



ARROW INTERNATIONAL GROUP LIMITED (IN LIQUIDATION)

Company number: 3383875

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

Reporting Period: 6 June 2022 to 5 December 2022

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. 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

With the exception of intercompany receivables, there are no further assets to be realised by the Liquidators.

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 had a bond facility which was secured by way of general security instruments over the Company and AINZL. All secured bonds have now either been released or called and paid.

Preferential Creditors

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

Unsecured Creditors

Our assessment of unsecured creditors' claims to-date are as per the below table:

Claim Status	\$ (incl GST)	Count
Admitted	5,407,136	16
Rejected	1,657,145	3
Total	7,064,281	19

4. Distribution to creditors

An interim distribution of 15 cents on the dollar (15%) to admitted unsecured creditors was paid on 14 December 2021.

We note that the Liquidators' Receipts and Payments disclose an interim distribution of \$107,352 made during the reporting period. This was the payment of creditor claims that the Liquidators were aware of but which had not been finalised at the time the interim distribution was paid.

The finalisation of this liquidation is dependent on the final distribution from the subsidiary company AINZL. Once received, the Liquidators will be in a position to assess the remaining funds for distribution to creditors and will then advise creditors of the final distribution.

5. Liquidators' fees

Liquidators' fees for the period to date total \$4.4k net of GST and disbursements.

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

6. Further proposals for completing the liquidation

The Liquidators propose to take the following further actions:

- Finalising recovery of intercompany receivables;
- Finalise assessment of creditors' claims;
- Distribute any remaining available funds to creditors; and
- Comply with our statutory obligations.

7. Estimated date of completion

The completion of the liquidation is dependent on the final distribution from the subsidiary company AINZL and receipt of the finalised further claim. AINZL indicates that a final 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 occur as soon as possible thereafter.

8. Contact information

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

Nancy de Lacey
DDI: (+64 9) 366 8173
Email: bri.akl@bdo.co.nz

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

Dated this 19th day of December 2022



Andrew McKay
Liquidator

APPENDICES

Appendix 1 - Summary of Receipts & Payments

Arrow International Group Limited (In Liquidation) Summary of Receipts and Payments 6 June 22 to 5 December 2022		\$ (Excl GST)
Opening Balance		449,597
Receipts		
Bank Interest		3,509
Total Receipts		3,509
Payments		
Interim Distribution to Unsecured Creditors		107,352
Liquidators Fees		4,403
Total Payments		111,754
Cash on Hand at 5 December 2022		341,351



Appendix 2 - Summary of Liquidators' Fees

	Hourly Rate	Asset Realisation		Creditors		Administration		Reporting		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Liquidator	550	-	-	2	825	3	1,375	-	-	4	2,200
Associate	399	0	120	1	400	0	40	0	158	2	718
Senior Manager	370	-	-	-	-	-	-	1	185	1	185
Manager	-	-	-	-	-	-	-	-	-	-	-
Senior Analyst	245	-	-	-	-	1	270	2	490	3	760
Analyst	-	-	-	-	-	-	-	-	-	-	-
Administration	180	-	-	-	-	3	540	-	-	3	540
Total		0	120	3	1,225	7	2,225	3	833	12	4,403