

Initial information for creditors

**Billabongs Restaurant Pty Limited ATF the Billabongs Restaurant Unit Trust (In Liquidation)
Trading as Billabong Restaurant
A.C.N. 071 118 940 (“the Company”)**

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

1. Information for creditors

1.1 Notification of appointment

I was appointed as Liquidator of the Company by special resolution of the members of the company passed at a duly convened meeting on 23 December 2020.

A copy of my Declaration of Independence, Relevant Relationships and Indemnities (“DIRRI”) is attached as **Annexure A**. The DIRRI assists you to understand any relevant relationships that I have, and any indemnities or upfront payments that have been provided to me. I have considered each relationship and it is my opinion that none of the relationships disclosed in the DIRRI result in a conflict of interest or duty or affect my 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;
- Give directions to us;
- Appoint a reviewing liquidator; and
- To replace me as liquidator.

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 my staff as soon as possible.

I 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 I receive a request for a meeting from at least 5% of known creditors that are not a related entity of Company, I am 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

I have received a summary of the Company's affairs dated 23 December 2020. Attached is a copy of the Presentation of summary of affairs of the Company (Form 509) at **Annexure C**.

I attach at **Annexure D** a list of creditors, including addresses and the estimated amounts of their claims, as represented in the Company's books and records as at the date of my appointment. Any creditors related to the Company are identified. I am required to provide this information to creditors under law.

I invite creditors to complete the proof of debt form at **Annexure E**, providing details of and documents supporting any debts owing.

| Company Details | | |
|---------------------------------|--|---------------|
| Registration Date | 14 September 1995 | |
| Registered Office | Level 6, 89 York Street, Sydney NSW 2000 | |
| Principal Place of Business | C/- East Maitland Bowling Club, Banks Street East Maitland NSW 2323 | |
| Directors | Appointed | Ceased |
| Fa Xiang Luo | 19/01/2006 | - |
| Jenny Po | 22/04/2014 | - |
| Jimmy Wing Hang Po | 22/06/2001 | - |
| Share Structure | Amount Paid | Amount Unpaid |
| 200 Ordinary Shares | \$200.00 | \$0.00 |
| Current Shareholders | Shares Held/Type | Fully Paid |
| Ying Hui Su | 15 | Yes |
| Fa Xiang Luo | 15 | Yes |
| Percy Soo Holdings Pty. Limited | 30 | Yes |
| April Holdings Pty Ltd | 40 | Yes |
| Do Holdings Pty Ltd | 100 | Yes |

3. Update on liquidation to date

The Company operated an Asian-Australian buffet and Carvery which traded from inside the premises of East Maitland Bowling Club, Banks street, East Maitland NSW 2323.

One of the Director Ms Jenny Po advised the business has suffered immensely and attracted minimal customers/patrons due to the COVID-19 pandemic. Also, that the East Maitland Bowling Club have plans for renovating the club. The Company had been trading at a low capacity lately and ceased to trade as at the date of my appointment being 23 December 2020.

Since my appointment I have undertaken the following tasks, including but not limited to:

- Attended premises and met one of the directors – Jenny Po.
- During the site visit, following tasks were also conducted:
 - List of assets, stock and petty cash on the premises belonging to the Company
 - Collection of Petty Cash totalling \$25
 - Discussion with the Director regarding liquidation and Company affairs
 - Collected EFTPOS terminals under the Company's name
- Issued correspondence to the Company's employees and advised them of the termination of their employment. Employees were also advised to submit their claims of entitlements which will be referred to the Fair Entitlements Guarantee (FEG).
- Reviewing books and records and commence preliminary investigations into the Company's affairs.

Whilst I have only commenced my preliminary investigations into the Company, I am seeking creditors assistance in providing any additional information which may assist with further asset recoveries.

Please contact Anny Ngo of my office, by email at anny@hogansprowles.com.au or by phone on 02 8020 5853, if you have any information which may lead to further asset recoveries.

Suppliers

Please note that we will not accept liability for payment for any goods or services supplied from 23 December 2020. If there are any outstanding or uncompleted orders placed by the Company prior to our appointment, please contact Vincent Nguyen of my office by email vnguyen@hogansprowles.com.au to obtain written instructions concerning the order.

3.1 What happens next?

I will proceed with the liquidation, including:

- Recovering and selling any available property;
- Investigating and pursuing recoveries;
- Investigating the Company's affairs; and
- Reporting to the corporate regulator, ASIC.

