



ARROW INTERNATIONAL GROUP LIMITED (IN LIQUIDATION)

Company number: 3383875

**Liquidators' First Report to Creditors and
Shareholders**



1. Introduction

Andrew Bethell and Andrew McKay of BDO Auckland and Colin Gower of BDO Christchurch were appointed joint and several administrators of Arrow International Group Limited (“the Company”) on 28 February 2019 by a resolution of the Company’s directors, in accordance with section 239I of the Companies Act 1993 (“the Act”).

At the Watershed Meeting held on 6 June 2019, the Company’s creditors resolved to place the Company into liquidation. Andrew Bethell, Andrew McKay and Colin Gower were appointed joint and several liquidators (“Liquidators”) pursuant to section 241(2)(d) of the Act.

The Liquidators provided a Declaration of Independence, Relevant Relationships and Indemnities together with details of hourly rates in the Watershed report dated 29 May 2019 previously provided to creditors. The rates have not changed since that report.

In accordance with section 255 of the Act we report on the Company’s affairs together with our proposals for conducting the liquidation.

2. Restrictions

This report is not intended for general circulation, nor is it to be reproduced or used for any purpose other than that outlined above without our written permission in each specific instance.

We do not assume any responsibility or liability for any losses occasioned to any party as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

We reserve the right (but will be under no obligation) to review this report and if we consider it necessary to revise the report in the light of any information existing at the date of this report which becomes known to us after that date.

3. Company information

Arrow International Group Limited (In Liquidation)

Date of Incorporation:	12 May 2011
Registered Office: <i>(Prior to liquidation)</i>	1 Broadway, Newmarket Auckland, 1023 New Zealand
Type of Business:	Holding Company
Shareholders:	Ronald Douglas Anderson 20.53m shares Robert Athol Foster 20.53m shares
Directors:	Ronald Douglas Anderson Robert Athol Foster
Date of Liquidation:	6 June 2019



4. Background and reasons for liquidation

The Company was incorporated on 12 May 2011 and operated as the ultimate holding company of the Arrow group of companies.

The Company had guaranteed construction performance bond facilities of Arrow International (NZ) Limited (“Arrow NZ”) as well as Arrow NZ’s performance under particular individual construction and services contracts. With Arrow NZ being placed into administration, the directors determined that Arrow Group needed to be placed into administration as a protective measure against calls under these guarantees and to allow an orderly realisation of its assets in the event a call arose.

As noted above, the Company had been placed into administration by resolution of its directors. No Deed of Company Arrangement was proposed at the Watershed Meeting held on 6 June 2019 and the creditors voted overwhelmingly to place the Company into liquidation.

5. Statement of affairs

Attached at **Appendix 1** is the Statement of Affairs of the Company. This statement has been prepared based upon financial information as at the date of the liquidators’ appointment.

This statement has been prepared from information available at the end of the administration of the Company. As yet, we have not subjected the information to detailed verification procedures. We therefore do not accept responsibility for its accuracy.

6. Creditors

List of creditors

Attached as **Appendix 2** is a full list of the names and addresses of creditors in accordance with section 255(2)(c)(ii)(C) of the Act.

Unsecured creditor claims

We attach as **Appendix 3** our Public Notice which sets 12th of July 2019 as the day on or before which the creditors of the Company are to make their claims, and to establish any priority their claims may have under section 312 of the Act or to be excluded from the benefit of any distribution made before the debts are claimed or from objecting to the distribution.

If you submitted a claim form during the voluntary administration and the value of the claim remains unchanged, resubmission is not required. For new or adjusted claims please complete the Unsecured Creditor’s Claim form attached as **Appendix 4** and return to us at the following address or by email:

The Liquidators
Arrow International Group Limited (In liquidation)
C/- BDO Auckland
P O Box 2219
AUCKLAND 1140

Email: arrowgroup.liquidators@bdo.co.nz

It is too early to reliably estimate what funds, if any, will be available for unsecured creditors.

Secured creditors

Creditors claiming a security interest (including retention of title or other claims) in the Company's assets who:

- have not advised the Liquidators of their security interest; or
- have not received correspondence from the Liquidators concerning their security interest,

Should contact the Liquidators immediately and should not file a claim as an unsecured creditor unless they wish to surrender their charge to the Liquidators.

7. Proposals for conducting the liquidation

The Liquidators will:

- Continue to realise the Company's assets;
- Notify all known creditors of the Company;
- Recover outstanding receivables;
- Undertake an investigation into the Company's trading history;
- Review and determine whether there are any potential voidable transactions or other avenues of recovery;
- Comply with their statutory duties;
- Distribute all realisation proceeds in order of their statutory priority;

The liquidators will then seek to have the Company removed from the register.

8. Estimated date of completion

It is not practical to estimate the date of the completion of the liquidation at this stage. Our subsequent reports to creditors will, when appropriate, advise of an estimated completion date.

