



ARROW INTERNATIONAL GROUP LIMITED (IN LIQUIDATION)

Company number: 3383875

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

Reporting Period: 6 December 2020 to 5 June 2021

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.

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. Conduct of the liquidation within the reporting period

3.1 Schedule of Receipts and Payments

Attached at **Appendix 1** is a schedule of receipts and payments for the six-month period.

3.2 Asset Realisations

Debtors

With the potential exception of intercompany receivables, there are no further debts to be recovered by the Company.

Fixed Assets

There are no fixed assets in the Company.

3.3 Creditors Claims

Secured Creditors

As noted in our last report, the Company’s bank provided funding jointly and severally to the Company and other Group companies. The banks’ security was jointly and severally secured over the assets of the Company, Arrow International (NZ) Limited (“AINZL”) and Construction Labour & Resources Limited (“CLRL”).

The Company has a bond facility which was secured by way of general security instruments over the Company and AINZL. During the reporting period, the final outstanding secured bond was called and paid. All secured bonds have now either been released or called and paid.

Preferential Creditors

As noted in our last report, Inland Revenue's preferential claim against the Company has been paid in full.

Unsecured Creditors

We have progressed our assessment of unsecured creditors' claims and have admitted a total of \$801k worth of unsecured claims. There remains one claim which we are in the midst of assessing.

See table below for a breakdown of our claims assessment:

Claim Status	\$ (incl GST)	Count
Admitted	800,978	13
Rejected	1,615,754	3
Assessment in Progress	2,000,000	1
Total	4,416,733	17

4. Liquidators' fees

Liquidators' fees for the period to date total \$12k net of GST and disbursements.

Attached at **Appendix 2** is a schedule of Liquidators' fees for the six-month period.

5. Further proposals for completing the liquidation

The Liquidators propose to take the following further actions:

- Seek recovery of intercompany receivables (where possible);
- Finalise assessment of creditors' claims;
- Distribute any available funds to creditors; and
- Comply with our statutory obligations.

6. Estimated date of completion

We anticipate the final outstanding issue in the liquidation to be settled in the next six months. The completion of the liquidation is then dependent on the distribution from subsidiary company AINZL. AINZL indicates that a distribution will be made to creditors after the resolution of its outstanding issues, anticipated to be in the next six months. Completion of AIGL's liquidation will be as soon as possible thereafter.

7. Contact information

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

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Dated this 5th day of July 2021

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

Andrew Bethell
Liquidator

APPENDICES

Appendix 1 - Summary of Receipts & Payments

Arrow International Group Limited (In Liquidation) Summary of Receipts and Payments 6 December 2020 to 5 June 2021		\$ (Excl GST)
Opening Balance		1,147,908
Receipts		
Bank Interest (Net of RWT)		2,861
GST		205
Total Receipts		3,066
Payments		
ACC Payment		84
Liquidators' Fees		12,438
Total Payments		12,522
Cash on Hand as at 5 June 2021		1,138,453



Appendix 2 - Summary of Liquidators' Fees

	Hourly Rate	Creditors		Administration		Reporting		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Liquidator	536	11	5,691	2	1,283	0	0	13	6,974
Associate	399	5	2,114	0	0	0	160	6	2,274
Senior Manager	363	2	611	2	616	0	93	4	1,319
Senior Analyst	245	3	613	1	172	3	637	6	1,421
Administration	180	0	0	2	450	0	0	2	450
Total	1,723	20	9,028	7	2,521	3	889	31	12,438