



McDonald
Vague

Administrators' Second Report to Creditors

May 2020



EXRFL LIMITED 5494241
EXRFTCPL LIMITED 4341958
EXRAHL LIMITED 5713348
EXWML LIMITED 5712748
EXENZL LIMITED 5517725
EXPAOL LIMITED 6151728
(ADMINISTRATORS APPOINTED) (“The Riot Group of Companies”)

Administrators’ Report to Creditors Pursuant to Section 239AU of the Companies Act 1993
REPORT ON COMPANY’S BUSINESS, PROPERTY, AFFAIRS AND FINANCIAL CIRCUMSTANCES

Details of Administrator

Iain McLennan and Peri Micaela Finnigan, Accredited Insolvency Practitioners, of Auckland, have been appointed joint and several Administrators of the Riot Group of Companies by its board of directors pursuant to section 239I of the Companies Act 1993. They were appointed Administrators of Poppy and Olive Limited (Administrators Appointed) on 5 February 2019 and appointed Administrators of the other companies in the Riot Group on 4 February 2019.

Following the Watershed Meeting of creditors and shareholders on 12 April 2019, Iain McLennan and Peri Finnigan were confirmed as Deed Administrators. Deeds of Company Arrangement were signed and filed on 9 May 2019.

(Note: The companies have changed their names in accordance with the Agreement for Sale and Purchase of the business.)

Details of Accounts

The accounts are not final. The companies business located at the East Tamaki premises has been sold to a third party.

All assets have been removed from the Ascot Road premises which we understand has been re-tenanted by a separate third party.

The following classes of creditors have received the following payments since the liquidators first report (incl GST)

Specific Security Creditor (Flexirent – final payment)	\$11,800.07
Specific Security Creditor (Stuart Armstrong – final payment)	\$45,187.27
Preferential Creditors remaining	
IRD	\$16,541.70
Secured Creditors remaining to be paid or part paid	
The Hakuna Matata Trust	\$274,854.90

Unsecured Creditors

Total Unsecured Creditors (excluding intercompany accounts)

\$429,236

Secured Creditors

The following creditors had a secured interest in the Riot Group of Companies:

Creditor	Entity Secured Over	Security Type and Collateral description
The Hakuna Matata Trust	Riot Foods Limited Riot Foods Trading Limited Wholefoods Manufacturing Limited	General Security Agreement AAPP All Present and After Acquired Personal Property General Security Deed dated 9 December 2016 made by each debtor granting a security interest over all of their present and after acquired personal property in favour of the secured party, as the same may be amended or varied from time to time.

Summary of Professional Fees

Remuneration paid to the Deed Administrators since the first report is \$50,000, which is principally broken down into \$10,000 per month for 5 months trading and asset recovery.

Amount of Realisations and Distributions since date of Appointment and Reconciliation of money held

Refer to attached Appendix for the Consolidated Statement of Realisations and Distributions.

Estimated Completion Date

The DOCA provided to be completed by 12 April 2021 or earlier. This will now depend on the resolution of the insurance claim.

Statement

The information given in the statement is true to the best of our knowledge and belief at time of signing.

OUR REPORT

The assets of the companies were sold in April 2020 to an unrelated third party, this included intellectual property including the company names, brands etc. Funds from the sale of the business have been used to settle trading on costs and a distribution to unrelated secured creditors.

The Insurance material damage claim has been settled, and progress is being made with recovering the loss of profits insurance claim.

OUTLOOK

The recovery of insurance process remain the strongest prospect for repayment of creditors.

Signed by:



IAIN MCLENNAN

DEED ADMINISTRATOR



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PERI MICAELA FINNIGAN
DEED ADMINISTRATOR

Date this 9th day of June 2020

Post to: National Processing Centre Companies Office.

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Realisations and Distributions

Riot Foods Group of Companies (Administrators Appointed) Consolidated Accounts 4 February 2019 to 9 May 2020

	9/06/2020
Realisations	
Secured Advance	35,000
Bank Account Funds	92,627
Insurance Claim - Material Damage	78,531
Net Debtor collection	130,293
Pre admin GST refund	6,211
Dividend	375
Interest	133
Trading on Sales less Rebates	860,678
Sale of Assets	12,270
Sale of Business	148,115
Sale of Motor vehicles	34,000
Total Realisations	1,398,232
Payments	
Professional Fees	
Administration Fees	186,194
Disbursements	5,599
Total Liquidators Fees	191,793
Other Costs of Liquidation and Trading On	
Asset Storage and Transport	7,307
Trading on Costs	506,744
Insurance	11,116
Professional Valuation Services	35,890
IRD Interest and Penalties	1,418
Sale of Assets Cost	5,688
Wages and PAYE	295,970
Landlords	123,026
Repairs and Maintenance	870
Resident Withholding Tax On Interest	37
Total Costs of Liquidation and Trading On	988,066
Distributions	
Secured Creditor	142,351
Preferential Wages and Holiday Pay	41,337
Lien	2,878
PMSI	2,769
Salvage	2,070
Preferential GST and PAYE	50
Dividends to Unsecured Creditors	-
Total Distributions to Unsecured Creditors	191,455
Total Payments	1,371,314
BALANCE HELD	26,919