

# Receivers' third report on the state of affairs of Bella Estate Limited (In Receivership) 'the Company' as at 6 September 2007

**Company Number: 1587249**

## Introduction

Thomas Lee Rodewald and Kirsty Michelle Shaw, Chartered Accountants of Tauranga, were appointed as Joint Receivers and Managers of all the assets, property and undertakings of the Company on the 27<sup>th</sup> day of June 2006. We were appointed under the powers contained within a general security agreement dated 21 June 2005 in favour of S.H. Lock (NZ) Ltd. We set out below our third report on the state of the affairs of the abovenamed Company as required by Section 24 of the Receivership Act 1993.

## Proposals for disposal of receivership property

### Resource consent

The secured creditors have instructed the Receivers to investigate the costs for resource consent application in order for them to make a decision on whether it will add more value to the property.

### Marketing the property

Although there is still some interest in the property, the property has not been actively marketed for the last six months. The outcome of the resource consent costing analysis will determine if the property will be marketed again and how.

## Amounts owing to the general security agreement holders

### Guardian Trust

Amount owed (principal only)	\$2,197,250.00
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The balance of the loan is currently charged at the normal interest rate of 8.60%. Interest is paid monthly. Total interest paid since date of receivership is \$264,492.14.

### SH Lock (NZ) Ltd

Amount owed (including interest)	\$2,250,005.58
Plus advances	
Guardian Trust interest payment	264,492.14
Trade Creditors from July 2006 to September 2007	329,096.37
Balance owing	<b><u>\$2,843,594.09</u></b>

The interest rate of 21% is charged on the balance of the loan.

Peter Crisp's Trust

We have still not received a claim from Peter Crisp's Trust. We do not know the amount owed to the Trust at time of writing this report.

**Preferential creditors**

At date of Receivership the Company did not have a debt to the Inland Revenue Department (IRD).

**Unsecured creditors**

At date of Receiveship the total amount owing to unsecured creditors was \$22,433.40. To date confirmation of debts received total \$17,865.51.

**Receipts and Payments**

We attach at Appendix 1 Receipts and Payments to 6 September 2007.

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Thomas Lee Rodewald  
*Joint Receiver and Manager*

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Kirsty Michelle Shaw  
*Joint Receiver and Manager*

## **APPENDIX I**

### **Bella Estate Limited (In Receivership) Receipts and Payments from 27 June 2006 to 6 September 2007**

#### **GST exclusive**

##### **Receipts**

GST on income	254.98	
Funds on hand pre liquidation	25.88	
GST refunds	10,976.25	
Sales	355.56	
Funds From Lock Finance	593,588.51	
Rent Cottage	7,792.21	
Grazing	1,062.09	
TECT Dividends	918.90	
	<u>                    </u>	614,974.38

##### **Payments**

GST on expenses	35,055.49	
Guardian Trust - Interest Payment	264,492.14	
Electricity	14,492.15	
Insurance	12,515.34	
Legal Fees	15,720.40	
Marketing	24,917.21	
GST Paid	1,067.22	
Receivers Fees	120,986.75	
Rates	1,965.80	
Repairs & Maintenance	64,468.02	
Security	1,620.04	
Resource Consent Process	17,465.75	
Telephone	1,764.40	
Transport Costs	12.00	
Valuation	2,003.67	
Wages	2,734.79	
Bank Fees	35.00	
Fire Safety Inspection Certificate & Servicing	551.33	
Consultancy Fees	14,748.82	
	<u>                    </u>	596,616.32

##### **Net Funds**

**\$ 18,358.06**

##### **Represented By:**

National Bank - Trust Account 18,358.06

**\$ 18,358.06**