



Grant Thornton

An instinct for growth™

To the creditor as addressed

**Grant Thornton Australia Limited**

Level 17  
383 Kent Street  
Sydney NSW 2000

T +61 2 8297 2400

## Initial Information for creditors

### SMU HOLDINGS PTY LIMITED (In Liquidation) ACN 604 111 622 (the “Company”)

The Company may owe you money. This means you may be a creditor of 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.

#### Notification of appointment

We were appointed Joint and Several Liquidators of the Company by a resolution of the Company’s members on 14 February 2019.

We act for all creditors. We are responsible for locating the Company’s assets, investigating the Company’s affairs, reporting to ASIC and, if funds become available, paying money owed to creditors.

#### What do you need to know?

Question	Answer
<b>What is a creditors’ voluntary liquidation?</b>	A creditors’ voluntary liquidation, or CVL, is a liquidation initiated by the Company where it cannot pay all of its creditors in full. This means that the Company is insolvent.
<b>What are your rights as a creditor?</b>	<p>Information regarding your rights as a creditor is provided in the information sheet included at <b>Appendix A</b>. This includes your right to:</p> <ul style="list-style-type: none"><li>• Make reasonable requests for a meeting;</li><li>• Make reasonable requests for information;</li><li>• Give directions to me;</li><li>• Appoint a reviewing liquidator; and</li><li>• To replace me as liquidator.</li></ul> <p>We wish to draw to your attention the special right to request a meeting in the first 20 business days of a creditor’s voluntary liquidation. If we receive a request for a meeting from at least 5% of known creditors that are not a related entity of the Company, we are required to hold a meeting, as long as the request is reasonable. The details of whether a</p>

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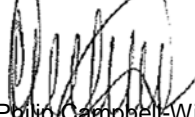
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	request is reasonable or not is included in the information sheet at <b>Appendix A</b> .
<b>What happens to your debt?</b>	<p>All creditors of the Company are now creditors in the liquidation. As a creditor, you have certain rights, although your debt will now be dealt with in the liquidation.</p> <p>The amount of money you receive depends on the amount we recover, including from finding and selling the Company's assets. After paying my fees, creditors share the remaining money. This amount is called a dividend.</p> <p>A dividend can vary between creditors because the law entitles different types of creditors to be paid before other types of creditors.</p> <p>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.</p>
<b>Do you have to do anything?</b>	<p>You should read this information. You can choose to participate in the liquidation process, but you don't have to.</p> <p>If we need you to take action, we will write and ask you. For example, we may ask you to provide proof of your debt before we can pay you a dividend.</p> <p>If you do not think you are a creditor, please let us know.</p>
<b>Summary of the Company's affairs</b>	We received a Report on Company Activities and Property (ROCAP) from the directors on 26 February 2019. A summary of the Company's affairs from the information in the ROCAP is attached at <b>Appendix B</b> .
<b>Listing of creditors</b>	We have attached at <b>Appendix C</b> a list of creditors, including their address and the estimated amounts of their claims that are shown in the records of the Company. Any creditors related to the Company are identified. We are required to provide this information to creditors under law.
<b>What is the cost of the liquidation</b>	<p>We get paid out of the Company's money, including realisations from assets or from money paid to us by others, such as the Company's directors. If there is not enough money in the liquidation, we may not get paid in full.</p> <p>We may write and ask that you approve our remuneration for the work that we 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.</p> <p>Included at <b>Appendix D</b> is our Initial Remuneration Notice. This document provides you with information about how we propose to be paid for undertaking the liquidation.</p>
<b>What further communication will you receive?</b>	<p>We will write to you within three months of our appointment advising whether a dividend is likely and update you on the progress of our investigations.</p> <p>We may also send you updates on the progress of the liquidation or proposals to approve certain matters in the liquidation at any time.</p> <p>It is unlikely that we will hold a meeting to communicate with creditors unless we believe it is in the interests of creditors. However, if we receive a request for a meeting that complies with the guidelines set out in the creditor rights information sheet, we will hold a meeting of creditors.</p>
<b>What happens next?</b>	<p>We will proceed with the liquidation, including:</p> <ul style="list-style-type: none"> <li>• Recovering and selling any available property;</li> <li>• Investigating the Company's affairs;</li> </ul>

	<ul style="list-style-type: none"> <li>• Reporting to the corporate regulator, the Australian Securities and Investments Commission (ASIC); and</li> <li>• Distributing any available funds to creditors in accordance with their priority.</li> </ul>
<b>Where can you get more information?</b>	<p>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 <a href="http://arita.com.au/creditors">arita.com.au/creditors</a>.</p> <p>ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at <a href="http://asic.gov.au">asic.gov.au</a> (search for "insolvency information sheets").</p>

Please contact Kevin Yue of my office on (02) 8297 2507 or [kevin.yue@au.gt.com](mailto:kevin.yue@au.gt.com) should you require further information. There is also information about this liquidation on my firm's website: [www.grantthornton.com.au](http://www.grantthornton.com.au).

