

## Initial information for creditors

**Sashizza Surry Hills Pty Limited  
(In Liquidation)  
A.C.N. 621 475 992 ("the Company")**

The purpose of this document is to provide you with information about the liquidation of Sashizza Surry Hills Pty Ltd (In Liquidation) and your rights as a creditor.

### 1. Information for creditors

#### 1.1 Notification of appointment

Michael Hogan and I were appointed Joint and Several Liquidators of the Company by special resolution of the members of the company passed at a duly convened meeting on 8 July 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 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 me;
- 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 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 Company's affairs dated 8 July 2019. Attached is a copy of the Presentation of summary of affairs of the Company (Form 509) at **Annexure C**.

We attach at **Annexure D** a list of creditors, including their address 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. We are required to provide this information to creditors under law.

Please note that there may be debts which arose shortly prior to our appointment, which were not yet recorded in the Company's management system. We invite creditors to complete the proof of debt form at **Annexure H**, providing details and documents supporting any debts owing.

## 3. Update on liquidation to date

The Company operated a restaurant located at 80 Wentworth Ave, Surry Hills. NSW, trading as Sash Japanese Surry Hills which ceased to trade prior to our appointment.

Since our appointment on 8 July 2019, we have undertaken the following, including but not limited to:

- met with the Director to discuss the liquidation and affairs of the Company;
- Secured the premises and arranged for auctioneers to value the assets;
- Liaising with interested parties to purchase the stock on hand, and the tables and chairs located in the restaurant.
- Liaising with employees and calculating outstanding entitlements;

- Liaising with creditors/suppliers; and
- Reviewing books and records and commence preliminary investigations into the Company's affairs.

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 contact Tony Nguyen of our office, by email at [tnguyen@hogansprowles.com.au](mailto:tnguyen@hogansprowles.com.au) or by phone on (02) 8020 5870, 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 8 July 2019. If there are any outstanding or uncompleted orders placed by the company prior to our appointment, please contact Tony Nguyen of our office, by email at [tnguyen@hogansprowles.com.au](mailto:tnguyen@hogansprowles.com.au) or by phone on (02) 8020 5870 to obtain written instructions concerning the order.

## 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 Liquidators for \$25,000.00 exclusive of GST (**Annexure F**);
- Approve the future disbursements of the Liquidators for \$2,000 exclusive of GST (**Annexure G**).

We have not been indemnified for our fees and are reliant on recoveries during the liquidation to meet our remuneration.

## 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](http://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](http://www.asic.gov.au) (search for "insolvency information sheets").

Should you have any questions in relation to this matter, please contact Tony Nguyen, of this office, by phone on (02) 8020 5870 or via email [tnguyen@hogansprowles.com.au](mailto:tnguyen@hogansprowles.com.au)

DATED this 11<sup>th</sup> of July 2019

**Sashizza Surry Hills Pty Ltd (In Liquidation)**



**Brendan Copeland**  
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
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
Annexure I	ARITA Information Sheet: Proposals without meeting
Annexure J	Liquidator's Remuneration Report

## **Declaration of Independence, Relevant Relationships and Indemnities**

**Sashizza Surry Hills Pty Ltd (In Liquidation)**  
**A.C.N. 621 475 992 ("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, Brendan Copeland and Michael Hogan of HoganSprowles have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as Joint & Several Liquidators of Sashizza Surry Hills Pty Ltd (In Liquidation) 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 Michael Hogan by Kris Cochrane. The reason we believe this referral does not result in the Liquidation having a conflict of interest or duty are:

- Referral from business advisors including lawyers, accountants, bankers and advisors are common place and do not impact on our independence in carrying out our duties as Liquidators of the Company;
- 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.

Michael Hogan had a number of conversations with Dave Nelson in the weeks prior to the appointment, providing information in relation to a formal appointment. On 2 July 2019, information was provided to Dave Nelson regarding the steps required to place the Company into a Creditors Voluntary Liquidation.

On 4 July 2019, Brendan Copeland meet with Dave Nelson to discuss the Company's financial position going forward and the options that are available to the directors of the Company given their concerns of the Company becoming insolvent in the future.

