



McDonald
Vague

business recovery partners

The Kauri Pastoral Company Limited (In Receivership)

Receivers' First Report

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Iain McLennan and Boris van Delden, Licensed Insolvency Practitioners of Auckland, were appointed jointly and severally as receivers of all of the property of The Kauri Pastoral Company Limited (In Receivership) ("the company") on 27 April 2021. The receivers and managers were appointed under the powers contained in a General Security Agreement dated the 9th day of April 2013 which property consists of All present and after acquired personal property of the Company the meaning ascribed to that term in the General Security Agreement, in favour of the Executors of the Estate of the Late Maurice Leicester Chatfield, the Executor of the Estate of the Late Leicester William Charles Chatfield and Chatfield & Co Limited, a duly incorporated company having its registered office at level 7, 57 Symonds Street, Grafton, Auckland 1010.

The director of the company, Geoffrey Hooker ("Mr Hooker") and his legal advisors are disputing the validity of the receivers' appointment and have refused to provide any information or assistance. The various bases for the claimed dispute have either been reconciled or are denied.

2 RESTRICTIONS

This report has been prepared in accordance with Section 23 of the Receiverships Act 1993 ("the Act"). In preparing this report and its appendices we have relied upon information provided to us. We have not independently verified or audited that information. 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 ATTACHMENTS

The following documents are attached to this report:

Appendix 1: Particulars of Assets and Liabilities

Appendix 2: Schedule of secured creditors' names and addresses

4 EVENTS LEADING UP TO OUR APPOINTMENT

The appointment arose as a result of the company's default in repaying secured loans demanded by the secured lenders.

5 CLOSURE OF BUSINESS

At the time of the appointment of the receivers, the company was the registered title holder for a property in Kauri Road, Tuakau. The property had been listed for sale with real estate agents prior to the appointment and the receivers had intended to continue with the sale process, however, due to the post appointment actions of related parties, this has not been possible to date. See 7.1 below.

6 PARTICULARS OF ASSETS AND LIABILITIES

Particulars of the Assets and of the Debts and Liabilities of the Company as at the date of our appointment are provided at Appendix 1. Further Assets and Liabilities may be identified once the Receivers have been provided the books and records of the Company.

7 ASSETS COMPRISING THE PROPERTY IN RECEIVERSHIP

7.1 Land

At the date of appointment of the receivers, the company was named as the title holder of the property at C/386 Kauri Road, Tuakau. The legal description of the property is Lot 3, Deposited Plan 487241. The property was listed for sale with a price range of \$450,000 plus.

On 30 April 2021, the title to the property was transferred to a trust associated with a related party.

The transfer of the property was not approved by the receivers and there has been no consideration received by the company. The receivers have placed a caveat on the title and are seeking recovery of the property.

Surplus funds from an earlier section sale are also to be recovered.

7.2 Debtors

The company records have identified unsecured amounts owed to the company by three related party debtors. The debts amount to \$842,841. Two of the parties have disputed the amounts owed and the third is Willsden Dairies Limited (In Liquidation).

7.3 Plant and Machinery

A small amount of plant and machinery remains collectable.

8 PROPERTY DISPOSED OF TO DATE

No property has been disposed of by the receivers as at the date of this report.

9 PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

As identified in paragraph 7.1, the title to the company's property was transferred to an entity related to Mr Hooker after the appointment of, and without the approval of, the receivers. A caveat has been placed on the title by the receivers and negotiations are under way to try and have the property returned to the company without the need for legal proceedings.

10 LIABILITIES AND CREDITOR CLAIMS

10.1 Secured Creditors

At the date of our appointment the amounts due to our appointer (including accrued interest) were as follows:

Term loan accounts, accrued interest and overdue principal at 27 April 2021	919,585
Additional penalties and interest and costs	<u>To be calculated</u>
Total	<u><u>\$919,585 Minimum</u></u>

A schedule of secured creditors and their addresses is provided at Appendix 2, as required by Section 23(1)(c) of the Act.

