

BRI Ferrier

REPORT TO CREDITORS

PROSPERITY RESOURCES LTD (IN LIQUIDATION)

("THE COMPANY")

ACN: 103 280 235

ABN: 60 103 280 235

14 November 2023

**PETER KREJCI
LIQUIDATOR**

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Facsimile: 02 8263 2399

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Address Level 26, 25 Bligh Street

Sydney NSW 2000

INTRODUCTION

I refer to my previous reports to creditors dates 20 October 2017, 14 November 2017, 1 December 2017, and 22 February 2018, in which my appointment as Liquidator and recovery actions available to me as Liquidator was advised, along with your rights as a creditor in the liquidation.

The purpose of this report is to provide creditors with information regarding the following:

- ▲ To provide an update to the creditors about the progress of the liquidation since the last report dated 22 February 2018; and
- ▲ To consider approving the remuneration of the Liquidator.

Please note that this report should be read in conjunction with the previous reports detailed above. If you have any questions relating to the liquidation in general, or specific questions relating to your position, please do not hesitate to contact this office.

DISCLAIMER

This Report and the statements made herein have been prepared, based on available books and records, information provided by the Company's directors and officers, and from my own enquiries.

Whilst I have no reason to doubt the accuracy of the information provided or contained herein, I reserve the right to alter my opinion or conclusions should the underlying data prove to be inaccurate or materially change after the date of this Report.

In undertaking my investigations in relation to the affairs of the Company, and the preparation of this Report to the creditors, I have made forecasts of asset realisations and am required to estimate the quantum of creditor claims against the Company.

Neither I, as the Liquidator, nor any member or employee of this firm undertakes responsibility in any way whatsoever to any person in respect of any errors in this Report arising from incorrect information provided to this office, or necessary estimates and assessments made for the purposes of this Report.

Any creditor that has material information in relation to the Company's affairs, which they consider may affect my investigation, should forward details to this office as soon as possible.

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1. EXECUTIVE SUMMARY

I advise that all the Company assets have been realised and the Company is in a position to pay a priority dividend in respect to the outstanding employee Superannuation of circa \$8,000 at a rate of 100 cents in the dollar.

The dividend process will commence once I have received the Deputy Commissioner of Taxation's formal proof of debt under the Super Guarantee Charge.

There will be no return to ordinary Unsecured creditors and accordingly creditors in this class should consider their claim against the Company as irrecoverable.

2. UPDATE ON THE PROGRESS OF THE LIQUIDATION

2.1 SALE OF THE PROPERTY

As mentioned in my report to creditors dated 22 February 2018, the Company's major asset was a property located at 5 Leichhardt Street, Tennant Creek NT, which had been listed for sale by private treaty with Elders Real Estate (Alice Springs).

I advise the property was sold for \$230,000 on 7 June 2018, with net settlement funds totalling \$201,592 deposited into the Company's liquidation account.

2.2 TAX RETURNS

I advise that engaged Stewart Brown Chartered Accountants for the preparation of the Company income tax returns which included updating the Company's financials for the financial FY27/ FY18 and lodging outstanding PAYG summaries and BAS's for FY17 and FY18.

Following lodgement of the Company's final income tax returns prepared by Stewart Brown for both financial years, there are no income taxes payable in either financial year due to the significant carry-forward losses on the Company's balance sheet.

3. INVESTIGATION

In my role as a Liquidator, I conducted investigations into the affairs of the Company to ascertain whether there were any transactions that appeared to be voidable, or other causes of action available whereby assets and other benefits may be recoverable by a liquidator.

I have not obtained any further Company records/documentation from the creditors which might change the outcome of my investigations conducted during the Voluntary Administration and Liquidation. Below is a summary of further updates from my report to creditors dated 22 February 2018.

3.1 INSOLVENT TRADING CLAIM

I refer to my previous report to creditors dated 22 February 2018, I have not identified that there is any feasible insolvent trading claim against the current Directors and former Directors.

3.2 VOIDABLE TRANSACTION

I refer to my previous report to creditors dated 22 February 2018, I have not identified any voidable transactions in this liquidation.

4. REPORT TO ASIC

I refer to my previous report to creditors dated 22 February 2018, as I have not reported any contraventions of the Directors, ASIC does not intend to take any action in this matter.

5. LIQUIDATORS' RECEIPTS AND PAYMENTS

Enclosed in **Annexure "B"** is a summary of receipts and payments report from the date of my appointment to the date of this Report.

Pursuant to section 70-5 of the Insolvency Practice Schedule, set out at Schedule 2 of the Act, I am required to lodge a statement of account annually during the Liquidation. In this regard, I have lodged a statement of account up to 21 December 2022 with ASIC. Creditors may request a copy of the lodged accounts by contacting this office.

6. LIQUIDATOR'S REMUNERATION

The following remuneration approvals have previously been provided by creditors during the liquidation of this matter.

Period	For	Amount Approved (excl. GST) (\$)	Amount Paid (excl. GST) (\$)	Approval Remaining (excl. GST) (\$)
22 November 2017 to Conclusion	Future work	\$70,000.00	\$68,182.00	\$1,818.00
TOTAL		\$70,000.00	\$68,182.00	\$1,818.00

Creditors should note that I now have an unbilled WIP of \$28,818.00.

The additional time costs that have been incurred for the period from 22 November 2017 to 12 November 2023 are summarised as follows:

- Considerable time has been spent dealing with the Company's property for the following tasks:
 - Dealing with the rental tenant;
 - Corresponding with the prospective purchaser and dealing with the real estate agent;
 - Dealing with the solicitor for the exchange of the sales contract; and
 - Corresponding with the authority for the bill relevant to the property and sale of the property.

- Considerable time has been spent engaging the accountant for the following tasks:
 - Engaged with the external accountant for the preparation of the Company's income tax return for the financial year 2017 and financial year 2018;
 - Engaged with the external accountant for the preparation of the Company's outstanding BAS and PAYG summaries;
 - Review and sign off the Company's prepared financials for the financial year 2017 and financial year 2018; and
 - Discuss with the Company's newly engaged accountant in relation to the Company's tax affairs in respect of the sale of the property.
- Preparing this report to creditors to notify the progress of the liquidation.

Creditors are referred to the following items set out in the Remuneration Approval Report attached as **Annexure "C"**:

- The hourly rates, which also include a guide showing the qualifications and experience of staff engaged in the liquidation and the role they take in the liquidation.
- The spreadsheet which sets out the calculation of remuneration by appointee, employee and position for the work undertaken by myself and my staff for the period 22 November 2017 to 12 November 2023.
- A summary sets out a general description of additional necessary work carried out for the period 13 November 2023 to the conclusion of the Liquidation.

It is my intention to seek approval from creditors with respect to my remuneration incurred for the sum of \$38,818.00 for the period from 22 November 2017 to the conclusion of the Liquidation. I am seeking approval that will increase the previous approval approved by Creditors for the period I have been appointed as Liquidator of the Company. Attached as **Annexure "D"** is a copy of the Proposals without Meeting Forms. These forms need to be returned to my office by the **close of business, 4 December 2023**.

7. MATTERS OUTSTANDING

The outstanding matters in the liquidation are:

- Payment of priority dividend
- Statutory Lodgements; and
- Finalisation.

Subject to the above, I anticipate that this Liquidation could be finalised within six (6) months.

8. QUERIES

If creditors have any information which may assist me in my investigations, please contact my office as a matter of urgency.

Please note that Liquidators are not required to publish notices in the print media. ASIC maintains an online notices page for external administrators to publish notices in respect of companies. Creditors are encouraged to visit <http://insolvencynotices.asic.gov.au> throughout the liquidation to view any notices which may be published in respect of the Company.

ARITA provides information to assist creditors with understanding liquidations and insolvency. This information is available from ARITA's website at <http://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 <http://asic.gov.au> (search for "insolvency information sheets").

The BRI Ferrier staff member responsible for this matter is as follows:

- ▲ BRI Contacts: Ethan Wang
- ▲ Phone: (02) 8263 2336
- ▲ Email: ewang@brifnsw.com.au
- ▲ Mailing: GPO Box 7079, Sydney NSW 2001
- ▲ Facsimile: (02) 8263 2399

Yours faithfully

PROSPERITY RESOURCES PTY LTD (IN LIQUIDATION)



PETER KREJCI

Liquidator

The logo for BRI Ferrier, featuring the text "BRI Ferrier" in white on a dark grey background, with a green triangle pointing upwards and to the right.