We did not receive any remuneration for the above.

On 8 July 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 Administration; 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 Administration 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.

**i 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.

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

**ii Prior Professional Services to the Insolvent**

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

**iii 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.

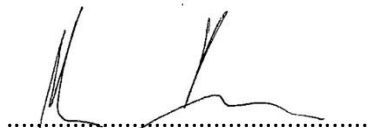
**C. Indemnities and up-front payments**

We have not been indemnified in relation to this liquidation, other than any indemnities 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: 9 July 2019



**Brendan Copeland**  
Joint & Several Liquidator



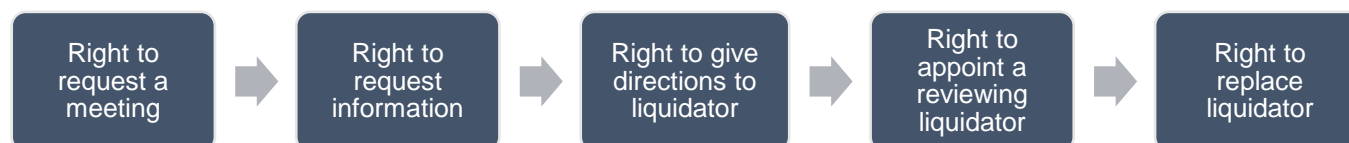
**Michael Hogan**  
Joint and Several Liquidator

**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.

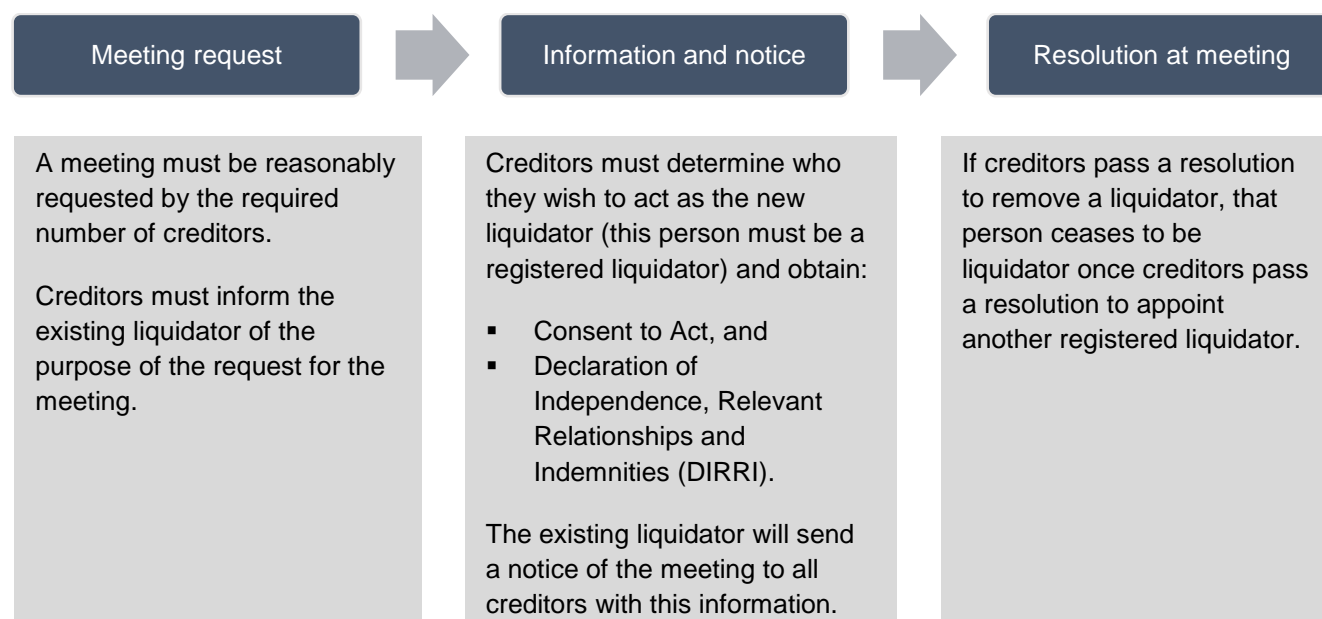
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