Yours faithfully



Philip Campbell-Wilson  
Joint and Several Liquidator

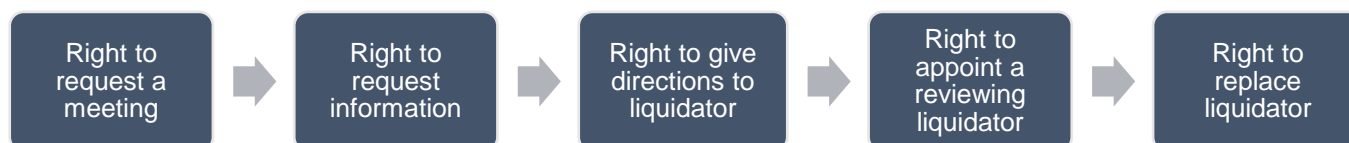
**Attachments**

- Appendix A – Information Sheet - Creditor Rights in Liquidation
- Appendix B – Summary of affairs
- Appendix C – List of creditors identifying related parties
- Appendix D – Initial remuneration notice
- Appendix E – Remuneration Approval Report
- Appendix F – Proposal without a meeting
- Appendix G – Proof of Debt Form

## Appendix A – Information Sheet – Creditor Rights in Liquidation

# 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.

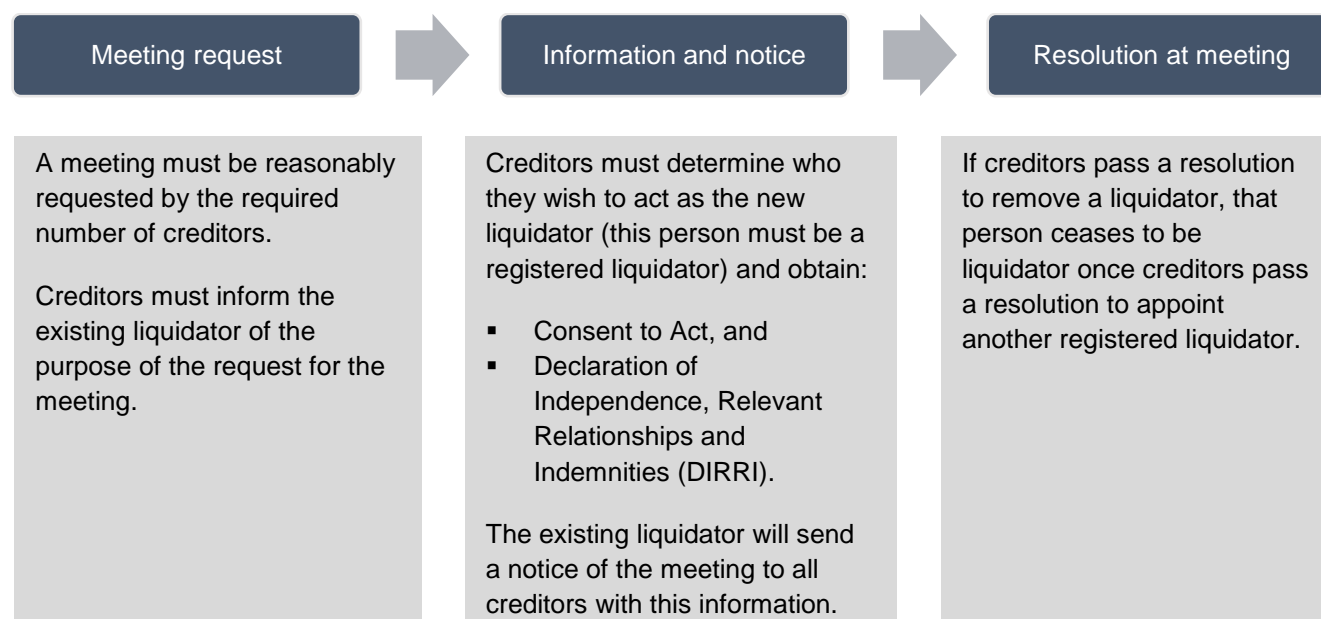
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