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

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

4. Costs of the liquidation

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

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

I am seeking approval of my proposed remuneration, without a meeting of creditors, via the following circular resolutions:

- Approve the future remuneration of the Liquidator for \$45,000 exclusive of GST and (**Annexure G**).
- Approve the future disbursements of the Liquidator for \$2,000 exclusive of GST (**Annexure H**).

Annexure E is the Proof of Debt Form

Annexure I is the ARITA Information Sheet: Proposals without meeting

Annexure J is a copy of my Liquidator 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 Anny Ngo, of this office, by phone on (02) 8020 5853 or via email anny@hogansproawles.com.au.

DATED this 5th day of January 2021

Billabongs Restaurant Pty Limited (In Liquidation)



Michael Hogan
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 |
| Annexure E | Informal Proof of Debt form |
| Annexure F | Initial remuneration notice |
| Annexure G | Proposal 1: Notice of Proposal to Creditors regarding Liquidators remuneration |
| Annexure H | Proposal 2: Notice of Proposal to Creditors regarding Liquidators disbursements |
| Annexure I | ARITA Information Sheet: Proposals without meeting |
| Annexure J | Liquidator's Remuneration Report |

Form 505

Corporations Act 2001
**415(1), 427(2), 427(4), 450A(1)(a),
499(2C)(a) & (b), 537(1) & (2),**
Insolvency Practice Rules (Corporations) 2016
s70-60(2)

External Administration or Controllership Appointment of an administrator or controller

Liquidator details

Registered liquidator number

473873

Registered liquidator name

MICHAEL ANDREW HOGAN

Company details

Company name

**BILLABONGS RESTAURANT PTY
LIMITED**

ACN

071 118 940

Company industry type

Accommodation and Food Services

Add a new appointment

Appointee details

Liquidator No.

473873

Person Name

MICHAEL ANDREW HOGAN

Address

**HOGANSPROWLES PTY LTD, LEVEL 9 60
PITT STREET SYDNEY NSW 2000 Australia**

Type of Appointment

Appointed Singly

Appointment Details

Provide the date of appointment.

23-12-2020

Type of administrator

Liquidator of creditors' voluntary liquidation

Method of appointment

other appointment

Authentication

This form has been authenticated by

Name MICHAEL ANDREW HOGAN

This form has been submitted by

Name Hogan MICHAEL

Date 23-12-2020

Payment

You need to pay the fee (and any late fees if required) by Bpay or cheque in accordance with the instructions on your invoice

For more help or information

| | |
|-----------------|--|
| Web | www.asic.gov.au |
| Ask a question? | www.asic.gov.au/question |
| Telephone | 1300 300 630 |

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES

**Billabongs Restaurant Pty Ltd ATF the Billabongs Restaurant Unit Trust (In Liquidation)
Trading as Billabong Restaurant
A.C.N. 071 118 940 ("the Company")**

The purpose of this document is to assist creditors with understanding any relationship that the liquidator has and any indemnities or upfront payments that have been provided to the liquidator. None of the relationships disclosed in this document are such that the independence of the liquidation is affected.

This information is provided to you to enable you to make an informed assessment on any independence concerns, so you have trust and confidence in my independence and, if not, can act to remove and replace me if you wish.

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

1. Independence

I, Michael Hogan of HoganSprowles have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as liquidator of the Company in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to my independence. I am not aware of any reasons that would prevent me from accepting this appointment.

2. Declaration of Relationships

i. Circumstances of appointment

This appointment was referred to me by Kapil Mahashettywar of Equil Advisory. The reason I believe this referral does not result in the liquidator having a conflict of interest or duty is:

- Referral from business advisors including lawyers, accountants, bankers and advisors are commonplace and do not impact on our independence in carrying out my duties as liquidator of the Company;
- The referral was unconditional and there is no expectation, agreement or understanding between the referrer regarding the conduct of the liquidation;
- The fees from the referral of this source do not constitute a significant percentage of our business and accordingly, we are by no means dependent on referrals from this source.

On or about 27 August 2020 had a telephone discussion with one of the Company's accountant, Mr Mahashettywar and the Company's shareholder, Do Ly, regarding the position of the Company and explaining the appointment of an external administrator and the process of a creditors' voluntary liquidation.

On 7 September 2020, Anny Ngo of my office emailed the directors, Mr Ly and Jenny Po (“the Directors”) outlining the process to appoint an external administrator via circular resolution and provided my consent to act on the same day.

On various occasions between November and December 2020, Mr Ly or Mrs Po contacted my office to discuss the appointment of the external administrator.

On 23 December 2020, I was appointed as Liquidator of the Company pursuant by circular resolution passed by the members of the Company.

