

**RECEIVERS' FIFTH REPORT ON THE STATE OF AFFAIRS OF
VINTAGE 2008 (A) LIMITED (IN RECEIVERSHIP & IN LIQUIDATION)
VINTAGE 2008 (B) LIMITED (IN RECEIVERSHIP & IN LIQUIDATION)
VINTAGE 2009 (A) LIMITED (IN RECEIVERSHIP & IN LIQUIDATION)
VINTAGE 2009 (B) LIMITED (IN RECEIVERSHIP & IN LIQUIDATION)**

“Vintage Companies”

1. INTRODUCTION

On 9 December 2010, Boris van Delden and Dennis John Wood, Insolvency Practitioners of Auckland, were appointed jointly and severally as receivers and managers of the property of Vintage 2008 (A) Limited (In Receivership), Vintage 2008 (B) Limited (In Receivership), Vintage 2009 (A) Limited (In Receivership), and Vintage 2009 (B) Limited (In Receivership) which consists of all present and after acquired personal property of the companies, the meaning ascribed to that term in the general security agreements dated the 8th day of April 2008, the 8th day of April 2008, the 9th day of March 2009, and the 9th day of March 2009 respectively, executed by the companies in favour of the secured creditor and registered on the Personal Property Securities Register on 9th day of April 2008 at 12:16 p.m. under financing statement FP6M9UOB2229T135, the 9th day of April 2008 at 12:21 p.m. under financing statement FJ79PJ0U27G38793, 12th day of March 2009 at 11:05 a.m. under financing statement FG7KW1C86562C169, and 12th day of March 2009 at 10:53 a.m. under financing statement FP04999D5B4912F respectively.

They were appointed under the powers contained within a General Security Agreement in favour of Orakei Securities Limited.

On 30 March 2011, Orakei Securities Limited completed an assignment of the Vintage 2008 (A) Limited and Vintage 2008 (B) Limited financing statement security to the Swindle Family Trust, and the Vintage 2009 (A) Limited and Vintage 2009 (B) Limited financing statement security to Aorangi Forests Limited.

The Receivers set out below their fifth report on the state of affairs of the above named companies as required by section 23 of the Receiverships Act 1993.

2. EVENTS LEADING UP TO OUR APPOINTMENT

The appointment arose as a result of the companies default in meeting payments due to the secured lender. All the Vintage companies were provided with funding by the secured lenders to enable grape juice to be purchased which in turn was later to be delivered to Goldridge Estate Limited (In Liquidation) (“GEL”) per a supply agreement as bottled and cased product.

At the date of receivership, some of the Vintage companies product was delivered to Matakana Estate Limited (In Liquidation) (“MEL”), GEL and Dream Bay Limited (In Liquidation) (“DBL”) and the balance remained in tanks on land and buildings leased by MEL.

The MEL, GEL and DBL companies were placed in liquidation on 21 November 2010 owing considerable moneys to all the Vintage Companies. Two of the MEL, GEL and DBL directors are also directors of the Vintage companies.

3. TRADING ON / CLOSURE OF BUSINESS

At the date of receivership the management accounts show bulk wine stock of \$344,289 remaining on hand and trade receivables and unsecured advances to be collected of \$2,590,154.

3.1 Guarantor Demands

Peter and Helen Vegar have had judgment entered for the amount owed, however, bankruptcy proceedings have not commenced yet. Paul Vegar adjudicated himself bankrupt by debtors' petition on 1 December 2011.

3.2 Vintage Inventory

As previously noted, the liquidator of MEL claimed a right to the Vintage company inventory held in the vats at the Matakana winery. A stock take of the wine undertaken with the assistance of an industry expert provided an indicative value of \$432,000 in December 2010.

3.3 Settlement for Bulk Wine Converted by MEL Liquidators

The successful High Court hearing in July 2011 declared the MEL liquidator had converted Vintage companies wine by continuing to sell the bulk wine when Vintage had sole or common ownership. The High Court awarded Vintage costs of \$57,605.

The MEL liquidator had a industry expert value the wine sold at \$208,513. The receivers also received a further independent valuation of \$254,084.

A settlement agreement was reached for \$200,000 on 5 April 2012, which included a deduction for costs to sell the wine.

3.4 Sale of Pinot Gris Bulk Wine (not Sold by MEL Liquidator)

The Pinot Gris owned by Vintage companies remained unsold in the Matakana vats. The MEL liquidator had been unable to sell the wine and with age it was deteriorating. The MEL liquidator confirmed that 26,808 litres of Pinot Gris belonged to the Vintage companies and with a potential sale of the winery the Pinot Gris had to be moved off site. The receivers, on receiving access to the wine and after approaching various interested parties, sold the Pinot Gris for \$1.40 per litre.