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](http://www.arita.com.au/creditors).  
Specific queries about the liquidation should be directed to the liquidator's office.**

ASIC registered agent number 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

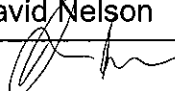
Presentation of Corporations Act 2001  
SUMMARY OF AFFAIRS OF A COMPANY 497(2)(b)(i)

company name Sashizza Surry Hills Pty Ltd  
A.C.N 621 475 992

# **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	300	300
(d) cash at bank	15,000	15,000
(e) stock as detailed in inventory	1000	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		
less amounts owing		
<b>TOTAL assets</b>	16,300	
<b>TOTAL estimated realisable values</b>		15,300
3 less preferential creditors entitled to priority over the holders of debentures under any floating charge	30,000	30,000
4 less amounts owing and secured by debenture or floating charge over company's assets	300,000	300,000
5 less preferential creditors	0	0
estimate amount available for unsecured creditors		
6 creditors (unsecured)	45,000	45,000
amount claimed		
7 balances owing to partly secured creditors		
total claims	0	0
security held		
8 contingent assets		
estimated to produce	0	0
9 contingent liabilities		
estimated to rank for		
estimated deficiency/surplus		
(subject to costs of administration/liquidation)		
share capital issued	-375,000	374,000
paid up		

Name of person signing	David Nelson	capacity	Director
Signature		date	8/7/19

**Sashizza Surry Hills Pty Ltd (In Liquidation)**  
**Creditors list**  
**as at 8 July 2019**

Creditor	Address				Amount
ASAHI PREMIUM BEVERAGES	50 Swann Drive	Laverton	VIC	3028	4,806.84
ATO	PO Box 9003	Penrith	NSW	2751	Unknown
Aussie Cocktails Pty Ltd	1/244 Melrose Drive	Tullamarine	VIC	3043	272.50
Coreserve Australia Pty Ltd	Level 1, 724 Botany Road	Mascot	NSW	2020	3,564.00
Daiwa Food Corporation (Syd) Pty Ltd	6/154 O'Riordan Street	Mascot	NSW	2020	1,361.40
Daiwa Food Pty Ltd	6/154 O'Riordan Street	Mascot	NSW	2020	270.00
David Brown Property Services Pty Ltd	Level 9, 418A Elizabeth Street	Surry Hills	NSW	2010	21,094.79
Deputy Pty Ltd	4/1-3 Smail Street	Ultimo	NSW	2007	158.13
DIMMI PTY LTD	L5, 219-241 Cleveland Street	Strawberry Hills	NSW	2012	1,904.98
Domestic Services	3061, 270 Macaulay Rd	North Melbourne	VIC	3051	420.00
E.A.F. Intertrade Pty Ltd	16 Toohey Road	Wetherill Park	NSW	2164	15,675.47
EWB Food Services	119 Vanessa Street	Kingsgrove	NSW	2208	4,615.49
Flexirent Capital Pty Ltd	Level 7, 179 Elizabeth Street	Sydney	NSW	2000	Unknown
Geared Asset Finance Pty Ltd	GPO Box 3660	Sydney	NSW	2001	Unknown
Haverick Meats Pty Limited	PO Box 13, 13-15 Green Street	Banksmeadow	NSW	2019	8,024.91
Liquor 8 Gaming NSW	323 Castlereagh St	Haymarket	NSW	2000	175.20
Martins United Seafoods Pty Ltd	8/6-10 Booralee St	Botany	NSW	2019	17,295.50
Network Financial Group Pty Ltd	228/838 Collins Street	Melbourne	VIC	3008	1,501.50
Officeworks	236-262 East Boundary Rd	Bentleigh East	VIC	3165	163.05
Paramount Liquor	Unit 6, 39 Hill Road	Wentworth Point	NSW	2127	18,116.30
QCC Australia Pty Ltd	53-59 William Street	Sydney	NSW	2000	6,030.56
Regency Laundry Service Pty Ltd	3 Margate St	Botany	NSW	2019	55.00
REGISTRY DIRECT LIMITED	Level 6, 2 Russell Street	Melbourne	VIC	3000	598.91
SEEK LIMITED	GPO Box 2335	Sydney	NSW	2001	2,689.50
Silver Chef Rentals Pty Ltd	PO Box 1760	Milton BC	QLD	4064	283,700.65
SOCIAL UNION PTY LTD	PO Box 439	Paddington	NSW	2021	2,035.00
SPIKE DESIGN AUSTRALIA PTY LTD	Unit 5, 1-3 Nicholas Street	Lidcombe	NSW	2141	7,821.00
SUPAGAS NSW	PO Box R1023	Royal Exchange	NSW	1225	122.10
Sweaty Betty PR Pty Limited	PO Box 439	Paddington	NSW	2021	11,532.26
The Trustee for OzThai Family Trust	1/244 Melrose Drive	Tullamarine	VIC	3043	50.00
Unita (ROA) Pty Ltd	Level 2, Trafalgar Lane, 855 Stanley Street	Woolloongabba	QLD	4102	20,411.67
Waste Options	PO Box 263	North Richmond	NSW	2754	1,310.10
52 Employees					Unknown
<b>Total</b>					<b>435,776.81</b>

