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New Zealand Pet Food Primary Processors Limited (In Liquidation) Liquidator's First Report

23 May 2018

1. Background

New Zealand Pet Food Primary Processors Limited (In Liquidation) ("the Company") was placed into liquidation by special resolution of the shareholders on the 18th day of May 2018 at 7:00am. Thomas Lee Rodewald, Chartered Accountant of Tauranga was appointed as Liquidator of the company.

2. Disclaimer

This report is not intended for general circulation, nor is it to be reproduced or used for any purpose other than that outlined above without written permission in each specific instance. The Liquidator does not accept any responsibility or liability for any damage or loss occasioned to any party as a result of the circulation, publication, reproduction or use of this report. In particular the Liquidator takes no responsibility for any misinformation contained therein that has been supplied by the company, its officers or any other person. The report is also based upon information available at this date, and the Liquidator therefore reserves the right to review, and if necessary, amend the report.

3. Company Information

Date of Incorporation: 18 Jul 2016

Trading Address: 343 Springhill Road, Te Kauwhata

Type of business: Pet Food Processing

Date trading ceased: 15 March 2018

Shareholders: Corsarii Petfood Limited, Sheryl Joy Cleaver

Number of Shares: 100

Directors: Sheryl Joy Cleaver, Loncey Daniel Clarke

4. Events Leading to Appointment of Liquidators

The Directors of the company have advised the reason for the failure of the Company is due to a dispute between the shareholders following large trading loses. On 15 March 2018, 50%

shareholder Corsarii Petfood Limited took over the operations. Following discussions with their legal advisers, both shareholders agreed to place the company into Liquidation.

5. Statement of Affairs

We attach as **Appendix I** a statement of the Company's affairs as at the date of our appointment.

This has been prepared from information provided by a director of the Company and the Liquidator is not yet able to express an opinion on the validity of that information.

Also attached as **Appendix II** is a list of known creditors as at the date of appointment.

6. Proposals for Conducting the Liquidation

The Liquidator will review the Company's books and records to establish if there are any potentially voidable transactions, any potential shareholder current issues and ensure the Director/s have complied with their duties and obligations imposed on them under the Companies Act 1993.

7. Estimated Date of Completion of Liquidation and Notice As To Further Reports

It is not practicable to estimate the date of the completion of the liquidation at this stage. Further reports will be issued six monthly, with a final report at the conclusion of the liquidation.

8. Creditors Meeting

Having regard to the assets and liabilities of the company, the likely result of the liquidation and other relevant matters, the Liquidator considers in accordance with section 245 of the Companies Act 1993 that no such meeting should be held.

A meeting will not be called unless within 10 working days after receiving this notice a creditor gives notice in writing to the Liquidators requiring a meeting to be called.

The Liquidator dispenses with holding a creditors meeting pursuant to Section 243 of the Companies Act 1993 as the dividend is expected to be nil or very small.

In accordance with Section 314 of the Companies Act 1993 a creditor or shareholder may request the Liquidator to call a meeting of creditors or shareholders at any time in the course of the Liquidation to vote on a proposal that a Liquidation Committee be appointed to act with the Liquidator. This request must be in writing.

The Liquidator may decline a request by a creditor or a shareholder to call a meeting on the grounds that:

- a) the request is frivolous or vexatious; or
- b) the request was not made in good faith; or

c) the costs of calling the meeting would be out of proportion to the value of the company's assets.

The decision to decline a request may be reviewed by the Court on the application of any creditor or shareholder.

9. Creditors Claims

If your terms of trade with the company include reservation of title of goods supplied please contact Tom Rodewald by email: tomr@rodewaldconsulting.co.nz or phone 021 22 77 408

Please complete and return the enclosed Unsecured Creditors Claim form by 23 July 2018 to carolc@rodewaldconsulting.co.nz. If you believe that you are a secured creditor please contact our Carol above and the appropriate forms will be sent to you.

Completion of your claim should be given your urgent attention. If creditors do not lodge a claim with the Liquidator, the creditor is not entitled to share in any distribution to creditors that may be made by the Liquidator.

10. Further Information

If you require any further information or if you have any information that will be of assistance to the Liquidators please contact Tom Rodewald on 021 2277408 or email: tomr@rodewaldconsulting.co.nz.

Thomas Lee Rodewald Liquidator

New Zealand Petfood Primary Processors Limited(In Liquidation) Statement of Affairs as at the Date of the Appointment of the Liquidators being 18 May 2018

	Estimated to Realise	
Assets Note		
Plant & Equipment	1	Unknown
Debtors	2	Unknown
Stock	3	Unknown
Cash in Bank		5,146.91
	- -	Unknown
Less Secured Claims		
Coffee Distributors NZ Limited		Unknown
Technology Holdings Limited		Unknown
Less Preferential Claims		
Employee Claims		16,387.18
IRD – GST	4	Unknown
	- -	Unknown
Deficit before Unsecured Creditors		Unknown
Less Unsecured Creditors		
Shareholder Advance Accounts	5	Unknown
Unsecured Staff claims		2,121.88
Trade Creditors	<u>-</u>	Unknown
	<u>-</u>	Unknown
Deficit (before costs of liquidation)	=	\$Unknown

Note 1: Some minor plant and equipment exists. We are awaiting a valuation. We have not disclosed an estimate for commercial reasons while a sale price is agreed

Note 2: Book value of debtors is approximately \$75,000. We do not hold sufficient information to estimate a likely recovery.

