



The Insolvency & Business Recovery Specialists

Te Kaha Kapai Limited (In Receivership & In Liquidation)

Receivers' Second Report

1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed jointly and severally as receivers and managers of the property of Te Kaha Kapai Limited (“the company”) on 7 November 2013. The receivers and managers were appointed under the powers contained in a term loan agreement dated 29 September 2011, where the company granted a general security interest to the secured creditor. A general security agreement formalising the terms of the term loan agreement was signed on 7 August 2013. The property consists of all present and after acquired personal property.

At the same time, Boris van Delden and Peri Micaela Finnigan also accepted appointment as receivers and managers of a related company, Te Kaha Resort (2011) Limited (In Receivership), following a request from the secured creditor for both companies to be in receivership. At the time, Boris van Delden and Peri Finnigan were liquidators of Te Kaha Kapai Limited (In Liquidation) and after accepting appointment as receivers (which they were technically able to) Boris van Delden and Peri Finnigan retired as liquidators and appointed Tony Leonard Maginness and Jared Waiata Booth in their place.

Pursuant to section 24 of the Receiverships Act 1993 (“the Act”), the receivers report herewith on the progress of the receivership. This second report should be read in conjunction with the receivers’ previous report.

A statement of Realisations and Distributions is **attached**.

2 RESTRICTIONS

This report has been prepared in accordance with Section 24 of the Act. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction or use of this report.

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

3 CONDUCT OF THE RECEIVERSHIP DURING THE PRECEDING SIX MONTHS

Asset Realisations

No assets have been disposed of during this period.

McDONALD VAGUE LIMITED

Level 10, 52 Swanson Street, Auckland CBD

PO Box 6092, Wellesley St, Auckland 1141, New Zealand.

Telephone 09 303 0506, Facsimile 09 303 0508, insol@mvp.co.nz, www.mvp.co.nz

Member of Insol International. Consultants to the Accounting and Legal Professions.

4 PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

The receivers have continued to trade the business on. The receivers have engaged Bayleys Real Estate to market and sell the business as a going concern. The receivers are currently dealing with a number of interested parties.

5 CREDITORS' CLAIMS

5.1 *Secured Creditor*

At the date of this report the amounts due to our appointer were as follows:

First ranking secured creditor

Term loan accounts, accrued interest and Overdue principal at 30 November 2013	4,174,561
Additional penalties and costs	86,207
Total	<hr/> 4,260,768 =====

Second ranking secured creditor

Term loan accounts, accrued interest and Overdue principal at 30 November 2013	292,540
Additional penalties and costs	36,508
Total	<hr/> 329,048 =====

5.2 *Preferential Creditors*

We estimate that there is approximately \$12,582 owing to former employees for wages, holiday pay and redundancy pay.

The Inland Revenue Department has not yet provided us with a creditors claim form but we understand that there are amounts due in respect of GST, PAYE and other payroll deductions. We have received a claim from Inland Revenue Department in respect of court awarded costs totalling \$3,700.

At this time no payments have been made to preferential creditors

5.3 *Unsecured Creditors*

As at the date of preparing this report four unsecured creditors claim forms have been received which total \$21,303.

The Receivers are not responsible for the administration of unsecured creditors' claims, however, it appears unlikely that there will be surplus funds available for unsecured creditors.

6 MATTERS DELAYING THE COMPLETION OF THE RECEIVERSHIP

The following matters are outstanding:

- Sell of the business assets as a going concern.

7 ESTIMATED DATE OF COMPLETION

It is currently too early to estimate a date of completion for the receivership.

8 CONTACT DETAILS

Enquiries should be directed to Daniel Zhang on (09) 306 3356 or by email to dzhang@mvp.co.nz.

The Receivers can be contacted at:

McDonald Vague
Level 10, 52 Swanson Street
Auckland 1010

P O Box 6092
Wellesley Street
Auckland 1141


BORIS VAN DELDEN
RECEIVER

DATED this 2nd day of July 2015

Realisations and Distributions

Te Kaha Kapai Limited (In Receivership) 7 November 2013 to 6 May 2014

6 May 14

Realisations

Accommodation Income (Post Liquidation)	128,832
Bar and Shop Sales (Post Liquidation)	293,704
Cash Sales (Post Liquidation)	91,297
Function Income	23,201
Gaming Machine Site Rental (Southern Trust)	20,520
Interest Received	18
Management Fees from Body Corporate	20,000
Management Fees from Third Party Owners	21,026
Reimbursement of Expenses from Third Party Owners	16,580
Staff TABs	7,298
Sundry Receipts	75
Total Realisations	622,550

Payments

Receivers' Fees

Receivers' Fees	18,043
Total Receivers' Fees	18,043

Costs of Receivership & Trading On (incl. Accrued Creditors)

Administration Costs	1,707
Advertising and Marketing	1,130
Asset Sales Costs	6,205
Bank Fees	3,565
Bar Entertainment	5,610
Bar Float Cash	2,780
Body Corporate - Compliance Fees	3,013
Body Corporate - Insurance Finance Charge	837
Bodycorp - Insurance	26,480
Bodycorp - Labour	31,185
Bodycorp - Power	8,202
Equipment Lease	4,242
House Keeping Expenses	4,795
Insurance Premiums	1,250
KiwiSaver Employer Contribution	2,609
Legal Fees	1,421
Licences and Fees	3,485
Managers Salaries	43,874
Motor Vehicle Expenses	2,210
Purchases - Beverages	141,874
Purchases - Food	117,861
Purchases - Other	10,440
Repairs and Maintenance	10,066
Resident Withholding Tax	6

Realisations and Distributions

	6 May 14
Staff Expenses	624
Sundry Expenses	981
Telephone and Internet	6,294
Travel Expenses	9,221
Uncoded Expenses	459
Utilities	26,318
Wages & PAYE - Staff	193,133
Waste Disposal and Cleaning	5,258
Water Rates	564
Total Costs of Receivership & Trading On (incl. Accrued Creditors)	677,699
Total Payments	695,742
BALANCE HELD	(73,192)