

# Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Lloyd Hayward

## Liquidators' First Report

### Darrak Produce Markets Limited (In Liquidation)

#### 1. Appointment

We advise that Karen Betty Mason and Lloyd James Hayward were appointed joint and several Liquidators of the above company on 29 July 2009 by special resolution of shareholders.

Karen Mason and Lloyd Hayward are full time Insolvency Practitioners. They have not previously acted in any capacity for the company or the officers and shareholders of the company.

#### 2. Background

<i>Date of Incorporation:</i>	10 September 1996
<i>Trading Address:</i>	17 Saleyards Road, Otahuhu, Auckland
<i>Type of Business:</i>	Produce Broker
<i>Date Ceased Trading:</i>	28 July 2009
<i>Shareholders:</i>	Darrak Consultants Limited      588,899 shares
<i>Directors:</i>	Ivan Rakich
<i>Share Capital:</i>	488,899 redeemable preference shares 100,000 ordinary shares
<i>Date of Liquidation:</i>	29 July 2009

#### 3. Events Leading to Appointment

The company had traded and incurred losses, however for the current year had forecast profitable trading. Recent events occurred which have each adversely effected the company and its business. These were:

- (a) A secured lender and financier unilaterally amended and reduced its lending to the company.
- (b) A supplier changed its business operations resulting on anticipated revenue over the summer season of \$6 million now not being available to the company. The industry norm is that businesses such as that operated by the company earn



sufficient profits in the summer months to tide the business over during the winter when losses are incurred. With the loss of this revenue the company's expected profits could not now be achieved. This lost revenue could not be replaced in the short term.

- (c) The company has suffered significant bad debts in recent times.

These events have all severely affected or will affect cash flow. The director/shareholder concluded there was no option other than to cease trading and place the company into liquidation.

#### **4. Statement of Affairs**

The Liquidators have prepared an Estimated Statement of Affairs being the assets and liabilities of the company at the date of liquidation. We attach a copy.

#### **5. Proposals for Conducting the Liquidation**

##### ***5.1 Realisation of Assets***

The assets of the company consist of trade debt, sundry receivables and plant and equipment.

Trade debt has been factored to SH Lock (NZ) Limited and the secured debt due is \$550,325. SH Lock (NZ) Limited has first priority on collections of trade debt. It is expected that SH Lock (NZ) Limited debt will be paid in full within a relatively short timeframe. The balance of trade debt recoveries will be available for distribution to creditors in accordance with the statutory priorities. At this time we are not in a position to estimate what the eventual realisation might achieve.

Plant & Equipment consists of office furniture & equipment and cool store equipment. This equipment will be sold by way of private treaty, tender or public auction. Disclosure of estimated sale prices is commercially sensitive and no estimate has been given.

##### ***5.2 Examination of Books and Records***

The Liquidators will examine the company's available books and records and conduct a brief review of the company's affairs.

##### ***5.3 Knowledge of Information Relevant to the Liquidation***

Should creditors and other parties possess any information that may be relevant to the liquidation, or may lead to realisations for the benefit of creditors, please advise the Liquidators in writing and provide them with copies of supporting documents.

#### **6. List of Creditors**

A list of all known creditors has been compiled by the Liquidators. We attach a copy.

**7. Creditors Claim Form**

Creditors should complete and return the attached Creditor's claim form by 4 September 2009. Creditors who do not make a claim within the period may be excluded from any distribution that may be made.

**8. Retention of Title Claims/Security Interests**

Please note, if you believe you have a valid retention of title claim or security interest over goods or equipment supplied to Darrak Produce Markets Limited (In Liquidation), and you have not yet contacted the Liquidators, please contact us immediately.

**9. Initial Creditors Meeting**

As it is unlikely there will be a distribution to creditors, pursuant to s245 of the Companies Act 1993 the Liquidators propose to dispense with the meeting of creditors to consider whether to appoint different Liquidators, and to consider the views of creditors.

Accordingly a meeting of creditors will not be called unless a creditor gives notice to the Liquidators within 10 working days after receiving this notice, requiring a meeting to be called.

**10. Liquidation Committee**

At any time during the liquidation, any creditor may in writing, request the Liquidators to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the Committee.

A Liquidation Committee has certain powers set out in s315 of the Companies Act 1993, including to assist the Liquidators as appropriate in the conduct of the liquidation.

**11. Estimated Date of Completion of Liquidation**

It is not practicable to estimate the date of completion of the liquidation at this stage.