In my opinion my conversations with the Director does not affect my independence as no advice was provided and:

- 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 (if any) to the Company is such that it would not be subject to review and challenge during the Administration; and
- The nature of the pre-appointment advice provided (if any) to the Company will not influence our ability to fully comply with the statutory and fiduciary obligations associated with the Administration of the Company in an objective and impartial manner.

I have provided no other information or advice to the Company prior to my appointment beyond that outlined in this DIRRI.

ii. Relevant Relationships (excluding Professional Services to the Insolvent)

Neither I, nor my 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.

There are no other prior professional or personal relationships that should be disclosed.

iii. Prior Professional services to the Insolvent

Neither I, nor my 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 charge on the whole or substantially whole of the Company’s property that should be disclosed.

C. Indemnities and up-front payments

The Director has paid \$10,000 in the HoganSproles Trust account to assist the liquidator to perform duties in respect of the liquidation and to meet initial costs, other than this indemnity I have not received any other payments in respect of my remuneration or disbursements.

Dated: 5 January 2021



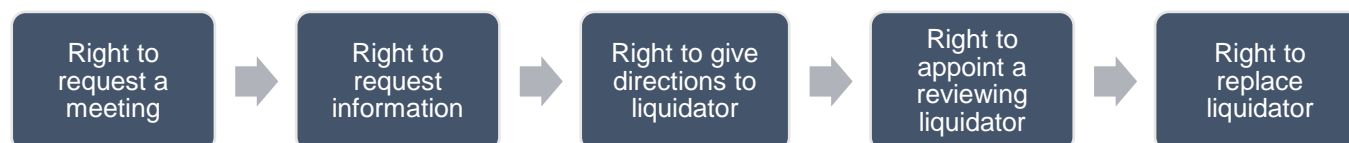
Michael Hogan
Liquidator

Notes:

- 1. If circumstances change, or new information is identified, I am/we are required under the Corporations Act 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.

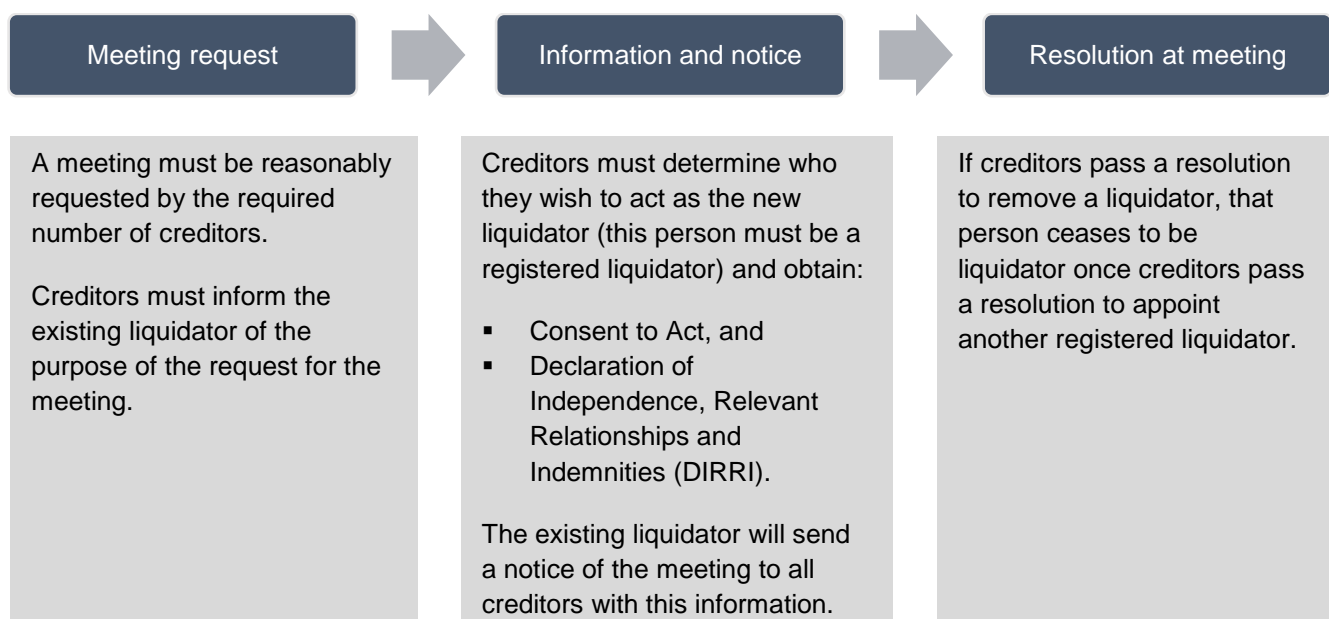
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

