



Initial information for creditors

**Fancy A Bite Pty. Ltd. (In Liquidation)
A.C.N. 131 838 385 and
DWK8 Pty Ltd (In Liquidation)
A.C.N. 605 329 182 ("the Companies")**

The purpose of this document is to provide you with information about the liquidation of the Companies and your rights as a creditor.

1. Information for creditors

1.1 Notification of appointment

Brendan Copeland and I were appointed Joint and Several Liquidators of the Companies by special resolution of the members of the company passed at a duly convened meeting on 11 November 2019.

A copy of our Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI") is attached as **Annexure A**. The DIRRI assists you to understand any relevant relationships that we have, and any indemnities or upfront payments that have been provided to us. We have considered each relationship and it is our opinion that none of the relationships disclosed in the DIRRI result in a conflict of interest or duty or affect our independence.

1.2 What is a creditors' voluntary liquidation?

A creditors' voluntary liquidation ("CVL"), is a liquidation initiated by the Company where it is unable to pay all of its creditors in full. This means that the Company is insolvent. According to the Company's records, you may be a creditor of the Company.

1.3 What happens to your debt?

The Company books and records indicate that you may be a creditor.

All creditors of the Company are now creditors in the liquidation. As a creditor, you have certain rights, although your debt will now be dealt with in the liquidation. Information regarding your rights as a creditor is provided in the information sheet included at **Annexure B**. This includes your right to:

- Make reasonable requests for a meeting;
- Make reasonable requests for information;

Level 9, 60 Pitt Street Sydney NSW 2000 | PO BOX R181 Royal Exchange NSW 1225 | www.hogansproawles.com.au

Phone: (02) 8020 5850 | Facsimile (02) 9251 9777

Liability limited by a scheme approved under Professional Standards Legislation



- Give directions to me;
- Appoint a reviewing liquidator; and
- To replace us as liquidators.

If you have leased the Company property, have a retention of title claim or hold a Personal Property Security in relation to the Company, please contact our staff as soon as possible.

We wish to draw to your attention to the special right to request a meeting in the first 20 business days of a creditors' voluntary liquidation. If we receive a request for a meeting from at least 5% of known creditors that are not a related entity of Company, we are required to hold a meeting, as long as the request is reasonable. The details of whether a request is reasonable or not is included in the Information Sheet at **Annexure B**.

2. Summary of the Company's affairs & list of creditors

We have received a summary of the Companies affairs dated 18 November 2019. Attached is a copy of the Presentation of summary of affairs of the Company for both Companies (Form 509) at **Annexure C**.

We attach at **Annexure D** the list of creditors, including their address and the estimated amounts of their claims, as represented in the Companies' books and records as at the date of our appointment. Any creditors related to the Companies are identified. We are required to provide this information to creditors under law.

We invite creditors to complete the proof of debt forms at **Annexure H**, providing details and documents supporting any debts owing.

Company Details – Fancy A Bite.Pty.Ltd		
Registration Date	25 June 2008	
Registered Office	Unit 17, 159-163 John Street, Cabramatta NSW 2166	
Principal Place of Business	Unit 17, 159-163 John Street, Cabramatta NSW 2166	
Current Director	Appointed	Ceased
Daniel Kuoch	25/06/2008	-
Share Structure	Amount Paid	Amount Unpaid
2 Ordinary Share	\$2.00	\$0.00
Current Shareholder	Shares Held/Type	Fully Paid
Daniel Kuoch	2 Ordinary Share	Yes

Company Details – DWK8 Pty Ltd

Registration Date	16 April 2015
Registered Office	Unit 17, 159-163 John Street, Cabramatta NSW 2166
Principal Place of Business	Unit 17, 159-163 John Street, Cabramatta NSW 2166

Current Director	Appointed	Ceased
Daniel Kuoch	16/04/2015	-

Share Structure	Amount Paid	Amount Unpaid
2 Ordinary Share	\$2.00	\$0.00

Current Shareholder	Shares Held/Type	Fully Paid
Daniel Kuoch	2 Ordinary Share	Yes

3. Update on liquidation to date

Fancy A Bite Pty. Ltd (“Fancy”) was the operating entity of the Companies and operated a café in North Sydney named ‘Fancy A Bite’. Fancy ceased to trade on or around 8 November 2019 prior to our appointment as Liquidators. The Director has advised that related entity, DWK8 Pty Ltd (“DWK8”) was not a trading entity and was incorporated for the sole reasons of holding the lease agreement between DWK8 and Ho-Group North Sydney Pty Limited (“the Landlord”) over the premises at Shop 2, Level 2, 99 Mount Street, North Sydney (“the Premises”).

We have visited the Premises and sold the assets of the Fancy for \$10,000. On 15 November 2019, the Landlord terminated the lease agreement and we have vacated the Premises.

Whilst we have only commenced our preliminary investigations into the Company, we are seeking creditors assistance in providing any additional information which may assist with further asset recoveries. Please email Jonas Wu of our office at jwu@hogansproawles.com.au or by phone on 02 8020 5857, if you have any information which may lead to further asset recoveries.

3.1 What happens next?

We will proceed with the liquidation, including:

- Recovering and selling any available assets;
- Liaising with the landlord and CBRE;
- Investigating the Company’s affairs and financial accounts; and
- Reporting to the corporate regulator, ASIC.

We will write to you within three months of our appointment advising whether a dividend is likely and update you on the progress of our investigations.

We may write to you again after that with further information on the progress of the liquidation however creditors are welcome to contact our office to obtain an update on the progression of the liquidation.

4. Costs of the liquidation

Included at **Annexure E** is our Initial Remuneration Notice. This document provides you with information about how we propose to be paid for undertaking the liquidation.

We may write and ask that you approve our remuneration for the work that we and our firm do in completing the liquidation. If we do, we will provide you with detailed information so that you can understand what tasks we have undertaken and the costs of those tasks.

We are seeking approval of our proposed remuneration, without a meeting of creditors, via the following circular resolutions:

- Approve remuneration of the Liquidation of Fancy for \$25,000 exclusive of GST (**Annexure F**);
- Approve the future disbursements of the Liquidation of Fancy for \$500 exclusive of GST (**Annexure G**).

We have received an upfront payment of \$5,000 for the Liquidation of DWK8.

Details relating to the approval of our proposed remuneration are included in the following attachments:

Annexure H is the Proof of Debt Form – Both Companies

Annexure I is the ARITA information Sheet: Proposals without meeting

Annexure J is a copy of the estimated Liquidator's remuneration report

5. Further information

The Australian Restructuring Insolvency and Turnaround Association ("ARITA") provides information to assist creditors with understanding liquidations and insolvency. This information is available from ARITA's website at www.arita.com.au/creditors.

ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at www.asic.gov.au (search for "insolvency information sheets").