10.2 Preferential Creditors

At this time, we are unaware of any preferential claims, however one GST return is to be calculated and filed.

10.3 Unsecured Creditors

From our review of the company's accounting records and other information we estimate that the amount due to unsecured creditors, including related entities, is approximately \$551,878.

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.

11 INFORMATION PROVIDED BY THE COMPANY

We were unable to obtain the information from the company required to complete this report. Accordingly, we have had to rely on our own observations and investigations.

12 FURTHER INFORMATION

If you are aware of any information that would assist the Receivers, please set the details out in writing, attach any supporting evidence and send it to us. Please note that the Receivers are more able to act on written information.

If any creditor wishes to receive the six monthly reports by email as and when they are published, please ensure that an email address is provided on the attached Confirmation of Amount Owing form. This report and all subsequent reports will be available on the Receivers' website at www.mvp.co.nz

13 ESTIMATED DATE OF COMPLETION

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

14 CONTACT DETAILS

Enquiries should be directed to Colin Sanderson on (07)838 0908 or by email to Csanderson@mvp.co.nz.

The Receivers can be contacted at:
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IAIN MCLENNAN
RECEIVER

DATED this 6th day of July 2021

The Kauri Pastoral Company Limited (In Receivership)
Particulars of the Assets and of the Debts and Liabilities
as at the Date of Appointment of Receivers
on 27 April 2021

SECURED CREDITORS	<i>Book Value</i>	<i>Estimated to Realise</i>
Accounts receivable	842,841	43,000
Proceeds of sale - B/386 Kauri Road	253,319	Unknown
Proceeds of sale - C/386 Kauri Road		Commercially sensitive
Total	1,096,160	43,000 (at least)
<i>Less secured creditors</i>		
Estate of the late Maurice Leicester Chatfield		554,256
Estate of the late Leicester William Charles Chatfield		291,808
Chatfield & Co Limited		73,521
Total		919,585
<i>Estimated surplus / (deficit) as regards secured creditors</i>		unknown- a deficit is likely
UNSECURED CREDITORS		
Estimated deficit as regards secured creditors - assets not specifically pledged		
Related party unsecured advances		332,465
Almadia Holdings Limited		145,389
Sundry Creditors		74,024
<i>Estimated surplus / (deficit) as regards unsecured creditors</i>		(551,878)

Notes:

1. There is no unpaid capital liable to be called up.
2. The above estimates are subject to the costs of the receivership.
4. The General Security Agreement holder's claim will continue to accrue interest and costs until fully paid.

Disclaimer of Liability:

The information contained in the Particulars of Assets and Liabilities has been supplied by the company. We have not verified the information supplied. The Particulars of Assets and Liabilities has been prepared for the purpose of the receivership and we do not accept any responsibility on any grounds whatsoever, including liability in negligence, to any party.



Appendix 2

The Kauri Pastoral Company Limited (In Receivership) Schedule of Secured Creditors' Names and Addresses

Pursuant to Section 23(1)(c) of the Receiverships Act 1993

Creditor name	Address 1	Address 2	Address 3
Estate of Maurice L Chatfield	C/- Chatfield & Co	PO Box 750 Shortland Street	Auckland
Estate of Leicester W C Chatfield	C/- Chatfield & Co	PO Box 750 Shortland Street	Auckland
Chatfield & Co Limited	PO Box 750	Shortland Street	Auckland
Chatfield Family Trust	C/- Chatfield & Co	PO Box 750 Shortland Street	Auckland
Leiwin Enterprises Limited	C/- Chatfield & Co	PO Box 750 Shortland Street	Auckland
LGM Holdings Limited	C/- Chatfield & Co	PO Box 750 Shortland Street	Auckland
Tahuna Pastoral Company Limited	C/- Chatfield & Co	PO Box 750 Shortland Street	Auckland
Almadia Holdings Limited	354 Kauri Road	Tuakau.	Auckland
Inland Revenue Department			