Note 3: A list of stock on hand as at 15 March take over of the business by one of the shareholders has been provided. We are currently valuing the stock.

Note 4: We have been advised the IRD is up to date. The company owes approximately \$2,500 for April GST but a balance for May is yet to be calculated.

Note 5: A dispute exists between the shareholders. It appears the shareholders have funded major trading losses. We expect both shareholders will have credit balances, but are unable to confirm estimates at this point in time.

Note 6: We understand a number of farmers have not been paid for animal purchases, in that they are holding unpresented cheques. It is not believed the amount is material. Other trade creditors appear minimal.

Disclaimer

This statement should be read in conjunction with the disclaimer on page one of the above Liquidator's report and Rodewald Consulting Limited have not audited the report and they, their directors or employees accept no liability to any other party in relying on the information presented. The purpose of the report is to give creditors of the company an indication of the financial position of the company as at the date of appointment of the Liquidator.

Rodewald Consulting Limited

New Zealand Petfood Primary Processors Limited(In Liquidation) Schedule of Creditors as at 18 May 2018

Brian Watkins
Coffee Distributors NZ Limited
Donna Edwards
Jason Wallace
Kawhia Aremoana
Kent Sambells
Mr Loncey Daniel Clarke
Ms Sheryl Joy Cleaver
Robin Heaney
Scott Powell
Technology Holdings Limited

Corsarii Petfood Limited

CREDITORS CLAIM FORM

(Also for use by Preferential Creditors) Section 304 (1) Companies Act 1993

Section 304 (1) Companies Act 1993						
Name and postal address	of creditor in full	*Any personal information collected is for the purpose of administering the liquidation in accordance with the				
		Companies Act 1993. The information will be used and retained by Rodewald				
Consulting Limited and will be released to oth with your authorization or in compliance w			e released to other parties only			
		Act 1993. Under section 304(1) of the Companies Act 1993 any claim				
		by an unsecured creditor againmust be in this prescribed for				
Telephone number:		(a) Contain full particulars o				
	•••••	the claim.	that evidence or substantiate			
(if applicable)		You may have access to, and request correction of any				
E-mail address:		personal information.				
	iture information about the	(*Not applicable, if creditor is not an individual within the				
company by email	reare information about the	meaning of the Privacy Act 1993.)				
New Zealand Petfood Primary Processors Limited (In Liquidation)						
, , , ,						
relationship to creditor a	nd authority) claim that the compar	(IT Claim is made	on behalf of creditor, specify			
	the sum of [amount in words and fig		no tiquidation indebted to the			
	and same or famount in words and ma	a. es ₁ .				
			\$			
STATUS OF CLAIM			TICK			
 I am an unsecured 						
	the security I hold and I am claiming					
	ferential claim (refer details of rever					
	rvation of title rights pursuant to righ	nts held by me				
(Refer details on r		documents that substantiate t	he claim are identified on the			
Full particulars of the claim are set out, and any supporting documents that substantiate the claim are identified on the reverse of the form. (Please include copies of all unpaid invoices)						
Signed:	Signed: Date:					
WARNING:-	It is an offence under section 304(6) of the Companies Act 1993 to:	-			
	Make, or authorize the making of	It is an offence under section $304(6)$ of the Companies Act 1993 to:-Make, or authorize the making of, a claim that is false or misleading in a material particular				
	knowing it to be false or misleading	g; or				
Omit, or authorize the omission, from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.						
Received	Reserved for Office Use	:				
(Date Stamp)	Claim admitted for voti	ng purposes: Signed:	Date:			
	Claim rejected for votin	ng purposes: Signed:	Date:			
	Claim rejected for payr	nent: Signed:	Date:			
	Preferential claim for: \$	Ordinary Claim for: \$	Deferred Claim for: \$			
	Signed					
	Liquidator:	Dated:				
Note: If the decision to admit or reject a claim is amended, regulation 8 of t Companies Act 1993 Liquidation Regulations 1994 requires that it be recorde writing.						

Please return this form to:
Rodewald Consulting Ltd, PO Box 15543, Tauranga 3144
carolc@rodewaldconsulting.co.nz

PARTICULARS OF CLAIM

Date	Details of claim and Identification of Documents that Evidence or Substantiate the Claim (i.e., unpaid invoices)	Amount \$
	(,	,
	RETENTION OF TITLE CLAIMANTS ONLY	
	Please provide details of the basis of your retention of title claim and furnish a copy of the documentation showing that such reservation of	
	title clause is a condition of contract.	
		Yes/No
		\$
		4
	PREFERENTIAL CLAIMANTS ONLY	
	 Are you claiming the full amount of your claim as preferential? If no, what part of the claim is preferential? 	
	3. Why do you believe you are a preferential creditor?	
	(E.g. employee, GST etc)	
	4. Details of your claim	
	,	
If applicable, please re-	cord your GST registration number:	
Total GST included in y	our claim \$	