Should you have any questions in relation to this matter, please contact Jonas Wu, of this office, by phone on (02) 8020 5857 or via email jwu@hogansproawles.com.au

DATED this 18th day of November 2019

Yours faithfully

Fancy A Bite.Pty.Ltd (In Liquidation)
DWK8 Pty Ltd (In Liquidation)



Michael Hogan

Joint & Several Liquidator

Attachments

Annexure A	Declaration of Independence, Relevant Relationships and Indemnities
Annexure B	Information Sheet - Creditor Rights in Liquidation
Annexure C	Form 509: Presentation of summary of affairs of a company
Annexure D	List of Creditors of the Companies
Annexure E	Initial remuneration notice
Annexure F	Proposal 1: Notice of Proposal to Creditors regarding Liquidators remuneration
Annexure G	Proposal 2: Notice of Proposal to Creditors regarding Liquidators disbursements
Annexure H	Proof of Debt form- Both Companies
Annexure I	ARITA Information Sheet: Proposals without meeting
Annexure J	Liquidator's Remuneration Report

Declaration of Independence, Relevant Relationships and Indemnities

Fancy A Bite.Pty.Ltd (In Liquidation)
A.C.N. 131 838 385 ("the Company")

This document requires the Practitioners appointed to an insolvent entity to make declarations as to:

- A. their independence generally;
- B. relationships, including
 - i the circumstances of the appointment;
 - ii any relationships with the Company and others within the previous 24 months;
 - iii any prior professional services for the Company within the previous 24 months;
 - iv that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of myself, my partners and HoganSprowles.

A. Independence

We, Michael Hogan and Brendan Copeland of HoganSprowles have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as Joint & Several Liquidators of Fancy A Bite.Pty.Ltd in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

B. Declaration of Relationships

i Circumstances of appointment

This appointment was referred to us by Saxon Griesse, the Director of both Charlie Margaret Street Pty Ltd (Subject to Deed of Company Arrangement) and Charlie Bridge Street Pty Ltd (In Liquidation) on 6 August 2019. The reason we believe this referral does not result in the Liquidation having a conflict of interest or duty are:

- Michael Hogan and Christian Sprowles were appointed administrators of Charlie Margaret Street Pty Ltd on 13 May 2019 and Liquidators of Charlie Bridge Street Pty Ltd on 6 August 2019. Mr Griesse is not related to the Director of the Company and is not a related party in any capacity.
- This is the first insolvency referral from this source, the fees from which are not a significant percentage of our business and accordingly, we are by no means dependent on referrals from this source.

- The referrer has not been remunerated for the referral.

On 15 October 2019, Michael Hogan and Jonas Wu met with the Director, Mr Daniel Kuoc of the Company at the offices of HoganSproles to discuss the Company's financial position and the options that are available to directors of the Company given their concerns regarding the solvency of the Company. On the same date, information was provided to Daniel Kuoc regarding the steps required to place the Company into a Creditors Voluntary Liquidation.

We did not receive any remuneration for the above.

On 11 November 2019, the members of the Company appointed Michael Hogan and Brendan Copeland as Liquidators.

In our opinion these conversations do not affect our independence for the following reasons:

- The ARITA (formerly IPA) Code of Professional Practice and the Courts recognises the need for practitioners to provide advice on the insolvency process and the options available and we do not consider that such advice results in a conflict or is an impediment to accepting the appointment; and
- The nature of the advice provided to the Company is such that it would not be subject to review and challenge during the Liquidation; and
- The nature of the pre-appointment advice provided to the Company will not influence our ability to fully comply with the statutory and fiduciary obligations associated with the Liquidation of the Company in an objective and impartial manner.

We have provided no other information or advice to the Company or its Director prior to our appointment beyond that outlined in this DIRRI.

We have never met or had any discussions with the director or shareholders of the Company outside that disclosed in this DIRRI.

ii Relevant Relationships (excluding Professional Services to the Insolvent)

We, nor our firm, have, or have had within the preceding 24 months, any relationships with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has security over the whole or substantially the whole of the Company's property.

We note that on 11 November 2019 we were concurrently appointed as Joint and Several Liquidators to DWK8 Pty Ltd which is a related of the Company by virtue of common directorship.

iii Prior Professional Services to the Insolvent

We, nor our Firm, have provided any professional services to the Company in the previous 24 months.

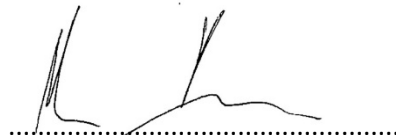
iv No other relevant relationships to disclose

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has a valid and enforceable security interest on the whole or substantially the whole of the Company's property that should be disclosed.

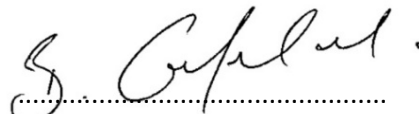
C. Indemnities and up-front payments

We have not been indemnified in relation to this administration, other than any indemnity that we may be entitled to under statute and we have not received any up-front payments in respect of our remuneration or disbursements.

Dated: 18th November 2019



Michael Hogan
Joint & Several Liquidator



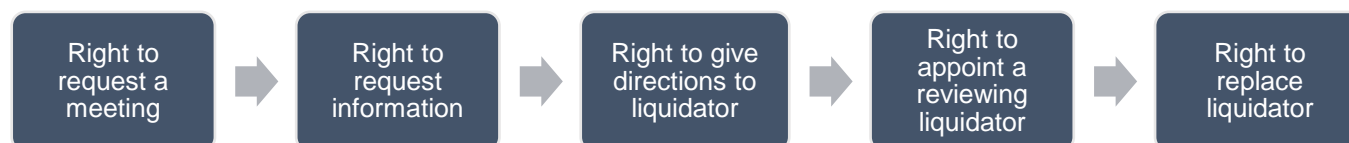
Brendan Copeland
Joint and Several Liquidator

NOTE:

1. *If circumstances change, or new information is identified, I am/we are required under the Corporations Act 2001 and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with my/our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors.*
2. *Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.*

Creditor Rights in Liquidations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request a meeting

In liquidations, no meetings of creditors are held automatically. However, creditors with claims of a certain value can request in writing that the liquidator hold a meeting of creditors.

A meeting may be requested in the first 20 business days in a creditors' voluntary liquidation by $\geq 5\%$ of the value of the debts held by known creditors who are not a related entity of the company.

Otherwise, meetings can be requested at any other time or in a court liquidation by:

- $> 10\%$ but $< 25\%$ of the known value of creditors on the condition that those creditors provide security for the cost of holding the meeting
- $\geq 25\%$ of the known value of creditors
- creditors by resolution, or
- a Committee of Inspection (this is a smaller group of creditors elected by, and to represent, all the creditors).

If a request complies with these requirements and is 'reasonable', the liquidator must hold a meeting of creditors as soon as reasonably practicable.

Right to request information

Liquidators will communicate important information with creditors as required in a liquidation. In addition to the initial notice, you should receive, at a minimum, a report within the first three months on the likelihood of a dividend being paid.

Additionally, creditors have the right to request information at any time. A liquidator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the liquidation, and the provision of the information would not cause the liquidator to breach their duties.

