses
- Appendix 4: Notice of liquidators' decision to dispense with meeting of creditors
- Appendix 5: Notice to creditors to prove debts or claims
- Appendix 6: Unsecured creditor's claim form

5 COMPANY STRUCTURE AND BACKGROUND

Date of incorporation:	14 May 2018
Company number:	6838234
Nature of business:	Catering company
Trading address:	6/10 Alfriston Road, Manurewa, Auckland
Trading name:	Avi's Cafe
Share capital:	1
Director:	Aveneel Singh
Shareholder:	Aveneel Singh

The company operates the café at the Manurewa Cosmopolitan Club. As at the date of liquidation, the company was still trading.

Around March 2019, the company refused to re-hire a former employee who the director says had previously abandoned his employment and owes the company money. The employee responded by disrupting the company's business, including by involving a union in on-site protests against the company. The company's turnover and revenue declined as a direct result of these actions.

In May 2019, the former employee filed a personal grievance claim against the company in the Employment Relations Authority alleging that he was unjustifiably dismissed and seeking payment of lost wages, reinstatement, compensation, and costs. The director/shareholder concluded that the business could not afford to defend the proceedings so he placed the company into liquidation.

6 STATEMENT OF AFFAIRS

A Statement of Affairs showing the company's estimated financial position as at the date of our appointment is provided at Appendix 1.

7 ASSETS AND PROPOSALS FOR CONDUCTING THE LIQUIDATION

We will realise all available assets.

We intend to trade the business for a short period of time in order to maximise the value of the stock on hand. If you or any other parties you know might be interested in purchasing this business, please contact us.

We will review the company's books, records and affairs to:

- ensure that all assets have been properly accounted for;
- determine whether there are any other avenues of recovery for creditors; and
- determine whether the company's officers have properly carried out their duties.

Following our investigations, we may take recovery or enforcement actions, assessed on a cost/benefit basis.

If there are funds available for distribution to creditors, we will verify creditors' claims and make a distribution. We will then complete the liquidation and request that the Registrar of Companies remove the company from the Companies Register.

8 LIABILITIES AND CREDITOR CLAIMS

A schedule of known creditors and their addresses is provided at Appendix 3, as required by Section 255(2)(c) of the Act.

A notice to creditors to prove debts or claims is provided at Appendix 5 and an unsecured creditor's claim form is provided at Appendix 6. Claim forms and supporting documents are to be returned to our offices by 8 November 2019. Creditors who have not made a claim by this date may be excluded from any distribution made. If you believe that you are a secured creditor, please contact us and the appropriate form will be sent to you.

8.1 *Secured Creditors*

As at the date of liquidation, there were two financing statements registered against the company on the Personal Property Securities Register as follows:

Bidfood	Specific security over goods supplied
Smartpay Rental Services Limited	General security; and Specific security over good supplied

Personal Property Securities Act / Reservation of Title

If you have not registered a financing statement on the PPSR and you believe you have:

- a Purchase Money Security Interest entitling you to any goods in the possession or control of the company and/or proceeds from the realisation of those goods; and/or
- a Reservation of Title over goods;

you should contact the liquidators immediately.

8.2 *Preferential Creditors*

The director has advised that there are wages and holiday pay owing to its sole employee.

The Inland Revenue Department has not yet provided us with a creditor's claim form but we understand that there are small amounts due in respect of GST, PAYE and other payroll deductions, which we estimate total approximately \$500.

8.3 *Unsecured Creditors*

From our review of the company's accounting records and other information, we estimate that the amount due to unsecured creditors is approximately \$9,100. This figure excludes the advances made to the company by the director/shareholder and his family and any amount that may be owing to the former employee in relation to his disputed unjustified dismissal claim.

9 CREDITORS' MEETING / LIQUIDATION COMMITTEE

A notice of the liquidators' proposal to dispense with the meeting of creditors is provided at Appendix 4.

Any creditor or shareholder may, at any time in the course of the liquidation, request that the liquidators call a meeting pursuant to Section 314 of the Companies Act 1993 for the purpose of appointing a liquidation committee. Any request for a meeting must be submitted to the liquidators in writing.