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 440736/473873 / 421144
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
497(2)(b)(i)

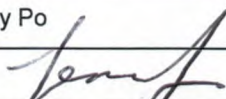
SUMMARY OF AFFAIRS OF A COMPANY

company name **Billabongs Restaurant Pty Ltd**
A.C.N 071 118 940

SUMMARY OF ASSETS AND LIABILITIES

date to which summary is made up (d/m/y) 23/12/2020

| | Valuation (show whether cost or net book amount) \$ | Estimated Realisable Values \$ |
|--|---|--------------------------------|
| 1 assets not specifically charged | | |
| (a) interest in land | - | - |
| (b) sundry debtors | - | - |
| (c) cash on hand | 200 | - |
| (d) cash at bank | - | - |
| (e) stock as detailed in inventory | 500 | - |
| (f) work in progress as detailed in inventory | - | - |
| (g) plant and machinery as detailed in inventory | 5,000 | - |
| (h) other assets | - | - |
| 2 assets subject to specific charges | 92,000 | - |
| less amounts owing | 92,000 | |
| TOTAL assets* | 5,700 | |
| TOTAL estimated realisable values | | - |
| 3 less preferential creditors entitled to priority over the holders of debentures under any floating charge | - | - |
| 4 less amounts owing and secured by debenture or floating charge over company's assets | - | - |
| 5 less preferential creditors estimate amount available for unsecured creditors | 10,000 | 10,000 |
| 6 creditors (unsecured) amount claimed | 466,000 | 466,000 |
| 7 balances owing to partly secured creditors total claims security held | - | - |
| 8 contingent assets estimated to produce | - | - |
| 9 contingent liabilities estimated to rank for estimated deficiency/surplus (subject to costs of administration/liquidation) | - | - |
| share capital issued | 200 | 200 |
| paid up | 200 | 200 |

| | | | |
|------------------------|---|----------|----------|
| Name of person signing | Jenny Po | capacity | Director |
| Signature |  | date | 23/12/20 |

List of Creditors

Annexure D

| Creditor | Address | Estimated Amount (\$) | Related Party |
|-------------------------------------|--|-----------------------|---------------|
| Priority Claims | | | |
| Directors claims (2 Directors) | | 52,393.93 | Yes |
| Employee claims (20 Employees) | | 53,746.18 | No |
| Secured Creditor | | | |
| Toyota Finance Australia Ltd | PO Box 1354, Macquarie Centre NSW 2113 | 93,769.08 | No |
| Unsecured Creditors | | | |
| Alsco | | 52.47 | No |
| Bidfood Newcastle | 2-4 Ayrshire Crescent, Sandgate NSW 2304 | 2,399.66 | No |
| Castle Chemicals | | 506.42 | No |
| Hansford Corporation | PO Box 3270, Lansvale NSW 2166 | 1,204.21 | No |
| Intelligent Pos | | 80.00 | No |
| JFC Australia Co | PO Box 4044, Lane Cove West NSW 2066 | 708.90 | No |
| Maitland City Council | PO Box 220, Maitland NSW 2320 | 275.00 | No |
| North Coast Filter Services Pty Ltd | PO Box 4046, Forster Shopping Village NSW 2428 | 337.00 | No |
| Red Funnel Fisheries Newcastle | PO Box 40, Kotara NSW 2289 | 4,109.58 | No |
| Ricland Enterprises Pty Ltd | 5 Richmond Road, Homebush NSW 2140 | 396.00 | No |
| Taitung Food Service | 355-359 Newbridge Road, Moorebank NSW 2170 | 2,693.60 | No |
| The Provedores | 355 Hillsborough Road, Warners Bay NSW 2282 | 1,515.97 | No |
| Total | | 214,188.00 | |

INFORMAL PROOF OF DEBT FORM

Regulation 5.6.47

**Billabongs Restaurant Pty Ltd ATF the Billabongs Restaurant Unit Trust (In Liquidation)
Trading as Billabong Restaurant
A.C.N. 071 118 940 ("the Company")**

Name of creditor:

Address of creditor:

.....

ABN:

Telephone number:

Amount of debt claimed: \$..... (including GST \$

Consideration for debt (i.e, the nature of goods or services supplied and the period during which they were supplied):

.....
.....
.....

Is the debt secured? YES/NO

If secured, give details of security including dates, etc:

.....
.....
.....