A liquidator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed. If, due to the nature of the information requested, the liquidator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

Requests must be reasonable.

They are not reasonable if:

Both meetings and information:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) there is not sufficient available property to comply with the request
- (c) the request is vexatious

Meeting requests only:

- (d) a meeting of creditors dealing with the same matters has been held, or will be held within 15 business days

Information requests only:

- (e) the information requested would be privileged from production in legal proceedings
- (f) disclosure would found an action for breach of confidence
- (g) the information has already been provided
- (h) the information is required to be provided under law within 20 business days of the request

If a request is not reasonable due to (b), (d), (g) or (h) above, the liquidator must comply with the request if the creditor meets the cost of complying with the request.

Otherwise, a liquidator must inform a creditor if their meeting or information request is not reasonable and the reason why.

Specific queries about the liquidation should be directed to the liquidator's office.

Right to give directions to liquidator

Creditors, by resolution, may give a liquidator directions in relation to a liquidation. A liquidator must have regard to these directions, but is not required to comply with the directions.

If a liquidator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons.

An individual creditor cannot provide a direction to a liquidator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a liquidator's remuneration or a cost or expense incurred in a liquidation. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

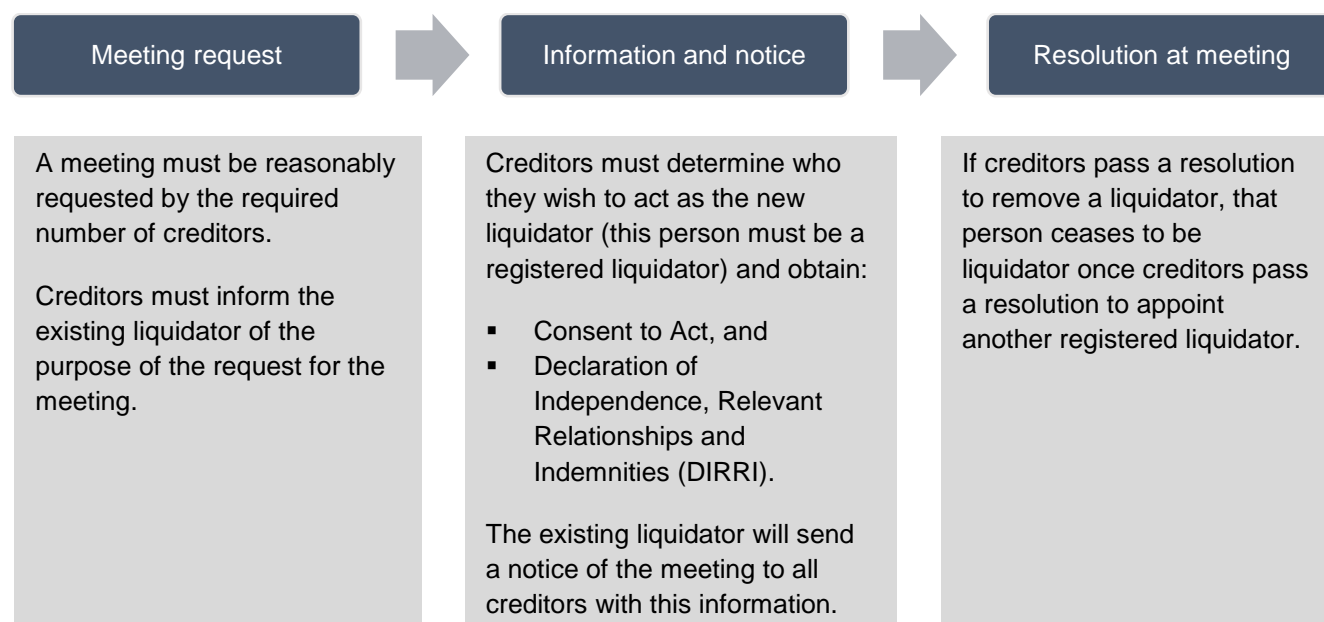
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the liquidator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

Right to replace liquidator

Creditors, by resolution, have the right to remove a liquidator and appoint another registered liquidator.

For this to happen, there are certain requirements that must be complied with:



**For more information, go to www.arita.com.au/creditors.
Specific queries about the liquidation should be directed to the liquidator's office.**

ASIC registered agent number 473873
lodging party or agent name HoganSprowles Pty Ltd
address

telephone (02) 8020 5850
facsimile (02) 9251 9777
DX number

Australian Securities and Investments Commission

FORM 509

Presentation of

Corporations Act
2001

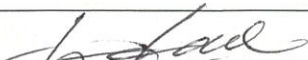
SUMMARY OF AFFAIRS OF A COMPANY

497(2)(b)(i)

company name **Fancy A Bite Pty.Ltd.**
A.C.N **131 838 385**

SUMMARY OF ASSETS AND LIABILITIES

date to which summary is made up (d/m/y)

		Valuation (show whether cost or net book amount) \$	Estimated Realisable Values \$
1	assets not specifically charged		
	(a) interest in land	0	0
	(b) sundry debtors	0	0
	(c) cash on hand	0	0
	(d) cash at bank	0	0
	(e) stock as detailed in inventory	0	0
	(f) work in progress as detailed in inventory	0	0
	(g) plant and machinery as detailed in inventory	18,250	7,000
	(h) other assets	0	0
2	assets subject to specific charges	20,000	20,000
	less amounts owing	25,000	25,000
	TOTAL assets	13,250	
	TOTAL estimated realisable values		7,000
3	less preferential creditors entitled to priority over the holders of debentures under any floating charge	0	0
		0	0
4	less amounts owing and secured by debenture or floating charge over company's assets	0	0
		0	0
5	less preferential creditors estimate amount available for unsecured creditors	0	0
6	creditors (unsecured) amount claimed	436,321	436,321
7	balances owing to partly secured creditors total claims security held	0	0
		0	0
8	contingent assets estimated to produce	0	0
		0	0
9	contingent liabilities estimated to rank for estimated deficiency/ surplus (subject to costs of administration/liquidation)	0	0
		0	0
	estimated deficiency/ surplus	(423,307)	(429,321)
	(subject to costs of administration/liquidation)		
	share capital issued	2	2
	paid up	Yes	Yes
Name of person signing		DANIEL KUOCH	capacity
Signature			Date 18/11/19
			Director

ASIC registered agent number 473873
lodging party or agent name HoganSprowles Pty Ltd
address
telephone (02) 8020 5850
facsimile (02) 9251 9777
DX number

Australian Securities and Investments Commission

FORM 509

Presentation of

Corporations Act
2001

SUMMARY OF AFFAIRS OF A COMPANY

497(2)(b)(i)

company name **DWK8 Pty Ltd**
A.C.N **131 838 385**

SUMMARY OF ASSETS AND LIABILITIES

date to which summary is made up (d/m/y)