BRI Ferrier

Prosperity Resources Limited

(In Liquidation)

ACN 103 280 235

ABN 60 103 280 235

Annexure "A"

Formal Proof of Debt

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Liquidator of Prosperity Resources Limited (In Liquidation) ACN 103 280 235 / ABN 60 103 280 235

1. This is to state that the company was, on 18 October 2017, ⁽¹⁾ and still is, justly and truly indebted to⁽²⁾ (full name):

.....
(‘Creditor’)

.....
of (full address)

for \$ dollars and cents.

Particulars of the debt are (please attach documents to support your claim e.g. purchase orders, invoices, interest schedules):

Date	Consideration ⁽³⁾ state how the debt arose	Amount \$ (Incl. GST)	Remarks ⁽⁴⁾ 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 ⁽⁵⁾

I am a related creditor of the Company ⁽⁵⁾
relationship:

3A.^{(6)*} 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.^{(6)*} 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.

The External Administrator (whether as Voluntary Administrators/Deed Administrators/Liquidators) will send and give electronic notification of documents in accordance with Section 600G and 105A of the Corporations Act 2001. Please provide your email address below:

Contact Name:

Email Address:

DATED this day of 2023

NAME IN BLOCK LETTERS

Occupation

Address

Signature of Signatory

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.

The logo for BRI Ferrier, featuring the text "BRI Ferrier" in white on a dark grey rectangular background. A green triangle is positioned at the bottom right corner of the grey rectangle.

BRI Ferrier

**Prosperity Resources Limited
(In Liquidation)**

ACN 103 280 235

ABN 60 103 280 235

**Annexure "B"
Summary of Receipts and Payments**

Summarised Receipts & Payments

Prosperity Resources Limited

(In Liquidation)

Transactions From 22 November 2017 To 14 November 2023

A/C	Account	Net	GST	Gross
42	Rates (Council)	370.07	0.00	370.07
67	Interest In Land (A)	209,090.91	20,909.09	230,000.00
74	Cash at Bank	15,861.93	0.00	15,861.93
83	Bank Interest	11.93	0.00	11.93
86	Rent Received - Commercial	9,490.91	949.09	10,440.00
88	Rent Received - Commercial (NO GST)	3,072.00	0.00	3,072.00
91	ATO Interest	1.29	0.00	1.29
228	Real Estate Agent Trust Account	10,000.00	0.00	10,000.00
233	GST Clearing Account	5,661.00	0.00	5,661.00
Total Receipts (inc GST)		\$253,560.04	\$21,858.18	\$275,418.22
42	Rates (Council)	18,778.55	0.00	18,778.55
130	Agents/Valuers Fees	7,900.00	790.00	8,690.00
131	Accounting Fees	11,500.00	1,150.00	12,650.00
132	Bank Charges	46.85	0.00	46.85
138	Insurance of Assets	3,042.88	304.29	3,347.17
139	Legal Fees (1)	6,803.87	680.39	7,484.26
140	Legal Fees (2)	504.90	0.00	504.90
142	Property Utilities	308.80	0.00	308.80
152	Liquidators Remuneration	68,182.00	6,818.20	75,000.20
153	Liquidators Expenses	350.96	35.11	386.07
162	Stamp Duty	235.72	0.00	235.72
165	Administrators Remuneration	74,043.77	7,404.38	81,448.15
166	Administrators Disbursements	571.33	57.13	628.46
228	Real Estate Agent Trust Account	10,000.00	0.00	10,000.00
233	GST Clearing Account	10,033.00	0.00	10,033.00
Total Payments (inc GST)		\$212,302.63	\$17,239.50	\$229,542.13
Balance in Hand - By Bank Account				
212	Cheque Account			45,876.09
				\$45,876.09

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BRI Ferrier

**Prosperity Resources Limited
(In Liquidation)**

ACN 103 280 235

ABN 60 103 280 235

**Annexure "C"
Remuneration Approval Report**

Remuneration Approval Report

Prosperity Resources Limited (In Liquidation)

ACN 103 280 235
("The Company")

14 November 2023

Peter Krejci
Liquidator

Novabrif Pty Ltd ABN 61 643 013 610
Level 26, 25 Bligh Street, Sydney NSW 2000
GPO Box 7079, Sydney NSW 2001
Phone (02) 8263 2336
Facsimile (02) 8263 2399
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1 EXECUTIVE SUMMARY

I am asking creditors to approve my remuneration of \$38,818.00 (excl. GST).

Details of remuneration can be found in section 3 of this report.

I am asking creditors to approve my remuneration via a proposal without a meeting.

Creditors have previously approved my remuneration of \$70,000.00 (excl. GST).

I estimate that the total cost of this Liquidation will be \$108,818.00 (excl. GST). This has increased from my previous estimate of \$70,000.00 (excl. GST) for the following reasons:

- Dealing with the rental tenant at the Company property;
- Corresponding with the prospective purchaser and dealing with the real estate agent;
- Dealing with the solicitor for the exchange of the sales contract;
- Corresponding with the authority for the bill relevant to the property and sale of the property;
- Engaging with the external accountant for the preparation of the Company's income tax return for the financial year 2017 and financial year 2018;
- Engaging with the external accountant for the preparation of the Company's outstanding BASs and PAYG summaries;
- Reviewing and signing off the Company's prepared financials for the financial year 2017 and financial year 2018;
- Lodge and await a response from ASIC to my confidential report pursuant to Section 533(1) of the Act;
- Prepare and issue the general report to creditors; and
- Change of hourly rates for each person working on the matter. An explanation of the new hourly rates is attached as **Schedule E** in this report.

I anticipate that this is my final remuneration approval request. If further information is provided by creditors and additional work is required, then I will seek further remuneration approval from creditors as necessary in due course.

2 DECLARATION

I have undertaken an assessment of this remuneration and disbursement claim in accordance with the law and applicable professional standards. I am satisfied that the remuneration and disbursements claimed are necessary and proper.

I have reviewed the work in progress report for the Liquidation to ensure that remuneration is only being claimed for necessary and proper work performed and have made no adjustments.

3 REMUNERATION SOUGHT

The remuneration I am asking creditors to approve is as follows:

For	Period	Amount \$ (excl. GST)	Rates	When it will be drawn
Completed Work	22 November 2017 to 12 November 2023	\$28,818.00	Provided in this Remuneration Approval Report dated 14 November 2023	When approved by Creditors
Future Work	13 November 2023 to conclusion	\$10,000.00	Provided in this Remuneration Approval Report dated 14 November 2023	It will be drawn when incurred.
TOTAL		\$38,818.00 (excl. GST)		

Details of the work done for the period 22 November 2017 to 12 November 2023 and future work to be done for the period 13 November 2023 to conclusion are included at Schedule A.

Schedule B includes a breakdown of time spent by staff members on each major task for work I have already completed.

Actual resolutions to be put to the meeting are included at Schedules C and D for your information. These resolutions also appear in the proposal without meeting form provided to you.

4 PREVIOUS REMUNERATION APPROVALS

The following remuneration approvals have previously been approved by creditors.

Period	For	Amount Approved (excl. GST) (\$)	Amount Paid (excl. GST) (\$)	Approval Remaining (excl. GST) (\$)
22 November 2017 to Conclusion	Future work	\$70,000.00	\$68,182.00	\$1,818.00
TOTAL		\$70,000.00	\$68,182.00	\$1,818.00

The previous remuneration approvals I have sought applies to the hourly rates attached as “**Annexure 8**” in my Second Report to Creditors dated 14 November 2017.

I am now seeking approval for a further \$38,818.00 (excl. GST) in remuneration, which will bring the total remuneration claimed in the Liquidation to \$108,818.00 (excl. GST).

A full explanation is at Schedule E of this report.

5 LIKELY IMPACT ON DIVIDENDS

The Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties, including reporting obligations in acting as an external administrator. The remuneration and disbursements of the Liquidator have a priority ranking ahead of creditors.

I am unable to pay my remuneration without the approval of the Committee of Inspection, Creditors, or the Court. Approval by Creditors is efficient and timely and less costly than an application to the Court.

However, any dividend will ultimately be impacted by the realisations achieved by the Liquidators and the value of creditor claims admitted to participate in the dividend. The likely impact of approval of remuneration and disbursements on dividends to creditors is that it will reduce such dividends.

A dividend to priority creditor will be declared shortly.

6 SUMMARY OF RECEIPTS AND PAYMENTS

A summary of the receipts and payments for the Liquidation as of 14 November 2023 is attached as **Annexure "B"** to the General Report to Creditors.