Other information:

.....
.....

.....
Signature of Creditor
(or person authorised by creditor)

.....
Dated

Notes:

Under the Insolvency Practice Rules (Corporations) (IPR) 75-85, a creditor is not entitled to vote at a meeting unless:

- a. his or her claim has been admitted, wholly or in part, by the Liquidator; or
- b. he or she has lodged with the Liquidator particulars of the debt or claim, or if required, a formal proof of debt.

At meetings held under Section 436E and 439A, a secured creditor may vote for the whole of his or her debt without regard to the value of the security (IPR 75-87).

Proxies must be made available to the Liquidator.

INITIAL REMUNERATION NOTICE

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

Billabongs Restaurant Pty Ltd ATF the Billabongs Restaurant Unit Trust (In Liquidation)
Trading as Billabong Restaurant
A.C.N. 071 118 940 (“the Company”)

The purpose of the Initial Remuneration Notice is to provide you with information about how I propose my 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 I propose that my 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 me and accordingly the time based/hourly rates basis best allows me to accurately determine how much work has been completed in the liquidation and remunerate accordingly. I 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 my remuneration calculation are set out in the following table 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.

| 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. | 595 |
| 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. | 535 |
| 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. | 470 |
| 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. | 420 |
| 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. | 400 |
| 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. | 350 |
| Senior Analyst 2 | Experienced graduate controlling certain tasks on small engagements. Assists senior staff in completing tasks on small to large engagements. | 340 |
| Analyst 1 | Experienced graduate. Required to assist senior staff in completing tasks on small to large engagements. | 295 |
| Analyst 2 | Generally a university graduate with appropriate qualifications. Assists with day to day tasks under the supervision of senior staff. | 220 |
| 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. | 200 |

Annexure F

| | | |
|-------------------|--|-----|
| Undergraduate | Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision. | 180 |
| Senior Bookkeeper | Experienced bookkeeper with more than 18 months experience. Assist senior staff with accounting functions of engagement. | 180 |
| Bookkeeper | Assist senior staff with accounting functions of engagement. | 170 |
| PA | Appropriate skills and experience to support professional staff in an administrative capacity. | 150 |
| Administration | Appropriate skills and experience to support professional staff in an administrative capacity. | 120 |

4 Estimated remuneration

I have estimated that this liquidation will cost approximately \$45,000 exclusive of GST to completion, subject to the following variables which may have a significant effect on this estimate and that I am unable to determine at this early stage in the administration:

- Investigations required into the business affairs of the Company and identify any assets; or recoveries available to the liquidator;
- Recovery of assets;
- Liaise with employees
- Attend to creditor queries
- 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.

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

I am 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 my 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 | \$0.72 per km |
| Travel - other | At cost |

Scale applicable for the financial year ending 30 June 2021.

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/>

DATED this 5th day of January 2021

Billabongs Restaurant Pty Limited (In Liquidation)


Michael Hogan
Liquidator

NOTICE OF PROPOSAL TO CREDITORS

Dated: 5 January 2021

Voting Poll Closes: 28 January 2021

**Billabongs Restaurant Pty Ltd ATF the Billabongs Restaurant Unit Trust (In Liquidation)
Trading as Billabong Restaurant
A.C.N. 071 118 940 ("the Company")**

Proposal No. 1 for creditor approval

“That the future remuneration of the Liquidators from 23 December 2020 to the completion of the liquidation is determined at a sum equal to the cost of time spent by the Liquidator, their partners and staff, calculated at the hourly rates as detailed in the Liquidator’s Remuneration Report dated 5 January 2021 such sum to be capped at the amount of \$45,000 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 **28 January 2021**, by email to **Anny Ngo** at anny@hogansprowles.com.au. Should you have any queries in relation to this matter, please contact Anny Ngo on (02) 8020 5853.

HoganSproles
Level 9,
60 Pitt Street
SYDNEY NSW 2000

NOTICE OF PROPOSAL TO CREDITORS
Dated: 5 January 2021**Voting Poll Closes: 28 January 2021**

Billabongs Restaurant Pty Ltd ATF the Billabongs Restaurant Unit Trust (In Liquidation)
Trading as Billabong Restaurant
A.C.N. 071 118 940 (“the Company”)

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.

