



McDonald
Vague

business recovery partners

Absolute Entertainment Limited (In Liquidation) trading as "Absolute Entertainment 7D Cinema"

Liquidators' Second Report (for the period from 29 January 2016 to 28 July 2016)

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Boris van Delden, Insolvency Practitioners of Auckland, were appointed jointly and severally as Interim liquidators of Absolute Entertainment Limited ("the company") on 12 November 2015 by the High Court at Auckland. The Interim Liquidation is now at an end following the formal appointment of Boris van Delden and Peri Micaela Finnigan, jointly and severally as liquidators of the company by the High Court at Auckland on 29 January 2016.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This second report should be read in conjunction with the liquidators' previous report. 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 as a result of 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 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

Asset Realisations

3.1 Bank Account Closure

(Statement of Affairs: \$83)

The liquidators received \$83 on closure of the company bank account.

3.2 Property, Plant and Equipment

(Statement of Affairs: \$9,000)

The sale of all business assets recovered \$9,000.

3.3 GST Refund

(Statement of Affairs: \$9,764)

A refund of \$9,764 was received from a pre-liquidation GST claim.

3.4 *Shareholder Advance*

A shareholder advance in the amount of \$387 has been received.

4 INVESTIGATIONS

The liquidators have commenced their investigations into the books, records and affairs of the company. There were no matters that came to the knowledge of the liquidators that could eventuate in a benefit to creditors.

5 CREDITORS' CLAIMS

5.1 *Preferential Creditors*

A preferential claim has been received in respect of the applicant creditor's costs of \$3,760.

Total preferential claims for wages or salary, holiday pay and redundancy amount to \$1,306.

No dividend has been paid to preferential creditors at the date of this report.

5.2 *Unsecured Creditors*

As at the date of preparing this report five unsecured creditors claim forms have been received which total \$106,628. 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.

6 LIQUIDATORS' FEES

Liquidators' fees to the date of this report are \$14,824 (excluding GST). The fees are based on 100 hours of work undertaken as follows:

Work Category	Hours	\$
Appointment functions	18	2,519
Asset realisations & Investigations	66	9,895
Creditors' claims, enquiries and reports	16	2,410
Total	100	\$14,824

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. 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

There will be a short fall on the amount due to the preferential creditors. Therefore, at this stage the liquidator does not anticipate paying a distribution to unsecured creditors.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Nil

9 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators presently propose to complete all outstanding matters with a view to retiring as liquidators within the next six months.

10 CONTACT DETAILS

Enquiries should be directed to Keaton Pronk on DDI (09) 969 1518 or by email to kpronk@mvp.co.nz.

The Liquidators can be contacted at:

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PERFM FINNIGAN
LIQUIDATOR

DATED this 21 day of July 2016

Realisations and Distributions

Absolute Entertainment Limited (In Liquidation) 29 January 2016 to 28 July 2016

Realisations	As Per Statement of Affairs \$	Cash Received \$
Advance from Shareholders	-	387
Bank Account Closure	83	83
Sale of Business Assets	9,000	9,000
Pre liquidation/receivership GST Refund	9,764	9,764
Total Realisations	\$18,847	\$19,234
Payments		
Liquidators Fees		
Liquidators Fees		14,824
Disbursements		1,550
Total Liquidators Fees		\$16,374
Other Costs of Liquidation and Trading On		
Rent		673
Insurance		286
Legal Fees		1,900
Total Costs of Liquidation and Trading On		\$2,859
Total Payments		\$19,234
BALANCE HELD		\$Nil

Note: the above figures are GST exclusive