Enquiries should be directed to: Lloyd Hayward

L J Hayward  
**Liquidator**

Dated this 3<sup>rd</sup> day of August 2009

Attach:

**Estimated Statement of Affairs of  
Darrak Produce Markets Limited (In Liquidation)  
As at the date of the Appointment of Liquidators  
Being 29 July 2009**

		<i>Book Value</i>	<i>Estimated Realisable Value</i>
		\$	\$
<b>Assets not Specifically Pledged:</b>			
Stock		Nil	Nil
Debtors - Other		14,216	Unknown
Plant and Machinery, Office Equipment etc		259,980	Unknown
			<u>Unknown</u>
	<i>Estimated to Realise</i>	<i>Owed to Secured Creditor</i>	
<b>Assets Specifically Pledged:</b>			
Debtors - Trade	1,478,740	550,000	<u>Unknown</u>
<b>Estimated Total Assets Available for Preferential Creditors and Secured Creditors</b>			Unknown
<i>Less</i> – First Ranking Preferential Creditors			
Wages and Holiday Pay (Includes PAYE)			<u>62,611</u>
			Unknown
<i>Less</i> – Second Ranking Preferential Creditors			
Inland Revenue Department	GST	Nil	
	PAYE	<u>26,352</u>	
			<u>26,352</u>
<b>Estimated Total Assets Available for Secured Creditors and Unsecured Creditors</b>			Unknown
<i>Less</i> – Secured Creditors			<u>339,112</u>
<b>Estimated Total Deficiency as regards Unsecured Creditors and Shareholders</b>			Unknown
<i>Less</i> – Unsecured Creditors			
	- Trade Creditors		2,562,420
	- Other		<u>730,143</u>
<b>Total Deficiency as regards Unsecured Creditors and Shareholders</b>			Unknown
<i>Less</i> – Issued and Paid Up Capital			<u>588,899</u>
<b>Total Deficiency as regards Unsecured Creditors and Shareholders</b>			<u>Unknown</u>

**Note:** The above estimates are subject to the costs of realisation, including Liquidators' fees.

**Disclaimer of Liability:**

We have prepared the Estimated Statement of Affairs as at the date of liquidation being 29 July 2009.

The Estimated Statement of Affairs has been prepared based on information from the books and records of the company together with information supplied by the Director. This information has not been verified. The Liquidators have not carried out an audit or reviewed the information supplied and therefore they do not accept any responsibility for the accuracy of the information from which the Estimated Statement of Affairs has been prepared. Further, the Estimated Statement of Affairs has been prepared for the purpose of the liquidation only, and the Liquidators do not accept any responsibility on any ground whatever, including liability in negligence, to any other person.