9. Contact information

If you require any further information, please direct enquiries to:

Andrew Stuart
DDI: (+64 9) 366 8084
Email: Andrew.stuart@bdo.co.nz

BDO Auckland
PO Box 2219
Level 4 BDO Centre
4 Graham Street
Auckland



Dated this 13th day of June 2019

A handwritten signature in black ink, appearing to read 'Andrew Bethell'.

Andrew Bethell
Liquidator

APPENDICES

Appendix 1 - Statement of affairs

Arrow International Group Limited (In Liquidation)

Statement of Affairs as at 6 June 2019

\$000	Book value*	Est. Recovery†
Assets Available for Secured and Preferential Creditors		
Accounts Receivable	391	Unknown
Bank Accounts	146	146
Investments in subsidiaries	26,081	Unknown
Related party debts	15,711	Unknown
Plant Property and Equipment	72	Unknown
Funds Available for Secured and Preferential Creditors	42,401	Unknown
Less Preferential Creditors:		
Employees	(18)	(2)
IRD	(43)	(43)
	(60)	(45)
Funds Available for Secured Creditors	42,341	Unknown
Less Secured Creditors		
Bonds / General security holders	(2,094)	(2,094)
	(2,094)	(2,094)
Funds Available for Unsecured Creditors	40,247	Unknown
Less Unsecured creditors:		
Trade Creditors	(106)	Unknown
Inter-company creditor	(1,548)	Unknown
Employee unsecured claims	(110)	Unknown
	(1,764)	Unknown
Overall surplus/(shortfall) for Creditors prior to costs of liq.	38,483	Unknown

*Based on book values as at 28 February 2019, updated for known changes

†Based on Liquidators' assessment as at 6 June 2019

The above amounts are subject to the costs of liquidation

Appendix 2 - List of creditors

Creditor Name	Address
ANZ	ANZ Centre 23-29 Albert Street Auckland 1010
Arrow International (NZ) Ltd	BDO Auckland, Level 4, 4 Graham Steet, Auckland 1010
Auckland Concrete Ltd	KPMG, 18 Viaduct Harbour Avenue, Maritime Square, Auckland
Budget Rent A Car Ltd	Private Bag 92809 Penrose Auckland New Zealand
Citylink Limited	Level 6 25-27 Cambridge Terrace PO Box 9328 Wellington
Corelogic	PO Box 4072 Wellington 6140
Creating Communities Ltd	125 Apirana Ave Glen Innes Auckland 1072
Custom Fleet NZ	PO Box 3630 Auckland 1140 New Zealand
DLA Piper New Zealand	PO Box 2791 Wellington 6140
Ernst & Young	Level 4/93 Cambridge Terrace Christchurch 8013 New Zealand
Ezypay	PO Box 7164 Sydenham Christchurch 8240
Fiona Foster	Employee
Fitzroy Engineering Group Limited	Devon Road Private Bag 2053 New Plymouth 4324 New Zealand
Inland Revenue	PO Box 39010 Wellington Mail Centre Lower Hutt 5045
Mark Taylor	Employee
Matthew Currie	Employee
Pivotel New Zealand Ltd	8-10 Fitzherbert Street Petone 5012
Shane Albrecht	Employee
Vero/ AAI - Bonds	Suncorp Vero Centre 48 Shortland Street Auckland 1010
Vodafone New Zealand Ltd	PO Box 4584 Christchurch 8011



Appendix 3 - Public notice of appointment

ARROW INTERNATIONAL (NZ) LIMITED No. 3383573
ARROW INTERNATIONAL GROUP LIMITED No. 3383875
CONSTRUCTION LABOUR AND RESOURCES LIMITED No. 2240072
ALL IN LIQUIDATION
(Together “the Companies”)

**NOTICE OF APPOINTMENT OF LIQUIDATORS
AND
NOTICE TO CREDITORS TO CLAIM**

**Pursuant to Section 255(2)(a) and
Liquidation Regulation 12 of the Companies Act 1993**

Andrew Bethell, and Andrew McKay, both Chartered Accountants and CAANZ Accredited Insolvency Practitioners of BDO Auckland, and Colin Gower, RITANZ Accredited Insolvency Practitioner, of BDO Christchurch, were appointed joint and several Liquidators of the Companies by a resolution of the creditors on the 6th day of June 2019 at 11.48 am.

NOTICE is hereby given that as joint and several liquidators of the Companies, we fix the 12th day of July 2019, as the day on or before which the creditors of the Companies are to make their claims, and to establish any priority their claims may have under Section 312 of the Companies Act 1993 (as amended) or to be excluded from the benefit of any distribution made before the debts are claimed, or as the case may be, from objecting to the distribution.

Creditors and shareholders may direct enquiries during normal business hours to:

BDO Auckland
PO Box 2219
AUCKLAND 1140

Telephone 09 379 2950
Facsimile 03 303 2830
Email Arrowgroup.liquidators@bdo.co.nz

DATED this 6th day of June 2019.

