



McDonald
Vague

business recovery partners

Te Kaha Resort (2011) Limited (In Receivership)

Receivers' Seventh Report

McDonald Vague Limited

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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 all the assets, property and undertakings of Te Kaha Resort (2011) Limited ("the company") on 7 November 2013. The receivers and managers were appointed under the powers contained within a General Security Agreement dated 29 September 2011 in favour of Ruben Sanasarian.

At the same time, Boris van Delden and Peri Micaela Finnigan also accepted appointment as receivers and managers of a related company, Te Kaha Kapai Limited (In Liquidation), following a request from the first ranking secured creditor for both companies to be in receivership.

Pursuant to section 24 of the Receiverships Act 1993 ("the Act"), the receivers report herewith on the progress of the receivership. This seventh report should be read in conjunction with the receivers' previous reports.

A statement of Sale Realisations and Distributions to 6 November 2016 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

3.1 Buildings

The commercial areas, ancillary areas and 18 apartments along with chattels and a management agreement have been marketed for sale via Bayleys Tauranga and Gulf Pacific Realty. After an extensive marketing and sale process a sale was settled on 31 October 2016.

4 PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

The secured assets were sold as a going concern with the approval of the first and second mortgagee's and settlement of the sale took place on 31 October 2016.

There remain some trading on debtors to collect.

5 CREDITORS' CLAIMS

5.1 *Secured Creditor*

At the date of appointment the amount due to our appointer was 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	<u>\$4,260,768</u>

The first ranking secured creditor will suffer a shortfall.

Further sums are claimed by a second ranking secured creditor as follows:

Second ranking secured creditor	\$
Term loan accounts, accrued interest and overdue principal at 1 September 2013	292,540
Additional penalties and costs	36,508
Total	<u>\$329,048</u>

As part of the sale process the second ranking secured creditor released its security interest over assets it had security over. No funds were paid to the second ranking secured creditor.

5.2 *Unsecured Creditors*

As at the date of preparing this report one unsecured creditor has provided documents supporting a debt of \$100,816 for rates due as at the date of receivership. All rates due were paid as part of the sale process. The amount increased over time as rates accrued during the sale process.

The Receivers are not responsible for the administration of unsecured creditors' claims, however, the amount due for rates arrears was paid as required in the sale settlement.



6 MATTERS DELAYING THE COMPLETION OF THE RECEIVERSHIP

The following matters are outstanding:

- Collection of final trading on debtors
- Distribution to secured creditor

7 ESTIMATED DATE OF COMPLETION

We expect the receivership to conclude within the next six months.

8 CONTACT DETAILS

Enquiries should be directed to Iain McLennan on (09) 303-0506 or by email to imclennan@mvp.co.nz.

The Receivers can be contacted at:

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A handwritten signature in black ink, appearing to read 'Peri M Finnigan', written over a horizontal line.

PERI M FINNIGAN
RECEIVER

DATED this 22nd day of February 2017

Realisations and Distributions

Te Kaha Resort (2011) Limited (In Receivership) 7 November 2013 to 6 November 2016

Realisations	Cash Received \$
Sale Proceeds (excluding Inventory)	1,875,000
Total Realisations	\$1,875,000
Payments	
Costs of Receivership (GST Exclusive)	
Rates Pre-Receivership	87,666
Rates	132,352
Water Rates	14,877
Sales Commission	57,000
Body Corporate Charges	13,815
Legal Fees	15,252
To Te Kaha Kapai Receivership (Excluding Inventory Sale)	75,000
Total Costs of Receivership	<u>\$395,692</u>
Net Receipts to Date:	<u>\$1,479,038</u>
Represented by:	
I Judd Law	1,430,894
GST	48,144
Balance Held	<u>\$1,479,038</u>

Note 1: The above figures are GST exclusive

Note 2: The above figures do not represent the final outcome, as fees and costs had not been repaid as at 6 November 2016

Note 3: The above figures exclude all trading cashflow