7 QUERIES & INFORMATION SHEET

If you have any queries in relation to the information in this report, please contact my office.

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

- ARITA at www.arita.com.au/creditors
- ASIC at <http://www.asic.gov.au> (search for INFO 85).

Further supporting documentation for my remuneration claim can be provided to creditors on request.

8 ATTACHMENTS

Schedule A – Details of work

Schedule B – Time spent by staff on each major task

Schedule C – Resolutions

Schedule D – Disbursements

Schedule E – Explanation where Remuneration already Approved

Schedule F – Schedule of Hourly Rates

SCHEDULE A – DETAILS OF WORK

Company	Prosperity Resources Limited (In Liquidation)	Period From	22 November 2017	To	Conclusion
Practitioner	Peter Krejci	Firm	BRI Ferrier		
Administration Type	Creditors Voluntary Liquidation				

		Tasks	
		Work already completed (excl. GST)	Future work (excl. GST)
Period		22 November 2017 to 12 November 2023	13 November 2023 to Conclusion
Amount (excl. GST)		\$98,818.00	\$10,000.00
Task Area	General Description		
Assets		44.6 hours \$23,027.50	\$0.00
	Sale of Real Property	Liaising with Elders Real Estate regarding the sale of the Tenant Creek Property Discussions relating to the property appraisal, agency agreement and marketing/sales strategy Perusal of formal valuations from various valuers Liaising with the tenants regarding the status of sale of the property Liaising with government agencies regarding appointment and invoices to be issued to tenants Liaising with tenants regarding payment of invoices/updates to be made to invoices Preparing correspondences regarding exchange of contracts for sale of property and notice to vacate Reviewing insurance policies for property and invoices for extension of same Internal meetings to discuss/review offers received	N/A

Task Area	General Description		
		Preparation and execution of sales contract Execution of land titles transfer document All tasks associated with the sale of the property	
	Plant and Equipment	Liaising with valuers regarding estimated realisation value of the motor vehicles	N/A
	Assets subject to specific charges	Tasks associated with sale contract	N/A
	Other Assets	Corresponding with Bankwest regarding the accounts held. Correspondence with Company Accountant regarding rental income from Allan Scott Builder Conduct search for unclaimed monies.	N/A
Creditors		54.30 hours \$24,529.00	\$3,000.00
	Creditor Reports	Finalising and issuing circular to circulars regarding change of appointment Preparing and finalising Statutory Report to Creditors detailing investigations Finalising annexures in support of Statutory Report Preparing and issuing circular to creditors regarding online report notification Prepare further report to creditors Preparing relevant annexures in support of Report to Creditors	Finalise and issue further Report to Creditors Preparing relevant annexures in support of Report to Creditors
	Dealing with proofs of debt	Receipting and filing Proofs of Debt when not related to a dividend	Receipting and filing Proof of Debts when not related to a dividend

Task Area	General Description		
	Meeting of Creditors	<p>Preparation of meeting notices, proxies, and advertisements</p> <p>Forward notice of meeting to all known creditors</p> <p>Preparation of meeting file, including agenda, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting</p> <p>Preparation and lodgement of minutes of meetings with ASIC</p> <p>Responding to creditor queries and questions immediately following meeting</p>	N/A
	Creditor Enquiries	<p>Receive and follow up creditor enquiries by telephone</p> <p>Review and prepare correspondence to creditors and their representatives by facsimile, email, and post</p>	<p>Receive and follow up creditor enquiries by telephone</p> <p>Review and prepare correspondence to creditors and their representatives by email and post</p>
	Shareholder Enquiries	<p>Reviewing appointment docs and ASIC records regarding shareholders</p> <p>ITAA Section 104-145(1) declarations</p> <p>Consider prospects of distribution to shareholders</p> <p>Receive and follow up shareholders enquiries by telephone</p> <p>Review and prepare correspondence to shareholders and their representatives by email and post to confirm shareholdings</p> <p>Liaising with shareholders regarding transfer of shares and declaration of capital loss</p>	N/A
Employees		3.9 hours \$1,638.00	\$0.00

Task Area	General Description		
	Employee dividend	Correspondence with ATO regarding SGC proof of debt	Calculating dividend rate Preparing dividend file Advertising dividend notice Preparing distribution Receipting POD Adjudicating POD Ensuring PAYG is remitted to ATO
	Calculation of Entitlements	Reviewing employee files and Company's books and records Reviewing outstanding employee wages and superannuation Reconciling superannuation accounts Advising ATO of unpaid superannuation	N/A
Investigation		13.5 hours \$7,639.00	\$0.00
	Conducting Investigation	Review available books and records provided by Company Accountants Conducting and summarising statutory searches. Analyse financial statements and prepare comparatives financials. Liaising with Director's Solicitor regarding Company's records and specific queries. Conduct Bank Statement Analysis to identify specific transactions. Preparation of deficiency statement Review and preparation of narrative of business nature and history Investigations in relation to uncommercial transactions, insolvent transactions, and director related transactions Internal meetings regarding above matters	N/A

Task Area	General Description		
	ASIC reporting	Preparing statutory investigation reports Drafting and finalising investigation file note to support EX01 Liaising with ASIC	N/A
Dividend		15.7 hours \$7,266.00	\$5,000.00
	Processing proofs of debt	N/A	Preparation of correspondence to ATO inviting lodgement of Proofs Receipt of Proofs Maintain Proof of Debt register Adjudicating Proofs of Debt Request further information from claimants regarding Proofs of Debt Preparation of correspondence to claimant advising outcome of adjudication
	Dividend procedures	Correspondence with Company Accountants to draft copies of tax lodgements, BAS', and PAYG summaries for review Reviewing and finalising outstanding pre-appointment lodgements with the tax office to obtain tax clearance.	Preparation of correspondence to ATO advising of intention to declare dividend Advertisement of intention to declare dividend Preparation of dividend calculation Preparation of correspondence to creditors announcing declaration of dividend Advertise announcement of dividend Preparation of distribution Preparation of dividend file Preparation of payment vouchers to pay dividend Preparation of correspondence to creditors enclosing payment of dividend
Administration		119.2 hours \$34,718.50	\$2,000.00

Task Area	General Description		
	ASIC Forms and Lodgements	<p>Preparing and lodging ASIC forms including 505, 509D, 5011, 5601</p> <p>Prepare and submit form EX01 regarding liquidators findings</p> <p>Correspondence with ASIC regarding statutory forms</p> <p>Preparing and lodging annual returns (5602) with ASIC</p>	<p>Preparing and lodging annual returns (5602) with ASIC and (5603) final return</p> <p>Correspondence with ASIC regarding statutory forms</p>
	Correspondence	<p>Mailing notice to shareholders via envelopes. Franking and allotting labels for same</p> <p>Discussions regarding completing international investments survey, reviewing liabilities to non-resident</p>	<p>Correspondence regarding the Company</p>
	Document maintenance/file review/checklist	<p>File review</p> <p>Filing of documents</p> <p>Updating checklists</p> <p>Periodic administration review</p>	<p>File review</p> <p>Filing of documents</p> <p>Updating checklists</p> <p>Periodic administration review</p>
	Insurance	<p>Identification of potential issues requiring attention of insurance specialists</p> <p>Correspondence with insurer regarding initial and ongoing insurance requirements</p> <p>Reviewing insurance policies</p>	
	Bank account administration	<p>Preparing receipt and payment vouchers</p> <p>Bank account reconciliations</p>	<p>Preparing correspondence closing accounts</p> <p>Bank reconciliations</p> <p>Preparing correspondence closing bank account.</p>
	ATO and other statutory reporting	<p>Preparing and reviewing quarterly BAS'</p>	<p>Preparing and lodging BAS'</p> <p>Completing outstanding lodgements to date of appointment</p>
	Planning / Review	<p>Discussion regarding status of liquidation, procedural requirements, priority milestones and future direction</p>	<p>Discussion regarding status of liquidation, procedural requirements, priority milestones and future direction</p>

Task Area	General Description		
	Books and records / storage	Dealing with records in storage Sending job files to storage	Dealing with records in storage
	Finalisation	N/A	Notifying ATO of finalisation Cancelling ABN/GST/PAYG registration Completing checklists Finalising WIP

SCHEDULE B – TIME SPENT BY STAFF ON MAJOR TASKS (COMPLETED WORK)

Prosperity Resources Limited (In Liquidation)
ACN 103 280 235
For the Period 22 November 2017 to 12 November 2023