		Valuation (show whether cost or net book amount) \$	Estimated Realisable Values \$
1	assets not specifically charged		
	(a) interest in land	0	0
	(b) sundry debtors	0	0
	(c) cash on hand	0	0
	(d) cash at bank	0	0
	(e) stock as detailed in inventory	0	0
	(f) work in progress as detailed in inventory	0	0
	(g) plant and machinery as detailed in inventory	0	0
	(h) other assets	0	0
2	assets subject to specific charges	0	0
	less amounts owing		
	TOTAL assets	0	0
	TOTAL estimated realisable values		
3	less preferential creditors entitled to priority over the holders of debentures under any floating charge	0	0
4	less amounts owing and secured by debenture or floating charge over company's assets	0	0
5	less preferential creditors	0	0
	estimate amount available for unsecured creditors	0	0
6	creditors (unsecured)	89,450	89,450
	amount claimed	0	0
7	balances owing to partly secured creditors	0	0
	total claims	0	0
	security held	0	0
8	contingent assets	0	0
	estimated to produce	0	0
9	contingent liabilities	0	0
	estimated to rank for	0	0
	estimated deficiency/surplus	89,450	89,450
	(subject to costs of administration/liquidation)		
	share capital issued	2	2
	paid up	Yes	Yes
Name of person signing		capacity	Director
Signature		Date 18/11/19	

Annexure D

Fancy A Bite. Pty. Ltd (In Liquidation)		
Creditors List	Address	(\$)
Omni Management Group Pty Ltd	64 Simmat Avenue, Condell Park NSW 2200	4,000
David Landa Stewart		3,500
Fishboy Seafoods	14A Baker Street, Banksmeadow NSW 2019	3,000
Riverina Fresh	20 Hammond Ave, Wagga Wagga NSW 2650	1,500
Australian Taxation Office	Insolvency Team 3, PO Box 9003, Penrith NSW 2751	12,863
Commonwealth Bank of Australia	Level 2, 5-7 Central Avenue, South Everleigh NSW 2015	75,700
Pepper Asset Finance Pty Ltd	Level 27, 177 Pacific Highway, North Sydney NSW 2060	24,758
Get Capital Pty Ltd	Level 6, 110 Walker Street, North Sydney NSW 2060	11,000
Director's loan		300,000
TOTAL		436,321

DWK8 Pty Ltd (In Liquidation)		
Creditors List	Address	(\$)
CBRE - Property Management	Level 29, 177 Pacific Highway North Sydney NSW 2060	89,460
TOTAL		89,460

INITIAL REMUNERATION NOTICE

Insolvency Practice Schedule (Corporations) 70-50
Insolvency Practice Rules (Corporation) 70-35

Fancy A Bite Pty. Ltd. (In Liquidation)
A.C.N. 131 838 385 and
DWK8 Pty Ltd (In Liquidation)
A.C.N. 605 329 182 ("the Companies")

The purpose of the Initial Remuneration Notice is to provide you with information about how we propose our remuneration for undertaking the Liquidation will be set.

1 Remuneration Methods

There are four basic methods that can be used to calculate the remuneration charged by an insolvency practitioner. They are:

- A. **Time based / hourly rates:** This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.
- B. **Fixed Fee:** The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.
- C. **Percentage:** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.
- D. **Contingency:** The practitioner's fee is structured to be contingent on a particular outcome being achieved.

2 Method chosen

Given the nature of this liquidation we propose that our remuneration be calculated on a time based/hourly rates basis. The amount of work required and the recoveries from Company assets are at this stage not known to us and accordingly the time based/hourly rates basis best allows us to accurately determine how much work has been completed in the liquidation and remunerate accordingly. We have chosen the time based/hourly rates method because:

- This method is considered to be the most suitable for this appointment as it ensures creditors are only charged for work that is performed in the liquidation, which can be difficult to accurately estimate at the date of appointment.
- Even later than the date of appointment, it can be difficult to estimate the time that may be required in advance of the substantive work being undertaken. The time-based method in this case again ensures that creditors are only charged for work that is actually performed in the external Liquidation.
- The practitioner is required to perform a number of tasks which do not relate to the realisation of assets, for example, reporting to the Australia Securities and Investments

Commission ("ASIC"), undertaking investigations, responding to creditor enquiries and distributing funds to creditors.

- The practitioner has a time recording system that can produce a detailed analysis of the time spent on each type of task by each individual staff member in the liquidation.
- Time based remuneration calculates fees upon a basis of time spent at the level appropriate to the work performed.

3 Explanation of Hourly Rates

The rates for our remuneration calculation are set out in the attached table, schedule of hourly rates, together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage. Time is charged in six-minute increments.

4 Estimated remuneration

We have estimated that the liquidation of the Companies will cost approximately \$25,000 exclusive of GST to completion, subject to the following variables which may have a significant effect on this estimate and that we are unable to determine at this early stage in the Liquidation:

- The time required to liaise with the franchisor and realise the business and assets of the Company;
- Investigations required into the business affairs of the Company and identify any assets or recoveries available to the liquidator; and
- Any matters identified that are required to be reported to statutory authorities, such as ASIC.

The Liquidator's time costs are recoverable only against the asset realisations available.

5 Disbursements

Disbursements are divided into three types:

- **Externally provided professional services** - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- **Externally provided non-professional costs** such as travel, accommodation and search fees - these are recovered at cost.
- **Internal disbursements** such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We are not required to seek creditor approval for disbursements paid to third parties but must account to creditors. However, we must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to obtain creditor's consent for the payment of internal disbursements where there may be a profit or advantage. Creditors will be asked to approve our internal disbursements where there is a profit or advantage prior to these disbursements being paid from the liquidation.

Details of the basis of recovering disbursements in this liquidation are provided below.

Basis of disbursement claim

Disbursements	Rate (Excl GST)
Externally provided professional services	At cost
Externally provided non-professional services	At cost
Internal disbursements	
Advertising	At cost
Search fees	At cost
Courier	At cost
Printing, Faxes & Photocopies	\$0.20 per page
Postage	At cost
Stationary and other incidental disbursements	At cost
Travel - Staff by own vehicle	\$0.68 per km
Travel - other	At cost

Scale applicable for the financial year ending 30 June 2019.

Queries


Creditors have the right to request and obtain further information from the liquidator.

Information Sheet

Creditors may access the remuneration information sheet (ASIC Information Sheet 85 – Approving fees: a guide for creditors) at ASIC's website under Regulatory Resources.

