

Liquidators' 14th Report to Shareholders and Creditors of

Taratahi Agricultural Training Centre (Wairarapa) Trust Board
(in Liquidation)

NZBN: 9429041919514

2 September 2025



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Introduction

David Ian Ruscoe (IP#50) and Malcolm Russell Moore (IP#42), of Grant Thornton New Zealand Limited (Grant Thornton), were appointed joint and several Interim Liquidators of the Taratahi Agricultural Training Centre (Wairarapa) Trust Board (in Liquidation) (the “Trust” or “Taratahi”) by the High Court in Wellington on 19 December 2018. Mr Ruscoe and Mr Moore were then appointed Liquidators of the Trust on 5th February 2019 at 10.50am by Order of the High Court.

Liquidators of insolvent companies are required to be licensed insolvency practitioners. Information about the regulation of insolvency practitioners is available from the Registrar of Companies.

We have considered the Declaration of Independence, Relevant Relationships and Indemnities provided in our first report and confirm that there have been no changes to it.

We set out below our 14th Report on the state of the affairs of the Trust for the period from 5 February 2025 to 5 August 2025 (“the Period”) as required by section 255(2)(d) of the Act.

Restrictions

This report has been prepared by us in accordance with and for the purpose of section 255 of the Act. It is prepared for the sole purpose of reporting on the state of affairs with respect to the Company in liquidation and the conduct of the liquidation.

This report is not intended for general circulation, nor is it to be reproduced or used for any purpose without the liquidators’ written permission in each specific instance. The liquidators, their employees and agents do not assume any responsibility or liability for any losses occasioned to any party for any reason including as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

The liquidators reserve the right (but will be under no obligation) to review this report and, if considered necessary, to revise the report in light of any information existing at the date of this report which becomes known to them after that date.

We have not independently verified the accuracy of the information provided to us and have not conducted any form of audit in respect of the Company. 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.

The statements and opinions expressed in this report are based on information available and assumptions made as at the date of this report. It is possible that actual outcomes may be significantly different from those disclosed in this report.

In addition, the following should be noted:

- Certain values included in tables in this report have been rounded and therefore may not add exactly; and
- All amounts are stated in New Zealand dollars.

Conduct of the Liquidation in the preceding six months

As discussed in our previous reports, throughout the period of Interim Liquidation & Liquidation we have operated Taratahi's farms to maintain the value of the farming operations and ensure that appropriate animal welfare and health and safety standards are adhered to.

While in Interim Liquidation, we did not receive a viable proposal to maintain education operations at the Wairarapa or regional Campuses and as such on our appointment as Liquidators the decision was made to close the academic part of the Trust.

Since 2019 we have had a formal agreement with the Southern Institute of Technology / Te Pūkenga ("SIT"), who operate an education business from the Telford Campus. We continue to work with SIT to make the Telford Farm available to assist in the education of its students.

An agreement with the Universal College of Learning Limited ("UCOL") for a short-term lease of the Home Campus was given Ministerial consent on 8 July 2020. This short-term lease allowed for the delivery of short courses that equipped workers impacted by COVID-19 with the necessary skills to transition into primary industries jobs. The initiative proved the campus is fit for purpose and ready to be fully utilised by an education provider. While UCOL exited the Home Campus after the expiration of the short-term lease agreement on 30 June 2022. Since then, we have had various discussions with third parties who expressed interest to enter into an agreement for the part use of the Home Campus and Farm for educational training purposes, however, none of these discussions have resulted in new lease agreements.

The Wairarapa Campus and Home Dairy farmland are subject to the Taratahi Agricultural Training Centre (Wairarapa) Act 1969 ("Taratahi Act"). Any sale of this property requires the approval of the Minister of Agriculture.

In late 2021 we sought High Court directions on the status of and saleability of the campus land. The High Court reissued the judgement on the directions ruling on 6 July 2022, permitting the sale of the Home Dairy land to pay creditors and the cost of the liquidation subject to the Minister of Agriculture's approval. The judgement gives us the ability to sell subject to the Minister's approval.

Following the Court directions, we have continued to engage with the Government to find an acceptable landowner for the purposes of the Taratahi Act and who can provide commercial value for the benefit of all Creditors. Two parties have expressed interest in the purchase of the land, and we believe these parties meet the requirements for Government approval to purchase the land. Such approval will be subject to a requirement for education to be continued on the Home Farm.

