

Forestlands New Zealand Limited (In Liquidation) ('the Company')

Company No. 892371

28 March 2019 | 10313

1 Introduction

We advise that Neale Jackson and Grant Robert Graham, Accredited Insolvency Practitioners, were appointed Joint and Several Liquidators of the abovenamed Company by special resolution of those members entitled to vote and voting on the question, on 3 September 2018 pursuant to Section 241(2)(a) of the Companies Act 1993 ('the Act').

This report covers the period from 3 September 2018 to 2 March 2019.

2 Restrictions

This report has been prepared by us in accordance with and solely for the purposes of Section 255(2) of the Companies Act 1993.

In compiling this report we have relied on the accuracy of all relevant information provided by the Company. We have not independently audited or verified that information and express no opinion on its accuracy, completeness or reliability.

We do not accept any liability whatsoever from this report.

All information contained in this report is for the confidential use of the parties to which it is provided in accordance with Section 255(2) of the Companies Act 1993 and is not to be disseminated or passed to any other person without prior written authority or in accordance with law.

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 light of any information existing at the date of this report which becomes known to us after that date.

3 Commentary

Forestlands N.Z. Limited (in Liquidation) ('FNZ') was incorporated on 12 February 1998.

Rowan Charles Kearns is the sole director of FNZ.

All of the shares in FNZ are held jointly by Mr Kearns and Sharon Marie Kearns. We understand that they hold the shares as trustees of the Kearns Family Trust ('KFT').

FNZ was the manager of 18 companies which raised money from the public to acquire forestry and land investments in Hawkes Bay and Wairarapa ('the Forestlands Group'). Investors were issued B class shares. The A class shares in each Forestlands Group company, which hold all the voting rights, are jointly held by Mr and Mrs Kearns. We understand they hold the shares as trustees of KFT. Mr Kearns is the sole director of all 18 companies.

The forest estates of the Forestlands Group were sold in October 2016 for \$23.5 million.

On 6 September 2018, we were appointed by the High Court as Liquidators of each of the 18 Forestlands Group companies. We issue separate reports for each of these companies as required by the Act.



3.1 Assets

There are balances and transactions between the Company and parties associated with Mr Kearns that we are currently investigating.

3.2 Unsecured creditors

There are balances and transactions between the Company and parties associated with Mr Kearns that we are currently investigating.

4 Statement of receipts and payments

A statement of receipts and payments for the period 3 September 2018 to 2 March 2019 is attached to this report.

5 Estimated date of completion of liquidation

It is too early to assess the date by which the liquidation will be finished.

Should you have any queries about this report, please contact Joseph Zwaans at KordaMentha on (09) 307 7865 or forestlands@kordamentha.co.nz.

Yours faithfully



Neale Jackson
Joint and Several Liquidator



Forestlands N.Z. Limited (In Liquidation)

Statement of receipts and payments from 3 September 2018 to 2 March 2019

	\$
Opening balance	
Receipts	
Interest received	679
Cash on hand at date of appointment	0
Cash at bank at date of appointment	3,162
Total receipts	3,841
Payments	
Bank charges	15
Interest paid	5
RWT	224
Software/IT-related costs	513
Total payments	757
Net cashflow	3,084
Closing balance	3,084