<http://www.asic.gov.au/regulatory-resources/insolvency/insolvency-for-creditors/approving-fees-a-guide-for-creditors/>

Fancy A Bite.Pty. Ltd (In Liquidation)
DWK8 Pty Ltd (In Liquidation)



Michael Hogan
Joint & Several Liquidator

hogan sprowles

Schedule of rates as @ 1 July 2019 Private & Confidential

Title	Description	Hourly rate (Excl. GST) (\$)
Partner	Registered Administrator, Chartered Accountant, degree qualified with more than fifteen years of extensive experience in insolvency, restructuring and business advisory matters. experience. Leads engagements with full accountability for strategy and execution.	560
Director	Generally Chartered Accountant and degree qualified with more than ten years of experience. Extensive experience in managing large, complex engagements at a senior level. Autonomously leads complex insolvency appointments reporting to Partner.	505
Senior Manager	Generally Chartered Accountant and degree qualified with more than seven years of experience. Significant experience across all types of engagements. Self-sufficiently conducts small to medium insolvency appointments.	440
Manager	Generally Chartered Accountant and degree qualified with more than five years of experience. Experience in complex matters, day to day conduct of small to medium engagements. Assists senior staff on complex matters.	395
Supervisor	Generally Chartered Accountant and degree qualified with more than three years of experience. Assists senior staff in planning and conduct of small to large engagements. Supervise a small team and control small engagements.	375
Senior Analyst 1	Generally degree qualified and undertaking Chartered Accountant's qualification. Controls certain tasks on small engagements and assists staff with completing tasks on medium to large engagements.	330
Senior Analyst 2	Experienced graduate controlling certain tasks on small engagements. Assists senior staff in completing tasks on small to large engagements.	320
Analyst 1	Experienced graduate. Required to assists senior staff in completing tasks on small to large engagements.	275
Analyst 2	Generally a university graduate with appropriate qualifications. Assists with day to day tasks under the supervision of senior staff.	205
Graduate	Generally degree qualified and undertaking or about to undertake Chartered Accountant's qualification with less than one year of experience. Assists with day to day tasks under the supervision of senior staff.	190
Undergraduate	Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision.	170
Senior Bookkeeper	Experienced bookkeeper with more than 18 months experience. Assist senior staff with accounting functions of engagement.	170
Bookkeeper	Assist senior staff with accounting functions of engagement.	160
PA	Appropriate skills and experience to support professional staff in an administrative capacity.	140
Administration	Appropriate skills and experience to support professional staff in an administrative capacity.	110

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 November 2019

Voting Poll Closes: 10 December 2019

**Fancy A Bite.Pty.Ltd
("In Liquidation")
A.C.N. 131 838 385 ("the Company")
Formerly trading as Fancy A Bite**

Proposal No. 1 for creditor approval

"That the future remuneration of the Liquidators from 11 November 2019 to the conclusion of the liquidation is determined at a sum equal to the cost of time spent by the Liquidators, their partners and staff, calculated at the hourly rates as detailed in the Liquidator's Remuneration Report dated 18 November 2019 such sum to be capped at the amount of \$25,000 exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required".

Vote on the Proposal No. 1

Please select the appropriate Yes, No or Object box referred to below with a ☒ to indicate your preferred position.

- Yes ☐ I approve the proposal
- No ☐ I do not approve the proposal
- Object ☐ I object to the proposal being resolved without a meeting of creditors

For your vote to count, your claim against the Company must have been admitted for the purposes of voting by the Joint and Several Liquidators. Please select the option that applies to you:

- ☐ I have previously submitted a proof of debt form and supporting documents
- ☐ I have **enclosed** a proof of debt form and supporting documents with this proposal form
- ☐ I am **not** a related creditor of the Company
- ☐ I am a related creditor of the Company*

relationship: _____

*eg Director, relative of Director, related company, beneficiary of a related trust.

Reasons for the proposal and the likely impact it will have on creditors if it is passed

- A Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties, including reporting obligations in acting as a liquidator.
- We are unable to pay our remuneration without the approval of the Committee of Inspection (if one has been appointed), Creditors, or the Court.
- Approval by Creditors is efficient and timely, and is less costly than an application to the Court.
- Approval of our remuneration will allow us to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.
- Approval by Creditors, by circulating resolution from the Notice of Proposal to Creditors, is less costly than convening a meeting of creditors to obtain remuneration approval.
- This may negatively impact on creditors, as a formal meeting of creditors may be convened later than it may otherwise be convened, or not convened at all. That said, creditors are welcome to contact the Liquidators staff, by email or telephone, for an update on the liquidation.

**Name of creditor /
authorised person:** _____

Address: _____

Signature: _____ **Date:** _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than close of business on **10 December 2019**, by email to **Jonas Wu** at jwu@hogansprowles.com.au. Should you have any queries in relation to this matter, please contact Jonas Wu on (02) 8020 5857.

HoganSproles
Level 9,
60 Pitt Street
SYDNEY NSW 2000

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 November 2019

Voting Poll Closes: 10 December 2019

**Fancy A Bite.Pty.Ltd
("In Liquidation")
A.C.N. 131 838 385 ("the Company")
Formerly trading as Fancy A Bite**

Disbursements

Disbursements are divided into three types:

- **Externally provided professional services** (eg legal fees) – these are recovered at cost.
- **Externally provided non-professional costs** (eg travel, accommodation and search fees) – these are also recovered at cost.
- **Internal disbursements** (eg photocopying, telephone, fax, printing and postage costs) – these are generally recovered at cost, however, expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs on a reasonable commercial basis.

We are not required to seek creditor approval for disbursements paid to third parties, however, we are required to account to creditors for such expenses and we must be satisfied that those disbursements are appropriate, justified and reasonable. In respect of Internal disbursements, to the extent that these may be recovered at more than their cost, they may be considered as deriving a profit or advantage and must therefore be approved by creditors, a committee of inspection (if one is appointed), or by the Court prior to them being drawn.

Declaration

We, Michael Hogan and Brendan Copeland have undertaken a proper assessment of disbursements claimed in the matter of the Company, in accordance with the law and applicable professional standards and we are satisfied that the disbursements claimed are necessary and proper.

It is proposed that future disbursements to be provided by our firm will be charged to the Company on the following basis:

Disbursements	Rate (Excl GST)
Externally provided professional services	At cost
Externally provided non-professional services	At cost
Internal disbursements	
Advertising	At cost
Search fees	At cost
Courier	At cost
Printing, Faxes & Photocopies	\$0.20 per page
Postage	At cost
Stationary and other incidental disbursements	At cost
Travel - Staff by own vehicle	\$0.68 per km
Travel - other	At cost

Proposal No. 2 for creditor approval

“That the future disbursements of the Liquidator from 11 November 2019 to the conclusion of the liquidation is determined at a sum equal to the cost spent by the Liquidators, their partners and staff, calculated at the rates as detailed in the remuneration report dated 18 November 2019 such sum to be capped at the amount of \$1,000 exclusive of GST, and that the Liquidator may draw the disbursements on a monthly basis or as required.”

Vote on the Proposal No. 2

Please select the appropriate Yes, No or Object box referred to below with a ☒ to indicate your preferred position.

- Yes ☐ I approve the proposal
- No ☐ I do not approve the proposal
- Object ☐ I object to the proposal being resolved without a meeting of creditors

For your vote to count, your claim against the Company must have been admitted for the purposes of voting by the Liquidator. Please select the option that applies to you:

- ☐ I have previously submitted a proof of debt form and supporting documents
- ☐ I have **enclosed** a proof of debt form and supporting documents with this proposal form
- ☐ I am **not** a related creditor of the Company
- ☐ I am a related creditor of the Company*

relationship: _____

*eg Director, relative of Director, related company, beneficiary of a related trust.

