

## Receiver's first report on the state of affairs of Forest 2 Farm Limited (In Receivership) 'the company' as at 2 February 2009

### Introduction

Thomas Lee Rodewald and Kenneth Peter Brown were appointed Joint Receivers and Managers of the above company on the 2<sup>nd</sup> day of February 2009.

The appointment arose under the powers contained in a General Security Agreement dated 28 February 2006 which consists of all present and after acquired personal property.

We set out below our first report on the state of the affairs of the above named company as required by section 23 of the Receivership Act 1993.

### Disclaimer

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### Events Leading up to Our Appointment

Leading up to the appointment, attempts were made to restructure the company. When this did not succeed discussions were held with the Directors, the result being due to the company's financial position, the Directors requested that Receivers and Managers be appointed as soon as possible.

### Trading On/Closure of Business

The only business operating at the commencement of the receivership was the lease of an excavator in Western Australia. This lease continued until the end of February 2009 when it ceased due to no available work.

### Debtors

Payments for the January and February periods of the lease of the excavator in Western Australia are now due, the total amount being AUD\$31,050.

### Amounts Owing to the General Security Agreement Holders

At the date of the Receiver's appointment the amounts owing were as follows:

	\$
Bank of New Zealand	1,636,645
	<u>1,636,645</u>

### Specific Security Creditors

At the date of the Receiver's appointment the amounts owing were as follows:

	\$
South Pacific Tyres	1,643
	<u>1,643</u>

### Preferential Creditors

Employee - Wages	5,663
Employee - Holiday Pay	9,287
IRD - PAYE	4,518
	<u>19,468</u>

<b>Total Secured and Preferential Creditors</b>	<b><u>\$1,657,756</u></b>
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### Assets Disposed of to Date

A number of assets have been sold, including two Toyota Hilux Utes, a Nissan Navara Ute, two Fuel Trailers a Sumitomo Excavator and a Generator. From the proceeds of the sale a payment of \$25,000 has been made to the Bank of New Zealand, pursuant to their General Security Agreement. The Receivers are speaking with a number of interested parties in relation to the remaining assets.

### Unsecured Creditors

Due to the extent of the secured creditor claims there are unlikely to be any funds available for returning to the company, or a Liquidator at the conclusion of the receivership for distribution to unsecured creditors. The total amount due to unsecured creditors to date is \$22,106.

### Assets & Liabilities of the Company

We attach as *Appendix 1* a list of the assets and liabilities of the company as at the date of appointment.

### Receipts & Payments

We attach as *Appendix 2* a list of receipts and payments to 15 April 2009. This does not include any Receiver's fees for April 2009.

Also attached is *Appendix 3* a list of creditors as at commencement of the receivership.

**Information Provided by the Company**

The Directors of the company have co-operated in making available the information required by the Receivers to complete this report.



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Thomas Lee Rodewald  
*Joint Receiver and Manager*

*Appendix 1*

**Statement of Assets & Liabilities for Forest 2 Farm Limited  
(In Receivership) as at 2 February 2009**

	<b>Estimated Return Value</b>
<b>ASSETS</b>	
Debtors (AUD\$)	14,700
GST Refund	2,912
Plant Equipment & Vehicles	<u>554,687</u>
<b>Total Assets</b>	<b><u>\$572,299</u></b>
<b>LIABILITIES</b>	
<b>CHARGE HOLDERS</b>	
<b>General Security Agreements</b>	
Bank of New Zealand	<u>1,636,645</u>
	1,636,645
<b>Specific Security Agreements</b>	
South Pacific Tyres	<u>1,643</u>
	1,643
<b>PREFERENTIAL CREDITORS</b>	
<i>Employees</i>	
Wages	5,663
Holiday Pay	9,287
<i>IRD</i>	
PAYE	4,518
<b>UNSECURED CREDITORS</b>	
Trade Creditors	21,564
<b>Total Liabilities</b>	<b><u>\$1,679,320</u></b>
<b>Net Deficit</b>	<b><u>\$1,107,021</u></b>
Subject to receivership costs	