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.**

## Appendix B – Summary of affairs



# Presentation of summary of affairs of a company

**Form 509**  
Corporations Act 2001  
497(1)(a)(i)

If there is insufficient space in any section of the form, you may photocopy the relevant page(s) and submit as part of this lodgement

Related forms:

5604 Information about the company's affairs sent to creditors

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## Company details

Company name

SMU HOLDINGS PTY LIMITED (IN LIQUIDATION)

ACN / ABN

604 111 622

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## Lodgement details

An image of this form will be available as part of the public register

Who should ASIC contact if there is a query about this form?

ASIC registered agent number (if applicable)

1511

Firm/Organisation

Grant Thornton Australia Limited

Contact name/position description

Erica Xu

Telephone Number

(02) 8297 2511

Email address (optional)

Erica.Xu@au.gt.com

Postal Address or DX Address

Locked Bag Q800, QVB Post Office, Sydney NSW 1230

Suburb/City

Sydney

State / Territory

NSW

Post Code

1230

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## Summary of assets and liabilities

Date to which summary is made up

Date

14 / 02 / 2019



Continued ... **Summary of assets and liabilities**

	<b>Valuation</b> (for each entry show whether cost or net book amount) \$	<b>Estimated Realisable Values</b> \$
1. Assets not specifically subject to security interest		
(a) interest in land	0	0
(b) sundry debtors	0	0
(c) cash on hand	0	0
(d) cash at bank	272	272
(e) stock	0	0
(f) work in progress	0	0
(g) plant and equipment	0	0
(h) other assets	0	0
	<hr/>	<hr/>
Sub total	272	272
2. Assets subject to specific security interests		
Less amounts owing		
<b>Total assets</b>	(\$ 0 )	0
<b>Total Estimated Realisable Values</b>		(\$ 0)
		<hr/>
		0
3. Less payable in advance of secured creditor(s) including employee entitlements		<hr/>
		0
4. Less amounts owing and secured by debenture or circular security interest over assets		<hr/>
		0
5. Less preferential claims ranking behind secured creditors		<hr/>
		0
6. Less balances owing to partly secured creditors		<hr/>
		0
<b>Total Claims</b> (\$ .....		<hr/>
		0
<b>Security Held</b> (\$ .....		<hr/>
		0
7. Less creditors (unsecured) Amount claimed		<hr/>
		2,590,040
8. Add contingent assets <b>Estimated to produce</b>		<hr/>
		0
9. Less Contingent liabilities <b>Estimated to rank</b>		<hr/>
		0
<b>Estimated Surplus (Deficiency)</b>		<hr/>
		2,589,768
Subject to costs of the Creditors Voluntary Liquidation		
<b>Share capital</b> \$..... 1,000.....		
<b>Issued</b> \$..... 1,000.....		
<b>Paid Up</b> \$..... 1,000.....		

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## Signature

This form must be signed by a director, secretary or liquidator.

Name of person signing

Lei Wang

Capacity

Director

Signature



Date

27/10/21 2021

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## Lodgement

If lodging with ASIC, send completed and signed forms to:  
Australian Securities and Investments Commission  
PO Box 4000, Gippsland Mail Centre VIC 3841.

### For help or more information

Web [www.asic.gov.au](http://www.asic.gov.au)  
Need help? [www.asic.gov.au/question](http://www.asic.gov.au/question)  
Telephone 1300 300 630

## Appendix C – List of creditors identifying related parties

## Appendix D – Initial remuneration notice

## Initial Remuneration Notice

SMU Holdings Pty Limited (In Liquidation) (the Company)

ACN 604 111 622

The purpose of the Initial Remuneration Notice is to provide you with information about how our remuneration for undertaking the Creditors Voluntary 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:

**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.

**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.

**Percentage:** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.

**Contingency:** The practitioner's fee is structured to be contingent on a particular outcome being achieved.

### 2 Method chosen

Given the nature of this administration we propose that our remuneration will be calculated on the time based / hourly rates method. This is because:

- It ensures that creditors are only charged for work that is performed.
- We are required to perform a number of tasks which do not relate to the realisation of assets, for example responding to creditor enquiries, reporting to ASIC and distributing funds in accord with the provisions of the Corporations Act.
- We are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in the external administration.
- We have a time recording system that is able to produce a detailed analysis of time spent on each type of task by each individual staff member utilised in the liquidation.
- The method provides full accountability in the method of calculation.

