

Dynamic Meats (2014) Limited (In Receivership & In Liquidation)

Liquidators' Second Report For the period from 5 June 2015 to 4 December 2015

1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Jared Waiata Booth, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Dynamic Meats (2014) Limited ("the company") on 5 June 2015 by the High Court at Auckland.

Geoff Martin Smith of Hamilton has advised that he was earlier appointed as receiver of the company on 2 June 2015 under the terms of a General Security Agreement held by Russell Green Limited, the company's shareholder. All company assets are currently under the control of the receiver.

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

As stated above, company assets are currently under the control of the receiver. Under the Receiverships Act 1993, the receiver is obliged to file reports on the state of affairs with respect to the property in receivership at Companies Office (www.companies.govt.nz), with the first such report due no later than 2 months after his appointment. No such reports have been filed to date despite reminders being issued.

The liquidators' have reviewed the validity of the receivers' appointment and the underlying General Security Agreement held by Russell Green Limited. The liquidators have confirmed to date that the General Security Agreement was assigned by ASB Bank Limited to Russell Green Limited on 29 May 2015 after its repayment of a company overdraft facility, which Russell Green Limited had guaranteed.

The liquidators' investigations into the books, records and affairs of the company remain ongoing. No further information is provided on the basis that it may be prejudicial.

The company's director was adjudicated bankrupt on 14 May 2015 at the High Court at Napier, upon the application of a creditor.

4 CREDITORS' CLAIMS

4.1 *Secured Creditors*

Secured claims have been received from two parties, Interfood Read Group Limited (\$2,054) and AFFCO New Zealand Limited (\$10,490), in respect of Purchase Money Security Interests. No claim has been received to date from Russell Green Limited, the General Security Agreement holder.

4.2 *Preferential Creditors*

The applicant creditor has submitted a preferential claim of \$4,086 in respect of costs awarded by the High Court when they successfully applied to have the company placed into liquidation.

Employees have submitted preferential claims totalling \$25,237 in relation to amounts awarded by the Employment Court.

The Inland Revenue Department has submitted a preferential claim for \$14,454 for unpaid PAYE and GST. This claim is based upon assessments, no returns having been submitted by the company for its period of trade.

4.3 *Unsecured Creditors*

As at the date of preparing this report 25 unsecured creditors claim forms have been received totalling \$316,457. 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.

5 LIQUIDATORS' FEES

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.

6 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completion of the receivership
- Investigation of the company's books, records and affairs

7 ESTIMATED DATE OF COMPLETION

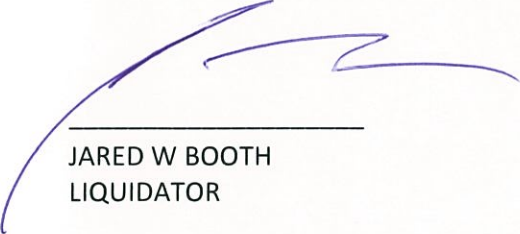
The liquidators are unable at this stage to estimate when the liquidation will be completed.

8 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, 52 Swanson Street, Auckland 1010
P O Box 6092, Wellesley Street, Auckland 1141



JARED W BOOTH
LIQUIDATOR

DATED this 11th day of January 2016

Realisations and Distributions

Dynamic Meats (2014) Limited (In Receivership & In Liquidation) 5 June 2015 to 4 December 2015

	NZ\$
Realisations	
Sundry Receipts	14
Total	\$14
Payments	
Liquidators' Fees	12
Total	\$12
Balance Held	\$2

Note: the above figures are GST exclusive