Staff Classification	Name	Hourly Rate \$	Administration		Assets		Creditors		Dividend		Employees		Investigations		Total Hrs	Sum of Net WIP \$
			Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$		
Principal	Peter Krejci	730.00	0.5	365.00	-	-	6.0	4,380.00	-	-	-	-	-	-	6.5	4,745.0
Appointee	David Cocker	680.00	0.6	408.00	-	-	-	-	-	-	-	-	1.0	680.00	1.6	1,088.0
Appointee	Peter Krejci	680.00	1.9	1,292.00	-	-	-	-	-	-	-	-	-	-	1.9	1,292.0
Appointee	Peter Krejci	650.00	1.5	975.00	13.7	8,905.00	1.0	650.00	-	-	-	-	8.2	5,330.00	24.4	15,860.0
Director	Katherine La	590.00	0.4	236.00	-	-	2.7	1,593.00	-	-	-	-	-	-	3.1	1,829.0
Director	John Keenan	570.00	1.2	684.00	-	-	-	-	4.4	2,508.00	-	-	-	-	5.6	3,192.0
Director	John Keenan	540.00	1.0	540.00	14.9	8,046.00	2.6	1,404.00	-	-	-	-	0.1	54.00	18.6	10,044.0
Manager	Savio Monis	550.00	0.2	110.00	-	-	-	-	-	-	-	-	-	-	0.2	110.0
Senior Manager	Katherine La	545.00	0.1	54.50	-	-	-	-	-	-	-	-	-	-	0.1	54.5
Senior Manager	Katherine La	525.00	2.6	1,365.00	-	-	-	-	-	-	-	-	-	-	2.6	1,365.0
Manager	Katherine La	505.00	1.1	555.50	-	-	-	-	-	-	-	-	-	-	1.1	555.5
Supervisor	Ethan Wang	480.00	-	-	-	-	12.2	5,856.00	0.2	96.00	-	-	-	-	12.4	5,952.0
Supervisor	Katherine La	420.00	4.7	1,974.00	0.9	378.00	0.2	84.00	11.1	4,662.00	3.9	1,638.00	-	-	20.8	8,736.0
Supervisor	Katherine La	400.00	11.7	4,680.00	13.1	5,240.00	13.9	5,560.00	-	-	-	-	2.7	1,080.00	41.4	16,560.0
Senior 1	Chris Garvey	360.00	1.3	468.00	-	-	-	-	-	-	-	-	-	-	1.3	468.0
Senior 1	Kira Yu	340.00	2.3	782.00	-	-	1.0	340.00	-	-	-	-	-	-	3.3	1,122.0
Senior 2	Nicole Feng	310.00	0.3	93.00	-	-	-	-	-	-	-	-	-	-	0.3	93.0
Senior 2	Chris Garvey	290.00	0.6	174.00	-	-	-	-	-	-	-	-	-	-	0.6	174.0
Intermediate 1	Sushma Mandira	330.00	0.9	297.00	-	-	12.6	4,158.00	-	-	-	-	1.5	495.00	15.0	4,950.0
Intermediate 1	Joshua Coorey	270.00	9.3	2,511.00	-	-	0.8	216.00	-	-	-	-	-	-	10.1	2,727.0
Intermediate 1	Jenny Kwok	260.00	3.2	832.00	-	-	0.3	78.00	-	-	-	-	-	-	3.5	910.0
Intermediate 1	Stephen Lee	260.00	4.0	1,040.00	-	-	-	-	-	-	-	-	-	-	4.0	1,040.0
Intermediate 1	Zen Taruka	260.00	4.5	1,170.00	-	-	-	-	-	-	-	-	-	-	4.5	1,170.0
Intermediate 1	Stephen Lee	250.00	5.9	1,475.00	0.9	225.00	-	-	-	-	-	-	-	-	6.8	1,700.0
Intermediate 2	Sushma Mandira	245.00	3.8	931.00	-	-	-	-	-	-	-	-	-	-	3.8	931.0
Intermediate 2	Jenny Kwok	235.00	2.3	540.50	0.1	23.50	-	-	-	-	-	-	-	-	2.4	564.0
Intermediate 2	Jordan Gueli-Quaresma	235.00	3.2	752.00	-	-	-	-	-	-	-	-	-	-	3.2	752.0
Intermediate 2	Karen Enriquez	235.00	2.4	564.00	-	-	-	-	-	-	-	-	-	-	2.4	564.0
Intermediate 2	Patrick Mao	235.00	5.8	1,301.00	-	-	-	-	-	-	-	-	-	-	5.8	1,301.0
Intermediate 2	Xiaoyan Lin	225.00	5.6	1,260.00	-	-	-	-	-	-	-	-	-	-	5.6	1,260.0
Senior Administration	Sarita Gurung	240.00	1.5	360.00	-	-	-	-	-	-	-	-	-	-	1.5	360.0
Senior Administration	Ashleigh Hartigan	220.00	4.7	1,034.00	-	-	-	-	-	-	-	-	-	-	4.7	1,034.0
Senior Administration	Jessica Mula	220.00	2.8	616.00	-	-	-	-	-	-	-	-	-	-	2.8	616.0
Senior Administration	Liam Moran	220.00	3.0	660.00	-	-	-	-	-	-	-	-	-	-	3.0	660.0
Senior Administration	Renee Rosier	220.00	3.0	660.00	-	-	-	-	-	-	-	-	-	-	3.0	660.0
Senior Administration	Sarita Gurung	220.00	1.8	396.00	-	-	-	-	-	-	-	-	-	-	1.8	396.0
Senior Administration	Sonia Stelmach	220.00	1.6	352.00	-	-	-	-	-	-	-	-	-	-	1.6	352.0
Senior Administration	Jessica Mula	210.00	3.8	798.00	1.0	210.00	1.0	210.00	-	-	-	-	-	-	5.8	1,218.0
Senior Administration	Sonia Stelmach	210.00	5.1	1,071.00	-	-	-	-	-	-	-	-	-	-	5.1	1,071.0
Junior Administration	Sarita Gurung	150.00	8.2	1,230.00	-	-	-	-	-	-	-	-	-	-	8.2	1,230.0
Junior Administration	Carmelle Mabalhin	140.00	0.8	112.00	-	-	-	-	-	-	-	-	-	-	0.8	112.0
Grand Total			119.2	34,718.50	44.6	23,027.50	54.3	24,529.00	15.7	7,266.00	3.9	1,638.00	13.5	7,639.00	251.2	98,818.00
Remuneration Approved to Date															(70,000.00)	
Current Remuneration Sought															28,818.00	
Future Remuneration Sought															10,000.00	
Total Remuneration Sought															38,818.00	
GST															3,881.80	
Total (incl. GST)															42,699.80	
Average rate per hour			291.26	516.31	451.73	462.80	420.00	565.85	393.38							

SCHEDULE C – RESOLUTIONS

I will be seeking approval of the following resolutions to approve my remuneration. Details to support these resolutions are included in section 3 and in the attached Schedules.

Resolution 1: Liquidator’s Remuneration for the period 22 November 2017 to 12 November 2023

“That the remuneration of the Liquidator, his partner and staff for the period 22 November 2017 to 12 November 2023, not previously approved, be calculated on a time basis in accordance with the rates of charge annexed to the Report to the Creditors dated 14 November 2023, be fixed and approved at \$28,818.00 (excl. GST), and that the Liquidator be authorised to draw that amount as required.”

Resolution 2: Liquidator’s Remuneration for the period 13 November 2023 to Conclusion

“That the remuneration of the Liquidator, his partners and staff for the period 13 November 2023 to the conclusion of the Liquidation, be calculated on a time basis in accordance with the rates of charge annexed to the Report to Creditors dated 14 November 2023 and approved to an interim cap of \$10,000.00 (excl. GST) and that the Liquidator be authorised to draw that amount as and when incurred.”

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SCHEDULE D – DISBURSEMENTS

Disbursements are divided into three types:

- Externally provided professional services - these are recovered at cost. An example of an externally provided 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 charge at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

I advise that, to date, I have paid the following disbursements incurred during this Liquidation by my Firm:

External Disbursements:

I am not obliged to seek creditor approval for disbursements paid to third parties, but must account to creditors, this includes providing details of the basis of charging for these types of disbursements to creditors as part of the Remuneration Approval Report. I have incurred the following disbursements paid to third parties:

Disbursement Type	Rate	Amount (\$, excl GST)
Externally provided non-professional costs		
ABR Searches	At cost	\$124.60
	TOTAL	\$124.60

Internal Disbursements:

I am required to seek creditor approval for internal disbursements where there could be a profit or advantage. I have incurred the following internal disbursements to date:

Disbursement Type	Rate	Amount (\$, excl GST)
Internal disbursements		
ASIC Charges for appointment	At cost	\$5.00
Faxes and Photocopying	764 pages @ \$0.25 per page	\$191.00
Postage	At cost	\$30.36
	TOTAL	\$226.36

As I have sufficient approval remaining to draw any disbursements I may incur in the near future, I will not be seeking further approval from creditors for internal disbursements.