I am not required to seek creditor approval for disbursements paid to third parties, however, I am required to account to creditors for such expenses and I 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

I, Michael Hogan 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 my 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 | \$0.72 per km |
| Travel - other | At cost |

Proposal No. 2 for creditor approval

“That the future disbursements of the Liquidator from 23 December 2020 to the completion of the liquidation is determined at a sum equal to the cost spent by the Liquidator, their partners and staff, calculated at the rates as detailed in the remuneration report dated 5 January 2021 such sum to be capped at the amount of \$2,000 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 **28 January 2020**, by email to **Anny Ngo** at anny@hogansprowles.com.au. Should you have any queries in relation to this matter, please contact Anny Ngo on (02) 8020 5853.

HoganSprowles
Level 9,
60 Pitt Street
SYDNEY NSW 2000

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

**Billabongs Restaurant Pty Ltd ATF the Billabongs Restaurant Unit Trust (In Liquidation)
Trading as Billabong Restaurant
A.C.N. 071 118 940 (“the Company”)**

This remuneration report provides you with the information you need to be able to make an informed decision regarding the approval of my remuneration for undertaking the liquidation of the Company.

This report has the following information included:

Contents

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| Part 2: Executive Summary | 2 |
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| Part 4: Disbursements..... | 5 |
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| Schedule A – 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 I have sent you.

To minimise the costs in this liquidation, I have elected to seek the approval of creditors for my remuneration and internal disbursements without a meeting. Information about the proposals without a meeting process is included at part 8 of this report.

You can cast your vote by using the included voting form. This form needs to be returned to my office by post, scanned and emailed or faxed. We need to receive your forms **by 28 January 2021** 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 with understanding the materials I have sent to you, please contact Anny Ngo of my office on (02) 8020 5853 or via email at anny@hogansproawles.com.au.

Part 1: Declaration

I, Michael Hogan of HoganSprowles, have undertaken a proper assessment of this remuneration claim for my appointment as liquidator of the Company in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the liquidation.

I have reviewed the work in progress report for the liquidation to ensure that remuneration is only being claimed for necessary and proper work performed.

Part 2: Executive Summary

The total remuneration for this appointment is estimated to be \$45,000. Subject to the outcome of my investigations and recoveries, I may be required to seek further approval of my remuneration at a later date.

Remuneration currently claimed is summarised below:

| Period | Report Reference | Amount (ex GST) |
|---|------------------|--------------------|
| Current Remuneration claim: | | |
| Liquidation | | |
| Resolution [1]: Period: 23 December 2020 to completion | Part 3 | \$45,000.00 |
| Total – Remuneration claimed | | \$45,000.00 |
| * 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. | | |

Disbursements that require creditor approval currently claimed are summarised below:

| Period | Report Reference | Amount (ex GST) |
|--|------------------|-------------------|
| Current disbursements claim: | | |
| Liquidation | | |
| Resolution [2]: Period: 23 December 2020 to completion | Part 4 | \$2,000.00 |
| Total – disbursements claimed | | \$2,000.00 |
| * 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 remuneration and disbursements approval sought.

Part 3. Remuneration

3.1 Remuneration claim resolutions

I will be seeking approval of the following resolution to approve my remuneration. Details to support this resolution is included in section 3.2 and in the attached Schedule.

Resolution [1]: from 23 December 2020 to completion

“That the future remuneration of the Liquidators from 23 December 2020 to the completion of the liquidation is determined at a sum equal to the cost of time spent by the Liquidator, their partners and staff, calculated at the hourly rates as detailed in the Liquidator’s Remuneration Report dated 23 December 2020 such sum to be capped at the amount of \$45,000 exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required”.

3.2 Details of Remuneration

3.2.1 Details of Future Remuneration

The below table set out the expected costs for the major task likely to be performed by the Liquidator and their staff for the period between 23 December 2020 to the conclusion of the liquidation. More detailed descriptions of the tasks likely to be performed within each task area, matching the amounts below, are contained in Schedule A of this report.

Billabongs Restaurant Pty Limited (In Liquidation)
A.C.N. 071 118 940 ("the Company")
ESTIMATED HOURS TO BE INCURRED FROM 23 DECEMBER 2020 TO COMPLETION
CALCULATION OF REMUNERATION