**Forest 2 Farm Limited (In Receivership)***Appendix 2***Receipts and Payments from 2 February 2009 to 15 April 2009****GST exclusive****Receipts**

GST on income	4,709.72	
GST refunds	2,913.65	
Interest Received	7.29	
Sale of Assets	<u>37,677.78</u>	
		\$45,308.44

**Payments**

GST on expenses	1,768.29	
Advertising	240.44	
GST paid	2,941.43	
RWT on Interest	1.42	
Receivers fees	13,385.00	
GSA Holder payment	25,000.00	
Transport Costs	<u>520.89</u>	
		\$43,857.47

**Net Funds****\$ 1,450.97****Represented By:**

National Bank - Trust Account	345.10
National Bank – Trust Call Account	<u>1,105.87</u>
	<u><b>\$ 1,450.97</b></u>

### Appendix 3 – List of Creditors

#### Forest 2 Farm Limited (In Receivership)

Kershaw Joseph	2 Streamdale Place	Ngongataha	Rotorua
A Katu	6 Park Road	Western heights	Rotorua
Eddie Eparaima	279 Malfroy Road	Fordlands	Rotorua
Bank of New Zealand	PO Box 995		Auckland 1010
Financial Synergy	PO Box 106 935		Auckland 1143
South Pacific Tyres	PO Box 40 343		Lower Hutt
AB Equipment	PO Box 5351		Mount Maunganui 3116
Accident Compensation Corporation	PO Box 38023	Te Puni	
Active Engineering Ltd	PO Box 7264	Te Ngae	Rotorua 3042
Bay Oil Supplies & Services Ltd	PO Box 6108		Rotorua 3043
Beaurepairs	PO Box 40343		Upper Hutt 5140
Blackwoods & Pykels	Private Bag 94048		South Auckland Mail Centre
BOC Ltd	26 Riri Street		Rotorua
Cable Price Ltd	PO Box 747		Rotorua
Chevron New Zealand	PO Box 3221		Wellington
Dudley Mechanical Prep	PO Box 883		Taupo 3351
Duroweld	PO Box 8253		New Plymouth
Electrical - Machinery Services Limited	PO Box 10160		Rotorua 3046
Equipment & Transport Leasing Ltd	PO Box 10055	Te Rapa	Hamilton
Erskine-Shaw Accountants Ltd	PO Box 506		Rotorua 3040
Firewatch Bay of Plenty	P O Box 416		Tauranga 3140
Haua Engineering (Rotorua) Ltd	PO Box 2064		Rotorua 3040
Hirepool Ltd	PO Box 12048	Penrose	Auckland 1642
Hydraulink - Total Hydraulic Solutions Ltd	PO Box 10181		Rotorua Mail Centre
Impact Glass & Windscreens Ltd	37 Te Ngae Road		Rotorua
Inland Revenue Department	Private Bag		Rotorua
Land Transport NZ	Private Bag 11777	Manawatu Mail Centre	Palmerston North 4442
Mainfreight International	PO Box 73052	Airport Oaks	Auckland 2150
McEntee Hire Service Ltd	PO Box 72-196	Papakura	Auckland 1730
NZ Police	PO Box 9147		Wellington 6141
O'Sullivan Clemens Lawyers	PO Box 646		Rotorua 3040
Phillip Brown	225 Acton Road		RD 11 Rakaia
Reuzit Air Filters NZ Ltd	PO Box 10161		Rotorua 3046
Rowe Motors (Tga) Ltd	PO Box 9204		Tauranga
Schultz Engineering Ltd	PO Box 1440		Taupo
Self Loader Logging Ltd	PO Box 1531		Taupo
Sweeney Townsend & Associates Ltd	PO Box 1747		Rotorua
Tickelpenny Automotive 2003 Ltd	49 Riri Street		Rotorua
Qwiklok New Zealand Limited	P O Box 1220		Rotorua