Grant Thornton

Liquidators' 16th Report to Shareholders and Creditors of

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

NZBN: 9429041919514

2 September 2026

Contents

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 Count 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 16th Report on the state of the affairs of the Trust for the period from 5 February 2026 to 4 August 2026 to (“the Period”) as required by section 255(2)(d) of the Act and section 7 of the Companies (Reporting by Insolvency Practitioners) Regulations 2020 (“the Regulations”).

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 on 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

History since commencement of Liquidation

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 ("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. UCOL exited the Home Campus after the expiration of the short-term lease agreement on 30 June 2022 and 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 ("the Minister").

In late 2021 we sought High Court directions on the status of and saleability of the campus land. The High Court issued 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's approval. The judgement gives us the ability to sell subject to the Minister's approval.

Sales Process

Following the Court directions, we have continued to engage proactively 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, who we believe could meet the requirements for Ministerial approval under the Taratahi Act.

To progress a sale, we continued discussions with both parties, who undertook due diligence in August 2024, which included consultation and discussions with officials with the Ministry of Primary Industries ("MPI"). We received initial offers from both parties in February 2025 and finals offers in early April 2025.

Following the comprehensive sales and negotiation process, we 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 and with conditions we considered to be achievable.

Following signing the ASP in April 2025, we entered into consultation with MPI before presenting the responsible Minister the ASP for his consent to the sale under the Taratahi Act.

Since the submission of the ASP to the minister, we have been engaged in a prolonged consultation process, providing additional information across 2025 and this year in the short timeframes requested, receiving limited updates on the progress and expected timeframes. As we understand it, there are no further steps required now for the Minister to make a decision. We are unable to progress the sale process until we have received the Minister's consent.

Should the Minister 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.

As mentioned in our previous report, we will continue to trade the Telford Farms through to lease expiry (mid-2027). We are working with the Telford Farm Board to ensure there is a smooth transition when we exit the lease.

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 $3.13m in receipts. This is mostly attributable to the operation of the commercially focused farms, generating $1.71m of milk income and $658k of trading livestock sales. During the Period we also received further payments from Fonterra Co-Operative Group Limited, being $127k of interim dividends for the 25/26 farming season and $570k capital distribution.

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 Diary farm we will make a distribution to unsecured creditors.

Remuneration Report

The Liquidators' remuneration received during the period from 6 February to 5 August 2026, paid at the hourly rates approved by the courts, totalling $534k. This remuneration relates to the payment of outstanding liquidator fees for the period between April 2025 to February 2026. All time and expenses incurred and billed in the liquidation are reasonable and necessary.

A detailed breakdown of the remuneration and disbursements paid to the Liquidators for the six-month period is attached at 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.

During the Period, the Liquidators raised invoices totalling $336k (exclusive of GST and disbursements) for work undertaken during the Period. As at 5 August 2026, there is $423k (exclusive of GST and disbursements) 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 2026/27 season. Our intention is to continue to operate these farms profitably while continuing to progress 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 Elliot Bell at taratahi@nz.gt.com.

Dated: 2 September 2026

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

Appendix A – Statement of Receipts & Payments

NZ$ (excluding GST, where applicable)	5 February 2026 to 4 August 2026	5 February 2019 to 4 August 2026
Opening funds on hand	**6,614,727**	-
Receipts		
Capital distribution received	569,850	569,850
Capital livestock sales	-	7,379,525
Cash on hand at date of liquidation	-	1,065,900
Collection of debtors	-	332,422
Farm management fees	-	48,750
Grazing income	14,895	778,895
Interest received	41,876	447,261
Milk sales	1,714,207	25,753,723
Property sale	-	6,020,000
Sale of assets	-	891,347
Sundry receipts	195,940	1,689,445
Trading livestock sales	657,585	7,657,234
GST refunds / (payments)	(119,695)	173,013
Net GST	53,586	879,106
Total receipts	**3,128,244**	**53,686,473**
Payments		
Farm operating costs:		
Animal Health	136,356	2,132,361
Electricity - farms	61,879	981,973
Farm consulting	-	138,471
Feed	107,220	1,912,013
Fertiliser	196,650	3,306,168
Insurance - farms	67,092	1,259,597
Farm leases	95,717	1,797,612
Freight	8,028	128,204
Plant & equipment hire	61,439	1,192,940
Purchase of stock	12,500	1,562,104
Rates	73,431	837,717
Repairs & maintenance	234,798	2,302,092
Salaries & wages	465,723	7,094,136
Seed/crop expenses	44,057	1,798,522
Shearing expenses	9,363	310,415
Vehicle costs	113,725	979,877
Weed and pest control	12,779	140,370
Other farm operating costs	150,937	1,335,805
Total farm operating costs:	**1,851,694**	**29,210,377**
Other payments incurred:		
Distribution to secured creditor	-	5,867,124
Distribution to preferential creditors	-	2,670,776
IT costs	28,498	548,909
Lease properties - premises	-	21,693
Legal fees	49,410	1,724,315
Interim liquidators fees	-	371,449
Interim liquidators disbursements	-	8,014
Liquidators fees	533,635	5,124,519
Liquidators disbursements	41,473	276,075
Property sale expenses	-	174,156
Telephone, tolls & internet	4,375	149,281
Sundry expenses	11,304	317,205
Total other payments	**668,696**	**17,253,515**
Total Payments	**2,520,390**	**46,463,892**
Net receipts/(payments)	**607,854**	**7,222,581**
Closing funds on hand	**7,222,581**	**7,222,581**