### 3 Explanation of Hourly Rates

The rates for our remuneration calculation is 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.



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<b>Position</b>	<b>Description</b>	<b>Hourly Rate (excl GST)</b>
Appointee	Registered Liquidator / Trustee. Partner bringing specialist skills to administrations and Insolvency matters. Controlling all matters relating to the assignment.	\$675
Director	Qualified accountant (CA/CPA) and may be a registered Liquidator/Trustee. Minimum 7/8+ years' experience. Highly advanced technical and commercial skills. Planning and control of all administration and Insolvency tasks. Controlling substantial matters relating to the assignment and reporting to the appointee.	\$595
Senior Manager	Qualified accountant (CA/CPA). 7/8+ years' experience. Well-developed technical and commercial skills. Planning and control of all administration and Insolvency tasks. Controlling substantial matters relating to the assignment and reporting to the appointee.	\$575
Manager	Typically CA/CPA Qualified. 5-8 years' experience. Well-developed technical and commercial skills. Planning and control of administration and Insolvency tasks with the assistance of the appointee.	\$530
Senior Associate	Typically CA/CPA Qualified. 3-5 years' experience. Required to control the fieldwork on administrations and Insolvency tasks.	\$415
Associate	Typically undertaking CA/CPA Qualifications. Up to 3 years' experience. Required to conduct the fieldwork on smaller administrations and Insolvency tasks and assist with fieldwork on medium to large administrations and Insolvency tasks.	\$275-350
Secretary	Carries out all secretarial functions relating to an administration.	\$185
Administrator	Conducts all aspects relating to administering the accounts function.	\$270

#### **4 Estimated remuneration**

We estimate that this liquidation will cost approximately \$30,000 (incl. GST) to complete, 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:

- Realisation of assets (if applicable);
- Further Investigations required;
- Liaising with creditors;
- Dividends (if applicable); and
- Any other unforeseen matters.

Prior to our appointment, we provided an estimate of the cost of the Liquidation to the directors. This estimate is consistent with the estimate provided to the directors prior to my appointment.

We received an up-front payment of \$30,000 from the Company's shareholder to contribute to the estimated costs. This has been disclosed in our Declaration of Independence, Relevant Relationships and Indemnities.

Approved remuneration may exceed the amount of this upfront payment and can be paid from the assets of the liquidation after approval by creditors or the Court.

## 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 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.

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	
Faxes & Photocopies	At Cost
Staff per diem travel allowance	At Cost
Staff vehicle use	Paid at the ATO set rate

Scale applicable for financial year ending 30 June 2019

Date of issue: 28 February 2019

## Appendix E – Remuneration Approval Report



# Remuneration Approval Report

SMU HOLDINGS PTY LIMITED (IN LIQUIDATION)  
ACN 604 111 622 (“the Company”)



# Remuneration Approval Report

## SMU HOLDINGS PTY LTD (IN LIQUIDATION) A.C.N. 604 111 622 (“the Company”)

This remuneration approval report provides you with the information you need to be able to make an informed decision regarding the approval of our remuneration for undertaking the Creditors Voluntary Liquidation of the Company.

This report has the following information included:

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Part 3: Remuneration	2
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3.2 Details of remuneration	3
3.3 Likely impact on dividends	3
3.4 Remuneration recovered from external sources	4
Part 4: Disbursements	4
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Part 6: Approval of remuneration	4
Schedule 1 – Resolution 1 Table of major tasks for remuneration	5
Schedule 2 – Resolution 2 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 this Creditors Voluntary 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 at part 6 of this report.

You can cast your vote by using the included voting forms. These forms then need to be returned to our office by post, scanned and emailed or faxed. We need to receive your forms by **28 March 2019** for your vote to count. If you chose 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 we have sent to you, please contact Kevin Yue on +61 2 8297 2507 or via email on [kevin.yue@au.gt.com](mailto:kevin.yue@au.gt.com).

## Part 1: Declaration

John McInerney and I, Philip Campbell-Wilson of Grant Thornton Australia Limited have undertaken a proper assessment of this remuneration claim for our appointment as Joint and Several Liquidators of SMU Holdings Pty Limited 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 Creditors Voluntary Liquidation.

## Part 2: Executive Summary

The total remuneration for this appointment is estimated to be \$30,000 (including GST).

This is consistent with our previous estimated total remuneration.