10 FURTHER INFORMATION

If you are aware of any information that might assist the liquidators, please set the details out in writing, attach any supporting evidence, and send it to us. Please note that it can be difficult for liquidators to act in reliance on information that is not provided in writing.

If any creditor wishes to receive the six-monthly reports by email, as and when they are published, please ensure that an email address is provided on your creditors' claim form.

If you are an unsecured creditor and you do not lodge a claim, you will not be sent a copy of the liquidators' six-monthly reports.

This report and all subsequent reports will be available on the liquidators' website: www.mvp.co.nz.

11 ESTIMATED DATE OF COMPLETION

The liquidators believe the liquidation may be concluded within 24 months of our appointment.

12 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

McDonald Vague Limited
P O Box 6092
Wellesley Street
Auckland 1141



IAIN MCLENNAN
LIQUIDATOR

DATED this 4th day of October 2019

Appendix 1

Singh Enterprises Limited (In Liquidation) Trading as: Avi's Cafe

Statement of Affairs

Statement of Affairs for the company as at 28 September 2019 (the date of liquidation) showing the company's assets at estimated realisable values and liabilities expected to rank.

ASSETS SPECIFICALLY PLEDGED	<i>Estimated to Realise</i>	<i>Due to Secured Creditor</i>	<i>Deficiency Ranking as Unsecured</i>	<i>Surplus</i>
Smartpay - good supplied	return goods	n/a	n/a	n/a
Bidfood - goods supplied	TBC	3,500		TBC
<i>Estimated surplus on realisation of specifically pledged assets</i>	\$ -	\$ 3,500	\$ -	TBC

ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS	<i>Book Value</i>	<i>Estimated to Realise</i>
Accounts receivable	4,000	4,000
Bank account balances	NIL	NIL
Stock	5,000	TBC
Value of business and goodwill	TBC	TBC
Total	TBC	TBC

Less preferential creditors

Employees	TBC
Inland Revenue Department	500
Total	TBC

Estimated surplus/deficit after payment of preferential claims
TBC
LESS UNSECURED CREDITORS

Trade creditors	500
Bank lending	8,500
Related party advances	TBC
Contingent amount owed to former employee (if any)	TBC
Other creditors	TBC
<i>Estimated surplus/(deficiency) on unsecured claims</i>	TBC

Notes:

- There is no unpaid capital liable to be called up.
- The above estimates are subject to the costs of the liquidation, including trading on costs.
- Assets held may be subject to Purchase Money Security Interest ("PMSI") or Reservation of Title claims.
- There may be a contingent liability arising from the lease of the premises.

Disclaimer of Liability:

The information contained in this Statement of Affairs has been supplied by the company for the purpose of the company's liquidation. The liquidators have not verified the information supplied and we do not accept any responsibility or liability to any party howsoever arising for any losses suffered from the circulation, publication, reproduction, or use of this information.



Singh Enterprises Limited (In Liquidation)
Trading as: Avi's Cafe

**Declaration of Independence, Relationships, Indemnities, and
Upfront Payments**

A DECLARATION OF INDEPENDENCE

- (i) The appointed and McDonald Vague Limited have undertaken a proper assessment of the risks to the liquidators' independence prior to accepting appointment, as required by the code of conduct and applicable professional standards. The liquidators have concluded that they are independent and that they have no prior business or professional relationship with the insolvent that poses a real or potential risk to their independence.

B DECLARATION OF RELATIONSHIPS

- (ii) The appointed and McDonald Vague Limited have no prior business or professional or personal relationship with known associates of the insolvent or the major secured creditors that create a real or potential risk to their independence.
- (iii) The appointed and McDonald Vague Limited have relationships with the company's known creditors to the following extent:

Name of Creditor	Relationship	Nature of Relationship
ASB Bank	Business Relationship	MVP banks with ASB. MVP deals with the bank on insolvency matters.

- (iv) The appointed disclose there are no other relevant relationships to declare.
- (v) The appointed and McDonald Vague Limited have not provided any prior professional services to the insolvent or known associates of the insolvent in the two years prior to our appointment.

C DECLARATION OF INDEMNITIES AND UPFRONT PAYMENTS

- (vi) The director/shareholder has agreed to contribute \$2,600 plus GST towards the costs and disbursements the liquidators will incur in undertaking their statutory duties. There is no condition on the conduct or outcome of the liquidation attached to the payment of these funds.