Reasons for the proposal and the likely impact it will have on creditors if it is passed

- A Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties, including reporting obligations in acting as a liquidator. We are unable to pay our disbursements without the approval of the Committee of Inspection (if one has been appointed), Creditors, or the Court.
- Approval by Creditors is efficient and timely, and is less costly than an application to the Court.
- Approval of our disbursements will allow us to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.
- This may negatively impact on creditors, as a formal meeting of creditors may be convened later than it may otherwise be convened, or not convened at all. That said, creditors are welcome to contact the Liquidator's staff, by email or telephone, for an update on the liquidation.

Creditor details*Name of creditor**Address**ABN (if applicable)**Contact number**Email address*

**Name of creditor /
authorised person:** _____**Signature:** _____**Date:** _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than close of business on **10 December 2019**, by email to **Jonas Wu** at jwu@hogansprowles.com.au. Should you have any queries in relation to this matter, please contact Jonas Wu on (02) 8020 5857.

HoganSproles
Level 9,
60 Pitt Street
SYDNEY NSW 2000

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Joint & Several Liquidators of Fancy A Bite.Pty.Ltd (In Liquidation)

1. This is to state that the company was, on 11 November 2019
- ⁽¹⁾
- and still is, justly and truly indebted to
- ⁽²⁾
- (full name):

.....
(‘Creditor’).....
of (full address)

for \$dollars andcents.

Particulars of the debt are:

Date	Consideration ⁽³⁾ state how the debt arose	Amount \$	GST included \$	Remarks ⁽⁴⁾ include details of voucher substantiating payment

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:

Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount \$ c	Due Date

☐I am **not** a related creditor of the Company ⁽⁵⁾☐I am a related creditor of the Company ⁽⁵⁾

relationship:

- 3A.
- ^{(6)*}
- I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

- 3B.
- ^{(6)*}
- I am the creditor's agent authorised to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this day of 2019

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation

Address

See Directions overleaf for the completion of this form**OFFICE USE ONLY**

POD No:		ADMIT (Voting / Dividend) - Ordinary	\$
Date Received:	/ /	ADMIT (Voting / Dividend) – Preferential	\$
Entered into CORE IPS:		Reject (Voting / Dividend)	\$
Amount per CRA/RATA	\$	Object or H/Over for Consideration	\$
Reason for Admitting / Rejection			
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED / /			

Proof of Debt Form Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Related Party / Entity: Director, relative of Director, related company, beneficiary of a related trust.
- (6) If the Creditor is a natural person and this proof is made by the Creditor personally. In other cases, if, for example, you are the director of a corporate Creditor or the solicitor or accountant of the Creditor, you sign this form as the Creditor's authorised agent (delete item 3A). If you are an authorised employee of the Creditor (credit manager etc), delete item 3B.

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
 - (a) have an identifying mark;
 - (b) and be endorsed with the words:
 - i) "This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
 - (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.

FORM 535
CORPORATIONS ACT 2001

ACN 605 329 182

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Joint & Several Liquidators of DWK8 Pty Ltd (In Liquidation)

1. This is to state that the company was, on 11 November 2019 ⁽¹⁾ and still is, justly and truly indebted to ⁽²⁾ (full name):

.....
(‘Creditor’)

.....
of (full address)

for \$dollars andcents.

Particulars of the debt are:

Date	Consideration ⁽³⁾ state how the debt arose	Amount \$	GST included \$	Remarks ⁽⁴⁾ include details of voucher substantiating payment

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:

Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount \$ c	Due Date

☐
I am **not** a related creditor of the Company ⁽⁵⁾
☐

I am a related creditor of the Company ⁽⁵⁾
relationship:

- 3A. ^{(6)*} I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

- 3B. ^{(6)*} I am the creditor's agent authorised to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this day of 2019

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation

Address

See Directions overleaf for the completion of this form**OFFICE USE ONLY**

POD No:		ADMIT (Voting / Dividend) - Ordinary	\$
Date Received:	/ /	ADMIT (Voting / Dividend) – Preferential	\$
Entered into CORE IPS:		Reject (Voting / Dividend)	\$
Amount per CRA/RATA	\$	Object or H/Over for Consideration	\$
Reason for Admitting / Rejection			
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED / /			

Proof of Debt Form Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Related Party / Entity: Director, relative of Director, related company, beneficiary of a related trust.
- (6) If the Creditor is a natural person and this proof is made by the Creditor personally. In other cases, if, for example, you are the director of a corporate Creditor or the solicitor or accountant of the Creditor, you sign this form as the Creditor's authorised agent (delete item 3A). If you are an authorised employee of the Creditor (credit manager etc), delete item 3B.

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
 - (a) have an identifying mark;
 - (b) and be endorsed with the words:
 - i) "This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
 - (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.

Information sheet: Proposals without meetings

You may be a creditor in a liquidation, voluntary administration or deed of company arrangement (collectively referred to as an external administration).

You have been asked by the liquidator, voluntary administrator or deed administrator (collectively referred to as an external administrator) to consider passing a proposal without a meeting.

This information sheet is to assist you with understanding what a proposal without a meeting is and what your rights as a creditor are.

What is a proposal without a meeting?

Meetings of creditors were previously the only way that external administrators could obtain the views of the body of creditors. However, meetings can be very expensive to hold.

A proposal without a meeting is a cost effective way for the external administrator to obtain the consent of creditors to a particular course of action.

What types of proposals can be put to creditors?

The external administrator is able to put a range of proposals to creditors by giving notice in writing to the creditors. There is a restriction under the law that each notice can only contain a single proposal. However, the external administrator can send more than one notice at any single time.

What information must the notice contain?

The notice must:

- include a statement of the reasons for the proposal and the likely impact it will have on creditors if it is passed
- invite the creditor to either:
 - vote yes or no to the proposal, or
 - object to the proposal being resolved without a meeting, and
- specify a period of at least 15 business days for replies to be received by the external administrator.

If you wish to vote or object, you will also need to lodge a Proof of Debt (POD) to substantiate your claim in the external administration. The external administrator will provide you with a POD to complete. You should ensure that you also provide documentation to support your claim.

If you have already lodged a POD in this external administration, you do not need to lodge another one.

The external administrator must also provide you with enough information for you to be able to make an informed decision on how to cast your vote on the proposal. With some types of proposals, the law or ARITA's Code of Professional Practice sets requirements for the information that you must be provided.

For example, if the external administrator is asking you to approve remuneration, you will be provided with a Remuneration Approval Report, which will provide you with detailed information about how the external administrator's remuneration for undertaking the external administration has been calculated.

What are your options if you are asked to vote on a proposal without a meeting?

You can choose to vote yes, no or object to the proposal being resolved without a meeting.