Future disbursements provided by my Firm will be charged to the administration on the following basis:

Disbursement Type	Rate (excl GST)
Externally provided professional services	At cost
Externally provided non-professional costs	At cost
Internal disbursements	
ASIC charges for appointments and notifiable events	At cost
Faxes and Photocopying	\$0.25 per page
Postage	At cost
Staff vehicle use	In accordance with ATO mileage allowances

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SCHEDULE E – EXPLANATION WHERE REMUNERATION ALREADY APPROVED

On 22 November 2017, creditors approved my prospective remuneration totalling \$70,000.00 (excl. GST) via Meeting of Creditors annexed to my Second Report to creditors dated 14 November 2017. To date, I have drawn \$68,182.00 as remuneration.

During the course of the Liquidation, hourly rates of the firm have increased in the year 2018, 2021, 2022 and 2023, and my remuneration has exceeded the approved cap. Therefore, in this report, I am now seeking approval of a further capped amount of \$38,818.00 (excl. GST) for additional remuneration incurred/to be incurred for the period from 22 November 2017 to conclusion.

To assist creditors with understanding how the total remuneration has incurred, this table shows remuneration to date, including the current claim(s), divided by task categories.

Task	Fees already approved as at 22 November 2017 (excl. GST) \$	Approval sought for work already completed (excl. GST) \$	Approval sought for future work (excl. GST) \$	Total per task (excl. GST) \$
Assets	16,000.00	23.50	-	16,023.50
Creditors	17,500.00	16,281.00	3,000.00	36,781.00
Employees	6,500.00	-	-	6,500.00
Investigation	10,000.00	1,175.00	-	11,175.00
Dividend	15,000.00	96.00	5,000.00	20,096.00
Administration	5,000.00	11,242.50	2,000.00	18,242.50
TOTAL	70,000.00	28,818.00	10,000.00	108,818.00
Total remuneration previously approved				70,000.00
Amount outstanding (incl. amount claimed now)				38,818.00
Payment Reconciliation:				
TOTAL (incl. amount claimed now)				108,818.00
Amount paid to date				68,182.00
Amount outstanding (incl. amount claimed now)				40,636.00

In the table below we compare, on a task basis, the difference between our previous remuneration report and this report, together with explanations for the difference.

Task	Fees already approved as at 22 November 2017 (excl. GST) \$	Total task (from previous table) (excl. GST) \$	Difference \$	Reason for differences
------	---	---	---------------	------------------------

Assets	16,000.00	16,023.50	23.50	Additional time has been incurred in relation to the following: <ul style="list-style-type: none"> - Realising the Company's plant and equipment - Tasks associated with the sale of property and execution of sale contract - Correspondence with banks
Creditors	17,500.00	36,781.00	19,281.00	Additional time has been incurred in relation to the following: <ul style="list-style-type: none"> - Preparing and finalising Statutory Report to Creditors / Circular to Creditors / Further Report to Creditors - Receive and respond to creditor enquiries
Employees	6,500.00	6,500.00	-	No additional time has incurred
Investigation	10,000.00	11,175.00	1,175.00	Additional time has been incurred in relation to the following: <ul style="list-style-type: none"> - Investigating the company Books and Records to determine the value of the insolvent trading claim and breach of duties claims against the Director and former Director - Drafting and finalising statutory investigation reports
Dividend	15,000.00	20,096.00	5,096.00	Additional time has been incurred in relation to the following: <ul style="list-style-type: none"> - Correspondence with Company Accountants to draft copies of tax lodgements, BAS', and PAYG summaries for review - Reviewing and finalising outstanding pre-appointment lodgements with the tax office to obtain tax clearance - Payment of employee dividend
Administration	5,000.00	18,242.50	13,242.50	Additional time has been incurred in relation to the followings: <ul style="list-style-type: none"> - Dealing with books and records - Preparing and lodging ASIC forms - Preparing and lodging ATO BAS - Filing of documents - Correspondence with insurance brokers - Discussion regarding status of liquidation, procedural requirements, priority milestones and future direction <p>Increase in Administration costs correlates highly with the length of time for which the Liquidation runs. Therefore, some more additional time is expected to be incurred leading up to the finalisation of the Liquidation</p>
TOTAL	70,000.00	108,818.00	38,818.00	

SCHEDULE F – SCHEDULE OF HOURLY RATES

There are four methods for calculation of remuneration that can be used to calculate the remuneration of an Insolvency Practitioner. BRI Ferrier normally charges to use a Time Cost basis.

The rates applicable are set out in the table below together with a general guide to the qualifications and experience of staff engaged in the administration and the role they undertake in the administration. The hourly rates charged encompass the total cost of providing professional services and are not comparable to an hourly wage rate.

On 30 June 2018, 2020, 2022 and 2023, the principals undertook a review of the firm's hourly rates and determined that it was appropriate to make amendments to the schedules. I have determined that this is appropriate based on current market circumstances.

1 July 2018

Title	Description	Hourly Rates (ex GST)
Appointee	A Liquidator and/or Registered Trustee. A senior accountant with over 10 years' experience who brings specialist skills & experience to the appointment. Leads the team carrying out the appointment.	\$680
Principal	A Registered Liquidator. A senior accountant with over 10 years' experience. Leads the team carrying out and controls all aspects of an appointment.	\$650
Director	An accountant with more than 10 years' experience. May be a Liquidator. Fully qualified and able to control all aspects of an appointment. May have specialist industry knowledge or skills. Assists with all facets of appointment.	\$570
Senior Manager	An accountant with more than 7 years' experience. Qualified and answerable to the Team Leader. Self-sufficient in completing and planning all aspects of large appointments.	\$525
Manager	An accountant with more than 6 years' experience. Typically qualified with well-developed technical and commercial skills. Controls and plans all aspects of medium to larger appointments, reporting to Team Leader.	\$505
Supervisor	An accountant with more than 4 years' experience. Typically qualified with sound knowledge of insolvency principles and developing commercial skill. Assists to plan and control specific tasks on medium to larger appointments. Often undertaking post qualification study specialising in Insolvency and Reconstruction.	\$420
Senior 1	An accountant with more than 2 years' experience. Typically a graduate undertaking study leading to professional qualification as a Chartered Accountant or CPA. Able to complete work on appointments with limited supervision.	\$360
Senior 2	An accountant with more than 2 years' experience. Typically a graduate who has commenced study leading to professional qualifications. Able to complete many tasks on medium to large appointments under supervision.	\$290
Intermediate 1	An accountant with less than 2 years' experience. Typically a graduate and commenced study for qualifications. Able to complete multiple tasks on smaller to medium appointments under supervision.	\$260
Intermediate 2	An accountant with less than 1 years' experience. A trainee undertaking degree with an accountancy major. Assists in the appointment under supervision.	\$235
Senior Administration	Appropriately skilled & undertakes support activities including but not limited to treasury, word processing and other administrative, clerical, and secretarial tasks.	\$220
Junior Administration	Appropriately skilled & undertakes support activities including but not limited to treasury, word processing and other administrative, clerical, and secretarial tasks.	\$150

