

THE RECEIVERSHIPS ACT 1993
Pursuant to Section 23

Receivers' First Report on the State of Affairs of

TONY TAY FILM LIMITED (IN RECEIVERSHIP)
("the Company")

Company Number: 2038276

1. INTRODUCTION

Anthony John McCullagh, Chartered Accountant and Stephen Mark Lawrence, both Insolvency Practitioners of PKF Corporate Recovery & Insolvency (Auckland) Limited, were appointed jointly and severally as Receivers and Managers over all present and after acquired personal property of the Company on 1 February 2011. The appointment is effected under the terms of a General Security Deed ("GSD") in favour of the Rehoboth Entertainment (NZ) Limited dated 3 May 2010, which was registered on the Personal Property Securities Register on 3 May 2010.

We set out below our first report on the state of the affairs of the Company as required by Section 23 of the Receiverships Act 1993.

The Receivers take no responsibility for any information contained in this report which has been prepared from information supplied by the Company, its officers, or other persons.

2. RESTRICTIONS

This report has been prepared in accordance with Section 23 of the Receiverships Act 1993. The report is based on information contained in the Company's records and information supplied to us from the Company, its Directors and other officers. We have not carried out an audit of the Company's records. Accordingly, we retain the right to amend particulars if we consider it necessary in light of information which becomes available to us after the date of 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.

3. COMPANY INFORMATION

The following publicly available information was obtained from the Companies Office website at the time of our appointment.

Date of Incorporation: 1 November 2007

Registered Office: First Floor, Westfield Tower, Westfield Shoppingtown,
Pakuranga, Auckland

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PKF Corporate Recovery & Insolvency (Auckland) Limited | PO Box 3678 | Shortland Street | Auckland 1140
Level 3 | 48 Courthouse Lane | Chancery | Auckland 1010

Directors:

Name	Address
Kieran Boru FITZSIMMONS	54 Middleton Road, Remuera, Auckland
Tony Meng Hiang TAY	Unit 1501, 76 Wakefield Street, Auckland

Shareholders:

Name	Shareholding
Tony Tay Trust Limited	850,000 Shares
Rehoboth Entertainment (NZ) Limited	150,000 Shares

4. BACKGROUND

The Company is the major shareholder of Auckland Film Studios Limited ("AFSL") with 55.6% of the shareholding. The other shareholder of AFSL is Auckland Council Investments Limited ("ACIL"). ACIL acquired its shares in AFSL from the Waitakere City Council following the reorganisation and amalgamation of Auckland's Local Authorities.

ASFL owns Henderson Valley Studios, the premier supplier of infrastructure for the screen industry in New Zealand, with the largest studio complex in Auckland. It has world class facilities catering for domestic and international production set on a 10.5 acre site with five sound stages totalling 5,251 square metres of studio space together with six large multi-purpose buildings with canopies for all weather purposes. It has operated for over 15 years as the centre of production for a wide range of film, television, documentary and television commercial production in Auckland.

5. EVENTS LEADING UP TO OUR APPOINTMENT

In May 2010 the Company borrowed funds from Rehoboth Entertainment (NZ) Limited ("RENZL") which were required to be repaid by 1 January 2011 and secured by the GSD. Those funds were not repaid by the due date, and accordingly a Notice of Default was issued on 1 January 2011. The event of a default enabled RENZL to take enforcement action outlined in the GSD, one of which was the ability of RHNZL to appoint a Receiver.

6. DISPOSAL OF RECEIVERSHIP PROPERTY

The Company owns shares in AFSL as detailed previously. We are obtaining an independent valuation for the shares of the Company which will then be offered for sale. To date we have received expressions of interest from a number of parties. Those parties will be contacted once we are in a position to sell the shares we hold.

7. AMOUNTS OWING TO SECURED CREDITORS

As at the date of our appointment \$1,439,766 was owed to RENZL, subject to interest and penalties.

8. AMOUNTS OWING TO PREFERENTIAL CREDITORS

We are not aware of any preferential creditors and have not received any claims to date.

9. AMOUNTS OWING TO UNSECURED CREDITORS

We have received one unsecured creditor claim for \$12,094.

10. STATEMENT OF AFFAIRS

An estimated Statement of Affairs has been **attached**.

11. OTHER INFORMATION

Please contact Lisa McGowan of this office directly on 09 306 7425 or at lisa.mcgowan@pkfcr.co.nz if you have any queries regarding this report or wish to bring any matters to the Receivers' attention.



**STEPHEN M LAWRENCE
RECEIVER & MANAGER**

31-3-2011

DATED



TONY TAY FILM LIMITED (IN RECEIVERSHIP)
ESTIMATED STATEMENT OF AFFAIRS
AS AT 1 FEBRUARY 2011

	Notes	Book Value	Estimated to Realise
	1	\$	\$
Due to the Secured Creditor			
Due to Rehoboth Entertainment (NZ) Limited by way of General Security Deed ("GSD")		(1,439,766)	(1,439,766)
Total Due to the Secured Creditor		(1,439,766)	(1,439,766)
ASSETS AVAILABLE TO THE SECURED CREDITOR			
Bank Accounts	2	79	74
Debtors & Prepayments		2,000	0
Investments		10,140,300	10,140,300
Total Assets Available to the Secured Creditor		10,142,379	10,140,374
Surplus / (Deficit) in relation to Rehoboth's GSD		8,702,613	8,700,608
UNSECURED CREDITORS			
Accruals		(1,100)	0
Trade Creditors		0	(12,094)
Tony Tay Trust Limited		(7,839,524)	(7,839,524)
Total Unsecured Creditors		(7,840,624)	(7,851,618)
Surplus / (Deficit) in relation to Unsecured Creditors		\$861,989	\$848,990

NOTES

1. Book values are taken from management accounts as at 31 January 2011.

2. Amount received by the Receivers.

Subject to costs of the Receivership.