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):

Remuneration report

	Hourly Rate	Operations		Administration		Asset Realisation		Legal Matters		Creditors		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Partner	575	114.4	65,780	2.0	1,150	22.4	12,880	42.0	24,150	11.4	6,555	192.2	110,515
Director	400	1.0	400	-	-	-	-	-	-	-	-	1.0	400
Manager	350	91.4	31,998	1.0	350	51.0	17,850	-	-	14.0	4,900	157.4	55,098
Senior Analyst	250	542.2	135,550	34.9	8,725	5.1	1,275	59.9	14,975	8.0	2,000	650.1	162,525
Analyst	80-150	403.7	60,225	55.5	8,175	-	-	0.6	90	2.6	390	462.4	68,880
Farm Advisors	270-300	383.7	109,737	-	-	-	-	-	-	-	-	383.7	109,737
Support Staff	160	-	-	165.5	26,480	-	-	-	-	-	-	165.5	26,480
Total for Period		**1,536.4**	**403,690**	**258.9**	**44,880**	**78.5**	**32,005**	**102.5**	**39,215**	**36.0**	**13,845**	**2,012.3**	**533,635**

Basis of Disbursement Claim

$NZD (Excl. GST)	
Advertising	5,090
Xero	1,133
Travel	27,700
Sundry	7,550
Total Disbursements for Period	**41,473**

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	• Discussions with the Government around offers received • Providing information to the Minister to assist with the Minister's decision to approve the proposed sale. • Liaising with the Government around implications of sale of Campus
	Sale of Business Unit	• Liaising with potential purchasers • Internal meetings to discuss/review potential purchasers • Discussion with lessor around terms of transfer of Farm Leases and any assets to be sold. • Preparation of estimated outcome statements should the sale complete.
	Livestock	• Obtaining/Reviewing stock values from stock agents • Consideration for animal wellbeing as part of the asset realisation process
	Other Assets	• Tasks associated with realising other assets
Creditors	Creditor Enquiries	• 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	• Preparing reports to secured creditor • Responding to secured creditor's queries, including preparations of estimated outcome statements.
Operations	Correspondence	• Communications with government agencies around statutory obligations • Various other stakeholder communications
	Ongoing Trading	• 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 • Overseeing the operations of the 3 current farms for the period. • Preparing season budgets for the 3 farms, and agreeing these with the on-farm management team. • Recurring financial reporting of the farm operations, and comparison to budgets. • Generating updated forecasts based on developments during the season, including cashflow impacts. • Generating and approving purchase orders for farm expenditure • Receiving and entering supplier invoices into accounting system • Liaising with suppliers regarding invoices or other matters • Claiming on the Trust Boards insurance policies for various events.
	Bank account administration	• Bank account reconciliations • Correspondence with bank regarding specific transfers
	Planning/Review	• Discussions regarding status of Liquidation

Task Area	General Description	Includes
Administration	Company office obligations	• Filing with Companies Office
	Report as to Affairs	• Completion deadlines and extensions • Preparation of statutory reports
	Tax administration	• Prepare and file all required returns with the IRD
	Document maintenance/file review/checklist	• 6 monthly liquidation review • Filing of documents • File reviews • Updating checklists
Legal Matters	Legal advice	• Correspondence with legal counsel regarding various matters requiring the liquidators' attention.

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