

ARROW INTERNATIONAL GROUP LIMITED (IN LIQUIDATION)

Company number: 3383875

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

Reporting Period: 6 June 2020 to 5 December 2020

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 Cower 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

During the reporting period, we have progressed our assessment of unsecured creditors’ claims and to date we have admitted a total of \$464k worth of unsecured claims.

See table below for a breakdown of our claims assessment to date:

Claim Status	\$ (incl GST)	Count
Admitted	463,959	12
Rejected	1,952,773	4
To Be Confirmed	2,000,000	1
Total	4,416,733	17

4. Liquidators' Fees

Liquidators’ fees for the period to date total \$17k 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

It is not practical to estimate the date of the completion of the liquidation at this stage as it is dependent on the completion of the liquidation of subsidiary company AINZL to confirm recoverability of intercompany receivables. Our subsequent reports to creditors and shareholders will, when appropriate, advise of an estimated completion date.

7. Contact information

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

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Dated this 7th day of January 2021



Andrew Bethell
Liquidator

APPENDICES

Appendix 1 - Summary of Receipts & Payments

Arrow International Group Limited (In Liquidation)	
Summary of Receipts and Payments	
6 June 2020 to 5 December 2020	\$(Excl GST)
Opening Balance	1,169,552
Receipts	
Bank Interest (Net of RWT)	2,516
Total Receipts	1,172,068
Payments	
PAYE	129
Professional Fees	300
Intercompany Payable	6,643
Liquidators Fees	16,968
GST Paid	120
Total Payments	24,159
Cash on Hand as at 5 December 2020	1,147,908

Appendix 2 - Summary of Liquidators' Fees

	Hourly Rate	Asset Realisation		Creditors		Administration		Investigation		Reporting		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Liquidator	551	0	0	11	5,958	1	733	0	0	2	917	14	7,608
Associate	399	0	0	6	2,411	2	949	0	0	3	1,111	11	4,471
Senior Manager	364	0	0	0	99	2	618	0	0	2	648	4	1,364
Manager	315	0	0	2	473	0	0	0	0	0	0	2	473
Senior Analyst	232	0	0	3	588	3	704	0	0	4	1,078	10	2,370
Administration	180	0	0	0	0	4	683	0	0	0	0	4	683
Total	383	0	0	21	9,528	12	3,687	0	0	11	3,753	44	16,968