



McDonald
Vague

business recovery partners

Supreme Meats & Smallgoods Limited (in Liquidation)

Liquidators' Fifth Report For the period from 20 January 2020 to 19 July 2020

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Iain McLennan, Accredited Insolvency Practitioners, of Auckland, were appointed joint and several liquidators of Supreme Meats & Smallgoods Limited ("the company") on 20 July 2018 by the High Court at Auckland.

Bank of New Zealand Limited ("BNZ") appointed Andrew John Grenfell and Conor John McElhinney, of McGrathNicol Limited, as joint and several receivers and managers of all the assets, property and undertakings of the company on 23 March 2018. The receivers retired on 13 September 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 fifth 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.

The liquidators have not realised or distributed any funds in this liquidation.

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 but that becomes known to us after that date.

3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

Asset Realisations

At the time of the liquidators' appointment, the receivers were in control of the company's assets. The receivers reported that all of the company's assets have been realised however the receivers have not settled all legal recovery options the company may have (excluding debt recovery actions).

4 INVESTIGATIONS

The liquidators' investigations into the books, records and affairs of the company are ongoing.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

The liquidators have received secured claims from five creditors claiming specific securities over goods supplied and/or their proceeds totalling \$141,942. The receivers have reported that \$31,934 was distributed to PMSI creditors.

A secured claim has been received from BNZ for \$2,861,078, which is secured pursuant to a General Security Agreement. The receivers have reported that \$620,206 remains due to BNZ.

5.2 Preferential Creditors

The High Court awarded the petitioning creditor costs and disbursement totalling \$4,876 on its application to have the company placed into liquidation.

The receivers have reported that the employees and Commissioner of Inland Revenue's preferential claims have been paid in full.

5.3 Unsecured Creditors

As at the date this report, 53 unsecured claims have been received totalling \$4,464,923.

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

Approval has been given by the High Court for the hourly rates that may be charged to the company by the liquidators and their staff. The liquidators' total time costing and disbursements chargeable to the company to 19 July 2020 is \$26,616. To date, no liquidators' fees or disbursement have been paid. The liquidators have undertaken 126.5 hours of work as follows:

Work Category	Hours	\$
Commencement	27.6	5,405
Statutory requirements	13.4	2,360
Creditors	17.0	2,980
Asset realisations	0.4	80
Taxation	4.0	710
Management	15.7	1,828
Investigations and legal	48.4	12,350
Disbursements		903
Total	126.5	\$26,616

Liquidators' fees in a Court ordered liquidation are to be approved by the Court. If required, a retrospective application for fee approval will be made by the liquidators.

Section 284 (1) of the Companies 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.

7 FUNDS / LIKELY OUTCOME

Any distribution to unsecured creditors is dependent on the liquidators making recoveries from actions taken (if any).

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completing investigations
- Taking recovery action (if appropriate)
- Completion of liquidation and retirement of liquidators

9 ESTIMATED DATE OF COMPLETION

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

10 CONTACT DETAILS

Enquiries should be directed Marisa Brugeyroux of our offices on DDI (09) 306 3340 or by email to mbrugeyroux@mvp.co.nz.

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IAIN McLENNAN
LIQUIDATOR

DATED this  day of August 2020