How is a resolution passed?

A resolution will be passed if more than 50% in number and 50% in value (of those creditors who did vote) voted in favour of the proposal, but only so long as not more than 25% in value objected to the proposal being resolved without a meeting.

What happens if the proposal doesn't pass?

If the proposal doesn't pass and an objection is not received, the external administrator can choose to amend the proposal and ask creditors to consider it again or the external administrator can choose to hold a meeting of creditors to consider the proposal.

The external administrator may also be able to go to Court to seek approval.

What happens if I object to the proposal being resolved without a meeting?

If more than 25% in value of creditors responding to the proposal object to the proposal being resolved without a meeting, the proposal will not pass even if the required majority vote yes. The external administrator will also be unable to put the proposal to creditors again without a meeting.

You should be aware that if you choose to object, there will be additional costs associated with convening a meeting of creditors or the external administrator seeking the approval of the Court. This cost will normally be paid from the available assets in the external administration.

This is an important power and you should ensure that it is used appropriately.

Where can I get more information?

The Australian Restructuring Insolvency and Turnaround Association (ARITA) provides information to assist creditors with understanding external administrations and insolvency.

This information is available from ARITA's website at artia.com.au/creditors.

ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at asic.gov.au (search for "insolvency information sheets").

Liquidators Remuneration Approval Report

Fancy A Bite.Pty.Ltd
("In Liquidation")
A.C.N. 131 838 385 ("the Company")
Formerly trading as Fancy A Bite

This remuneration report provides you with the information you need to be able to make an informed decision regarding the approval of our remuneration for undertaking the liquidation of Fancy A Bite. Pty. Ltd.

This report has the following information:

Contents

Part 1: Declaration	2
Part 2: Executive Summary	2
Part 3: Remuneration.....	2
Part 4: Disbursements.....	3
Part 5: Likely impact on dividends	4
Part 6: Remuneration Recoverable from External Sources	4
Part 7: Report on Progress of the Liquidation	4
Part 8: Summary of Receipts and Payments.....	4
Part 9: Queries	4
Part 10: Approval of remuneration and internal disbursements	4
Schedule A – Resolution 1 - Calculation of remuneration	6
Schedule B – Resolution 1 - Table of major tasks for remuneration	7

What do you need to do next?

You should read this report and the other documentation that we have sent you.

To minimise the costs in the administration and this liquidation, we have elected to seek the approval of creditors for our remuneration and internal disbursements without a meeting. Information about the proposals without a meeting process is included as Annexure I.

You can cast your vote by using the included voting form. This form needs to be returned to our office by post, scanned and emailed or faxed. We need to receive your forms **by 10 December 2019** for your vote to count. If you choose to use post, please allow enough time for your letter to be delivered.

If you have any questions or need any assistance in this matter, please contact Jonas of our office on (02) 8020 5857 or via email at jwu@hogansprowles.com.au.

Part 1: Declaration

We, Michael Hogan and Brendan Copeland of HoganSprowles, have undertaken a proper assessment of this remuneration claim for our appointment as Joint & Several Liquidator of the Company in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the liquidation.

Part 2: Executive Summary

The total remuneration for this appointment is estimated to be \$25,000 exclusive of GST.

Remuneration currently claimed is summarised below:

Period	Report Reference	Amount (ex GST)
Future Remuneration claim:		
Liquidation		
Resolution [1]: 11 November 2019 to the conclusion	Part 3	\$25,000
Total – future remuneration		\$25,000
* Approval for the future remuneration sought is based on an estimate of the work necessary to the completion of the liquidation. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.		

Internal disbursements currently claimed are summarised below:

Period	Report Reference	Amount (ex GST)
Future Internal disbursements approval		
Resolution [2]: 11 November 2019 to the conclusion	Part 4	\$1,000
Total – future disbursements		\$1,000
* Approval for the future internal disbursements sought is based on an estimate of the internal disbursements necessary to the completion of the liquidation. Should additional disbursements be necessary beyond what is contemplated, further approval may be sought from creditors.		

Please refer to report section references detailed in the above table for full details of the calculation and composition of the remuneration approval sought.

Part 3: Remuneration

3.1 Remuneration claim resolutions

We will be seeking approval of the following resolutions to approve our remuneration. Details to support these resolutions are included in section 3.2 and in the attached Schedule.

Resolution [1]: from 11 November 2019 to the conclusion of the liquidation

“That the future remuneration of the Liquidators from 11 November 2019 to the conclusion of the liquidation is determined at a sum equal to the cost of time spent by the Liquidators, their partners and staff, calculated at the hourly rates as detailed in the Liquidator’s Remuneration Report dated 18 November 2019 such sum to be capped at the amount of \$25,000 exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required”.

3.2 Details of remuneration

The below table sets out the predicted time charges to each major task area by staff members working on the liquidation for the period between 11 November 2019 to the conclusion of the liquidation which is the basis of the Resolution 1 claim. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained in Schedule A below.

3.3 Total remuneration reconciliation

To date, we have not drawn any fees. In preparing this remuneration approval report, we have made our best estimate at what we believe the liquidation will cost to complete and we do not anticipate that we will have to ask creditors to approve any further remuneration. However, should the liquidation not proceed as expected, we will advise creditors and we may seek approval of further remuneration and provide details on why the remuneration has changed. Matters that may affect the progress and the cost of the liquidation, include the task involved in pursuing recoveries.

Part 4: Disbursements

Details of the type and calculation of disbursements are included in the attached initial remuneration notice. Disbursements are divided into three types:

- **Externally provided professional services** - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- **Externally provided non-professional costs** - these are recovered at cost. Examples of externally provided non-professional costs are travel, accommodation and search fees.
- **Internal disbursements** such as photocopying, printing and postage. These disbursements, if charged to the Liquidation, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis. Details of the basis of recovery of each of these costs is discussed in my initial remuneration notice.

We have undertaken a proper assessment of disbursements claimed for the Company, in accordance with the law and applicable professional standards. We are satisfied that the disbursements claimed are necessary and proper.

Approval of the payment of my internal disbursements at the rates detailed in the attached initial remuneration notice to a capped amount of \$1,000 exclusive of GST is being sought from creditors via a proposal without a meeting.

Resolution [2]: internal disbursements

“That the future disbursements of the Liquidator from 11 November 2019 to the conclusion of the liquidation is determined at a sum equal to the cost spent by the Liquidators, their partners and staff, calculated at the rates as detailed in the remuneration report dated 18 November 2019 such sum to be capped at the amount of \$1,000 exclusive of GST, and that the Liquidator may draw the disbursements on a monthly basis or as required.”

Part 5: Likely impact on dividends

The likelihood of a dividend being paid to creditors depends on the outcome of my investigations and any recoveries.

A further notice will be sent to creditors prior to any dividend distribution.

Part 6: Remuneration Recoverable from External Sources

At this stage the Liquidator has not received, and is not entitled to receive, any funding from external sources in respect of remuneration.

