

G D Horner Limited (In Receivership)

Receivers' First Report

1 INTRODUCTION AND APPOINTMENT

Tony Leonard Maginness and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed jointly and severally as receivers and managers of all present and after acquired personal property of G D Horner Limited ("the company") on 9 July 2015. The receivers and managers were appointed by Acorn Farms Limited ("Acorn") under the powers contained within Specific Security Agreement and Deed of Subordination and Priority, and a General Security Agreement dated the 28th day of June 2012, which property consists of Goods – Livestock, and a second ranking charge over all present and after acquired personal property of the Company.

Please Note: On 18 June 2015, Andrew James Bethell and James Greenway of BDO Auckland were appointed as Receivers of the company by a General Security Agreement dated 17 May 2011 giving Westpac New Zealand Limited ("Westpac") security interests or charges created by the GSA. The property in receivership is all of the Company's present and after acquired property.

Office of the first Receivers' is C/- BDO Auckland, Level 8, 120 Albert Street, Auckland 1010.

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 document is **attached** to this report:

Appendix 1: Schedule of secured creditors' names and addresses

4 EVENTS LEADING UP TO OUR APPOINTMENT

The appointment arose as a result of the failure of the company to make payment on 31 May 2015 of \$480,124.28 on the demand of Acorn.

5 CLOSURE OF BUSINESS

The company had ceased trading and the assets were in the control of the First Receiver.

6 ASSETS COMPRISING THE PROPERTY IN RECEIVERSHIP

6.1 Livestock

The livestock of the company consists of fresian and fresian / jersey cross animals which are subject to Acorns specific security and jersey animals which are subject to the general security of Westpac.

Animals subject to Westpac's security are being realised by the First Receivers.

Animals subject to Acorn's security have been separated from the other stock and will be realised by the Second Receivers.

6.2 Plant & Equipment

The plant and equipment of the company is first subject to the Westpac security and will be realised by the First Receivers.

6.3 Accounts Receivable

The accounts receivable of the company are subject to the Westpac security and will be realised by the First Receivers.

There is one account receivable that relates to payment for a sale of stock subject to Acorn's security prior to the commencement of the receivership.

7 PROPERTY DISPOSED OF TO DATE

7.1 Livestock

At the date of this report the Second Receivers have sold four animals that were subject to Acorn's security and have received payment of the account receivable referred to in 6.3 above.

7.2 Accounts Receivable

The Second Receivers have received payment of the accounts receivable referred to in 6.3 above.

8 PROPOSALS FOR FURTHER DISPOSAL OF RECEIVERSHIP PROPERTY

The Second Receivers will realise the remainder of the animals subject to Acorn's security and will wait for the First Receivers to complete their realisation process to see if there are any other assets available to them under Acorn's second ranked general security.

9 LIABILITIES AND CREDITOR CLAIMS**9.1 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 9 July 2015	298,910
Total	<u><u>\$298,910</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.

9.2 Preferential Creditors

Preferential claims are being managed by the First Receivers.

9.3 Unsecured Creditors

We have not received any information in relation to unsecured creditors of the company.

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.

10 INFORMATION PROVIDED BY THE COMPANY

The director of the company co-operated fully in making available the information required by the receiver to complete this report.

11 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. This report and all subsequent reports will be available on the Receivers' website at www.mvp.co.nz

12 ESTIMATED DATE OF COMPLETION

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

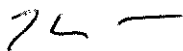
13 CONTACT DETAILS

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:

McDonald Vague Limited
Level 10, 52 Swanson Street

P O Box 6092
Wellesley Street
Auckland 1141



TONY L MAGINNESS
RECEIVER

DATED this 12 day of August 2015

G D Horner 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
Acorn Farms Limited	Main Road	R D 1	RAGLAN 3225
Westpac New Zealand Limited	P O Box 7740	Wellesley Street	AUCKLAND 1141