**Darrak Produce Markets Limited (In Liquidation)****Creditors Known at Liquidation****July 2009**

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<b>Company</b>	<b>Address1</b>	<b>Address2</b>	<b>City</b>
ACC PROCESSING CENTRE	P.O. BOX 38 023	TE PUNI	WELLINGTON
ACTRIX NETWORKS LIMITED	FREEPOST: ACTRIX	P. O. Box 11-410	WELLINGTON
ADVANCING FOOD SAFETY	P O BOX 28305	REMUERA	AUCKLAND
AFFORDABLE PARTSWORLD LTD	705 ROOSEBANK ROAD	PO BOX 19-584	AUCKLAND
THE AGRICHAIN CENTRE	P. O. Box 101 245	NSMC	AUCKLAND
D R & C A ALLERBY	STATE HIGHWAY 10	R D 2 , KERI KERI	NORTHLAND
ALLENDALE ELECTRICAL LTD	P. O. BOX 68332	NEWTON	AUCKLAND
AMARA ARNON	P O BOX 73	AWANUI	KAITAIA
TAE HO PARK	71 GLENBROOK ROAD	RD 1	WAIUKU
PAK HARVEST LTD	P O BOX 20	MANGATAPERE	WHANGAREI
PHLOI PHONTUSAENG	17 SHERWOOD AVENUE	TE ATATU SOUTH	WAITAKERE
ASSURED FOOD SAFETY LTD	P. O. Box 41 015	St Lukes	Auckland
E C ATTWOOD LTD	P O BOX 37-568	PARNELL	AUCKLAND
AUCKLAND FRESH LTD	15 HOLDEN ROAD	HENDERSON	WAITAKERE
AUCKLAND FRESH LTD	15 HOLDEN ROAD	HENDERSON	AUCKLAND 8
AUCKLAND CHAMBER OF COMMERCE	ACCOUNTS RECEIVABLE	P O BOX 47	AUCKLAND
NZ AVOCADO INDUSTRY COUNCIL	P.O.BOX 13267	TAURANGA	
AVTAR SINGH	41C VICTORIA ROAD	PAPATOETOE	AUCKLAND
AWATEITEI FARM LTD	98 MILE BUSH RD	PUKEKAWA , R D 1	TUAKAU
BEAUREPAIRES	P O BOX 40343	UPPER HUTT	
BEHAGUE & RICHARDSON FARM P/S	130 GERAGHTY MABER ROAD	TUAKAU	
HIRA BHANA & CO LTD	TUAKAU ROAD	PUKEKOHE	
BIDVEST NEW ZEALAND LTD	P O BOX 74552	MARKET ROAD	AUCKLAND
BRADY'S TRANSPORT	P O BOX 83-141	EDMONTON	AUCKLAND
I M & C M CHEESEMAN	P O BOX 430	DRURY	
CHEP NZ	P O BOX 76-556	WIRI	AUCKLAND
CHESTERGROVE ORCHARD LTD	P. O. BOX 805	HASTINGS	
Young Wah CHONG	UNION ROAD	R D 3	PUKEKOHE
CK CONSULTING NZ	100A BLOCKHOUSE BAY ROAD	AVONDALE	AUCKLAND
CLIFFORD K	PO BOX 12 940	PENROSE	AUCKLAND
MYOB NZ LTD	P O BOX 73097	AUCKLAND AIRPORT	MANUKAU
COMPASS CUSTOMS	PO BOX 19 017	AUCKLAND	
COOLQUIP LTD			
CHINA OCEAN SHIPPING COMPANY	P. O. BOX 3972	AUCKLAND	
THE CRATE CARRYING COMPANY	P. O. Box 189	DRURY	SOUTH AUCKLAND
CROMPTON GARDENS	41 WESTLAKE ROAD	RUAWAI	NORTHLAND
DARRAK TRANSPORT LTD	PO BOX 13-792	OTAHUHU	AUCKLAND
B DAS & SONS LTD (NO2 ACCOUNT)	P O BOX 139	PUKEKOHE	
DELTAPAC (2004)LTD	P O BOX 2109	GISBORNE	
DEVINE ORCHARD	134 STOCKTON ROAD	RD 6	TE PUKE
ECOLAB LTD	DANIEL PLACE	P O BOX 10 061	HAMILTON
ENVIRO SITE SERVICES LTD	PO BOX 58672	GREENMOUNT	MANUKAU
		SOUTH AUCKLAND MAIL CENTRE	
EQUIPMENT FINANCE LTD	PRIVATE BAG 94013		AUCKLAND
ESSENTIAL BRANDS GROUP NZ LTD	P O BOX 302 449	NOFRTH HARBOUR	AUCKLAND
FIELDCO AGRICULTURE	P O BOX 457	DARGAVILLE	
FJ COMPUTERS LIMITED	9 PENZANCE RD	MAIRANGI BAY	NORTH SHORE CITY
FRESH N.Z. LTD	P O BOX 446	HASTINGS	
FRESH N.Z. LTD	P O BOX 446	HASTINGS	
PERFECT PRODUCE LTD	P O BOX 121	PUKEKOHE	
S J FOSTER & I T BATES	53C PUCKEY ROAD , RD 2	KAITAIA	
D I & J G FOSTER	20A OKAHU ROAD	KAITAIA	
L & A FRASER	P O BOX 171	AHIPARA	NORTHLAND