Part 7: Report on Progress of the Liquidation

Please see the Liquidators’ Circular to Creditors dated 18 November 2019

Part 8: Summary of Receipts and Payments

There have been no receipts or payments to date.

Part 9: Queries

If you have any queries in relation to the information in this report, please contact Jonas Wu on (02) 8020 5857 or via email at jwu@hogansprowles.com.au.

You can also access information which may assist you on the following websites:

- ARITA at www.arita.com.au/creditors; and
- ASIC at www.asic.gov.au (search for “insolvency information sheets”).

Part 10: Approval of remuneration and internal disbursements

At **Annexure F to H**, we have enclosed the following for your completion by **10 December 2019**:

- Voting slip for the Liquidator’s remuneration;
- Voting slip for the Liquidator’s disbursements;
- Proof of debt form.

In our report we are seeking creditors to vote via a proposal without a meeting on the following resolutions:

“That the future remuneration of the Liquidators from 11 November 2019 to the conclusion of the liquidation is determined at a sum equal to the cost of time spent by the Liquidators, their partners and staff, calculated at the hourly rates as detailed in the Liquidator’s Remuneration Report dated 18 November 2019 such sum to be capped at the amount of \$25,000 exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required”.

AND

“That the future disbursements of the Liquidator from 11 November 2019 to the conclusion of the liquidation is determined at a sum equal to the cost spent by the Liquidators, their partners and staff, calculated at the rates as detailed in the remuneration report dated 18 November 2019 such sum to be capped at the amount of \$1,000 exclusive of GST, and that the Liquidator may draw the disbursements on a monthly basis or as required.”

Schedule A – Resolution 1 - Calculation of remuneration

Fancy A Bite Pty. Ltd (In liquidation)
A.C.N. 131 838 385 ("the Company")
ESTIMATED HOURS TO BE INCURRED FROM 11 NOVEMBER 2019 TO THE CONCLUSION
CALCULATION OF REMUNERATION

Employee	Position	\$/hour	Total actual hours	Total (\$)	Task Area					
					Assets hrs	\$	Creditors hrs	\$	Investigation hrs	\$
Michal Hogan	Partner	560.00	17.00	9,520.00	4.00	2,240.00	7.00	3,920.00	6.00	3,360.00
Jonas Wu	Analyst	275.00	37.00	10,175.00	8.00	2,200.00	12.00	3,300.00	11.00	3,025.00
Vincent Nguyen	Graduate	190.00	15.00	2,850.00	1.00	190.00	2.00	380.00	4.00	760.00
Thomas Farquhar	Administration	170.00	15.00	2,550.00	1.00	170.00	2.00	340.00	4.00	680.00
Total			84.00	25,095.00	14.00	4,800.00	23.00	7,940.00	25.00	7,825.00
But say				25,000.00						
GST				2,500.00						
Total (incl GST)				27,500.00						
Average hourly rate				298.75						

Schedule B – Resolution 1 - Table of major tasks for remuneration

The below table provides a description of the work which has been undertaken in each major task area during the course of the liquidation.

Task Area	General Description	Includes
Assets [14 hours] [\$4,800]	Leasing	Liaising with owners/lessors Reviewing lease documents Tasks associated with disclaiming leases
	Other Assets	Tasks associated with realising other assets, including stock and PPE Proceedings regarding to sale of assets
	Plant and Equipment	Attend site to inspect the asset Receive correspondence from purchasers Discuss proceedings of sale of assets Liaise with valuer and lease parties regarding identifying assets
Creditors [23 hours] [\$7,940]	Dealing with proofs of debt	Receipting and filing POD's when not related to a dividend Corresponding with OSR and ATO regarding POD's when not related to a dividend
	Creditor Enquiries	Receive and follow up creditor enquiries via telephone Maintaining creditor enquiry register Review and prepare correspondence to creditors and their representatives via facsimile, email and post
	Reports to creditors	Prepare initial report to creditors Review return of proposals Preparation of statutory report
Investigation [25 hours] [\$7,825]	ASIC reporting	Preparing statutory investigation reports Liaising with ASIC
	Correspondence	With various stakeholders Meeting with Directors and other third parties
	Conducting investigation	Collection of company books and records Reviewing company's books and records Review and preparation of company nature and history Conducting and summarising statutory searches Preparation of comparative financial statements Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with directors regarding certain transactions Preparation of investigation file Lodgement of investigation with the ASIC

Task Area	General Description	Includes
Administration [22 hours] [\$4,530]	ASIC Form 524 and other forms	Preparing and lodging ASIC forms including 505, 5602, 5011 etc Correspondence with ASIC regarding statutory forms
	Bank account administration	Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Correspondence with pre-appointment bank regarding closure of account
	ATO and other statutory reporting	Notification of appointment Preparing BAS' Correspondence with ATO regarding lodgements and registration
	Planning / Review	Discussions regarding status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage



Schedule of rates as @ 1 July 2019

Private & Confidential

Title	Description	Hourly rate (Excl. GST) (\$)
Partner	Registered liquidator, Chartered Accountant, degree qualified with more than fifteen years of extensive experience in insolvency, restructuring and business advisory matters. Leads engagements with full accountability for strategy and execution.	560
Director	Generally Chartered Accountant and degree qualified with more than ten years of experience. Extensive experience in managing large, complex engagements at a senior level. Autonomously leads complex insolvency appointments reporting to Partner.	505
Senior Manager	Generally Chartered Accountant and degree qualified with more than seven years of experience. Significant experience across all types of engagements. Self-sufficiently conducts small to medium insolvency appointments.	440
Manager	Generally Chartered Accountant and degree qualified with more than five years of experience. Experience in complex matters, day to day conduct of small to medium engagements. Assists senior staff on complex matters.	395
Supervisor	Generally Chartered Accountant and degree qualified with more than three years of experience. Assists senior staff in planning and conduct of small to large engagements. Supervise a small team and control small engagements.	375
Senior Analyst 1	Generally degree qualified and undertaking Chartered Accountant's qualification. Controls certain tasks on small engagements and assists staff with completing tasks on medium to large engagements.	330
Senior Analyst 2	Experienced graduate controlling certain tasks on small engagements. Assists senior staff in completing tasks on small to large engagements.	320
Analyst 1	Experienced graduate. Required to assists senior staff in completing tasks on small to large engagements.	275
Analyst 2	Generally a university graduate with appropriate qualifications. Assists with day to day tasks under the supervision of senior staff.	205
Graduate	Generally degree qualified and undertaking or about to undertake Chartered Accountant's qualification with less than one year of experience. Assists with day to day tasks under the supervision of senior staff.	190
Undergraduate	Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision.	170
Senior Bookkeeper	Experienced bookkeeper with more than 18 months experience. Assist senior staff with accounting functions of engagement.	170
Bookkeeper	Assist senior staff with accounting functions of engagement.	160
PA	Appropriate skills and experience to support professional staff in an administrative capacity.	140
Administration	Appropriate skills and experience to support professional staff in an administrative capacity.	110