1 July 2020

Title	Description	Hourly Rates (ex GST)
Principal/Appointee	A Liquidator and/or Registered Trustee. A senior accountant with over 10years' experience who brings specialist skills and experience to the appointment. Leads the team carrying out the appointment.	\$680
Director	An accountant with more than 10 years' experience. May be a Registered Liquidator. Fully qualified and able to control all aspects of an appointment. May have specialist industry knowledge or skills. Assists with all facets of appointment.	\$570
Senior Manager	An accountant with more than 7 years' experience. Qualified and answerable to the Team Leader. Self-sufficient in completing and planning all aspects of large appointments.	\$525
Manager	An accountant with at least 6 years' experience. Typically qualified with well-developed technical and commercial skills. Controls and plans all aspects of medium to larger appointments, reporting to the Team Leader.	\$505
Supervisor	An accountant with more than 4 years' experience. Typically qualified with sound knowledge of insolvency principles and developing commercial skill. Assists to plan and control specific tasks on medium to larger appointments. Often undertaking post qualification study specializing in Insolvency and Reconstruction.	\$420
Senior 1	An accountant with more than 2 years' experience. Typically a graduate undertaking study leading to professional qualification as a Chartered Accountant or CPA. Able to complete work on appointments with limited supervision.	\$360
Senior 2	An accountant with less than 2 years' experience. Typically a graduate who has commenced study leading to professional qualifications. Able to complete many tasks on medium to large appointments under supervision.	\$290
Intermediate 1	An accountant with less than 2 years' experience. Typically a graduate and commencing study for qualifications. Able to complete multiple tasks on smaller to medium appointments under supervision.	\$260
Intermediate 2	An accountant with less than 1 year's experience. A trainee undertaking degree with an accountancy major. Assists in the appointment under supervision.	\$235
Senior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical, and secretarial tasks.	\$220
Junior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical, and secretarial tasks.	\$150

1 July 2022

Title	Description	Hourly Rates (ex GST)
Principal/Appointee	A Liquidator and/or Registered Trustee. A senior accountant with over 10 years' experience who brings specialist skills and experience to the appointment. Leads the team carrying out the appointment.	\$680
Director	An accountant with more than 10 years' experience. May be a Registered Liquidator. Fully qualified and able to control all aspects of an appointment. May have specialist industry knowledge or skills. Assists with all facets of appointment.	\$590
Senior Manager	An accountant with more than 7 years' experience. Qualified and answerable to the Team Leader. Self-sufficient in completing and planning all aspects of large appointments.	\$545
Manager	An accountant with at least 6 years' experience. Qualified with well-developed technical and commercial skills. Controls and plans all aspects of medium to larger appointments, reporting to the Team Leader.	\$505
Assistant Manager	An accountant with more than 5 years' experience. Typically qualified with sound technical and commercial skills. Plans and controls smaller matters independently. Assists with management of staff and medium to large appointments.	\$470
Supervisor	An accountant with more than 3 years' experience. Typically qualified with sound knowledge of insolvency principles and developing commercial skill. Assists to plan and control specific tasks on medium to larger appointments. Often undertaking post qualification study specializing in Insolvency and Reconstruction.	\$435
Senior 1	An accountant with more than 2 years' experience. Typically a graduate undertaking study leading to professional qualification as a Chartered Accountant or CPA. Able to complete work on appointments with limited supervision.	\$370
Senior 2	An accountant with less than 2 years' experience. Typically a graduate who has commenced study leading to professional qualifications. Able to complete many tasks on medium to large appointments under supervision.	\$310
Intermediate 1	An accountant with less than 2 years' experience. Typically a graduate and commencing study for qualifications. Able to complete multiple tasks on smaller to medium appointments under supervision.	\$270
Intermediate 2	An accountant with less than 1 years' experience. A trainee undertaking degree with an accountancy major. Assists in the appointment under supervision.	\$245
Senior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical, and secretarial tasks.	\$220
Junior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical, and secretarial tasks.	\$150

1 July 2023 (Current)

Title	Description	Hourly Rates (ex GST)
Principal/Appointee	A Liquidator and/or Registered Trustee. A senior accountant with over 10 years' experience who brings specialist skills and experience to the appointment. Leads the team carrying out the appointment.	\$730
Director	An accountant with more than 10 years' experience. May be a Registered Liquidator. Fully qualified and able to control all aspects of an appointment. May have specialist industry knowledge or skills. Assists with all facets of appointment.	\$640
Senior Manager	An accountant with more than 7 years' experience. Qualified and answerable to the Team Leader. Self-sufficient in completing and planning all aspects of large appointments.	\$590
Manager	An accountant with at least 6 years' experience. Qualified with well-developed technical and commercial skills. Controls and plans all aspects of medium to larger appointments, reporting to the Team Leader.	\$550
Assistant Manager	An accountant with more than 5 years' experience. Typically qualified with sound technical and commercial skills. Plans and controls smaller matters independently. Assists with management of staff and medium to large appointments.	N/A
Supervisor	An accountant with more than 3 years' experience. Typically qualified with sound knowledge of insolvency principles and developing commercial skill. Assists to plan and control specific tasks on medium to larger appointments. Often undertaking post qualification study specialising in Insolvency and Reconstruction.	\$480
Senior 1	An accountant with more than 2 years' experience. Typically a graduate undertaking study leading to professional qualification as a Chartered Accountant or CPA. Able to complete work on appointments with limited supervision.	\$420
Senior 2	An accountant with less than 2 years' experience. Typically a graduate who has commenced study leading to professional qualifications. Able to complete many tasks on medium to large appointments under supervision.	\$380
Intermediate 1	An accountant with less than 2 years' experience. Typically a graduate and commencing study for qualifications. Able to complete multiple tasks on smaller to medium appointments under supervision.	\$330
Intermediate 2	An accountant with less than 1 years' experience. A trainee undertaking degree with an accountancy major. Assists in the appointment under supervision.	\$280
Senior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical, and secretarial tasks.	\$240
Junior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical, and secretarial tasks.	\$180

The logo for BRI Ferrier, featuring the text "BRI Ferrier" in white on a dark grey background, with a green triangle pointing upwards and to the right.

BRI Ferrier

Prosperity Resources Limited

(In Liquidation)

ACN 103 280 235

ABN 60 103 280 235

Annexure "D"

Proposal without Meeting Forms

NOTICE OF PROPOSAL TO CREDITORS

Dated: 14 November 2023

Voting Poll Closes: 4 December 2023

PROSPERITY RESOURCES LIMITED (IN LIQUIDATION)
ACN 103 280 235
ABN 60 103 280 235
("the Company")

Proposal No. 1 for creditor approval

"That the remuneration of the Liquidator, his partners and staff for the period 22 November 2017 to 12 November 2023, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidator's Report to Creditors dated 14 November 2023, be fixed and approved at \$28,818.00 (plus GST), and that the Liquidator be authorised to draw that amount."

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 liquidator.
 - I am unable to pay my 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 my remuneration will allow me to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.

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 Liquidator. 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

Address

ABN (if applicable)

Contact number

Email address

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.

**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 **4 December 2023**, by email to Ethan Wang at ewang@brifnsw.com.au. Should you have any queries in relation to this matter, please contact Ethan Wang on (02) 8263 2336.

BRI FERRIER
Level 26
25 Bligh Street
Sydney NSW 2000

NOTICE OF PROPOSAL TO CREDITORS

Dated: 14 November 2023

Voting Poll Closes: 4 December 2023

PROSPERITY RESOURCES LIMITED (IN LIQUIDATION)
ACN 103 280 235
ABN 60 103 280 235
("the Company")

Proposal No. 2 for creditor approval

"That the remuneration of the Liquidator, his partners and staff for the period 13 November 2023 to conclusion of the Liquidation, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidator's Report to Creditors dated 14 November 2023, be fixed and approved at \$10,000.00 (plus GST), and that the Liquidator be authorised to draw that amount."

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 liquidator.
- I am unable to pay my 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 my remuneration will allow me to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.

Vote on the Proposal No. 2

Please select the appropriate Yes, No or Object box referred to below with a to indicate your preferred position.

- Yes I approve the proposal
- No I do not approve the proposal
- Object I object to the proposal being resolved without a meeting of creditors

For your vote to count, your claim against the Company must have been admitted for the purposes of voting by the Liquidator. Please select the option that applies:

- 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

Address

ABN (if applicable)

Contact number

Email address

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.

**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 **4 December 2023**, by email to Ethan Wang at ewang@brifnsw.com.au. Should you have any queries in relation to this matter, please contact Ethan Wang on (02) 8263 2300.

BRI FERRIER
Level 26
25 Bligh Street
Sydney NSW 2000

The logo for BRI Ferrier, featuring the text "BRI Ferrier" in white on a dark grey background, with a green triangle pointing upwards and to the right at the bottom right corner.

BRI Ferrier

Prosperity Resources Limited

(In Liquidation)

ACN 103 280 235

ABN 60 103 280 235

Annexure "E"

ARITA Information Sheet:

Proposals without meetings

Information sheet: Proposals without meetings

You may be a creditor in a liquidation, voluntary administration or deed of company arrangement (collectively referred to as an external administration).

You have been asked by the liquidator, voluntary administrator or deed administrator (collectively referred to as an external administrator) to consider passing a proposal without a meeting.