IAIN MCLENNAN
LIQUIDATOR

DATED this 4th day of October 2019



Singh Enterprises Limited (In Liquidation) Trading as: Avi's Cafe

Schedule of Creditors' Names and Addresses

Pursuant to Section 255(2)(c) of the Companies Act 1993

Creditor Names	Address 1	Address 2	Address 3
Accident Compensation Corporation	P O Box 3248	WELLINGTON 6140	
Azak Singh Virk (contingent)	Withheld		
Bidfood Limited	PO Box 74-552	Greenlane	Auckland 1546
Inland Revenue Department	P O Box 39 010	Wellington Mail Centre	LOWER HUTT 5045
Manukau Cash N Carry Limited	P O Box 76 388	Manukau	AUCKLAND 2241
Singh family	Withheld		
Smartpay Rental Services Limited	PO Box 100 490	North Shore	Auckland 0745

Note: In accordance with the Privacy Act 1993, individuals' addresses have been withheld.

Appendix 4

Notice of Liquidators' Decision to Dispense with Meeting of Creditors

After having regard to the assets and liabilities of Singh Enterprises Limited (In Liquidation) (Trading as: Avi's Cafe) and the likely result of the liquidation, the liquidators propose to dispense with calling a meeting of creditors pursuant to Section 245 of the Companies Act 1993.

The liquidators do not, however, wish to preclude creditors from expressing their views. Please contact Marisa Brugeyroux of this office on DDI (09) 306 3340 if you have any specific enquiries.

If you wish to request that a creditor's meeting be called, notice in writing is required within 10 working days of receiving this notice. Your notice must also state the reason(s) you require a meeting so that an agenda can be prepared and circulated to creditors and creditors can be given the opportunity to vote on any proposed resolutions by voting letter.



IAIN MCLENNAN
LIQUIDATOR

DATED this 4th day of October 2019

Appendix 5

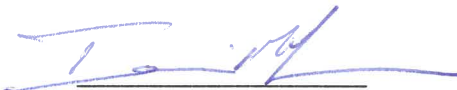
IN THE MATTER of The Companies Act 1993

and

IN THE MATTER of Singh Enterprises Limited (In Liquidation)
Trading as: Avi's Cafe

Notice to Creditors to Prove Debts or Claims

Notice is given that the liquidator of Singh Enterprises Limited (In Liquidation) ("the company") fix 8 November 2019 as the date by which the company's creditors are to make their claims and establish any priority their claims may have under Section 312 of the Companies Act 1993. Creditors not having made a claim by this date may be excluded from any distribution made.



IAIN MCLENNAN
LIQUIDATOR

DATED this 4th day of October 2019

ADDRESS OF LIQUIDATOR

McDonald Vague Limited
Level 10, 52 Swanson Street
AUCKLAND 1010

PO Box 6092
Wellesley Street
AUCKLAND 1141

Telephone: (09) 303 0506
Facsimile: (09) 303 0508
Website: www.mvp.co.nz

DATE OF LIQUIDATION: 28 September 2019



McDONALD VAGUE LIMITED

PO Box 6092, Wellesley St, Auckland 1141, New Zealand.
Telephone 0-9-303 0506, Facsimile 0-9-303 0508

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 \$

CLAIMS AGAINST INVENTORY (Romalpa Claims)(Consignment Goods) (Retention of Title) etc.

Please provide details of the basis of the retention of title claim filed by you and/or details of entry on the Personal Property Securities Register.

PREFERENTIAL CLAIMANTS ONLY

Guideline

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. For example, wages and salary of any employee in respect of services rendered to the company during the four months preceding the commencement of liquidation are preferential AND the total sum to which priority is to be given in the case of any one employee for wages, holiday pay, deductions, redundancy and child support must not exceed \$23,160 or such greater amount as is prescribed at the commencement of the liquidation.

1. Why do you believe you are a preferential creditor?
(eg. employee, GST, etc) _____
2. Details of your claim: _____

If applicable please record here your GST Registration number: _____

and total GST included in your tax invoice: \$ _____