To progress a sale, we continued discussions with both parties, provided them with a tender document and set a deadline. We received final offers from both parties, and we have entered into a conditional agreement for sale and purchase ("ASP") of the Wairarapa Campus and Home Dairy farm with the party which offered the highest consideration. We have presented the Minister of Agriculture a copy of this signed ASP, and we await a response of whether approval for the sale will be provided, as required by the Taratahi Act.

Should the Minister of Agriculture not approve of this sale, we will continue to work with the Government to find an alternative sale option and seek advice on how to proceed in realising the value of the Home Dairy land to pay creditors.

We have also been in discussions with the TEC and MPI regarding the Telford farming operations. It is our intention that following the settlement of any sale at the Home Campus we would look to continue to trade the Telford Farms through to lease expiry (mid-2027). We have established a transition liaison team with the Telford Farm Board to ensure there is a smooth transition when we exit the lease.

In the meantime, we continue to operate the Telford Dairy, Beef and Sheep Farms and the Taratahi Home Dairy Farm. Through continuing to trade profitability we have received returns on the now commercially focused Farms. This strategy will be continued until the ownership of the Home Campus and Dairy farm have been resolved in order to maximise returns to creditors.

Receipts

Farming operations

For the 6-month period, we have generated \$2.21m in receipts. This is mostly attributable to the operation of the commercially focused farms, generating \$1.63m of milk income and \$369k of trading livestock sales. During the Period we also received further payments from Fonterra Co-Operative Group Limited, being \$63k of interim dividends for the 24/25 season, \$38k of pre-liquidation educational income collected and \$19k of wool sales

Creditors

Secured Creditors

No distributions to the secured creditor have been made in the period. There is still a significant amount outstanding to the secured creditor.

At the date of our appointment, we had identified 286 specific security financing statements (Purchase Money Security Interests ("PMSI"s)) registered. The Liquidators have contacted all registered PMSI holders and are still liaising with some of them to determine the amounts due. Where possible the liquidators are attempting to reduce PMSI claims (for example by returning certain leased assets). This has reduced the number of PMSI's to under 20.

We anticipate that there will be funds available to make payment to the creditors with specific security interests.

Preferential Creditors

As mentioned in our previous report, all employee preferential entitlements have been paid in full. The Inland Revenue Department is still owed pre-liquidation payroll taxes which have a preferential status.

Unsecured Creditors

At the date of our appointment, The Trusts' electronic records indicate there are 1,194 unsecured creditor claims totalling \$15.9m.

To date, we have received 248 unsecured creditors' claims to date totalling \$15.2m.

It is unknown the amount of funds that will be available to make payment to unsecured creditors as it is dependent on the sale of the Home Campus and Dairy farm. On any sale of the Home Campus and Dairy farm we will make a distribution to unsecured creditors.

Remuneration Report

The Liquidators' remuneration received during the period from 6 February 2025 to 6 August 2025 to, paid at the hourly rates approved by the courts, total \$388,460. All time and expenses incurred and billed in the liquidation are reasonable and necessary.

A detailed breakdown of the Liquidators' remuneration and disbursements for the six-month period is attached as Appendix B. including a schedule of the qualifications and experience generally of staff at each level, a schedule of the work undertaken during the six-month reporting period is also summarised in Appendix B.

As of 5 August, there was an additional \$662,112 (exclusive of GST) of liquidator's fees outstanding.

Our remuneration is charged on an hourly basis and is to be approved by the High Court. The Court approval is subject to the power of the Court to review the overall remuneration under section 284(1)(e) of the Act.

Remaining Matters

Given the extent of the Company's secured and preferential claims and expected asset realisations the funds available for distribution to the unsecured creditors are all dependant on the ability of the Liquidators to realise value at the Wairarapa campus and home dairy farm.

Further Asset Realisations

We continue to pursue avenues to realise the Wairarapa Campus and Home Dairy farmland, as discussed in the 'Conduct of the Liquidation in the preceding six months' section of this report

At the date of this report, we are continuing to operate the 3 remaining farms for the 2025/26 season. Our intention is to continue to operate these farms while they generate commercial returns alongside negotiating the sale of the Wairarapa Campus and Home Dairy farm to generate the best returns to creditors.

Estimated date of completion of the liquidation

At this stage it is not practicable to estimate a completion date for the Liquidation.

Should you have any queries in relation to any matter raised in this report then please do not hesitate to contact Tom Aspin at taratahi@nz.gt.com.