| Employee | Position | \$/hour | Total actual hours | Total (\$) | Task Area | | | | | | | | | |
|-------------------------------------|------------------|---------|--------------------|------------------|--------------|-----------------|--------------|-----------------|---------------|------------------|-------------------|------------------|--------------------|-----------------|
| | | | | | Assets hrs | \$ | Employee hrs | \$ | Creditors hrs | \$ | Investigation hrs | \$ | Administration hrs | \$ |
| Michael Hogan | Partner | 595.00 | 11.00 | 6,545.00 | 2.00 | 1,190.00 | 2.00 | 1,190.00 | 2.00 | 1,190.00 | 3.00 | 1,785.00 | 2.00 | 1,190.00 |
| Anny Ngo | Senior Manager | 470.00 | 22.00 | 10,340.00 | 5.00 | 2,350.00 | 4.00 | 1,880.00 | 4.00 | 1,880.00 | 7.00 | 3,290.00 | 2.00 | 940.00 |
| Mahima Sharma | Senior Analyst 1 | 350.00 | 45.47 | 15,915.00 | 10.00 | 3,500.00 | 7.00 | 2,450.00 | 11.00 | 3,850.00 | 13.47 | 4,715.00 | 4.00 | 1,400.00 |
| Vincent Nguyen | Analyst 2 | 220.00 | 50.00 | 11,000.00 | 7.00 | 1,540.00 | 9.00 | 1,980.00 | 14.00 | 3,080.00 | 14.00 | 3,080.00 | 6.00 | 1,320.00 |
| Christine Xiao | Graduate | 200.00 | 6.00 | 1,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.00 | 400.00 | 1.00 | 200.00 | 3.00 | 600.00 |
| Total | | | 112.47 | 45,000.00 | 24.00 | 8,580.00 | 22.00 | 7,500.00 | 33.00 | 10,400.00 | 38.47 | 13,070.00 | 17.00 | 5,450.00 |
| GST | | | | 4,500.00 | | | | | | | | | | |
| TOTAL (Including GST) | | | | 49,500.00 | | | | | | | | | | |
| Average hourly rate (Excluding GST) | | | | 400.10 | | | | | | | | | | |

3.3 Total remuneration reconciliation

At this point in time, I estimate that the total remuneration for this liquidation will be \$45,000 (exclusive of GST). This is subject to the following variables which may have a significant effect on this estimate and that I am as yet unable to determine:

- Investigations required into the business affairs of the Company and identify any assets or recoveries available to the liquidator
- Liaise with employees
- Recovery of assets
- Any matters identified that are required to be reported to statutory authorities, such as ASIC.

Should the costs of the liquidation exceed my remuneration approval, I will then ask creditors to approve my remuneration retrospectively. Creditors will have an opportunity to ask any questions they may have in respect of the cost of the liquidation and will be provided with a report on time spent and tasks undertaken, along with a general report on the progress of the liquidation.

3.4 Likely impact on dividends

The dividend to any creditor will ultimately be impacted by the realisations achieved by the liquidator and the value of creditor claims admitted to participate in the dividend and the fees for the work performed to achieve realisations.

Part 4: Disbursements

Disbursements are divided into three types:

- **External professional services** - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- **External non-professional costs** - these are recovered at cost. Examples of externally provided non-professional costs are travel, accommodation and search fees.
- **Internal non-professional costs** - 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 below.

I am not required to seek creditor approval for costs paid to third parties or for disbursements where I am recovering a cost incurred on behalf of the liquidation, but I must account to creditors. I must be satisfied that these disbursements are appropriate, justified and reasonable. Details of these disbursements are included in the attached Receipts and Payments.

I am required to obtain creditor's consent for the payment of a disbursement where I, or a related entity of myself, may directly or indirectly obtain a profit. In these circumstances, creditors will be asked to approve my disbursements prior to these disbursements being paid from the liquidation.

Details of these disbursements are provided below.

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

There have been no disbursements paid to date in the liquidation.

4.1 Future basis of internal disbursements

Future disbursements provided by our firm will be charged to the administration on the following basis:

| Disbursements | Rate (Excl GST) |
|---|-----------------|
| External professional services | At cost |
| External non-professional services | At cost |
| Firm non-professional costs | |
| Phone calls | 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 | \$0.72 per km |
| Travel - other | At cost |

Rates applicable for financial year ending 30 June 2021.

Part 5: Summary of Receipts and Payments

To date, we have only received \$25 in petty cash.

Part 6: Queries

If you have any queries in relation to the information in this report, please contact Anny Ngo on (02) 8020 5853 or via email at anny@hogansproyles.com.au.

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

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

Supporting documentation for my remuneration claim may be viewed if requested, provided sufficient notice is given.