3.5 Other Actions – Claim Against Chartered Accountant

The Term Loan agreements provided that all Vintage companies advances be deposited into a bank account established solely for the purpose of meeting costs specified in the costs schedule in the Term Loan documents.

A chartered accountant was designated as a mandatory joint signatory to the cost account.

Despite confirming that he was a mandatory joint signatory to the cost account, he never was a signatory on the company bank account. Legal action is in process under the direction of the appointers' agent and the receivers have provided information and documents to assist this action.

3.6 Other Actions – Possible Claim Against Costs Award Received

The receivers have been put on notice that the funds paid by MEL for the costs award may more properly belong to a secured creditor of MEL.

4. PROPERTY DISPOSED OF TO DATE

All Pinot Gris bulk wine stock has now been sold.

5. PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

All property has been sold and an action is proceeding against the Chartered Accountant who was supposed to be a mandatory co signatory to the cost account.

6. AMOUNTS OWING TO THE SECURED CREDITOR

At the date of our appointment the amounts (including accrued interest) owed to our appointer was \$3,464,548.

7. PREFERENTIAL CREDITORS

According to the records of the company as at the date of our appointment \$101,976 was owed to the Inland Revenue Department for GST arrears.

8. UNSECURED CREDITORS

The management accounts show there are unsecured creditors of \$190,818 owed.

9. PARTICULARS OF ASSETS AND LIABILITIES

We **attach** particulars of the assets and of the debts and liabilities of the company. The receivers are unable to guarantee the accuracy of the information contained in the particulars.

10. INFORMATION PROVIDED BY THE COMPANY

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

Enquiries to: David Taylforth
Telephone: 0-9-303 0506
Website: www.mvp.co.nz

BORIS VAN DELDEN
RECEIVER

DATED this 31st day of January 2013

THE RECEIVERSHIPS ACT 1993

NUMBERS OF COMPANIES : 1199162 – 1202964 – 1286350 – 1286351 (Respectively)

NAME OF COMPANY VINTAGE 2008 (A) LIMITED (IN RECEIVERSHIP & IN LIQUIDATION)
VINTAGE 2008 (B) LIMITED (IN RECEIVERSHIP & IN LIQUIDATION)
VINTAGE 2009 (A) LIMITED (IN RECEIVERSHIP & IN LIQUIDATION)
VINTAGE 2009 (B) LIMITED (IN RECEIVERSHIP & IN LIQUIDATION)

PRESENTED BY McDonald Vague
Insolvency Specialists
Level 4, 143 Nelson Street
P O Box 6092
Wellesley Street, AUCKLAND 1141

STATEMENT PURSUANT TO SECTION 24

Statement of Receipts and Payments in the Receivership of the company from 9 December 2010 (being commencement of the Receivership) to 8 December 2012 (being the Fifth Report of the Receivership).

	As Per Statement of Affairs	Cash Received
CASH HAS BEEN RECEIVED AS FOLLOWS:	\$	\$
Damages Claim	-	200,000
Cash at Bank	202	170
Trade Debtors	Unknown	Nil
Matakana Estate Limited (In Liquidation)	Unknown	Nil
Goldridge Estate Limited (In Liquidation)	Unknown	Nil
Interest	42	2,241
Appointer Advance	-	272,560
Stock Wine Sales	Unknown	47,073
GST Refunds	-	116,798
TOTAL RECEIPTS	\$242	\$638,842
CASH HAS BEEN PAID AS FOLLOWS:		
Receivership Fees		259,742
Legal Fees		196,004
Other Expert Fees		5,343
Insurance		2,467
Secured Creditor		29,916
TOTAL PAYMENTS		\$493,472
TOTAL RECEIPTS		638,842
LESS TOTAL PAYMENTS		493,472
BALANCE HELD		\$145,370

Note: The above figures are GST exclusive.

REPRESENTED BY:

ASB Bank Limited – Interest Bearing Trust Account
GST Suspense Account

145,168
202

\$145,370



BORIS VAN DELDEN
RECEIVER

Dated this 31st day of January 2013

BVD/DT/gck/145
Vintage 2008 (A)/R9b Fifth Report
Vintage 2008 (B)/R9b Fifth Report
Vintage 2009 (A)/R9b Fifth Report
Vintage 2009 (B)/R9b Fifth Report