Dated: 2 September 2025



David Ruscoe
Liquidator
Taratahi Agricultural Training Centre (Wairarapa) Trust Board (in Liquidation)

Appendix A – Statement of Receipts & Payments

Taratahi Agricultural Training Centre (Wairarapa) Trust Board (in liquidation) NZ\$	5 February 2025 to 5 August 2025	5 February 2019 to 5 August 2025 (YTD)
Opening funds on hand	6,834,620	-
Receipts (excluding GST where applicable)		
Cash on hand at date of liquidation	-	1,065,900
Interest received	80,426	386,091
Collection of debtors	38,174	332,422
Farm management fees	-	48,750
Milk sales	1,629,885	21,726,332
Grazing Income	-	764,000
Capital Livestock Sales	-	7,379,525
Trading Livestock Sales	395,726	6,855,431
Property Sale	-	6,020,000
Sale of assets	-	891,347
Sundry receipts	101,653	1,328,470
Net GST	14,996	778,488
GST refunds/(payments) received	(46,387)	330,048
Total receipts	2,214,473	47,906,805
Payments (excluding GST where applicable)		
Farm operating costs:		
Animal Health	108,529	1,753,505
Electricity - Farms	44,120	871,491
Farm Consulting	-	138,471
Feed	128,112	1,614,447
Fertiliser	283,640	2,923,285
Insurance - Farms	72,068	1,091,707
Farm Leases	93,391	1,609,395
Freight	-	120,176
Plant & Equipment Hire	78,272	1,074,629
Purchase of Stock	-	1,322,894
Rates	77,563	692,959
Repairs & Maintenance	146,466	1,884,609
Salaries & Wages	395,603	6,111,423
Seed/Crop Expenses	145,577	1,580,086
Shearing Expenses	8,980	288,326
Vehicle Costs	50,125	802,158
Weed and Pest Control	5,424	120,825
Other Farm Operating Costs	102,106	1,053,862
Total Farm operating costs:	1,739,974	25,054,249
Other payments incurred:		
Distribution to secured creditor	-	5,867,124
Distribution to preferential creditors	-	2,670,776
IT Costs	25,299	489,686
Lease Properties - Premises	-	21,693
Legal fees	77,765	1,619,967
Interim Liquidators Fees	-	371,449
Interim Liquidators disbursements	-	8,014
Liquidators Fees	388,460	4,204,248
Liquidators disbursements	27,597	212,230
Property Sale Expenses	-	174,156
Telephone, Tolls & Internet	4,516	140,840
Sundry Expenses	10,509	297,401
Total Other Payments	534,146	16,077,583
Total Payments	2,274,120	41,131,832
Net receipts/(payments) for the period	(59,647)	6,774,973
Closing funds on hand	6,774,973	6,774,973

Appendix B – Remuneration Report

Section 1: Initial Advice to Creditors

Explanation of Hourly Rates

The rates for our remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the Liquidation and the role they take. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

Title	Description of title	Hourly rate (Exc. GST) (State)
Partner	Accredited Insolvency Practitioner. Partner bringing specialist skills to Liquidations and Insolvency matters. Controlling all matters relating to the assignment.	\$575
Director	Qualified accountant and may be a Licensed Insolvency Practitioner. Minimum 7/8+ years' experience. Likely to be appointed as a partner in due course. Highly advanced technical and commercial skills. Planning and control of all liquidation and insolvency tasks. Controlling substantial matters relating to the assignment and reporting to the appointee.	\$400
Manager	Typically Qualified. 5-8 years' experience. Well developed technical and commercial skills. Planning and control of Liquidation and Insolvency tasks with the assistance of the appointee.	\$350
Assistant Manager	Typically Qualified. 4+ years' experience. Co-ordinates planning and control of small to medium Liquidations and Insolvency tasks. Conducts certain aspects of larger Liquidations.	\$275
Senior Analyst	Typically Qualified. 3-4 years' experience. Required to conduct the fieldwork on small to medium Liquidations and Insolvency tasks and assist with fieldwork on larger Liquidations and Insolvency tasks.	\$250
Intermediate Analyst	Typically undertaking Qualifications. 2- 3 years' experience. Required to conduct the fieldwork on smaller Liquidations and Insolvency tasks and assist with fieldwork on medium to large Liquidations and Insolvency tasks.	\$175 - \$200
Analyst	Typically undertaking Qualifications. Up to 2 years' experience. Required to conduct the fieldwork on smaller Liquidations and Insolvency tasks and assist with fieldwork on medium to large Liquidations and Insolvency tasks.	\$80 - \$150
Farm Advisors	Specialist farm advisors well experienced in the New Zealand agriculture Industries. Required to assist Liquidators with the day to day running operation of the Farming operations and provided detail reporting around the commercial viability of these operations.	\$270 - \$300
Support Staff	Conducts all aspects relating to administering the accounts function and other functions as required.	\$160