Andrew Bethell
Liquidator



Appendix 4

UNSECURED CREDITORS CLAIM FORM

Section 304(1) Companies Act 1993

NAME AND POSTAL ADDRESS OF CREDITOR IN FULL Principal Contact: E-mail Address: Telephone Number: My Reference is: (if applicable)	* Any personal information collected is for the purpose of administering the claims in accordance with the Companies Act 1993. The information will be used and retained by BDO Auckland at L:level 4 BDO Centre, 4 Graham Street, P O Box 2219 Auckland 1140 and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993. Any claim by an unsecured creditor against a company in a liquidation must be in this prescribed form and must - (a) Contain full particulars of the claim; and (b) Identify any documents that evidence or substantiate the claim. You may have access to and request correction of any personal information. (* Not applicable if creditor is not an individual entity within the meaning of the Privacy Act 1993)
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NAME OF COMPANY: Arrow International Group Limited (In Liquidation)

I, (Name).....
 (If claim is made on behalf of creditor, specify relationship to creditor and authority)
 claim that the company was at the date of liquidation indebted to the above named creditor for the sum of (Amount in words and figures):

 \$.....

STATUS OF CLAIM:

1. I hold no security for the claimed amount 2. I am surrendering the security I hold and I am claiming as an unsecured creditor 3. I am making a preferential claim (Refer details of reverse)	TICK <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
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Full particulars of the claim are set out, and any supporting documents that substantiate the claim, are identified on the reverse of this form.
 (The liquidators may require the production of a document under Section 304(2) of the Companies Act 1993. You are **not required** to attach any supporting documents at this stage, but you may attach them now, if you think it would expedite the processing of the claim.)

SIGNED:	Date:
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Warning	It is an offence under Section 304(6) of the Companies Act 1993 to - Make, or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or Omit, or authorise the omission from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular
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Received (Date Stamp)	<p>RESERVED FOR OFFICE USE: Claim admitted/rejected for voting purposes: <input type="text" value="Signed:"/> <input type="text" value="Date"/></p> <p>(Delete one)</p> <table style="width: 100%;"> <tr> <td style="width: 33%;"><u>CLAIM REJECTED FOR PAYMENT:</u></td> <td style="width: 33%;">Preferential Claim for:</td> <td style="width: 33%;">Ordinary Claim for</td> </tr> <tr> <td></td> <td style="text-align: center;"><input type="text" value="\$"/></td> <td style="text-align: center;"><input type="text" value="\$"/></td> </tr> </table> <p>or</p> <table style="width: 100%;"> <tr> <td style="width: 33%;"><u>CLAIM ADMITTED FOR PAYMENT:</u></td> <td style="width: 33%;">Preferential Claim for:</td> <td style="width: 33%;">Ordinary Claim for</td> </tr> <tr> <td></td> <td style="text-align: center;"><input type="text" value="\$"/></td> <td style="text-align: center;"><input type="text" value="\$"/></td> </tr> </table> <table style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 60%;"><input type="text" value="Signed Liquidator:"/></td> <td style="width: 40%;"><input type="text" value="Dated"/></td> </tr> </table>	<u>CLAIM REJECTED FOR PAYMENT:</u>	Preferential Claim for:	Ordinary Claim for		<input type="text" value="\$"/>	<input type="text" value="\$"/>	<u>CLAIM ADMITTED FOR PAYMENT:</u>	Preferential Claim for:	Ordinary Claim for		<input type="text" value="\$"/>	<input type="text" value="\$"/>	<input type="text" value="Signed Liquidator:"/>	<input type="text" value="Dated"/>
<u>CLAIM REJECTED FOR PAYMENT:</u>	Preferential Claim for:	Ordinary Claim for													
	<input type="text" value="\$"/>	<input type="text" value="\$"/>													
<u>CLAIM ADMITTED FOR PAYMENT:</u>	Preferential Claim for:	Ordinary Claim for													
	<input type="text" value="\$"/>	<input type="text" value="\$"/>													
<input type="text" value="Signed Liquidator:"/>	<input type="text" value="Dated"/>														



PARTICULARS OF CLAIM

If the creditor owes money to the company, please give full details

Date	Details of Claim and Identification of Documents that Evidence or Substantiate the Claim	Amount \$
	<p><i>If applicable, less any purchase money security interests in relation to goods supplied by creditor to the company [Describe goods]</i></p> <p><i>If applicable, less debts owed by creditor to the company [Describe goods]</i></p>	

PREFERENTIAL CLAIMANTS ONLY

The Seventh Schedule of the Companies Act 1993 sets out those claims which are regarded as preferential and shows their extent and order of priority.

- 1. Are you claiming the full amount of your claim as preferential? Yes / No
- 2. If no, what part of the claim is preferential? \$.....
- 3. Why do you believe you are a preferential creditor?
(eg. Employee, IRD, NZ Customs).....
- 4. Details of your claim:.....

If applicable please record here your GST Registration number:

And total GST included in your claim: \$.....

Return to: BDO Auckland
P O Box 2219
AUCKALND