Part 7: Approval of remuneration and internal disbursements

At **Annexure F to J**, I have enclosed the following for your completion by **16 October 2020**:

- Voting slip for the liquidator’s future remuneration;
- Voting slip for the liquidator’s disbursements;
- Proof of debt form

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

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

| Task Area | General Description | Includes |
|--|-----------------------------|---|
| Assets 24.0 hours \$8,580.00 | Plant & Equipment | Attend site to inspect asset Identifying assets Collection of plant & equipment Liaise with valuers and auctioneers to realise assets Discuss proceedings of sale of assets |
| | Leasing | Reviewing leasing documents Liaising with owners/lessors/agent Tasks associated with disclaiming leases |
| | Other Assets | Tasks associated with realising other assets, including stock and PPE Liaising with valuers regarding valuation of stock on hand Proceedings regarding to sale of assets |
| | Calculation of entitlements | Review company books and records for employee entitlements Calculation of employee entitlements Review awards Liaise with company director and staff regarding employee entitlements Prepared separation certificates for terminated employees |
| Employees [22.0 hours] [\$7,500.00] | Employee enquiries | Received and follow up employee enquiries via telephone and email Correspondence to employees regarding their termination Review and prepare correspondence to creditors and their representatives via email and post Prepared letters to employees advising of their entitlements and options available |

| Task Area | General Description | Includes |
|---|---|--|
| | | <ul style="list-style-type: none"> Received correspondence from employees re leave entitlements Assisting staff with FEG claims |
| | Creditor Enquiries, Requests & Directions | <ul style="list-style-type: none"> Receive and respond to creditor enquiries Maintaining creditor request log Review and prepare correspondence to creditors and their representatives |
| Creditors 33.0 hours \$10,400.00 | Creditor reports | <ul style="list-style-type: none"> Preparation of initial report to creditors Preparation statutory report to creditors Prepare investigations, meeting and general report to creditors Prepared estimated position and return to creditors |
| | Dealing with proofs of debt | <ul style="list-style-type: none"> Receipting and filing POD's when not related to a dividend Corresponding with OSR and ATO regarding POD when not related to a dividend |
| | Proposals to Creditors | <ul style="list-style-type: none"> Preparing proposal notices and voting forms Forward notice of proposal to all known creditors Reviewing votes and determining outcome of proposal Preparation and lodgement of proposal outcome with ASIC |
| | Conducting investigations | <ul style="list-style-type: none"> Collection of company's books and records Reviewing company's books and records Correspondence with ASIC to receive assistance in obtaining reconstruction of financial statements, company's books and records and Report on Company Affairs and Property 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 Consider and review related party loans and transactions |

| Task Area | General Description | Includes |
|--|--|---|
| | | Preparation and lodgement of investigation with the ASIC Preparation and lodgement of supplementary report if required |
| Investigation 38.5 hours \$13,070.00 | ASIC Reporting | Preparing statutory investigation reports Preparing affidavits seeking non-lodgement assistance Liaising with ASIC |
| | Correspondence | With various stakeholders Liaise with director, solicitor and/or accountant to discuss financial position |
| Administration 17.0 hours \$5,450.00 | Document maintenance/file review/checklist | First month, then six monthly administration reviews Filing of documents File reviews Updating checklist |
| | Insurance | Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers |
| | Bank account administration | Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers |
| | ASIC Forms and lodgements | Preparing and lodging ASIC forms Correspondence with ASIC regarding statutory forms |
| | ATO and other statutory reporting | Notification of appointment Correspondence with ATO regarding lodgements and registration Notifying ATO of finalisation Cancelling AGN/GST/PAYG registration Request for information |
| | Planning / Review | Discussions regarding status of administration |
| | Books and records / storage | Dealing with records in storage Recall records for investigations and collation of documents Sending job files to storage |
| | | |



Schedule of rates as @ 1 July 2020

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. experience. Leads engagements with full accountability for strategy and execution. | 595 |
| 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. | 535 |
| 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. | 470 |
| 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. | 420 |
| 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. | 400 |
| 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. | 350 |
| Senior Analyst 2 | Experienced graduate controlling certain tasks on small engagements. Assists senior staff in completing tasks on small to large engagements. | 340 |
| Analyst 1 | Experienced graduate. Required to assists senior staff in completing tasks on small to large engagements. | 295 |
| Analyst 2 | Generally a university graduate with appropriate qualifications. Assists with day to day tasks under the supervision of senior staff. | 220 |
| 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. | 200 |
| Undergraduate | Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision. | 180 |
| Senior Bookkeeper | Experienced bookkeeper with more than 18 months experience. Assist senior staff with accounting functions of engagement. | 180 |
| Bookkeeper | Assist senior staff with accounting functions of engagement. | 170 |
| PA | Appropriate skills and experience to support professional staff in an administrative capacity. | 150 |
| Administration | Appropriate skills and experience to support professional staff in an administrative capacity. | 120 |