

RECEIVERS' REPORT ON THE STATE OF AFFAIRS
of
BELFAST PARK LIMITED (IN RECEIVERSHIP) (IN LIQUIDATION)

1 Introduction

On 31 August 2010 Kerryn Downey and William Black were appointed jointly and severally as Receivers and Managers ("Receivers") of all present and after acquired property of Belfast Park Limited ("Belfast" or "the Company") as charged by the South Canterbury Finance Limited Trust Deed dated 12 April 1976 (as amended and supplemented from time to time) ("the Trust Deed") in favour of Trustees Executors Limited ("the Trustee").

The Official Assignee was subsequently appointed Liquidator of Belfast on 6 April 2011.

We set out below our first six monthly report on the state of the affairs of Belfast and the conduct of the receivership during the reporting period 31 August 2010 to 28 February 2011 as required by section 24 of the Receiverships Act 1993.

2 Disclaimer

This report has been prepared by us in accordance with Section 24 of the Receiverships Act 1993.

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 pursuant to Sections 26 and 27 of the Receiverships Act 1993. In compiling this report we have relied on the accuracy of all relevant information obtained from the Company, together with information supplied by the directors and/or management. We have not independently verified the accuracy of information provided to us, nor have we conducted an audit in respect of the Company. We express no opinion on the reliability, accuracy, or completeness of information provided to us and upon which we have relied.

The Receivers do not accept responsibility or liability for any losses occasioned to any party as a result of the circulation, publication, reproduction, or use of this report.

3 Events leading up to our appointment

Belfast is 99.9% owned by South Canterbury Finance Limited ("SCF").

SCF's well publicised liquidity constraints, coupled with SCF's inability to complete either a recapitalisation or a sale, resulted in the SCF directors requesting the Trustee to appoint Receivers to SCF and its thirteen charging subsidiaries (the "SCF Group").

The Trustee considered that it was in the best interests of the holders of debt securities (debenture, deposit and bond holders) issued by SCF, that Receivers be appointed and accordingly our appointment as Receivers and Managers was made on the morning of 31 August 2010.

Given that Belfast is 99.9% owned by SCF and had cross guaranteed SCF's obligations under the Trust Deed, the Trustee also placed Belfast in receivership on 31 August 2010.

4 Receivers' trading

Belfast and its wholly owned subsidiary, Tyrone Estates Limited, are both property holding and development companies which have no employees.

We have continued to manage the Company's assets which comprise business, industrial and residential land developments on a former freezing works site in northern Christchurch and adjoining rural land.

The assets can be broadly divided into the following descriptions:

- Existing freezing works which provide ongoing rental income;
- Industrial land development around and ultimately including the freezing works which has Resource Consent to complete an industrial subdivision;
- Future Business zoned vacant land (currently zoned Rural);
- Rural land which was re-zoned to Residential in late 2010 and is now subject to an appeal which is being defended; and
- Residual residential sections currently for sale.

5 Property disposed of since the date of appointment (31 August 2010)

During the six month period covered by this report rent realisations amounting to \$572,485 were received.

6 Proposals for disposal of receivership property

The Receivers are continuing to sell down the remaining residential sections and work with SCF management and professional advisors to take the development properties to market. Updated valuations are being prepared for the development properties.

7 Amounts owing to the Trustee

At the date of our appointment \$1.58 billion was owed to the Trustee for and on behalf of investors under the SCF Trust Deed. Cross guarantees were given by the 12 other companies (other than SCF and Belfast) as listed in Appendix 1. Collectively we refer to the 14 companies as the SCF Group. All companies within the SCF Group were placed in receivership on 31 August 2010.

8 Other security interests

At the date of our appointment, our search of the Personal Property Securities Register showed that six parties had registered financing statements against the Company.

An updated search carried out on 7 April 2011, shows that four of the above parties have discharged their financing statements. Details of the remaining parties, and their interests in the Company, are attached as Appendix 2 to this report.

9 Preferential creditors

According to the records of the Company, there are no preferential creditors as at the date of our appointment.

10 Unsecured creditors

At this stage in the receivership, we do not expect there will be any surplus funds available from the realisation of the assets under the Receivers' control to meet the claims of the unsecured creditors.

11 Ordinary shareholders

Ordinary shareholders rank behind unsecured creditors. As noted above, we do not expect that there will any funds available from the sale of the Company's assets to meet the claims of the unsecured creditors therefore it is unlikely that Belfast's shareholders will be repaid either.

12 Receipts and payments

We attach, as Appendix 3, a summary of receipts and payments for the six month period: 31 August 2010 to 28 February 2011.

13 Other matters

We are aware of a number of concerns raised by investors and other parties with respect to the activities of the SCF Group prior to our appointment. We have met with and provided information to the appropriate authorities in relation to certain specific transactions that took place prior to our appointment as Receivers.

Potential breaches of legislation that are identified during the course of the receivership will be reported to the relevant regulatory authorities. Due to the ongoing nature of the investigations, we are unable to provide details regarding individual issues or our findings since doing so could prejudice any subsequent proceedings which may be taken.



Kerryn M Downey
Receiver and Manager



William G Black
Receiver and Manager

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Level 17, 34 Shortland Street, Auckland
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29 April 2011

Belfast Park Limited (In Receivership) (In Liquidation)

Charging Group Entities

(collectively “the SCF Group”)

South Canterbury Finance Limited (In Receivership)

Belfast Park Limited (In Receivership)(In Liquidation)

Braebrook Properties Limited (In Receivership)(In Liquidation)

Face Finance Limited (In Receivership)

Fairfield Finance Limited (In Receivership)

Flexi Lease Limited (In Receivership)

Galway Park Limited (In Receivership)

Helicopter Nominees Limited (In Receivership)

Hornchurch Limited (In Receivership)

Rental Cars Limited (In Receivership)

SCFG Systems Limited (In Receivership)

Sophia Investments Limited (In Receivership)

Southbury Insurance Limited (In Receivership)

Tyrone Estates Limited (In Receivership)(In Liquidation)

Appendix 2

Belfast Park Limited (In Receivership) (In Liquidation)

Other security interests - Personal Properties Securities Register as at 7 April 2011

<i>Registration date</i>	<i>Secured Party</i>	<i>Collateral Type</i>
24 Aug 2009	Trustees Executors Limited	All Present And After Acquired Personal Property
31 Aug 2010	Her Majesty The Queen	All Present And After Acquired Personal Property

Appendix 3

Belfast Park Limited (In Receivership)(In Liquidation)
Summary of receipts and payments from 31 August 2010 to 28 February 2011

	NZ \$
Receipts	
Bank balance at the date of appointment	54,340
Rent received	572,485
GST refunds	1,427
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Total Receipts	628,252
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Payments	
Payment to suppliers including development costs	342,558
Repayment of intercompany advance	210,000
Receivers fees	6,988
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Total Payments	559,546
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Balance as at 28 February 2011	68,706
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