# Darrak Produce Markets Limited (In Liquidation)

## Creditors Known at Liquidation

July 2009

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FRESH DIRECT LIMITED	P O BOX 17-470	GREENLANE	AUCKLAND
FREIGHT LINES LTD	6 Progress Dve	P O BOX 231	OTOROHANGA
FRESH FREIGHT LTD	P O BOX 300 - 17	ALBANY	AUCKLAND
Fresh Connection Ltd	P O BOX 132-006	SYLVIA PARK	AUCKLAND
	20 LADY RUBY DR		
INDUSTRIAL TRUCK SALES	E/TAMAKI	MANUKAU 2013	PO BOX 51220
FRUITPACKERS (HB) CO-OP			
LTD	P O BOX 44	WHAKATU	HAWKES BAY
FUMACARE LIMITED	P O BOX 21-453	HENDERSON	AUCKLAND
A F FYERS	1403 WAERENGA ROAD	R D 1	TE KAUWAHATA
GE COMMERCIAL FINANCE	PO BOX 4058	AUCKLAND	
GIDDA FARMS LTD	698 CHAPEL ROAD	HOWICK	
GILES CARPET LTD	112 STODDARD ROAD	MT ROSKILL	AUCKLAND
GILL HERPREET LTD	P O BOX 568	KUMEU	AUCKLAND
GLASSFIELDS (NZ) LTD	P O BOX 132 233	SYLVIA PARK	AUCKLAND
GLOBAL ORGANICS NZ LTD	P O BOX 107106	AUCKLAND AIRPORT	MANUKAU
GEM OFFICE SUPPLIES	P O BOX 8587	SYMONDS STREET	AUCKLAND
GM SECURITY LIMITED	PO BOX 201 094	AUCKLAND AIRPORT	MANUKAU
JOE GOCK	PUKAKI ROAD	MANGERE	
GRAFFITI GUARD SERVICES			
LTD	P O BOX 12-291	PENROSE	AUCKLAND
GREEN HARVEST GROWING	P O BOX 35462	BROWNS BAY	NORTHSHORE CITY
HAN'S FARM NZ LTD	418 DRURY HILLS RD	DRURY	AUCKLAND
HIGHWAY GARDENS CO LTD	172 WAERENGA RD	OTAKI	
HINEMOA QUALITY			
PRODUCERS LTD	363 MURRAY RD	R.D.1	TUAKAU
HORT CARE LTD	153 TATTON ROAD	RD9	WHANGAREI
HORTICULTURAL			
TRANSPORT LTD	15 WASHER ROAD	P O BOX 59	NGARUAWAHIA
HIGHWAY SUPPLIES	P O BOX 20-370	TE RAPA	HAMILTON
		R D 2 , PUKETOTARA	
P & J HULMES	RAPID 268	ROAD	KERIKERI
INDEPENDENT			
VERIFICATION SER.	P O BOX 9272	WAIKATO MAIL CENTRE	HAMILTON
J IRELAND	902 OLD NORTH ROAD	R D 2	WAIMAUKU
JAI SHANKAR GROWERS LTD	P O BOX 72451	PAPAKURA	
JAK FRUIT NZ PTY LTD-US \$	17 SALEYARDS ROAD	OTAHUHU	AUCKLAND
JAK FRUIT PTY LTD-AUD \$	PO BOX 5096	MILDURA,VICTORIA	AUSTRALIA
JANI-KING(NZ) LTD	PO BOX 300722	ALBANY	AUCKLAND
R & M JESSOP	24 LAMBERT ROAD	R D 2	WHAKATANE
KADEJA LTD			
KAIAPONI FARMS LTD	P O BOX 191	GISBORNE	
KARAN LABOUR SUPPLY			
LTD	4/156 PUHINUI ROAD	PAPATOETOE	MANUKAU
KELSTON SUPPLY LTD	49 ORMOND ROAD	R D 5	HASTINGS
KEVIN TURNER CLEANING	22 TAKUTAI AVENUE	BUCKLANDS BEACH	
KIWILINK INTERNET			
SERVICES LTD	P O BOX 26-649	EPSOM	AUCKLAND
KOVATI TAM YAM GARDENS	86A WYMER RD	R D 1	WAIUKU
KPH TRANSPORT LTD	P O BOX 150	DRURY	AUCKLAND
KPS FRESH PRODUCE LTD	66 TRIG ROAD	WHENUPAI	WEST AUCKLANZ
J LAKHU & SONS LTD	65 WAIUKU ROAD	PUKEKOHE	
LAND TRANSPORT NZ	5 SYLVIA PARK ROAD	MT WELLINGTON	AUCKLAND
MACKS CITRUS LTD	994 BACK ORMOND ROAD	RD1	GISBORNE
MAERSK NEW ZEALAND	L36 48 SHORTLAND		
LIMITED	STREET	P.O. BOX 90 616	AUCKLAND
MAF QUALITY			
MANAGEMENT	ACCOUNT NBR: QE0805	PO BOX 2526	WELLINGTON
J MANGA & SON	P O BOX 357	PUKEKOHE	
McCRAE ANTON	P O BOX 702	KAITAIA	
DG & KJ McINTYRE	R D 1	TE KAUWHATA	
McKAY SHIPPING LTD	PO BOX 3	AUCKLAND	
P & P MEHAMI	7 MISSION BUSH ROAD	RD 1	WAIUKU
MENGYE INVESTMENTS LTD	1166 PEAK ROAD	R D 2	HELENSVILLE ,