Remuneration currently claimed is summarised below:

Period	Report Reference	Amount (ex GST)	Amount (incl. GST)
<b>Current Remuneration claim:</b>			
<i>Creditors Voluntary Liquidation</i>			
Resolution 1: 14 February 2019 to 24 February 2019	Part 3, Sch 1	\$9,172.50	\$10,089.75
Resolution 2: 25 February 2019 to completion of the Liquidation	Part 3, Sch 2	\$18,100.23	\$19,910.25
Total – Creditors Voluntary Liquidation		\$27,272.73	\$30,000.00
TOTAL remuneration claimed		\$27,272.73	\$30,000.00

## 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 Schedules.

#### **Resolution 1 from 14 February 2019 to 24 February 2019**

*“That the remuneration of the Liquidators, their partners and staff, for the period from 14 February 2019 to 24 February 2019, calculated at the hours spent at the hourly rates detailed in the Initial Remuneration Notice provided to creditors, is approved for payment in the amount of \$9,172.50 exclusive of GST, to be drawn from available funds immediately as funds become available.”*

#### **Resolution 2 from 25 February 2019 to the completion of the Liquidation**

*“That the future remuneration of the Liquidators, their partners and staff, for the period from 25 February 2019 to the completion of the Liquidation, calculated at the hourly rates as detailed in the report to creditors dated 28 February 2019 provided to creditors, up to a capped amount of \$18,100.23 exclusive of GST and the Liquidators can draw the remuneration from available funds as time is incurred on a monthly basis, or as funds become available.”*

### 3.2 Details of remuneration

The basis of calculating the remuneration claims are summarised below and the details of the major tasks performed and the costs associated with each of those major tasks are contained in Schedules 1 and 2.

#### Resolution 1 from 14 February 2019 to 24 February 2019

The below table sets out time charged to each major task area by staff members working on the Creditors Voluntary Liquidation for the period 14 February 2019 to 24 February 2019 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 1.

Position	Rate	Total		Creditors		Investigation		Administration	
		Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)
Partner	675	1.0	675.00		-		-	1.0	675.00
Director	595	0.4	238.00	0.4	238.00		-	-	-
Manager	530	6.1	3,233.00	1.4	742.00		-	4.7	2,491.00
Associate (Low)	275	17.1	4,702.50	7.4	2,035.00	1.9	522.50	7.8	2,145.00
Administrator	270	1.2	324.00		-		-	1.2	324.00
<b>Total</b>		<b>25.8</b>	<b>9,172.50</b>	<b>9.2</b>	<b>3,015.00</b>	<b>1.9</b>	<b>522.50</b>	<b>14.7</b>	<b>5,635.00</b>

#### Resolution 2 from 25 February 2019 to the completion of the Liquidation

The below table sets out the expected costs for the major tasks likely to be performed by the Joint and Several Liquidators and our staff for the period 25 February 2019 to the completion of the Liquidation which is the basis of the Resolution 2 claim. More detailed descriptions of the tasks likely to be performed within each task area, matching the amounts below, are contained in Schedule 2.

Position	Rate	Total		Creditors		Investigation		Administration	
		Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)
Partner	675	2.0	1,350.00		-		-	2.0	1,350.00
Director	595	0.5	297.50	0.5	297.50		-	-	-
Manager	530	14.0	7,420.00	3.0	1,590.00	6.0	3,180.00	5.0	2,650.00
Associate (Low)	275	29.9	8,222.73	8.0	2,200.00	13.9	3,822.73	8.0	2,200.00
Administrator	270	3.0	810.00		-		-	3.0	810.00
<b>Total</b>		<b>49.4</b>	<b>18,100.23</b>	<b>11.5</b>	<b>4,087.50</b>	<b>19.9</b>	<b>7,002.73</b>	<b>18.0</b>	<b>7,010.00</b>

### 3.3 Likely impact on dividends

The Corporations Act sets the order for payment of claims against the company and it provides for remuneration of the Joint and Several Liquidators to be paid in priority to other claims. This ensures that when there are sufficient funds, the Joint and Several Liquidators receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds. Even if creditors approve our remuneration, this does not guarantee that we will be paid, as we are only paid if sufficient assets are recovered.

Any dividend to creditors will also be impacted by the amount of assets that we are able to recover and the amount of creditor claims that are admitted to participate in any dividend, including any claims by priority creditors such as employees.