## INITIAL REMUNERATION NOTICE

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

**Sashizza Surry Hills Pty Ltd (In Liquidation)**  
**A.C.N. 621 475 992 ("the Company")**

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 this liquidation 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 obtain the Company books and records from the director and third parties;
- The recovery of the Company's assets (if any);
- 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/>

DATED this 11<sup>th</sup> day of July 2019

**Sashizza Surry Hills Pty Ltd (In Liquidation)**



**Brendan Copeland**

Joint & Several Liquidator

### Schedule Of Hourly Rates

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.	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

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## NOTICE OF PROPOSAL TO CREDITORS

**Dated: 11 July 2019**

**Voting Poll Closes: 5 August 2019**

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**Sashizza Surry Hills Pty Ltd (In Liquidation)  
A.C.N. 621 475 992 ("the Company")**

### Proposal No. 1 for creditor approval

"That the future remuneration of the Liquidators from 8 July 2019 to the conclusion 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 11 July 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 **5 August 2019**, by email to Tony Nguyen at [tnguyen@hogansprowles.com.au](mailto:tnguyen@hogansprowles.com.au). Should you have any queries in relation to this matter, please contact Tony Nguyen on (02) 8020 5870.

HoganSproles  
Level 9,  
60 Pitt Street  
SYDNEY NSW 2000

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**NOTICE OF PROPOSAL TO CREDITORS**
**Dated: 11 July 2019****Voting Poll Closes: 5 August 2019**


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**Sashizza Surry Hills Pty Ltd (In Liquidation)  
A.C.N. 621 475 992 ("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.

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:

<b>Disbursements</b>	<b>Rate (Excl GST)</b>
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. 3 for creditor approval**

“That the future disbursements of the Liquidator from 8 July 2019 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 11 July 2019 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. 3**

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 **5 August 2019**, by email to Tony Nguyen at [tnguyen@hogansprowles.com.au](mailto:tnguyen@hogansprowles.com.au). Should you have any queries in relation to this matter, please contact Tony Nguyen on (02) 8020 5870.

HoganSproles  
Level 9,  
60 Pitt Street  
SYDNEY NSW 2000

**FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)**

To the Joint &amp; Several Liquidators of Sashizza Surry Hills Pty Ltd (In Liquidation)

1. This is to state that the company was, on 8 July 2019
- <sup>(1)</sup>
- and still is, justly and truly indebted to
- <sup>(2)</sup>
- (full name):

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

for \$ ..... dollars and ..... cents.

Particulars of the debt are:

Date	Consideration <sup>(3)</sup> state how the debt arose	Amount \$	GST included \$	Remarks <sup>(4)</sup> 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 <sup>(5)</sup>☐I am a related creditor of the Company <sup>(5)</sup>

relationship: .....

- 3A.
- <sup>(6)\*</sup>
- 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.
- <sup>(6)\*</sup>
- 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](http://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](http://asic.gov.au) (search for "insolvency information sheets").



