



McDonald
Vague

business recovery partners

CAFE BELLA LIMITED (IN LIQUIDATION)

McDonald Vague Limited

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Liquidators' Second Report For the period from 30 August 2021 to 28 February 2022

1 INTRODUCTION AND APPOINTMENT

Colin Sanderson and Peri Micaela Finnigan, Licensed Insolvency Practitioners, of Hamilton, were appointed as joint and several liquidators of Cafe Bella Limited (In Liquidation) ("the company") on 30 August 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 not **attached** as there have been no realisations or distributions made.

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 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

There were no assets available for the liquidators at appointment.

As noted in the liquidator's 1st report, the director was, through his solicitors, engaging with all known creditors of the company with a view to reaching a settlement with all creditors and then applying to the High Court to have the liquidation terminated. To assist with that process, the liquidators did not undertake any investigations.

That process was not completed and the liquidators engaged with the director and commenced a review of company records.

The director has asked the liquidators to propose a compromise to creditors which would allow an application to the High Court to terminate the liquidation. He has undertaken to provide funding from his personal resources to the liquidators to fund that compromise.

The liquidators are currently preparing the compromise proposal and will forward that to creditors for their consideration in due course.

5 INVESTIGATIONS

The liquidators are continuing their investigations into the books, records and affairs of the company.

The liquidators were served with documents for proceedings filed against the company in the District Court by its former landlord. The proceedings were filed after the date of the company's liquidation, without the agreement of the liquidators. Following correspondence with the lawyers acting for the plaintiff the proceedings against the company will be withdrawn

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 \$
Applicant Creditor Preferential Claim	1	4,549	0	0
IRD Preferential Claims	1	73,531	0	0
Unsecured Claim	8	219,989	0	0

7 LIQUIDATORS' FEES

The Company has not paid any liquidators' fees and disbursements to the end of the reporting period.

The liquidators' time costings to the cut-off date total \$12,238 plus GST, based on 46.4 hours of work undertaken are detailed in Appendix One.

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

As disclosed in part 4 above, a compromise proposal is to be put to creditors with funds being provided by the director from his personal resources. The distribution to creditors will depend on the outcome of the compromise.

9 COMPLETION DATE AND MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Prepare and submit compromise proposal to creditors
- Complete review of the company books and records

The estimated date of completion is dependent on the outcome of the compromise proposal.

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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Peri M Finnigan
LIQUIDATOR (Licence No: IP17)

Dated this 1st day of March 2022

Appendix One

CAFE BELLA LIMITED (IN LIQUIDATION) BREAKDOWN OF LIQUIDATORS REMUNERATION AND EXPENSES FOR THE PERIOD OF THE LIQUIDATION

30 August 2021 to 28 February 2022

Time costs by Position and Work Type	Hourly rate	Appointment Functions		Asset Realisation		Creditors & Report		Hours	Management & Tax		Investigation		Total	
		Hours	Cost	Hours	Cost	Hours	Cost		Cost	Hours	Cost	Hours	Cost	
Directors /Partners /Consultants/Liquidators	\$400	0.6	192			.2	68	1.3		408	2.8	844	4.9	1,512
Forensic Accountants / Associates	\$300 - \$380	4.9	1,335			15.6	3,829	14		3,674	3.2	753	37.7	9,591
Insolvency Managers	\$140 - \$280													
Insolvency Accountants	\$140 - \$200	2.8	560			.6	120	.4		80			3.8	760
Secretarial & Clerical Assistants	\$50 - \$170													
Total		8.3	2,087			16.4	4,017	15.7		4,162	6	1,597	46.4	11,863

Disbursements	Cost
Airfares - domestic	0
Local Travel	0
General Expenses	375
Total	375

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