We are unable to provide a dividend estimate of any certainty at this stage of the Creditors Voluntary Liquidation. If we do declare a dividend, any creditor whose claim has not yet been admitted will be contacted and asked to submit a proof of debt.

### 3.4 Remuneration recovered from external sources

As previously stated in our Declaration of Independence, Relevant Relationships and Indemnities, we have received an up-front payment of \$30,000 from the Company's shareholder that we can draw our remuneration from if approved by creditors or the Court.

## Part 4: 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** - 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 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. Details of the basis of recovery of each of these costs is discussed below.

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.

We will not seek creditor approval to pay our internal disbursements.

## Part 5: Queries

If you have any queries in relation to the information in this report, please contact Kevin Yue of our office on (02) 8297 2507 or [kevin.yue@au.gt.com](mailto:kevin.yue@au.gt.com).

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)
- ASIC at [www.asic.gov.au](http://www.asic.gov.au) (search for "insolvency information sheets").

## Part 6: Approval of remuneration

In summary, approval of the following proposal is being sought:

**Resolution 1:** *"That the remuneration of the Liquidators, their partners and staff, for the period from 14 February 2019 to 24 February 2019, calculated at the hours spent at the hourly rates detailed in the Initial Remuneration Notice provided to creditors, is approved for payment in the amount of \$9,172.50 exclusive of GST, to be drawn from available funds immediately as funds become available."*

**Resolution 2:** *"That the future remuneration of the Liquidators, their partners and staff, for the period from 25 February 2019 to the completion of the Liquidation, calculated at the hourly rates as detailed in the report to creditors dated 28 February 2019 provided to creditors, up to a capped amount of \$18,100.23 exclusive of GST and the Liquidators can draw the remuneration from available funds as time is incurred on a monthly basis, or as funds become available."*

**A Notice of Proposal to creditors form for the above resolutions is attached at Appendix G. We would be grateful if you would complete and return the form to this office by no later than 28 March 2019.**

## Schedule 1 – Resolution 1 Table of major tasks for remuneration

The below table provides a description of the work undertaken in each major task area for the period 14 February 2019 to 25 February 2019:

Task Area	General Description	Includes
Creditors 9.2 hours \$3,015.00	Creditor Enquiries, Requests & Directions	Receive and respond to creditor enquiries Maintaining creditor request log Review and prepare initial correspondence to creditors and their representatives Considering reasonableness of creditor requests Documenting reasons for complying or not complying with requests or directions Compiling information requested by creditors
	PPSR	Search to the PPSR register
	Creditor reports	Preparing Initial notification to creditors
	Dealing with proofs of debt	Receipting and filing POD when not related to a dividend Corresponding with OSR and ATO regarding POD when not related to a dividend
	Proposals to Creditors	Preparing proposal notices and voting forms Forward notice of proposal to all known creditors
Investigation 1.9 hours \$522.50	Conducting investigation	Issue demand letters to the Company's directors for company books and records Collection of company books and records Reviewing company's books and records Conducting and summarising statutory searches
Administration 14.5 hours \$5,580.00	Document maintenance/file review/checklist	First month administration reviews Filing of documents File reviews Updating checklists
	Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements
	Bank account administration	Preparing correspondence opening liquidators' bank account

<b>Task Area</b>	<b>General Description</b>	<b>Includes</b>
		Requesting bank statements from pre-appointment banks Bank account reconciliations Correspondence with bank regarding specific transfers
	ASIC Forms	Preparing and lodging ASIC forms including 505 etc Correspondence with ASIC regarding statutory forms
	ATO and other statutory reporting	Notification of appointment

## Schedule 2 – Resolution 2 Table of major tasks for remuneration

The below table provides a description of the work undertaken in each major task area for the period 25 February 2019 to the completion of the Liquidation:

Task Area	General Description	Includes
Creditors 11.5 hours \$4,087.50	Creditor Enquiries, Requests & Directions	<ul style="list-style-type: none"> <li>Receive and respond to creditor enquiries</li> <li>Maintaining creditor request log</li> <li>Review and prepare correspondence to creditors and their representatives</li> <li>Documenting</li> <li>Considering reasonableness of creditor requests</li> <li>Obtaining legal advice on requests</li> <li>Documenting reasons for complying or not complying with requests or directions</li> <li>Compiling information requested by creditors</li> </ul>
	Creditor reports	<ul style="list-style-type: none"> <li>Finalising the Initial Notification to Creditors</li> <li>Preparing Statutory Report by Liquidator</li> </ul>
	Dealing with proofs of debt	<ul style="list-style-type: none"> <li>Receipting and filing POD when not related to a dividend</li> <li>Corresponding with OSR and ATO regarding POD when not related to a dividend</li> </ul>
	Meeting of Creditors (if required)	<ul style="list-style-type: none"> <li>Preparation of meeting notices, proxies and advertisements</li> <li>Forward notice of meeting to all known creditors</li> <li>Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting.</li> <li>Preparation and lodgement of minutes of meetings with ASIC</li> <li>Responding to stakeholder queries and questions immediately following meeting</li> </ul>
	Proposals to Creditors	<ul style="list-style-type: none"> <li>Preparing proposal notices and voting forms</li> <li>Forward notice of proposal to all known creditors</li> <li>Reviewing votes and determining outcome of proposal</li> <li>Preparation and lodgement of proposal outcome with ASIC</li> </ul>
Investigation 19.9 hours \$7,002.73	Conducting investigation	<ul style="list-style-type: none"> <li>Collection of company books and records from various parties</li> <li>Correspondence with ASIC to receive assistance in obtaining the company's books and records and ROCAP</li> <li>Reviewing company's books and records</li> </ul>



<b>Task Area</b>	<b>General Description</b>	<b>Includes</b>
		Review and preparation of company nature and history Conduct investigations into the Company's affairs, insolvent trading and voidable transactions 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 Preparation and lodgement of supplementary report if required
Administration 18.0 hours \$7,010.00		
	Document maintenance/file review/checklist	Six monthly administration reviews Filing of documents File reviews Updating checklists
	Bank account administration	Preparing correspondence closing the liquidators' bank account Requesting bank statements Regular bank account reconciliations
	ASIC forms	Preparing and lodging ASIC forms Correspondence with ASIC regarding statutory forms
	ATO and other statutory reporting	Preparing BAS as required
	Finalisation	Notifying ATO of finalisation Cancelling ABN / GST / PAYG registration Completing checklists Finalising WIP

## Appendix F – Proposal without a meeting

28 February 2019

## NOTICE OF PROPOSAL TO CREDITORS

SMU HOLDINGS PTY LIMITED (In Liquidation) ACN 604 111 622 (“the Company”)

### Proposal for creditor approval

*“That the remuneration of the Liquidators, their partners and staff, for the period from 14 February 2019 to 25 February 2019, calculated at the hours spent at the hourly rates detailed in the Initial Remuneration Notice provided to creditors, is approved for payment in the amount of \$9,172.50 exclusive of GST, to be drawn from available funds immediately as funds become available.”*

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

The proposal is a request to creditors for approval of our remuneration. If our remuneration is approved, we will draw these funds from current and future funds available. This will reduce the dividend payable (if any) to creditors of the Company. Failure to approve remuneration via circular resolution means that we shall be required to call a meeting of creditors to seek approval of our remuneration. This action will result in additional fees and costs for which we will seek approval.

### Vote on proposal

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. Please select the appropriate Yes, No or Object box referred to below:

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

Your claim against the Company must be admitted for the purposes of voting by the Creditors Voluntary Liquidation for your vote to count. Please select the option that applies:

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

### Creditor details

Name of creditor: \_\_\_\_\_ ACN / ABN (if applicable): \_\_\_\_\_

I am not a related creditor of the Company.

I am a related creditor of the Company, relationship: \_\_\_\_\_

Address: \_\_\_\_\_

Name of creditor / authorised person: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please complete this document and return with any supporting documents by no later than **28 March 2019** for your vote to be counted, by email to Kevin Yue at [kevin.yue@au.gt.com](mailto:kevin.yue@au.gt.com). If you have any questions please call +61 2 8297 2507.

Completed forms may also be sent by post attention to Kevin Yue at Locked Bag Q800, QVB Post Office, Sydney NSW 1230, although you should ensure this is sent with sufficient time to arrive by the date the vote closes, which we cannot guarantee.

28 February 2019

## NOTICE OF PROPOSAL TO CREDITORS

SMU HOLDINGS PTY LIMITED (In Liquidation) ACN 604 111 622 (“the Company”)

### Proposal for creditor approval

*“That the future remuneration of the Liquidators, their partners and staff, for the period from 25 February 2019 to the completion of the Liquidation, calculated at the hourly rates as detailed in the report to creditors dated 28 February 2019 provided to creditors, up to a capped amount of \$18,100.23 exclusive of GST and the Liquidators can draw the remuneration from available funds as time is incurred on a monthly basis, or as funds become available.”*

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

The proposal is a request to creditors for approval of our remuneration. If our remuneration is approved, we will draw these funds from current and future funds available. This will reduce the dividend payable (if any) to creditors of the Company. Failure to approve remuneration via circular resolution means that we shall be required to call a meeting of creditors to seek approval of our remuneration. This action will result in additional fees and costs for which we will seek approval.

