



McDonald
Vague

business recovery partners

ALV Group Limited (In Liquidation)

Liquidators' Second Report For the period from 18 September 2020 to 17 March 2021

McDonald Vague Limited
Level 10, 33 Federal Street
Auckland Central

P O Box 6092
Victoria Street West
Auckland 1142
New Zealand

p: 09 303 0506
f: 09 303 0508

e: insol@mvp.co.nz
www.mvp.co.nz

1 INTRODUCTION AND APPOINTMENT

Iain McLennan and Peri Micaela Finnigan, Licensed Insolvency Practitioners, of Auckland, were appointed jointly and severally as liquidators of ALV Group Limited ("the company") on 18 September 2020 by the High Court at Auckland.

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 Related party loans **(Statement of Affairs: \$216,499)**

\$216,499 is recorded in the company's records as being advanced to a number of related parties. One of the related company's owned a property and the liquidators were able to lodge a caveat over the property in relation to the \$35,814 of advances to that company. Payment of the full amount owed has been received and the caveat withdrawn

4 INVESTIGATIONS

The liquidators are continuing their investigations into the books, records, and affairs of the company. Various matters have been raised with the directors and negotiations have taken longer than the liquidators anticipated to reach a settlement. If a settlement is not reached shortly, the liquidators will have no option but to litigate the issues.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

No secured claims have been received

5.2 Preferential Creditors

A preferential claim has been received in respect of the applicant creditor's costs of \$4,501

The Inland Revenue Department has submitted a preferential claim for \$269,764

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

5.3 Unsecured Creditors

As at the date of preparing this report four unsecured creditors claim forms have been received which total \$220,826. 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 \$29,752 (excluding GST). The fees are based on 85.6 hours of work undertaken as follows:

Work Category	Hours	\$
Appointment functions	12.9	4,003
Asset realisations	9.8	3,659
Creditors' claims, enquiries and reports	3.4	1,127
Taxation	12.8	3,458
Investigations/ Recovery Steps	46.7	17,505
Total	85.6	\$29,752

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

Any distribution to creditors is dependent on recoveries from the directors.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The liquidation cannot be completed until a settlement has been reached and payment received, or, in absence of a settlement, litigation is completed.

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, if a settlement can be achieved.

10 CONTACT DETAILS

Enquiries should be directed to Colin Sanderson on DDI (07) 838 0908 or by email to Csanderson@mvp.co.nz.

The Liquidators can be contacted at:

McDonald Vague Limited
Level 10, 33 Federal Street
Auckland 1010

P O Box 6092
Victoria Street West
Auckland 1142



IAIN MCLENNAN
LIQUIDATOR

DATED this 7th day of April 2021

Realisations and Distributions

ALV Group Limited (In Liquidation) 18 September 2020 to 17 March 2021

	Cash Received
Realisations	
Bank account closure	\$ 2,010
Settlement funds	\$ 79,200
Related party debt recovered	\$ 35,814
Interest	\$ 6
Pre liquidation GST refund	\$ 83
Total Realisations	\$ 117,113
Payments	
Liquidators Fees	
Liquidators Fees	\$ 29,706
Disbursements	\$ 1,572
Total Liquidators Fees	\$ 31,278
Other Costs of Liquidation and Trading On	
Legal fees	\$ 853
Resident Withholding Tax	\$ 2
Total Costs of Liquidation and Trading On	\$ 855
Distributions	
Applicant creditor costs	-
Preferential GST and PAYE	-
Dividends to Unsecured Creditors	-
Total Distributions to Creditors	\$ -
Total Payments	\$ 32,133
BALANCE HELD	\$ 84,980

Note: the above figures are GST exclusive