

Receivers' First Report on the State of Affairs of

***200 Vic Limited (In Receivership &
In Liquidation)***
(the Company)

Pursuant to Section 23 of the Receiverships Act 1993

13 April 2013

***Company Number:
1842106***

Registrar of Companies

Companies Office
Private Bag 92061
Auckland Mail Centre

13 April 2013

**200 Vic Limited (In Receivership & In Liquidation)
- (the Company)**

Please find attached our report in relation to the Company pursuant to Section 23 of the Receiverships Act 1993.

Yours faithfully
For the Company



Colin McCloy
Receiver



David Bridgman
Receiver



Contact Details

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Introduction and events leading to our appointment and work undertaken to date

Introduction

As a consequence of the Company's primary tenant of the property, Mainzeal Property and Construction Limited (now in Receivership & in Liquidation) (**Mainzeal**), being placed into receivership in early February 2013, the Company's director asked the secured creditor to appoint receivers to the Company.

We, Colin McCloy, and David Bridgman, Chartered Accountants of Auckland, were appointed receivers of the Company on 13 February 2013.

The property in receivership comprises all of the assets, property and undertakings of the Company.

This report has been prepared by us in accordance with and for the purpose of Section 23 of the Receiverships Act 1993 ("the Act"). 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.

On 28 February 2013, Andrew Bethell, Brian Mayo-Smith and Stephen Tubbs of BDO were appointed as liquidators of the Company by the shareholder. We will continue to communicate and work with the liquidators to assist with their process where appropriate.

Prior to receivership, the Company's business operations comprised the following:

- Ownership of a leasehold interest and commercial office building at 200 Victoria Street, Auckland.
 - The primary tenant is a related party, Mainzeal.
 - The secondary tenant is Kathmandu Limited.

Work Undertaken

We have secured the property and collected rent and opex amounts due to the Company from the secondary tenant.

Two former employees of Mainzeal have been engaged, on a contract basis, to assist with the maintenance of the building and to provide consulting services.

Debts and Liabilities Overview

The following table shows the particulars of known outstanding debts and liabilities of the Company at the date of receivership :

Class of Creditor	Note	Name of Creditor	Amount \$'000
First Ranking Secured	1	Bank of New Zealand	9,596
Unsecured	2	Related party	2,784
	3	Trade creditors	48

Notes

1. *These amounts represent principal and accrued interest to the date of appointment in respect of the following and interest will continue to accrue on outstanding balances:*
 - *Mortgage facility and credit balances.*
2. *Related party balance as at 31 December 2012.*
3. *Other creditors claims received as at 13 April 2013.*

Creditors with a General Security Interest

The Bank of New Zealand (**BNZ**) has registered security interests over the Company in respect to a General Security Agreement dated 2 August 2011.

Particulars of assets and proposals for disposal of receivership property

Summary of Assets

The Company's fixed asset register, as provided following our appointment, is summarised in the table below:

Type of Asset	Book Value \$'000
Land and Buildings	12,288
Debtors	196
Total	12,484

The Receivers' role is to maximise recoveries in an efficient manner, address statutory requirements and, once obligations have been met, transfer any surplus available for unsecured creditors to the liquidators.

We have omitted certain details concerning the realisation of receivership assets as we believe that their inclusion would materially prejudice the exercise of our functions and, in particular, our duty to obtain the best recovery reasonably obtainable in respect of the Company's assets.

Land and Buildings

The Company owns the building, 'Mainzeal House', located at 200 Victoria Street, Auckland City. The building is situated over two leasehold titles and is subject to a lease agreement between the Company and Auckland Council.

The Receivers are currently considering the best way to realise the property.

Debtors

The debtors balance was taken as at 31 December 2012 and compromised outstanding rent and opex payments. The Receivers are continuing to collect outstanding amounts.

Other matters**Amounts likely to be available for payment creditors other than those with statutory preferential claims**

The extent of any distribution to unsecured creditors is yet to be determined and will depend on future realisations that can be achieved.

Information provided by the Company

The director, management and staff of the Company and related entities have co-operated in making available the information required by the receiver to complete this report.

Communication

Our next statutory report under Section 24 of the Receiverships Act 1993, covering the period from 13 February 2013 to 12 August 2013, will be issued in November 2013.

In the interim, should creditors or other stakeholders have any queries arising from this report, please contact us as follows:

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Restrictions

Area	Detail
Statutory	All information contained in this report is provided in accordance with Sections 26 and 27 of the Receiverships Act 1993.
Basis of reporting	The statements and opinions expressed herein have been made in good faith, and on the basis that all information relied upon is true and accurate in all material respects, and not misleading by reason of omission or otherwise.
Information available	<p>We have not independently verified the accuracy of information provided to us, and have not conducted any form of audit in respect of the Company. Accordingly, we express no opinion on the reliability, accuracy, or completeness of the information provided to us and upon which we have relied. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever arising from this report.</p> <p>The statements and opinions expressed in this report are based on information available as at the date of the report.</p> <p>We reserve the right, but will be under no obligation, to review or amend our Report, if any additional information, which was in existence on the date of this Report was not brought to our attention, or subsequently comes to light.</p>
Prospective Financial Information	We have relied on forecasts and assumptions prepared by the Company about future events which, by their nature, are not able to be independently verified. Inevitably, some assumptions may not materialise and unanticipated events and circumstances are likely to occur. Therefore, actual results in the future will vary from the forecasts upon which we have relied. These variations may be material.
Other	<p>Certain numbers in table throughout this report have been rounded and therefore may not add up exactly.</p> <p>Unless where otherwise stated all amounts are in New Zealand dollars.</p>