



McDonald  
Vague

business recovery partners

## Happiness Restaurant and Bar Limited (In Liquidation)

McDonald Vague Limited

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Auckland Central

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### Liquidators' Second Report For the period from 13 August 2019 to 12 February 2020

#### 1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Iain McLennan, RITANZ Accredited Insolvency Practitioners, of Auckland, were appointed joint and several liquidators of Happiness Restaurant and Bar Limited ("the company") by the High Court at Wellington on 13 August 2019.

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

**(Statement of Affairs: \$2,247)**

There was \$2,247 in the company's bank account as at the date of liquidation. These funds have been transferred to the liquidators.

##### **3.2 Sale of Business Assets**

**(Statement of Affairs: \$40,000)**

The company was not trading as at the date of liquidation. The company's assets at the company's premises were sold to the landlord for \$40,000.

## 4 INVESTIGATIONS

The liquidators' investigations into the books, records, and affairs of the company are ongoing. As a result of the investigations undertaken to date, a number of matters have come to the liquidators' attention that the liquidators consider may lead to recoveries for the benefit of the company's creditors. As the liquidators do not want to prejudice these ongoing investigations, further details of the matters being investigated are not being provided at this time.

## 5 CREDITORS' CLAIMS

### 5.1 Secured Creditors

One creditor has submitted a secured claim in respect of equipment supplied to the company. The value of that claim is \$519. The secured creditor has advised that the equipment has not yet been repossessed by the secured creditor.

### 5.2 Preferential Creditors

The applicant creditor was awarded costs and disbursements of \$4,029 on the application to liquidate the company. This preferential claim has been paid in full.

The Inland Revenue Department has submitted a preferential claim for unpaid GST, PAYE, and employee deductions totalling \$94,507.

### 5.3 Unsecured Creditors

Eleven creditors have submitted unsecured claims totalling \$42,629.

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 and disbursements to the date of this report are \$39,191 plus GST. The fees are based on 192.8 hours of work undertaken as follows:

Work Category	Hours	\$
Appointment functions, statutory requirements, and file management	47.0	9,593
Asset realisations	14.2	3,370
Creditors' claims and enquiries	13.9	2,795
Taxation	6.2	830
Investigations and legal	111.5	22,175
Disbursements		428
<b>Total</b>	<b>192.8</b>	<b>\$39,191</b>

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**

The liquidators anticipate that actions taken following the completion of their investigations will result in recoveries being made for the benefit of the company's creditors. It is too early to estimate the extent of the likely recoveries.

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

The following matters must be completed before the liquidation can be finalised:

- Completion of liquidators' investigations and pursuing actions arising from those investigations
- Taking recovery actions, if required
- Distributing funds to creditors (if any)

## **9 ESTIMATED DATE OF COMPLETION**

It is too early for the liquidators to estimate the date of completion of this liquidation.

## **10 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:

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PERI M FINNIGAN  
LIQUIDATOR

DATED this 9 day of March 2020

# Realisations and Distributions

## Happiness Restaurant and Bar Limited (In Liquidation) 13 August 2019 to 12 February 2020

	As Per Statement of Affairs	Cash Received
<b>Realisations</b>		
Bank Account Closure	2,247	2,247
Sale of Assets	40,000	40,000
Pre-liquidation GST Refund	-	293
Interest		1
Creditor funding		4,029
<b>Total Realisations</b>	<b>\$42,247</b>	<b>\$46,570</b>
<b>Payments</b>		
<b>Liquidators Fees</b>		
Liquidators Fees		38,643
Disbursements		413
<b>Total Liquidators Fees</b>		<b>\$39,056</b>
<b>Other Costs of Liquidation and Trading On</b>		
Trading on Costs		127
<b>Total Costs of Liquidation and Trading On</b>		<b>\$127</b>
<b>Distributions</b>		
Preferential Distribution – Costs Award		4,029
<b>Total Distributions to Creditors</b>		<b>\$4,029</b>
<b>Total Payments</b>		<b>\$43,212</b>
<b>BALANCE HELD</b>		<b>\$3,358</b>

Note: The above figures are GST exclusive