**Darrak Produce Markets Limited (In Liquidation)****Creditors Known at Liquidation****July 2009**

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METRO WATER	PRIVATE BAG 92 502	WELLESLEY STREET	AUCKLAND
MPV PRODUCE	TUCKER ROAD	RD1	AUCKLAND
NANGILOC COLIGNAN FARMS LTD	SUITE 2, 2103 15TH STREET	IRIMYPLE	GISBORNE
NANGILOC COLIGNAN FARMS NZ\$	SUITE 2, 2103 15TH STREET	IRIMYPLE	VICTORIA,
RL & ME NICHOLSON	3682 CAMBRIDGE ROAD	R D 3	AUSTRALIA
NIKUAU FARM	17A SCOTT ROAD	HOBSONVILLE	CAMBRIDGE
ALLAN W NOBLE LTD	2998 MAIN ROAD	R D 2	WAITAKERE
	ACCOUNT NBR 1892278		KATI KATI
NEW ZEALAND COURIERS	NC1888682	P O BOX 90047	AUCKLAND
NZ CUSTOMS SERVICE	AUCKLAND (SUPPLIER PAID BY DD)	P.O. BOX 2218	WELLINGTON
NZ FRUITGROWERS FEDERATION	CUST NO: 191088		
NZ FEIJOA GROWERS ASSOCIATION	ALPHA:CARTE	P O BOX 2175	WELLINGTON
NZTS AUCKLAND	C/- ROBERT JESSOP	24 LAMBERT RD	R D 2, WHAKATANE
Online Security Services	P O BOX 8860	SYMONDS STREET	AUCKLAND
J R'S ORCHARDS LTD	Po Box 12-360	PENROSE	AUCKLAND
PATIPHAN READAL	FN 2458B PAH ROAD	R D 1	GREYTOWN
PAPER RECLAIM LIMITED	2915 FAR NORTH ROAD	MATUTANGI , R D 4	KAITAIA
THE PARKER TRUST	P O BOX 12-187	PENROSE	AUCKLAND
RH & ME PATERSON	577 CARRINGTON ROAD	R D 1	NEW PLYMOUTH
PIPFruit NEW ZEALAND INC.	502 WEST COAST ROAD	RD	AWANUI, KAITAIA
Phillips O'Connor P/ship	P O BOX 10 704	WELLINGTON	
PIQUANT GARLICK 2003	97 Valancia Lane	R D 3	KERIKERI
POLE TO POLE PRODUCE LTD	GATE 854	OLD RENWICK ROAD	R D 2 , BLENHEIM
POWELL WEBBER & ASSOCIATES	84 WAIMEA DRIVE	R D 8	TE PUKE
PRIMOR PRODUCE LTD	P O BOX 37 661	PARNELL	AUCKLAND
PRODUCE BROKERS LTD	P O BOX 9190	NEWMARKET	
THE PRODUCE CONNECTION LTD	55B JOLL ROAD	HAVELOCK NORTH	
PUNCHBOWL COOLSTORES LTD	P O BOX 10091	TE MAI	WHANGAREI
QUARANTINE TREATMENT CENTRE	646 GLENBROOK ROAD	PATUMAHOE , R D 4	PUKEKOHE
COOLTRAIN LTD	P. O. BOX 201 071	AUCKLAND AIRPORT	MANUKAU
REDWOOD ORCHARD	PO BOX 2181	STORTFORD LODGE	HASTINGS
RIVERVIEW	RD 9	WHANGAREI	
RODEM FLOS LTD	P O BOX 26	TE KARAKA	GISBORNE
R S S GROWERS LTD	156 TAHA ROAD	WAIMAUKU	AUCKLAND
SATARA CO-OPERATIVE GROUP	31 MIDDLEFIELD DRIVE	DANNEMORA	MANUKAU
SET SUE LTD	P O BOX 243	TE PUKE	BAY OF PLENTY
SHALENDRA KUMAR T/A	142 POLLOCK ROAD	R D 3	PUKEKOHE
SNK ENTPR.	45 DOMINION RD	TUAKAU	
R K & M D SHARMA	P O BOX 72-776	PAPAKURA	
SHORELINE HAWKES BAY LTD	12 WHAKARIRE AVENUE	WESTSHORE	NAPIER
	375 GLENBROOK BEACH ROAD	RD 1	WAIUKU
G & M SINGH	297B TAURANGARURU ROAD	RD3	WAIUKU
SINGH PRODUCE	257 TUKITUKI ROAD	R D 2	HASTINGS
MR JACOB SLUI			
SNELL PACKAGING & STATIONERY	45 MAURICE ROAD	P O BOX 12-215	PENROSE
SONG KEE FRUIT & VEGES	P O BOX 99632	NEWMARKET	AUCKLAND
SOUTH PACIFIC CHERRIES LTD	67 HAMMOND ROAD	R D 1	BLENHEIM

