

# ELE Limited (In Receivership)

Company number: 2395759

NZBN: 9429031683548

Receivers' first report

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On 20 December 2023 at 7:15am, David Webb and Robert Campbell, licensed insolvency practitioners (registration numbers: IP60 and IP145, respectively), were appointed joint and several receivers and managers (**Receivers**) of all present and after acquired personal property of ELE Limited (In Receivership) (**Company**) under the terms of a General Security Agreement (**GSA**) dated 7 April 2015 and 2 October 2015 in favour of the Bank of New Zealand (the **Bank**).

Receivers are required to be licensed insolvency practitioners (**LIPs**). More information about the regulation of insolvency practitioners is available from the Registrar of the Companies. As licensed insolvency practitioners, we are bound by the RITANZ Code of Professional Conduct when carrying out all professional work relating to our appointment.

## Restrictions

This report has been prepared by us in accordance with and for the purpose of section 23 of the Receiverships Act 1993 (**Act**). 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.

All information contained in this report is for the confidential use of the parties to which it is provided in accordance with sections 26 and 27 of the Act and is not to be disseminated or passed to any other person without written authority or in accordance with law.

In compiling this report, we have relied upon and not independently verified or audited information or explanations provided to us and we express no opinion on accuracy, completeness or reliability of the information or explanations.

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

We do not accept any liability whatsoever arising from this report.

Certain information can be withheld by the Receivers if inclusion would materially prejudice the exercise of the Receivers' functions.

## Events leading up to our appointment as Receivers

The Company was incorporated on 23 February 2010 and operated a labour hire business throughout New Zealand, primarily in the commercial construction industry. The Company had in excess of 1,000 employees, many of whom were migrant workers with visas attached to their employment.

Management of the Company identified the Group would experience a liquidity shortfall by the end of January 2024. Following unsuccessful attempts by Brent Mulholland, the Director of the ELE Group of companies (the **Director**), to obtain additional funding and/or a sale of the business, the Director requested the Bank to appoint Receivers. We were appointed Receivers over the various companies in the ELE Group on 20 December 2023 and the Company ceased to trade on that date.

Other companies over which we were appointed Receivers include;

- ELE Management Limited (In Receivership)
- ELE Holdings Limited (In Receivership)
- Tranzport Solutions Limited (In Receivership)
- RISQ New Zealand Limited (In Receivership)

Separate reports have been prepared for each of the above companies. The Receivers recommend that this report be read in conjunction with the other reports on the companies in the ELE Group.

It should be noted that the Company is the ultimate shareholder of ELE Security Limited, which is not in receivership. The Receivers are in the process of realising the Company's investment in ELE Security Limited.

## Assets comprising the property in receivership

The Receivers' appointment is in respect of all present and after acquired property of the Company, including:

- accounts receivable
- un-invoiced work in progress
- motor vehicles
- other fixed assets
- shares in ELE Security Limited.

## Property disposed of to date and any proposals for the disposal of property

The Receivers, with the support of various ELE staff, have focused on the following key matters:

- collection of pre-appointment debtors
- invoicing un-invoiced, and collection of, WIP for the week ending 17 December 2023
- collecting timesheets for 18 and 19 December 2023 to allow for further invoicing to be undertaken
- sale of the Company's 100% shareholding in ELE Security Limited
- collection and sale of motor vehicles by auction and/or private treaty
- placement of necessary insurances, including renewal of trade credit insurance, in relation to key assets.

At the time of writing, the realisation of debtors, vehicles, investment in ELE Security Limited and other fixed assets remain ongoing. Further details, including values relating to those assets realised, will be provided in subsequent Receivers' reports.

## Particulars of secured creditors/encumbrances

At the date of our appointment, the personal property security register (PPSR) recorded seven creditors that had registered financing statements against the Company. Details of these creditors and their interests are summarised in the table below:

Secured party	Address	Collateral	Registration date
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	All present and after acquired personal property	18 March 2015
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Intangibles	22 September 2015
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	23 March 2017
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	6 May 2019
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	1 November 2019
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	18 December 2019

Secured party	Address	Collateral	Registration date
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	22 September 2020
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	22 September 2020
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	20 May 2021
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	23 June 2021
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	23 June 2021
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	7 September 2021
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	30 September 2021
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	14 October 2021
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	8 November 2021
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	15 June 2022
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Intangibles	28 July 2022
Bank of New Zealand	Level 2, 30 Mahuhu Crescent, Auckland 1010	Goods – motor vehicles	13 October 2022
Smiths Hardware Limited	P K F Goldsmith Fox, Level 1, 100 Moorhouse Avenue, Christchurch, 8011	Goods – other intangibles	20 March 2015
Carters Buildings Supplies Limited	173 Captain Springs Road, Onehunga, Auckland, 1061	All present and after acquired personal property Goods – other	10 November 2015
Bridgestone New Zealand Limited	602 Great South Road, Ellerslie, Auckland, 1051	Goods – other	18 April 2018
De Lage Landen Limited	Kensington Swan, Attention: Nicholas Scott, Level 4, Kpmg Centre, 18 Viaduct Harbour Avenue, Auckland, 1010	All present and after acquired personal property Goods – other	8 July 2019
Placemakers Christchurch Limited	810 Great South Road, Penrose, Auckland, 1061	All present and after acquired personal property Goods – other	11 November 2021
Fujifilm Business Innovation New Zealand Limited	10-12 Landing Drive, Mangere, Auckland, 2022	Goods – other	22 December 2022

## Particulars of debts and liabilities requiring to be satisfied from the property in receivership

Based on information to hand at the time of writing, the estimated amount owed to secured creditors at the date of our appointment is summarised in the table below:

<b>Secured creditor</b>	<b>\$000</b>
Bank of New Zealand	5,779
Carters Buildings Supplies Limited	TBC
Bridgestone New Zealand Limited	1
De Lage Landen Limited	9
Placemakers Christchurch Limited	TBC
<b>Total secured creditors</b>	<b>\$5,789</b>

At the date of our appointment, the amount owed to preferential creditors is summarised in the table below:

<b>Preferential creditor</b>	<b>\$000</b>
Employee claims	4,081
Inland Revenue	1,050
<b>Total preferential creditors</b>	<b>\$5,131</b>

## Unsecured creditors

The Receivers currently hold incomplete information on unsecured claims against the Company. An estimate of the level of unsecured creditors will be provided in future Receivers' reports.

## Information provided by the Company

The Director of the Company has co-operated in making available the information required by the Receivers to complete this report.

## Further information

Should you have any queries on the contents of this report please contact Louise Craig or Lily Choun.

Dated: 20<sup>th</sup> February 2024



David Webb  
Receiver  
**Receiver and Manager**  
**Personal liability excluded**

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