



McDonald
Vague

business recovery partners

SHELTERING ARMS LIMITED (IN LIQUIDATION)

Liquidators' Third Report For the period from 19 April 2023 to 18 October 2023

McDonald Vague Limited
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1 INTRODUCTION AND APPOINTMENT

Keaton Pronk and Iain McLennan, Licensed Insolvency Practitioners, of Auckland, were appointed as joint and several liquidators of Sheltering Arms Limited (In Liquidation) ("the company") on 19 October 2022.

This report has been prepared pursuant to Section 255(2)(d) of the Companies Act 1993 (**Act**) for the purpose of reporting on the liquidation of the Company. A Statement of Realisations and Distributions is **attached** as Appendix 1.

The report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

2 RESTRICTIONS

This report should be read in conjunction with the liquidators' previous reports.

This report has been prepared using the information known to us. We have not independently verified the accuracy or reliability of the information provided or undertaken audit of the Company. 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 UPDATED INTERESTS STATEMENT

We have not become aware of any circumstances, relationships, or other facts since we last prepared an interests statement that create, or could reasonably be perceived as creating, a conflict of interest for us in relation to our independence as liquidators.

4 CONDUCT OF THE LIQUIDATION FOLLOWING OUR APPOINTMENT AS LIQUIDATORS

During the reporting period, we have:

- Bank Account Closure Statement of Affairs \$5,901
 The liquidators have recovered funds from the company's bank account totalling \$2,633.
- Rental Income
 The landlord have recovered rental income owing as at the date of liquidation in relation to the properties at 1/40 & 2/40 Hamlin Road, Mount Wellington totalling \$3,522. The leases in relation to these properties have come to an end.
- Refunds
 The liquidators have recovered the following refunds from suppliers and a Pre-Liquidation GST Refund

Crombie Lockwood	\$279
ACC	\$199
GST Refund	\$175
- Interest
 The liquidators have received interest of \$474 from the funds recovered.
- Sale of Intellectual Property/Business & Cabin Statement of Affairs \$10,000
 The liquidators have sold the Intellectual Property/Business & Cabin of the company for \$43,000
- Sale of Vehicles Statement of Affairs \$27,944
 The liquidators have sold the 6 vehicles owned by the company at auction recovering \$44,043

Since our appointment, we have:

- Interviewed the director and other parties with knowledge of the affairs of the Company
- Uplifted and reviewed the Company's books and records
- Investigated the affairs of the Company and the reasons for its failure
- Realised the assets of the company
- Reviewed the books and records of the company

5 INVESTIGATIONS

The liquidators investigations into the books, records and affairs of the company is nearing completion. To date there have been no matters that have come to the attention of the liquidators that will result in a benefit to creditors.

There are no known current or pending proceedings for which the company is a party.

6 CREDITORS' CLAIMS

In the interest of minimising liquidator's fees, the liquidators will only formally accept or reject creditors' claims if there are funds available to pay a distribution.

The following claims have been received:

CLAIMS RECEIVED	NUMBER	VALUE	DISTRIBUTIONS	¢ IN THE \$
GSA Holders	0			
Specific Securities	0			
Employee Preferential Claims	0			
IRD Preferential Claims	1	483,250	0	0
Unsecured Claims – Unrelated Entities	6	102,102	0	0
Unsecured Claims – Related Entities	5	752,722	0	0

7 LIQUIDATORS' FEES

The Company has paid liquidators' fees and disbursements to the end of the reporting period totalling \$85,140 plus GST.

The liquidators' time costings to the cut-off date total \$85,467 plus GST, based on 242.3 hours of work undertaken are detailed in Appendix 2.

8 FUNDS / LIKELY OUTCOME

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

9 COMPLETION DATE AND MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Complete our investigations into the book records and affairs of the company.

There is no change to the estimated date of completion since our last report.

10 CONTACT DETAILS

Enquiries should be directed to Keaton Pronk on DDI +64 (9) 969 1518 or by email to kpronk@mvp.co.nz.

The Liquidators can be contacted at:

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Victoria Street West
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Keaton Pronk
LIQUIDATOR (License No: IP107)
Dated this 20th day of October 2023

Appendix One

Realisations and Distributions	2nd/subsequent		
	Since initial report	Since last report	
SHELTERING ARMS LIMITED (IN LIQUIDATION)			
19 October 2022 to 18 October 2023			
	18/04/2023	(last six months)	movement
Realisations			
Bank Account Closure	2,633	2,633	-
Rental Income	3,522	3,522	-
Insurance Refund	279	279	-
ACC Refund	199	199	-
Interest	244	474	230
Sale of Business	43,000	43,000	-
Sale of Vehicles	44,043	44,043	-
Pre Liquidation GST Refund	175	175	-
Total Realisations	94,096	94,326	230
Payments			
Liquidators Fees			
Liquidators Fees	64,298	84,868	20,570
Disbursements	272	272	-
Total Liquidators Fees	64,570	85,140	20,570
Other Costs of Liquidation and Trading On			
Legal Fees	709	709	-
Rental Management Costs	1,636	1,636	-
Auctioneers Comission	500	500	-
RWT on Interest	68	131	63
Bank Fees	17	17	-
Total Costs of Liquidation and Trading On	2,929	2,992	63
Distributions			
Secured Creditor	-	-	-
Preferential Wages and Holiday Pay	-	-	-
Preferential GST and PAYE	50	50	-
Dividends to Unsecured Creditors	-	-	-
Total Distributions to Unsecured Creditors	50	50	-
Total Payments	67,549	88,183	20,633
BALANCE HELD	26,546	6,143	(20,403)

Appendix Two

SHELTERING ARMS LIMITED (IN LIQUIDATION) BREAKDOWN OF LIQUIDATORS REMUNERATION AND EXPENSES FOR THE PERIOD OF THE LIQUIDATION

19 Oct 2022 to 18 October 2023

Time costs by Position and Work Type	Hourly rate	Appointment Functions		Asset Realisation		Creditors & Report		Management & Tax		Investigation		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Directors /Partners /Consultants/Liquidators	\$400	2.9	1,160	0.3	120							3.2	1,280
Forensic Accountants / Associates	\$300 - \$380	9	3,420	88.7	33,362	21.2	7,984	0.3	108	99.4	36,238	218.6	81,112
Insolvency Managers	\$140 - \$280											0	0
Insolvency Accountants	\$140 - \$200	5	1,000			0.6	120	5.3	945			10.9	2,065
Secretarial & Clerical Assistants	\$50 - \$170							9.6	1010			9.6	1,010
Total		16.9	5,580	89	33,482	21.8	8,104	15.2	2,063	99.4	36,238	242.3	85,467

Disbursements	Cost
Airfares - domestic	
Local Travel	
General Expenses	\$300
Total	\$300

Work completed includes but is not limited to:

Appointment	All matters on the commencement of the appointment
Creditors	All communications, claims, reporting, enquiries
Asset Realisations	All matters in respect of the potential sale of assets/business/IP and subsequent sale of assets including trading/debtors
Management & Tax	All matters in respect of statutory reporting and the management of the file
Investigation	Analysis of bank statements, review of historic transactions and accounts to identify avenues for recovery