### Vote on proposal

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. Please select the appropriate Yes, No or Object box referred to below:

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

Your claim against the Company must be admitted for the purposes of voting by the Creditors Voluntary Liquidation for your vote to count. Please select the option that applies:

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

### Creditor details

Name of creditor: \_\_\_\_\_ ACN / ABN (if applicable): \_\_\_\_\_

I am not a related creditor of the Company.

I am a related creditor of the Company, relationship: \_\_\_\_\_

Address: \_\_\_\_\_

Name of creditor / authorised person: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please complete this document and return with any supporting documents by no later than **28 March 2019** for your vote to be counted, by email to Kevin Yue at [kevin.yue@au.gt.com](mailto:kevin.yue@au.gt.com). If you have any questions please call +61 2 8297 2507.

Completed forms may also be sent by post attention to Kevin Yue at Locked Bag Q800, QVB Post Office, Sydney NSW 1230, although you should ensure this is sent with sufficient time to arrive by the date the vote closes, which we cannot guarantee.

28 February 2019

## NOTICE OF PROPOSAL TO CREDITORS

SMU HOLDINGS PTY LIMITED (In Liquidation) ACN 604 111 622 (“the Company”)

### Proposal for creditor approval

*“That the creditors direct the Liquidator to apply to ASIC when appropriate or upon finalisation of the Liquidation for consent to destroy books within the retention period in accordance with IPS 70-35.”*

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

The proposal is a request to creditors for approval to destroy books and records of the Company after three months from the date of deregistration. Failure to pass this resolution means that we will be required to maintain the books and records for five years, the cost of which will be charged to the liquidation and reduce the dividend (if any) to creditors of the Company. Failure to approve the destruction of books and records via circular resolution means that we shall be required to call a meeting of creditors to seek approval for the destruction. This action will result in additional fees and costs for which we shall seek approval.

### Vote on proposal

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. Please select the appropriate Yes, No or Object box referred to below:

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

Your claim against the Company must be admitted for the purposes of voting by the Creditors Voluntary Liquidation for your vote to count. Please select the option that applies:

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

### Creditor details

Name of creditor: \_\_\_\_\_ ACN / ABN (if applicable): \_\_\_\_\_

I am not a related creditor of the Company.

I am a related creditor of the Company, relationship: \_\_\_\_\_

Address: \_\_\_\_\_

Name of creditor / authorised person: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please complete this document and return with any supporting documents by no later than **28 March 2019** for your vote to be counted, by email to Kevin Yue at [kevin.yue@au.gt.com](mailto:kevin.yue@au.gt.com). If you have any questions please call +61 2 8297 2507.

Completed forms may also be sent by post attention to Kevin Yue at Locked Bag Q800, QVB Post Office, Sydney NSW 1230, although you should ensure this is sent with sufficient time to arrive by the date the vote closes, which we cannot guarantee.

## Appendix G – Proof of Debt Form

# FORM 535

subregulation 5.6.49(2)

Corporations Act 2001

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

To the Liquidators of SMU Holdings Pty Ltd (In Liquidation) ACN 604 111 622 (the "Company")

1 This is to state that the company was on 14 February 2019, and still is, justly and truly indebted to: \_\_\_\_\_

\_\_\_\_\_ full name, ABN 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 \_\_\_\_\_ dollars and \_\_\_\_\_ cents

Particulars of the debt are:

Date	Consideration <i>(state how the debt arose)</i>	Amount	Remarks <i>(include details of voucher substantiating payment)</i>

\$

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).*

Date	Drawer	Acceptor	Amount	Due Date

\$

3 Signed by (select option):

- I am the creditor personally.
- 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.
- I am the creditor's agent authorised in writing to make this statement in writing. I know 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: \_\_\_\_\_ Dated: \_\_\_\_\_

Name: \_\_\_\_\_ Occupation: \_\_\_\_\_

Address: \_\_\_\_\_

### RECEIVE REPORTS BY EMAIL

Do you wish to receive all future reports and correspondence from our office via email?

Yes No

Email:.....