



ARROW INTERNATIONAL (NZ) LIMITED (IN LIQUIDATION)

Company number: 3383573

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

Reporting Period: 6 December 2023 to 5 June 2024

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 (NZ) Limited (“the Company” or “AINZL”) 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. There have been no changes to this declaration nor have the rates 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. 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

The Liquidators have realised all known assets in prior reporting periods and are not expecting any further recovery from asset realisations. Refer to our previous reports for further detail on prior asset realisations.

3.3 Creditors Claims

Secured Creditors

As noted in our previous report, the Company’s bank provided funding jointly and severally to the Company, the ultimate parent company Arrow International Group Limited (“AIGL”), a subsidiary Construction Labour & Resources Limited (“CLRL”) and other Group companies. The bank’s security was jointly and severally secured over the assets of the Company, AIGL and CLRL.

Performance bonds provided on behalf of the Company were secured by way of general security instruments over AINZL and AIGL. All secured bonds have now either been released or called and paid.

Preferential Creditors

We previously reported that employee wages and holiday pay of \$730k, that would otherwise have been preferential claims in the event of the liquidation of the Company after the Watershed meeting, were settled in full prior to the liquidation.

Inland Revenue's preferential claim of \$553k has been paid in full.

Retentions Held

As previously advised, all retentions have been paid out in accordance with the provisions of the Construction Contracts Act 2002. A final reconciliation of the retention account has resulted in an amount of \$86,139 that will be transferred to the Company's general bank account for the benefit of all proved creditors. This surplus arose from the Company transferring retention sums into trust which were not in fact required to be held in trust.

Unsecured Creditors

The Liquidators have progressed assessment of further claims during the reporting period. See the table below for a breakdown of our updated claims assessment to date:

Claim Status	\$ (incl GST)	Count
Admitted	27,504,233	438
Rejected	17,449,296	77
Withdrawn	3,883,689	13
Total	48,837,219	528

4. Distribution to creditors

To date, the liquidators have paid one interim dividend of 12 cents in the dollar to all admitted creditors.

Now all outstanding issues have been dealt with, the liquidators are calculating final completion costs and anticipate making a second and final distribution of between 3 and 4 cents in the dollar. It is intended that this final distribution will be made within 3 months from the date of this report.

The remaining outstanding issue mentioned in our previous two reports has now been resolved enabling the completion of the liquidation.

5. Liquidators' fees

Liquidators' fees and disbursements for the current Reporting Period total \$11,020 net of GST.

Attached at **Appendix 3** is a schedule of the Liquidators' fees and disbursements paid during the Reporting Period.

6. Further proposals for completing the liquidation

The Liquidators propose to take the following further actions:

- Determine the costs of completion of the liquidation
- Distribute any remaining available funds to creditors; and
- Comply with our statutory obligations.

Once all matters are completed, the Liquidators will then seek to have the Company removed from the register.

7. Estimated date of completion

Based on information currently available, the Liquidators anticipate that the liquidation will be finalised in the next six months.

8. Contact information

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

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Dated this 24th day of June 2024



Andrew McKay
Liquidator

APPENDICES

Appendix 1 - Summary of Receipts & Payments

Arrow International (NZ) Limited (In Liquidation)	
Summary of Receipts and Payments	
6 December 2023 to 5 June 2024	
	\$ (excl GST)
Opening Cash Balance	1,059,586
Receipts	
Interest Received	20,437
Total Receipts	20,437
Payments	
Legal Fees and Disbursements	3,313
Liquidators fees and Disbursements	11,020
Operating expenses	30,494
GST Receivable	1,205
Total Payments	46,032
Cash at hand as at 5 June 2024	1,033,991

Appendix 2 - Summary of Liquidators' Fees Paid

Position	Experience	Administration & Trading	Investigation	Reporting	Creditors	Total
Partner		2.8	-	0.5	-	3.3
Associate		4.3	0.1	0.7	0.9	6.0
Senior Manager	7+ years	8.2	0.5	3.8	-	12.5
Support Staff		12.3	-	-	-	12.3
Total		27.5	0.6	5.0	0.9	34.0

Position	Rates (\$)	Administration & Trading	Investigation	Reporting	Creditors	Total
Liquidator	550	1,513	-	275	-	1,788
Associate	405	1,726	40	290	371	2,427
Senior Manager	367	3,015	185	1,388	-	4,588
Support Staff	180	2,205	-	-	-	2,205
Total Fees		8,459	225	1,953	371	11,007
GST (15%)		1,269	34	293	56	1,651
Invoice Total		9,727	259	2,245	427	12,658

Disbursements	Total
Courier Fee	12.70
Total Disbursements	12.70
Total Fees	11,007.00
GST (15%)	1,652.96
Gross	12,670.75