This information sheet is to assist you with understanding what a proposal without a meeting is and what your rights as a creditor are.

What is a proposal without a meeting?

Meetings of creditors were previously the only way that external administrators could obtain the views of the body of creditors. However, meetings can be very expensive to hold.

A proposal without a meeting is a cost effective way for the external administrator to obtain the consent of creditors to a particular course of action.

What types of proposals can be put to creditors?

The external administrator is able to put a range of proposals to creditors by giving notice in writing to the creditors. There is a restriction under the law that each notice can only contain a single proposal. However, the external administrator can send more than one notice at any single time.

What information must the notice contain?

The notice must:

- include a statement of the reasons for the proposal and the likely impact it will have on creditors if it is passed
- invite the creditor to either:
 - vote yes or no to the proposal, or
 - object to the proposal being resolved without a meeting, and
- specify a period of at least 15 business days for replies to be received by the external administrator.

If you wish to vote or object, you will also need to lodge a Proof of Debt (POD) to substantiate your claim in the external administration. The external administrator will provide you with a POD to complete. You should ensure that you also provide documentation to support your claim.

If you have already lodged a POD in this external administration, you do not need to lodge another one.

The external administrator must also provide you with enough information for you to be able to make an informed decision on how to cast your vote on the proposal. With some types of proposals, the law or ARITA's Code of Professional Practice sets requirements for the information that you must be provided.

For example, if the external administrator is asking you to approve remuneration, you will be provided with a Remuneration Approval Report, which will provide you with detailed information about how the external administrator's remuneration for undertaking the external administration has been calculated.

What are your options if you are asked to vote on a proposal without a meeting?

You can choose to vote yes, no or object to the proposal being resolved without a meeting.

How is a resolution passed?

A resolution will be passed if more than 50% in number and 50% in value (of those creditors who did vote) voted in favour of the proposal, but only so long as not more than 25% in value objected to the proposal being resolved without a meeting.

What happens if the proposal doesn't pass?

If the proposal doesn't pass and an objection is not received, the external administrator can choose to amend the proposal and ask creditors to consider it again or the external administrator can choose to hold a meeting of creditors to consider the proposal.

The external administrator may also be able to go to Court to seek approval.

What happens if I object to the proposal being resolved without a meeting?

If more than 25% in value of creditors responding to the proposal object to the proposal being resolved without a meeting, the proposal will not pass even if the required majority vote yes. The external administrator will also be unable to put the proposal to creditors again without a meeting.

You should be aware that if you choose to object, there will be additional costs associated with convening a meeting of creditors or the external administrator seeking the approval of the Court. This cost will normally be paid from the available assets in the external administration.

This is an important power and you should ensure that it is used appropriately.

Where can I get more information?

The Australian Restructuring Insolvency and Turnaround Association (ARITA) provides information to assist creditors with understanding external administrations and insolvency.

This information is available from ARITA's website at artia.com.au/creditors.

ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at asic.gov.au (search for "insolvency information sheets").

The logo for BRI Ferrier, featuring the text "BRI Ferrier" in white on a dark grey background, with a green triangle pointing upwards and to the right.

BRI Ferrier

**Prosperity Resources Limited
(In Liquidation)**

ACN 103 280 235

ABN 60 103 280 235

Annexure "F"

ASIC Information Sheet:

ASIC Guide for Creditors Approving Fees



ASIC

Australian Securities & Investments Commission

ASIC Guide for

INFORMATION SHEET 85

Approving fees: A guide for creditors

If a company is in financial difficulty, it can be put under the control of an independent external administrator.

This information sheet (INFO 85) gives general information for creditors on the approval of an external administrator's fees in a liquidation of an insolvent company, voluntary administration or deed of company arrangement (the fees of a receiver are fixed by the secured creditor that appoints the receiver and are not discussed in this information sheet). It outlines the rights that creditors have in the approval process.

It covers:

- entitlement to fees and costs
- who may approve fees
- calculation of fees
- initial remuneration notice
- report on proposed fees
- deciding if fees are reasonable
- reimbursement of out-of-pocket costs
- queries and complaints

Entitlement to fees and costs

A liquidator, voluntary administrator or deed administrator (i.e. an 'external administrator') is entitled to be:

- paid reasonable fees, or remuneration, for the necessary work they properly perform, once these fees have been approved by creditors, a committee of inspection or a court
- reimbursed for out-of-pocket costs incurred in performing their role.

External administrators are only entitled to an amount of fees that is reasonable for the necessary work that they and their staff properly perform in the external administration. What is reasonable will depend on the type of external administration and the issues that need to be resolved. Some are straightforward, while others are more complex.

External administrators must undertake some tasks that may not directly benefit creditors. These include reporting potential breaches of the law and lodging with ASIC a detailed listing of receipts and payments, known as an annual administration return, annually on the anniversary of their appointment and at the end of their administration.

The external administrator is entitled to be paid for completing these statutory tasks.

Note: If the external administration commenced prior to 1 September 2017, the external administrator will continue to lodge the six-monthly Form 524 Presentation of accounts and statement until the six-month period ending on the first anniversary of their appointment date. Thereafter, they will lodge the annual administration return (AAR Form 5602).

Out-of-pocket costs that are commonly reimbursed include:

- legal fees
- valuer's, real estate agent's and auctioneer's fees
- stationery, photocopying, telephone and postage costs
- retrieval costs for recovering the company's computer records
- storage costs for the company's books and records.

Creditors have a direct interest in the level of fees and costs, as the external administrator will generally be paid from the company's available assets before any payments to creditors. If there are not enough assets, the external administrator may have arranged for a third party to pay any shortfall. As a creditor, you should receive details of such an arrangement. If there are not enough assets to pay the fees and costs, and there is no third party payment arrangement, any shortfall is not paid.

Who may approve fees

An external administrator's fees must be approved by one of the following ways:

- by resolution of creditors
- by a committee of inspection (if there is a committee of inspection) if no resolution has been passed by creditors
- by the court if neither the creditors nor a committee of inspection have passed a resolution.

Note: An external administrator in a members' voluntary winding up must have fees approved by a resolution of the company, or the court.

The external administrator must provide sufficient information to enable the relevant decision-making body to assess whether the fees are reasonable.

If fees are not approved by the relevant decision-making body, the liquidator is entitled to be paid reasonable fees up to a maximum of \$5,000 excluding GST (indexed annually).

Creditors' approval at a creditors' meeting

Creditors can approve fees by passing a resolution at a creditors' meeting. Unless creditors call for a poll, the resolution passes if a simple majority of creditors present and voting, in person or by proxy, indicates that they agree to the resolution.

If a poll is taken, rather than a vote being decided on the voices, a majority in number and value of creditors present and voting must agree. A poll requires the votes of each creditor to be recorded.

A separate resolution of creditors is required for approving fees for an administrator in a voluntary administration and an administrator of a deed of company arrangement, even if the administrator is the same person in both administrations.

A proxy is where a creditor appoints someone else to represent them at a creditors' meeting and to vote on their behalf. A proxy can be either a general proxy or a special proxy. A general proxy allows the person holding the proxy to vote as they wish on a resolution, while a special proxy directs the proxy holder to vote in a particular way.

A creditor will sometimes appoint the external administrator as a proxy to vote on the creditor's behalf. An external administrator, their partners or staff must not use a general proxy to vote on approval of their fees; they must hold a special proxy in order to do this. They must vote all special proxies as directed, even those against approval of their fees.

Creditors' approval without a creditors' meeting

Instead of convening a creditors' meeting, the external administrator can put proposals to creditors by giving notice in writing.

This notice must be given to each creditor who would be entitled to receive notice of a meeting and:

- include a statement of the reasons for the proposal and the likely impact the proposal will have on creditors
 - invite the creditor to either:
 - vote 'yes' or 'no' for the proposal
- object to the proposal being resolved without a meeting
- specify a reasonable time for creditors' replies to be received by the external administrator.

To vote on the proposal, a creditor must lodge details of your debt or claim with the external administrator and complete the voting documents provided by the external administrator.

Creditors can vote 'yes' or 'no' on the proposal or object to the proposal being resolved without a creditors' meeting. You should return your response to the external administrator within the time specified in the notice which must be at least 15 business days after the notice is given to creditors.

A resolution is passed if the majority of creditors in number and value who responded to the notice voted 'yes' and if not more than 25% in value of the creditors who responded objected to the proposal being resolved without a creditors' meeting.

