



RG & KM Wilson Limited (In Receivership) (“the Company”)
Trading as Maketu Pies

Company number: 194189

Receivers’ First Report on the State of Affairs

Pursuant to Section 23 of the Receiverships Act 1993

28 November 2019



1. Introduction

Thomas Lee Rodewald and Kenneth Peter Brown were appointed Jointly and Severally as Receivers and Managers of RG & KM Wilson Limited (In Receivership) trading as Maketu pies (“the Company”) on 27 September 2019 under the powers contained in a General Security Agreement dated 5 November 2015 in favour of the Secured Party for securing advances and other Secured Party accommodation made or to be made to the Company by the Secured Party with interest and other moneys.

2. Restrictions

This report has been prepared by us in accordance with and for the purposes of Section 23 of the Receiverships Act 1993. It is prepared for the sole purpose of reporting on the state of affairs with respect to the property in receivership and the conduct of the Receivership.

All information contained in this report is provided in accordance with Sections 26 and 27 of the Receiverships Act 1993. In compiling this report we have relied upon and not independently verified or audited information or explanations provided to us.

We reserve the right (but will be under no obligation) to review this report and if we consider it necessary to revise the report in the light of any information existing at the date of this report which becomes known to us after that date.

Certain information can be withheld by the Receivers if inclusion would materially prejudice the exercise of the Receivers’ functions.

3. Events leading to our appointment

In the days leading up to the appointment, the Receivers were approached by the Directors of the Company, Grant and Karen Wilson. Discussions were held regarding the financial position of the company, staff issues and jobs in progress. Following these discussions and due to the company’s financial position, the Directors requested BNZ appoint Receivers as soon as possible.

4. Steps taken since our appointment

The Receivers have undertaken the following since their appointment:

- Determined that continuing to trade the Company whilst a sale of the business as a going concern was sought provided the best chance of maximising recoveries for creditors;
- Gained the support of key staff, customers and suppliers to ensure continued trading;
- Implemented a restructure to help ensure trading cash flows are positive;
- Arranged for an inventory and valuation of the Company’s fixed assets;
- Undertaken a sale process for the majority of the Company’s assets;
- Assessed the Personal Property Securities Register (“PPSR”) claims from suppliers;
- Reported to the appointing creditor;
- Liaised with employees and other stakeholders both in New Zealand and offshore including unsecured creditors and Inland Revenue;

- Taken legal advice on a range of issues;
- Dealt with finance and leasing matters;
- Undertaken a collection process for accounts receivable balances; and
- Fulfilled our statutory obligations set out in the Receiverships Act 1993.

5. Particulars of assets

A statement of affairs is attached as *Appendix 1*.

6. Property disposed of and any proposals for the disposal of property

The Receivers negotiated with a number of interested parties. A sale of the business has been achieved with settlement on 11 November 2019. The purchaser took over the lease of the property located at 6 Little Waihi Road, Maketu and all fixtures, fittings and assets.

7. Particulars of debts and liabilities currently outstanding and requiring to be satisfied from the property in receivership

Secured creditors

At the commencement of the receivership the amount owed to the appointing creditor, being the Bank of New Zealand, was \$1,073,502.25. This includes a debtor factoring facility. The debtors are not recorded as an asset of the Company as they were effectively purchased by the Bank of New Zealand prior to receivership.

Full particulars of securities registered against the Company's assets are attached as *Appendix 2*.

Preferential creditors

Employees

Preferential wages of \$8,967.39, holiday pay claims of \$142,743.55, time in lieu claims of \$2,065.59 and redundancy claims of \$22,995.80 are owed to staff. Total preferential staff claim is \$176,772.33.

IRD

Inland Revenue have filed a preferential claim for \$289,037.72 with the Receivers, which covers the outstanding amounts as at 27 September 2019.

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 known to date is \$558,860.00.

8. Receipts and Payments

We attach as *Appendix 3* a copy of the receipts and payments to date.

9. Co-operation by the grantor in making information available

The Directors of the Company have been co-operative with the Receivers.

10. Contact Information


If you require any further information, please direct enquiries to:

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TAURANGA 3144

Level 1
525 Cameron Road
TAURANGA 3110

Dated 28 November 2019



Thomas Lee Rodewald
Receiver and Manager



Kenneth Peter Brown
Receiver and Manager

Partners and staff acting as Receivers or Administrators do so as agents of the company without personal liability.

APPENDICES

Appendix 1 - Statement of Affairs as at the date of appointment

	Estimated to realise	
Assets	\$	
Funds on Hand	587	
Goodwill / IP	50,000	
Plant & Equipment	550,000	
Vehicles	37,000	
	637,587	
Less Secured Creditors:		
Bank of New Zealand	1,073,502	
Brambles New Zealand Limited	<i>Discharged</i>	
Elgas Limited	<i>Unknown</i>	
CSG Finance (NZ) Limited	<i>Unknown</i>	
NZ Bakels Limited	83,659	
Telecom Rentals Limited	9,535	
Davis Trading Company Limited	<i>Nil</i>	
George Weston Foods NZ Limited	<i>Discharged</i>	
Farmer Jones Wholesale Limited	76,591	
Tegal Foods Limited	<i>Nil</i>	
Multivac New Zealand Limited	172	
Heartland bank	50,378	
	1,293,837	
Less Preferential Creditors		
Staff Wages (Gross)	8,967	
Staff Holiday Pay, Time in Lieu & Redundancy (Gross)	167,805	
Inland Revenue - PAYE, KSR, SL, KSE	178,894	
Inland Revenue - GST	110,143	
	465,809	
Deficit before unsecured creditors	(1,122,059)	
Unsecured creditors		
Trade Creditors	558,860	
Inland Revenue - Penalties & Interest	47,492	
	606,352	
Estimated deficit (subject to costs of Receivership)	(1,728,411)	
Disclaimer		
This statement should be read in conjunction with the disclaimer on page one of the above Receivers report and BDO Tauranga 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 the appointment of the Receivers.		

RG & KM Wilson Limited (In Receivership)

**Receiver and Managers' Summary of Receipts and Payments
To 28 November 2019**

RECEIPTS	Total (NZD)
Funds on Hand Pre Receivership	586.72
GST on Income	68,278.06
Sale of Business - Going Concern	600,000.00
Sale of Stock	120,000.00
Trading Sales	454,909.29
	<u>1,243,774.07</u>
PAYMENTS	
Advertising	2,641.11
Cleaning / Waste Services	2,515.73
Computer Expenses	567.17
Credit Card Merchant Facilities	172.05
Electricity / Gas	14,619.57
GSA Holder Payment	391,766.50
GST on Expenses	75,083.56
Insurance	5,782.25
Lease Payments	475.95
Legal Fees	16,052.73
PAYE	27,303.82
Preferential Employee Entitlements	84,036.46
Printing & Stationery	201.00
Receivers Fees	110,520.32
Rent Paid	12,104.19
Repairs & Maintenance	4,120.45
Repayments to Finance Facility	11,119.92
Secured Creditor	4,351.91
Security Costs	398.73
Stationery & Printing	882.40
Storage	300.00
Telephone & Fax	2,247.29
Trading Expenses - Receivership	231,236.70
Transport	76,033.24
Travelling Expenses	1,979.82
Valuation Fees	800.00
Vehicle Expenses	1,323.37
Wages & Salaries	125,782.99
	<u>1,204,419.23</u>
Balances in Hand	39,354.84
	<u>1,243,774.07</u>