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Jimboomba Heavy Haulage Specialists
Pty Ltd (In Liquidation)
ACN 167 926 418 (“the Company”)

Liquidator’s Statutory Report to Creditors

Friday, 16 November 2018

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1.0 Introduction

I refer to my initial correspondence to creditors dated 14 September 2018 in which I advised you of my appointment as Liquidator on 17 August 2018 and your rights as a creditor in the liquidation.

The purpose of this report is to:

- Provide you with an update on the progress of the liquidation; and
- Advise you of the likelihood of a dividend being paid in the liquidation.

I have relied on information provided from numerous sources to prepare this report, including:

- Discussions with the Company's Director, Melissa Jones;
- Information available from public sources, such as the Australian Securities and Investments Commission ("ASIC") and the Personal Property Securities Register ("PPSR"); and
- A review of the Company's books and records provided to date.

2.0 Background of Company and Causes of Failure

The Company was incorporated on 7 February 2014 and operated a heavy haulage transportation services from Jimboomba, Queensland.

The director advises that the Company had a turnover of circa \$150,000 per month, and that the day-to-day management of the Company was done by her late husband.

The director advises that she first became aware that the Company may have to go into external administration in September of 2017 when the Company received correspondence from the ATO demanding payment of \$150,000 which was the result of an adjustment to their running account balance.

The Company was unable to satisfy this debt and consequently the ATO applied to have the Company wound up on 9 August 2018. I was subsequently appointed Liquidator on 17 August 2018.

3.0 Update on the progress of the liquidation

3.1 Assets and liabilities

The Director of the Company is required to complete and provide to the Liquidator a statement about the Company's business, property, affairs and financial circumstances, also known as the Report as to Affairs (RATA). The RATA is a snapshot in time as at the date of my appointment of the assets and liabilities of the Company, disclosing book values and the Director's opinion on the estimated realisable value ("ERV") for assets.

Below is an analysis of the RATA provided by the Director and a comparison to the assets and liabilities of the Company identified through my review of the Company records and public database searches.



	Report Reference	Director's Book Value	Director's ERV	Liquidator's ERV
Assets				
Cash at Bank	3.1.1	Nil	Nil	Nil
Debtors	3.1.2	9,790	9,790	8,250
Interests in Land	3.1.3	Nil	Nil	Nil
Plant and Equipment	3.1.4	Nil	Nil	Nil
Total Assets		9,790	9,790	8,250
Liabilities				
Amounts Owing to Unsecured Creditors		311,530	311,530	311,530
Total Creditors		311,530	311,530	311,530
Total Surplus/(Deficiency)		(301,740)	(301,740)	(303,280)

3.1.1 Cash at Bank

On appointment, I issued correspondence to all major Australian financial institutions requesting they immediately freeze any accounts held in the Company's name. The Commonwealth Bank responded to my request, but advised that the bank account held by the Company had a debt balance. No recovery of cash was therefore made.

3.1.2 Debtors

The RATA provided to my office by the Director stated that there were two companies who had outstanding balances owing to Jimboomba.

My correspondence with the debtors revealed that one had paid the outstanding debt prior to my appointment and that this had not been recorded in the Company's books and records.

The second debtor (owing \$8,250) acknowledged that the debt was outstanding and requested an extension of time to pay it, which was granted.

Discussions with the debtor will be ongoing in this regard.

3.1.3 Interests in Land

Land title searches conducted by my office and confirmed the Company held no real property.

3.1.4 Plant & Equipment

PPSR and Department of Transport searches were conducted shortly following my appointment as liquidator in order to establish whether the Company held any plant and equipment.

The searches did not reveal any assets held by the Company.

4.2 Receipts and Payments to date

There has been no receipts or payments in the Liquidation as at the date of this report.



4.3 Investigations and recovery actions

4.3.1 Investigations undertaken

I have commenced my initial investigations into the affairs of the Company prior to my appointment and any potential recovery actions that may be available to the Liquidator to pursue.

I note that I have yet to be provided with a full set of financial accounts and other Company records, which has hindered my ability to conduct a full investigation to date. Once this data is obtained from the Company's bookkeeper, a more detailed investigation will be undertaken. However, my preliminary findings are detailed below.

4.3.2 Findings and possible recoveries

Books and Records

I have been unable to obtain access to the Company's books and records to date, and so I have not made a determination as to their adequacy.

Insolvent Trading

Once I obtain the books and records of the Company, an assessment will be made regarding whether the Company traded whilst insolvent. Any debts incurred by the Company between insolvency and the date of my appointment is claimable against the Director of the Company.

Any action taken against the director for insolvent trading is predicated by the Director's ability to meet such a claim. In this regard, I am advised that the Director is a bankrupt, and it is unlikely that any recovery can be made against her.

Voidable Transactions

Further to the above, I have not identified any unfair preference payments or other uncommercial transactions based on the records provided to me to date. Further investigations will be undertaken with respect to voidable transactions once Company records are provided to my office.

4.3.3 Further inquiries to be undertaken

Further investigations will be undertaken with respect to;

- The proper maintenance of books and records;
- The date the Company become insolvent, and any insolvent trading; and
- Whether there are any voidable transactions.

5.0 Meetings Held

To date, no meetings of the Company's creditors have been held and no remuneration has been sought.

6.0 Likelihood of a dividend

At this current time, there is not expected to be sufficient funds to pay a dividend to creditors. However, should this change, any creditor whose claim has not yet been admitted will be contacted and asked to submit a Proof of Debt.



7.0 Cost of the liquidation

As previously advised in my initial information to creditors, I have estimated that my total remuneration for the external administration is \$20,000 - \$30,000 excluding GST.

There are currently no funds available to discharge any of the costs of the liquidation. Having regard to this, I have not sought approval for my remuneration from creditors.

8.0 What happens next in the liquidation?

I will proceed with the liquidation, including:

- Complete my investigations into the Company's affairs; and
- Complete my reporting to the corporate insolvency regulator.

I expect to have completed the liquidation by 30 June 2019.

9.0 Compliance with best practice

I confirm that this report complies with the requirements in the Insolvency Practice Rules ("IPR"), specifically IPR 70-40, as well as the statements of best practice issued by the Australian Restructuring Insolvency and Turnaround Association ("ARITA") with regard to content of the Statutory Report by Liquidator

10.0 Where can you get more information?

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

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

Should you have any queries with respect to the above, you may contact Kegan Nash of my office on +61 7 3222 0244 or via email on kegan.nash@au.gt.com. There is also information about this liquidation on my firm's website at www.grantthornton.com.au.

Dated this Friday, 16 November 2018

Shaun McKinnon
Liquidator

Appendices

Appendix A Proof of Debt

Appendix A – Proof of Debt

FORM 535

Subregulation 5.6.49(2)

Corporations Act (2001)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Liquidator of Jimboomba Heavy Haulage Specialists Pty Ltd (In Liquidation)

- 1. This is to state that the company was on 17 August 2018 (date of court order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up), and still is, justly and truly indebted to:

(full name and address 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) for \$ _____ and _____ cents.

Table with 4 columns: Date, Consideration (state how the Debt arose), Amount \$ c, Remarks (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 satisfaction or security for the sum or any part of it except for the following: (insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).

Table with 5 columns: Date, Drawer, Acceptor, Amount \$c, Due Date

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

Signature
Occupation:
Address

Dated

Proof of Debt Reference:

*Do not complete if this proof is made by the creditor personally.