

# Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Company No: 1757801

Refer to: Michael Lamacraft

## Receivers' First and Final Report on the State of Affairs

of

Polar Krush New Zealand Limited (In Receivership)

"The Company"

### Introduction

Effective 7 September 2011, Jeffrey Philip Meltzer and Arron Leslie Heath of Meltzer Mason Heath, were appointed Receivers and Managers in respect of all the Company's undertaking and all its real and personal property and all its assets and effects whatsoever and wheresoever both present and future, including its uncalled and unpaid capital.

### Events Leading to the Appointment and Resignation of Receivers

The Company had been unable to service its obligations to the secured lender. A demand was served that could not be satisfied and the appointment of Receivers followed. Following the Receivers' appointment the guarantor entered into negotiations with the secured lender and an agreement for satisfying the indebtedness to the secured lender was reached. The Agreement involves releasing the Company from receivership.

### Trading On

The Company ceased to trade upon the appointment of the Receivers. No stock or working capital was available for trading purposes.

### Proposal for Disposal of Receivership Property

Control of the Company's assets will revert to the Director at the conclusion of the receivership. Some assets, such as the juice vending machines located within the Christchurch red zone, may not be recoverable.

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Jeff Meltzer

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Karen Mason

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Arron Heath



### **Amounts Owing to Security Holders**

At the date of appointment approximately \$1,005,000 was owed to the secured creditor under the terms of a General Security Agreement dated 19 September 2006 in favour of South Canterbury Finance Limited (In Receivership), PO Box 79051, Avonhead, Christchurch 8446.

The Secured Creditor in respect of the vehicle is Mercedes Benz Financial Services, (“MBFS”) 9 Pacific Rise, Mt Wellington, Auckland. At the date of appointment \$5,278 was owed to MBFS. MBFS’ s security was created on 1 July 2009.

### **Preferential Creditors**

At this stage preferential claims have not been notified however we estimate that these claims will not exceed \$2000. There is no prospect of a dividend to preferential creditors from the receivership. These claims will continue to be a liability of the Company, notwithstanding the end of the receivership.

### **Unsecured Creditors**

There is no prospect of a dividend from the receivership being available to unsecured creditors. The company will be responsible for dealing with unsecured creditor claims.

### **Particulars of Assets and Liabilities**

We attach particulars of the assets and liabilities of the Company.

### **Availability of Relevant Information**

The Company has provided certain information to the Receivers. However, it has been unable to provide some information requested by the Receivers. This information has been obtained from other sources.

### **Receipts and Payments**

A receipts and payments statement for the receivership period is attached.

### **Cessation of Receivership**

The receivership ended on 18 November 2011.

## **Disclaimer of Liability**

As required by Sections 23 and 24 of the Receiverships Act 1993, this report has been prepared by the Receivers and is available to all persons entitled to receive it under Section 26 of the Receiverships Act.

The report is based on information that has been disclosed to the Receivers at the date of the report. The information has been gathered from various sources (including available records of the Company), and has not been verified by the Receivers and the Receivers have accepted without review information and explanations that have been provided to them.

Some figures are estimates only. Statements of intention or forecasts of possible outcomes are subject to change upon new information being disclosed to or received by the Receivers.

The Receivers accordingly make no representation or warranty as to the accuracy or completeness of the information contained in this report, and shall not be liable for any statements, information or matters (whether express or implied) contained in, or derived, or omitted from this report. The Receivers shall not be responsible for the reliance of any person on information contained in, or derived, or omitted from this report.

The Receivers are agents of the Company, and shall not be subject to personal liability for any act, omission or statement (whether negligent or otherwise) made or omitted, arising out of this report.

18 November 2011

A. Heath.  
A L Heath  
**Receiver and Manager**

**Particulars of Assets and Liabilities of  
Polar Krush New Zealand Limited (In Receivership)  
As at the date of the Appointment of Receivers  
Being 7 September 2011**

	<i>Estimated to Realise</i> \$	<i>Owed to Secured Creditors</i> \$	<i>Estimated Realisable Value</i> \$
<b>Assets Specifically Pledged:</b>			
Vehicle	12,000	(5,278)	6,722
Trailers, Equipment, Goodwill	5,000	(1,005,000)	<u>(1,000,000)</u>
<b>Estimated Shortfall as regards Secured Creditor</b>			<u>993,278</u>
 <b>Assets not Specifically Pledged:</b>			
Stock			NIL
Debtors			<u>2,000</u>
<b>Estimated Assets Available for Preferential Creditors</b>			<u>2,000</u>
First Ranking Preferential Creditors			
Wages and Holiday Pay (Includes PAYE)			NIL
Second Ranking Preferential Creditors			
Inland Revenue Department	GST	-	
	PAYE	<u>(2,000)</u>	
			<u>(2,000)</u>
<b>Estimated Deficiency as regards Preferential Creditors</b>			<u>NIL</u>
Unsecured Creditors			
Trade/Employees		(100,000)	
Shortfall to Secured Creditor		(993,278)	
Shareholder Advances		<u>(1,200,000)</u>	
			<u>(2,293,278)</u>
<b>Estimated Deficiency as regards Unsecured Creditors</b>			<u>(2,293,278)</u>
Issued and Paid Up Capital			<u>(10,000)</u>
<b>Estimated Total Deficiency</b>			<u>(2,303,278)</u>

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

**Disclaimer of Liability:**

We have compiled the Statement of Affairs as at the date of Receivership being 7 September 2011.

A compilation is limited to the collection, classification and summarisation of the books and records of the Company together with information supplied by the Director. A compilation does not involve the verification of that information. We have not carried out an audit or reviewed the information supplied and therefore we do not accept any responsibility for the accuracy of the information from which the Particulars have been prepared. Further, the Particulars have been prepared for the purpose of the receivership only, and we do not accept any responsibility on any ground whatever, including liability in negligence, to any other person.

A L Heath  
Receiver and Manager

## Polar Krush New Zealand Limited (In Receivership)

### Amounts Received and Paid for the Period ended 18 November 2011

<i>Receipts</i> \$		<i>Payments</i> \$	
Debtors	2,065.47	Receivers' Disbursements	551.67
		Insurance	763.67
		Finance Company	635.58
		GST Expense	114.55
<b>Total Receipts</b>	<u>\$2,065.47</u>	<b>Total Payments</b>	<u>\$2,065.47</u>

All amounts shown are GST exclusive.

Dated this 18<sup>th</sup> day of November 2011