Section 2: Calculation of Remuneration

Calculation of Remuneration – Time based charges

Charged on an hourly basis and per the hourly rates set out by time and cost charged by key category (exclusive of GST):

	Hourly Rate	Operations		Administration		Creditors		Legal Matters		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Partner	575	83.0	47,725	-	-	10.0	5,750	9.5	5,463	102.5	58,938
Director	400	0.9	360	-	-	-	-	-	-	0.9	360
Manager	350	369.5	129,325	1.5	525	3.0	1,050	-	-	374.0	130,900
Assistant Manager	275	-	-	-	-	-	-	-	-	-	-
Senior Analyst	250	273.0	68,250	26.0	6,500	-	-	-	-	299.0	74,750
Intermediate Analyst	175-200	-	-	-	-	-	-	-	-	-	-
Analyst	80-150	84.9	12,799	59.6	9,007	-	-	-	-	144.5	21,806
Farm Advisors	270-300	273.6	78,795	-	-	-	-	-	-	273.6	78,795
Support Staff	160	-	-	143.2	22,912	-	-	-	-	143.2	22,912
Total		1,084.9	337,254	230.3	38,944	13.0	6,800	9.5	5,463	1,337.7	388,460

Basis of Disbursement Claim

Disbursements	Total (\$ exc. GST)
Advertising	588
Xero	912
Travel (flights, can rental, accommodation etc)	21,695
Sundry	4,401
Total Disbursements	27,597

Section 3: Description of Work

Summary of work performed in relation the Liquidators' remuneration for the period

Task Area	General Description	Includes
Assets Realisations	Sale of Campus	<ul style="list-style-type: none"> Discussions with the Government around these offers Liaising with the Government around implications of sale of Campus
	Sale of Business Unit	<ul style="list-style-type: none"> Preparing an information memorandum Liaising with potential purchasers Internal meetings to discuss/review potential purchasers Negotiations with Vendors around terms of transfer of Farm Leases
	Livestock	<ul style="list-style-type: none"> Review of stock takes Reviewing stock values from stock agents Liaising with livestock purchasers Consideration animal wellbeing as part of the asset realisation process
	Other Assets	<ul style="list-style-type: none"> Tasks associated with realising other assets
Creditors	Creditor Enquiries	<ul style="list-style-type: none"> Receive and follow up creditor enquiries via telephone and email Maintaining creditor enquiry register Review and prepare correspondence to creditors and their representatives via facsimile, email and post
	Secured creditor reporting	<ul style="list-style-type: none"> Preparing reports to secured creditor Responding to secured creditor's queries
Operations	Correspondence	<ul style="list-style-type: none"> Communications with government agencies around statutory obligations Various other stakeholder communications
	Employees enquiry	<ul style="list-style-type: none"> Receive and follow up employee enquiries via telephone and email Maintain employee enquiry register Receive and prepare correspondence in response to employees objections to leave entitlements
	Ongoing Trading	<ul style="list-style-type: none"> Issuing new employment contracts to new farm staff hired. Management of premises including campuses and farms Review of Education obligations and statutory obligations under governing act. Ongoing review and monitoring of IT and record retention Preparation of Feed and stock budgets for farming season Review of Trust board cashflow and its ability to operate the business and meet its commitments in the immediate future. On site visits for all operational farms Running the 3 current farms for the period. Reporting on and managing finances of the farm operations. Cashflow management
	Bank account administration	<ul style="list-style-type: none"> Bank account reconciliations Correspondence with bank regarding specific transfers
	Planning/Review	<ul style="list-style-type: none"> Discussions regarding status of Liquidation
Administration	Company office obligations	<ul style="list-style-type: none"> Filing with Companies Office
	Report as to Affairs	<ul style="list-style-type: none"> Completion deadlines and extensions Preparation of statutory reports
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> 6 monthly liquidation review Filing of documents File reviews Updating checklists



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