

This is the annexure of 5 pages marked A referred to in the Form 1500 signed by me and dated 23 May 2017.

Signed

PACIFIC RUGS PTY LTD
(IN LIQUIDATION)
A.C.N 069 195 955
("the Company")

Report Pursuant to Section 508(1)(b)(ii)

Period Ended: 19 May 2016 to 18 May 2017

Prepared: 23 May 2017

Grant Thornton Australia Limited ABN 41 127 556 389 ACN 127 556 389

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Conduct of Liquidation

During the period of my appointment I have performed the following:

- Collected debtors;
- Realised remaining assets;
- Finalisation of investigations and preference payments;
- Corresponded with various unsecured creditors of the Company regarding claims;
- Declared and distributed a first dividend to ordinary unsecured creditors of the Company;
- Complied with statutory obligations such as advertising and the lodging of notices with the Australian Securities & Investments Commission; and
- Complied with statutory obligations such as the lodgement of Business Activity Statement with the Australian Taxation Office.

Outstanding Acts and Dealings

Before I am in a position to finalise this matter, the following tasks will be attended to:

- Finalise the recovery of debtors including Australian Discount Retail Trading Group Pty Ltd (In Liquidation) (“ADR”). Our recent communications with the Liquidators of ADR suggest a final dividend of between 1-3 cents in the dollar may be paid to creditors over the next few months;
- Finalise adjudication of ordinary unsecured creditors’ claims;
- Declare second and final dividend to ordinary unsecured creditors of the Company (subject to a dividend being received from ADR);
- Distribute funds to ordinary unsecured creditors of the Company (subject to a dividend being received from ADR);
- Attend to the statutory reporting obligations of the Liquidation;
- Hold a final meeting of creditors; and
- Apply to the Australian Securities and Investments Commission to have the Company deregistered.

Estimated Completion Date

I anticipate that the liquidation process will be finalised by December 2017.


Summary Receipts and Payments

Detailed below are the Liquidators' receipts and payments as at 18 May 2017:

	As at 18 May 2017
	Incl. of GST (\$)
Receipts	
Interest Income	901
Loan Account Recoveries	270,000
Other Current Assets	3,034
Pre-appointment Debtor Realisations	1,184,239
Sales	2,623,811
Sales - Plant & Equipment	144,644
Total Receipts	4,226,629
Payments	
Advertising	(4,345)
Agent's Fees	(528)
Appointee Costs	(32,004)
Appointee Fees	(636,899)
ASIC Fees	(212)
Bank Charges	(3,336)
Causal Labour	(945)
Cleaning	(594)
Collection Agency	(8,362)
Commission	(92,312)
Computer Expenses	(10,762)
Container Detention	(4,450)
COGS	(119,443)
Customer & Duty	(19,586)
Discounts	(27,714)
Employee Dividend	(20,610)
Freight Inwards	(7,648)
Freight Outwards	(131,411)
Fuel & Oil	(190)
GST Paid	(141,094)
Hire & Leasing	(25,560)
Insurance	(26,573)
Legal Fees	(41,142)
Management Fees	(502)
Motor Vehicle Expenses	(3,987)
Pallets	(220)
Payroll Services	(1,052)
Postage	(1,517)
Printing & Stationery	(5,560)
Professional Services	(5,786)
Rebate	(50,646)
Rent & Rates	(103,900)
Repairs & Maintenance	(1,710)
Secured Creditor Dividend	(2,242,282)
Security	(4,712)
Staff Allowance	(1,025)
Staff Amenities	(618)
Sundry Expenses	(3,078)
Superannuation	(22,295)
Telephone & Fax	(18,250)
Unsecured Creditor Dividend - First Dividend	(71,544)
Utilities	(5,819)
Valuation	(1,815)
Wages & Salaries	(316,281)
Total Payments	(4,218,320)
Reconciled Cash at Bank	8,309

Should creditors have any queries, or require additional information, please do not hesitate to contact Ms Michelle Gorrie of this office on (07) 3222 0321.

DATED this 23rd day of May 2017.



Michael McCann
Joint and Several Liquidator