

**Receiver's First Report on the State of Affairs of
Evergreen Paint Limited (In Receivership & Liquidation) 'the company'
as at 30 July 2018**

Thomas Lee Rodewald was appointed as Receiver and Manager of the above company on the 31st day of May 2018 under the powers contained in a general security agreement dated 5 June 2015 which property consists of all present and after acquired property of the Company.

We set out below our first report on the state of the affairs of the above named company as required by section 23 of the Receivership Act 1993.

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Events Leading up to Our Appointment

At the date of Receivership, the Company had been placed into liquidation by special resolution of the shareholders with Imran Kamal appointed as Liquidator. The liquidation constituted a breach of the default terms of the General Security Agreement, held by Invoice Funders Limited ("the Appointor"), who elected to appoint a Receiver.

We understand that prior to our appointment the Liquidator had ceased trading the business and terminated the staff employment contracts. The Company had traded a painting business based in Christchurch.

Debtors

The Appointor had provided a debtor factoring facility which the Company had utilised extensively leading up to the Receivership date. Accordingly, there are many invoices that have been factored which the Receiver will attempt to collect for which the Appointor holds a Purchase Money Security Interest over.

The Receiver understands that the Company only had one major debtor it contracted to which was ultimately working for Housing New Zealand. The Receiver has been engaging with the debtor to collect the remaining undisputed invoices that are outstanding.

Other Assets

The Receiver has taken possession of the remaining tools and equipment that the Company owned and is selling these through a local auctioneer. There are also four vehicles which are secured by way of specific security to Heartland Bank which the Receiver has allowed to be sold to repay the secured debt.

There is a further vehicle owned by the Company which was purportedly secured to Heartland which the Receiver has disputed the validity of the security interest Heartland relies upon to secure it. This has resulted in a settlement between the Receiver and Heartland.

Amounts Owing to the General Security Agreement Holders

At the date of the Receiver's appointment the amounts owing were as follows:

<i>General Security Agreements</i>	\$
1 st Invoice Funders Limited	65,235.49
2 nd Gold Band Finance Limited	57,426.37

Specific Security Creditors

<i>Specifically Charged Assets</i>	\$
Heartland Bank Limited – Goods Other	38,254.65
Mercedes-Benz Financial Services NZ Limited	Unknown

Total Secured Creditors	\$
	160,916.51

Preferential Creditors

The IRD have yet to submit their claim which sets out their preferential claim component.

We are aware that there are eight former staff with claims for unpaid wages and holiday pay for the total amount of \$17,352.69.

Unsecured Creditors

Due to the extent of the secured creditor claims there are unlikely to be any funds available for returning to the company, or a liquidator at the conclusion of the Receivership for distribution to unsecured creditors. The total amount due to unsecured creditors to date is \$36,363.84.

Assets & Liabilities of the Company

We attach as **Appendix 1** a list of the assets and liabilities of the company at the date of appointment.

Receipts & Payments

We attach as **Appendix 2** a list of receipts and payments to 31 July 2018.

Information Provided by the Company

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



Thomas Lee Rodewald
Receiver and Manager

Appendix 1

**Statement of Assets & Liabilities for
Evergreen Paint Limited (In Receivership & Liquidation)
as at 31 May 2018**

		Estimated Return Value
ASSETS		
Cash on Hand		1,855.00
Accounts Receivable		50,147.00
Fixed Assets		Unknown
	Total Assets	<u>\$52,002.00</u>
LIABILITIES		
CHARGE HOLDERS		
General Security Agreements		
General Security Agreements		122,661.86
Specific Security Agreements		38,254.65
PREFERENTIAL CREDITORS		
Employees		
Wages / Holiday Pay / Termination Pay		17,352.69
Inland Revenue Department	GST/PAYE/Kiwisaver	Unknown
UNSECURED CREDITORS		
Non PPSR Charge Holders	Accounts Payable	Unknown
IRD (Penalty & Interest)		Unknown
	Total Liabilities	<u>\$178,269.20</u>
	Net Deficit	<u>\$126,267.20</u>

Note: The statement excludes any values for the shareholders current account and any intercompany and related party debts, which are currently being established.

**Evergreen Paint Limited (In Liquidation) (In Receivership)
Receipts and Payments from 31 May 2018 to 30 July 2018**

GST exclusive

Receipts

GST on income	708.55	
Funds on hand	2,070.00	
Debtors	0	
Interest Received	0	
Credit refunds	0	
Other Assets	4,508.70	
		<u>\$7,502.25</u>

Payments

GST on expenses	978.55	
Bank Fees	0	
RWT on Interest	0	
Legal fees	859.75	
PAYE paid	0	
Preferential payment - wages and holiday pay	0	
Receivers fees	4,066.95	
Wages	0	
Commissions Paid	1,037.00	
Agents Fees	215.00	
Auction Fees and Expenses	130.00	
		<u>\$7,502.25</u>

Net Funds

\$ 0.00

ATTACH CREDITORS CLAIM FORM

**In the Matter of the Receivership of
Evergreen Paint Limited (In Receivership & Liquidation)
Under the Receivership Act 1993**

Confirmation of Amount Owing

Name of creditor *(in full)* _____

Email address of creditor _____

Postal address of creditor *(in full)* _____

Type of goods or services supplied _____

I, _____

State:

1 That the company was at the date of the commencement of the receivership namely the day of 20..., indebted to the above named creditor for the sum of \$..... (*figures and words*)

2 That this debt is not a preferential claim under the Receiverships Act 1993.

or (delete as applicable)

That the whole of or part of the above amount is a preferential claim under the Receivership Act 1993 for:

Amount preferred \$

3 That security for the payment of the whole or any part of the above amount is not held.

or (delete as applicable)

That the following security is held for the payment of the whole or part of the above amount.

Type of security:

Date security given:

Property secured:

4 That particulars of the accounts are attached hereto or set out on the reverse side of this form.

Signed _____ Date _____

**Please return this form to:
Rodewald Consulting Limited PO Box 15543, Tauranga 3144
carol@rodewaldconsulting.co.nz**

Reserved for use of Receiver

Received
(Date stamp)

Accepted for \$ _____
To rank as ordinary/preferential/secured claim

Date _____

Particulars of Account

Date	Goods or services supplied	Amount	Vouchers
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