## Liquidators Remuneration Approval Report

**Sashizza Surry Hills Pty Ltd (In Liquidation)**  
**A.C.N. 621 475 992 ("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 Sashizza Surry Hills Pty Ltd.

This report has the following information:

### Contents

Part 1: Declaration .....	1
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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
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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 5 August 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 Tony Nguyen of our office on (02) 8020 5870 or via email at [tnguyen@hogansprowles.com.au](mailto:tnguyen@hogansprowles.com.au).

### Part 1: Declaration

We, Brendan Copeland and Michael Hogan 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. We have not previously sought approval for our remuneration since our appointment.

Remuneration currently claimed is summarised below:

Period	Report Reference	Amount (ex GST)
<b>Future Remuneration claim:</b>		
Liquidation		
Resolution [1]: 8 July 2019 to the conclusion	Part 3	\$25,000
<b>Total – future remuneration</b>		<b>\$25,000</b>
* 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)
<b>Future Internal disbursements approval</b>		
Resolution [2]: 8 July 2019 to the conclusion	Part 4	\$2,000
<b>Total – future disbursements</b>		<b>\$2,000</b>
* 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 8 July 2019 to the conclusion of the liquidation**

“That the future remuneration of the Liquidators from 8 July 2019 to the conclusion 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 remuneration report dated 11 July 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 8 July 2019 to the completion 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 \$2,000 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 8 July 2019 to the conclusion 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 11 July 2019 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.”

## **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’ Report to Creditors dated 11 July 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 Tony Nguyen on (02) 8020 5870 or via email at [tnguyen@hogansprowles.com.au](mailto:tnguyen@hogansprowles.com.au).

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

- ARITA at [www.arita.com.au/creditors](http://www.arita.com.au/creditors); and
- ASIC at [www.asic.gov.au](http://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 **5 August 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 8 July 2019 to the conclusion 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 remuneration report dated 11 July 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 8 July 2019 to the conclusion 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 11 July 2019 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.”

## Schedule A – Resolution 1 - Calculation of remuneration

### Sashizza Surry Hills Pty Ltd (In Liquidation)

A.C.N. 621 475 992

#### ESTIMATED HOURS FOR THE PERIOD 8 JULY 2019 TO CONCLUSION OF THE LIQUIDATION

##### CALCULATION OF REMUNERATION

Employee	Position	\$/hour	Total actual hours	Total (\$)	Task Area							
					Assets hrs	\$ Creditors hrs	\$ Employees hrs	\$ Investigation hrs	\$ Administration hrs	\$		
Brendan Copeland	Partner	560.0	22.0	12,320	4.8	2,688	6.2	3,472	1.0	560	8.4	4,704
Michael Hogan	Partner	560.0	1.0	560	0.0	0	0.0	0	0.0	560	0.0	0
Anny Ngo	Senior Manager	440.0	11.0	4,840	0.5	220	3.2	1,408	3.3	1,452	3.5	1,540
Tony Nguyen	Graduate	190.0	33.3	6,327	3.2	608	8.0	1,520	12.0	2,280	6.8	1,292
Natalie Lu	Administrator	110.0	8.8	968	0.0	0	0.8	88	0.0	0	0.0	0
Total			76.1	25,015	8.5	3,516	18.2	6,488	16.3	4,292	19.7	8,096
But Say				25,000								
GST				2,500								
Total (Incl GST)				27,500								
Average hourly rate				329								
												2,623

## 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 [8.5 hours] [\$3,516]	Leasing	Liaising with owners/lessors Reviewing leasing documents 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 Attending premises to inspect assets Proceedings regarding to sale of assets
	Stock	Conduct stocktake Stock management Liaise to sell current stock
	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 [18.2 hours] [\$6,488]	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
Employees [16.3 hours] [\$4,292]	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
	Employee enquiries	Received and follow up employee enquiries via telephone and email 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
		Received correspondence from employees re leave entitlements Assisting staff with FEG claims
Investigation [19.7 hours] [\$8,096]	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
Administration [13.4 hours] [\$2,623]	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. 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