



McDonald  
Vague

business recovery partners

# Original 'n' Crispy Products Company Limited (In Liquidation)

## Liquidators' Seventh Report for the period from 25 February 2019 to 24 August 2019

McDonald Vague Limited

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### 1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Peri Micaela Finnigan, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed joint and several liquidators of Original 'n' Crispy Products Company Limited ("the company") on 25 August 2016.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators are reporting on the progress of the liquidation. This seventh 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 as 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

#### *Asset Realisations*

#### **3.1 Trade Debtors**

**(Statement of Affairs: \$Unknown)**

The liquidators recovered all recoverable debts, which resulted in recoveries totalling \$13,810. All irrecoverable debts have been written off.

### **3.2 Assets**

*(Statement of Affairs: \$Unknown)*

#### **3.2.1 Sale of the Business**

The company's intangible assets and most of its fixed assets were sold by the liquidators as a going concern. The purchase price of \$60,000 has been paid to the liquidators in full.

#### **3.2.2 Other Tangible Assets**

Two machines owned by the company were excluded from the sale of the business. The liquidators have realised \$5,478 from selling these machines.

All of the company's known tangible assets have now been realised.

#### **3.2.3 Vehicles**

The company owned a number of vehicles. None of the vehicles had any equity in them as at the date of liquidation so they were disclaimed by the liquidators.

European Financial Services Limited ("EFSL") has sold one of the company's vehicles, which realised \$27,826 in reduction of the secured debt. The cost of sale was \$112. There is still \$9,362 owing to EFSL, which is an unsecured claim in the liquidation.

### **3.3 Interest**

Since the date of liquidation, interest of \$315 has been earned on funds held.

## **4 INVESTIGATIONS**

The liquidators' investigations into the affairs of the company are complete.

The liquidators have met with company's shareholder to discuss his overdrawn current account and related party debt. While the liquidators agreed to a full and final settlement of these debts on a time payment arrangement, no payments were made. The liquidators have investigated the parties' means and have concluded that continuing to pursue recovery of these debts is unlikely to result in any recoveries being made for the benefit of the company's creditors.

## **5 CREDITORS' CLAIMS**

### **5.1 Secured Creditors**

All secured assets of the company have been dealt with. Any shortfall owing to secured creditors following the realisation of their secured assets are unsecured claims in the liquidation.

### **5.2 Preferential Creditors**

The High Court awarded costs and disbursements on the liquidation application to the petitioning creditor and to the IRD as creditor in support. These preferential court costs totalling \$6,693 have been paid in full.

The liquidators received preferential claims from seven former employees for wages/salary, holiday pay, and redundancy totalling \$33,591. The liquidators have made a partial distribution of \$10,000 in relation to the employees' preferential claims.

The Inland Revenue Department has submitted a preferential claim for \$32,967. No distribution has been made to the Inland Revenue Department in respect of this claim.

### **5.3 Unsecured Creditors**

The liquidators have received unsecured claims totalling \$147,181. No distributions to unsecured creditors have been made. As there are no funds available for distribution to unsecured creditors, the liquidators will not attend to the formality of accepting or rejecting unsecured creditors' claims.

## **6 LIQUIDATORS' FEES**

The liquidators have applied to the High Court for fee approval. Section 284(1) of the Companies Act 1993 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. In circumstances where no application has been made to review or fix the liquidators' remuneration the Court will be less inclined to rigorously examine the fees submitted by the liquidators for subsequent approval.

## **7 FUNDS / LIKELY OUTCOME**

All known company assets have been realised and distributed.

## **8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION**

The following matters are outstanding:

- Determination of fee approval application
- Advertising retirement of liquidators

## **9 ESTIMATED DATE OF COMPLETION**

The liquidators estimate that the liquidation will be concluded before the end of the next reporting period.

## 10 CONTACT DETAILS

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

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PERI M FINNIGAN  
LIQUIDATOR

DATED this 20<sup>th</sup> day of September 2019

# Realisations and Distributions

## Original 'N' Crispy Products Company Limited (In Liquidation) 25 August 2016 to 24 August 2019

	Per Statement of Affairs	Cash Received
	\$	\$
<b>Realisations</b>		
Debtors	Unknown	13,810
Interest	-	314
Sale of Assets	Unknown	93,305
<b>Total Realisations</b>	<b>Unknown</b>	<b>\$107,429</b>
<b>Payments</b>		
<b>Liquidators Fees</b>		
Liquidators' Fees		59,767
Disbursements		1,222
<b>Total Liquidators Fees</b>		<b>\$60,989</b>
<b>Other Costs of Liquidation</b>		
Insurance		314
Asset Valuation Costs		400
Debt Collection Fees		762
Commission on Sales		469
Residents Withholding Tax on Interest		88
<b>Total Costs of Liquidation</b>		<b>\$2,033</b>
<b>Distributions</b>		
Secured Creditor – PMSI (vehicle)		27,714
Preferential Creditor – Court Awarded Costs		6,693
Preferential Creditors – Employees		10,000
<b>Total Distributions to Creditors</b>		<b>\$44,407</b>
<b>Total Payments</b>		<b>\$107,429</b>
<b>BALANCE</b>		<b>NIL</b>

Note 1: the above figures are GST exclusive