The external administrator should provide creditors enough information to allow them to make an informed decision about the proposal. A creditor should contact the external administrator to obtain further information if they think it necessary for them to make a decision.

The external administrator must lodge with ASIC the outcome of the proposal. A copy of the outcome of the proposal may be obtained by searching the ASIC registers and paying the relevant fee.

Committee of inspection approval

If there is a committee of inspection, the committee of inspection can approve an external administrator's fees. In approving the fees, the members represent the interests of all creditors or employees, not just their own individual interests.

A committee of inspection makes its decision by a majority in number of its members present at a meeting, but it can only act if a majority of its members attend.

To find out more about committees of inspection and how they are formed, see Information Sheet 45 Liquidation: A guide for creditors (INFO 45), Information Sheet 74 Voluntary administration: A guide for creditors (INFO 74) and Information Sheet 41 Insolvency: A glossary of terms (INFO 41).

Calculation of fees

Fees may be calculated using one of a number of different methods, such as:

- on the basis of time spent by the external administrator and their staff
- a quoted fixed fee, based on an upfront estimate
- a percentage of asset realisations.

Charging on a time basis is the most common method. If an external administrator seeks approval for charging wholly or partly on a time basis, and the work is yet to be carried out, the approval sought must include a maximum limit ('cap') on the amount of remuneration the external administrator is entitled to receive. For example, future fees calculated according to time spent may be approved on the basis of the number of hours worked at the rates charged (as set out in the provided rate scale) up to a cap of \$X. If the work involved then exceeds this figure, the external administrator will have to ask the creditors/committee to approve a further amount of fees, after accounting for the fees already incurred.

The external administrator and their staff will record the time taken for the various tasks involved, and a record will be kept of the nature of the work performed.

External administrators have a scale of hourly rates, with different rates for each category of staff working on the external administration, including the external administrator. If the external administrator intends to charge on a time basis, you should receive a copy of these hourly rates soon after their appointment and before you are asked to approve the fees. It is important to note that the hourly rates do not represent an hourly wage for the external administrator and their staff. The external administrator is running a business – an insolvency practice – and the hourly rates will be based on the cost of running the business, including overheads such as rent for business premises, utilities, wages and superannuation for staff who are not charged out at an hourly rate (such as personal assistants), information technology support, office equipment and supplies, insurances, taxes, and a profit.

External administrators are professionals who are required to have qualifications and experience, be independent and maintain up-to-date skills. Many of the costs of running an insolvency practice are fixed costs that must be paid, even if there are insufficient assets available to pay the external administrator for their services. External administrators compete for work and their rates should reflect this.

These are all matters that committee members or creditors should be aware of when considering the fees presented. However, regardless of these matters, creditors have a right to question the external administrator about the fees and whether the rates are negotiable.

It is up to the external administrator to justify why the method chosen for calculating fees is an appropriate method for the particular external administration. As a creditor, you also have a right to question the external administrator about the calculation method used and how the calculation was made.

Initial remuneration notice

The external administrator must send creditors a notice setting out the following information if they propose to seek fee approval for the external administration:

- the method by which they seek to be paid
- the rate of fees
- an estimate of the expected amount of total fees

- the method how out-of-pocket costs will be calculated
- a brief explanation of the different methods to calculate fees
- an explanation why they chose the particular fee method by which they seek to be paid
- if a time-cost basis was chosen, the hourly rates of the external administrator and other staff who will work on the external administration.

This initial remuneration notice must be sent to creditors:

- in a voluntary administration – at the same time as the notice of the first meeting of creditors is sent
- in a court liquidation – within 20 business days after the liquidator's appointment
- in a voluntary liquidation – within 10 business days after the day of the meeting at which the resolution to wind up the company is passed.

Report on proposed fees

When seeking approval of fees, the external administrator must send creditors/committee members a report setting out:

- a summary description of the major tasks performed, or likely to be performed
- the costs associated with each of these tasks and the method of calculation of the costs
- the periods when funds will be drawn to pay the fees
- an estimated total amount, or range of amounts, of total fees
- an explanation of the likely impact the fees will have on any dividends to creditors
- such other information that will assist in assessing the reasonableness of the fees claimed.

Creditors/committee members may be asked to approve fees for work already performed or an estimate of work yet to be carried out. For more on the tasks involved, see INFO 45 and INFO 74.

Deciding if fees are reasonable

If asked to approve an amount of fees, your task is to decide if that amount of fees is reasonable, given the work carried out in the external administration and the results of that work.

In addition to the information the external administrator must provide to you before seeking approval of fees, you may find the following additional information from the external administrator useful in deciding if the fees claimed are for necessary work properly performed and reasonable:

- an explanation of why the work performed was necessary
- the size and complexity (or otherwise) of the external administration
- the value and nature of the property dealt with
- the level of risk or responsibility involved with the external administration
- whether there are any extraordinary issues that were required to be dealt with
- the amount of fees (if any) that have previously been approved
- if the fees are calculated, in whole or in part, on a time basis:
 - the period over which the work was or is likely to be performed

- the time spent by each level of staff on each of the major tasks performed or likely to be performed
- if the fees are for work that is yet to be carried out, whether the fees are capped.

If you need more information about fees than is provided in the external administrator's report, you should let them know before the meeting at which fees will be voted on.

What can you do if you think the fees are not reasonable?

If you do not think the fees claimed are reasonable, you should raise your concerns with the external administrator. It is your decision whether to vote in favour of, or against, a resolution to approve fees.

Generally, if creditors or a committee of inspection approves fees and you wish to challenge this decision, you may apply to the court and ask the court to review the fees.

You may wish to seek your own legal advice if you are considering applying for a court review of the fees.

As well as a court review of the external administrator's fees, creditors (by resolution of creditors) or one or more creditors (with the external administrator's consent) can appoint a registered liquidator to carry out a review of fees and/or costs incurred by the external administrator of the company.

Note: A creditor can also apply to ASIC in the approved form for it to appoint a reviewing liquidator (see Form 5605 Application for ASIC to appoint a reviewing liquidator).

This review is limited to:

- remuneration approved within the six months before the reviewing liquidator is appointed
- costs or expenses incurred during the 12-month period before the reviewing liquidator is appointed (unless the external administrator agrees to a longer period).

The reviewing liquidator must be a registered liquidator. A creditor who wishes to appoint a reviewing liquidator must approach a registered liquidator to get a written consent from that person that they would be prepared to act as reviewing liquidator. The person must also make a written declaration about any relationships they or their firm may have that might affect their independence to act as reviewing liquidator.

The external administrator and their staff, must cooperate with the reviewing liquidator.

If creditors pass a resolution to appoint the reviewing liquidator, the reviewing liquidator's costs form part of the expenses of the external administration of the company. If one or more of the creditors appoint the reviewing liquidator with the consent of the external administrator, the reviewing liquidator's costs are borne by the creditor(s) appointing the reviewing liquidator.

Reimbursement of out-of-pocket costs

An external administrator should be very careful incurring costs that must be paid from the external administration – as careful as if they were dealing with their own money. Their report on fees must also include information on the out-of-pocket costs of the external administration.

Out of pocket expenses (or disbursements) can be categorised into:

- external services or costs such as legal fees, valuation fees, travel, accommodation and search fees
- internal services or costs such as photocopying, printing and postage.

External costs are usually charged at cost and do not require prior approval of creditors.

Internal costs may be charged at a rate higher than actual cost in order to recover overheads and similar costs. In instances where costs are charged at a rate higher than cost, the external administrator will need to obtain creditor approval before being reimbursed.

When seeking approval of out-of-pocket expenses, the external administrator must send creditors/committee members a report setting out:

- a summary description of the out-of-pocket expenses
- how they were calculated
- the total amount the external administrator is seeking reimbursement for
- why the expenses were necessary.

Creditors/committee members may be asked to approve reimbursement of out-of-pocket expenses for expenses already incurred or an estimate of expenses to be incurred.

If the expenses are yet to be incurred, a maximum limit ('cap') should be placed on the amount that the external administrator may incur and reimbursed for.

Queries and complaints

You should first raise any queries or complaints with the external administrator. If this fails to resolve your concerns, including any concerns about their conduct, you can lodge a report of misconduct with ASIC – see How to complain.

Lodging your report of misconduct online ensures the quickest response from ASIC to your concerns.

ASIC usually does not become involved in matters of an external administrator's commercial judgement.

Reports of misconduct against companies and their officers can also be made to ASIC.

If you cannot report misconduct online to ASIC, you can contact us on 1300 300 630.

Where can I get more information?

For an explanation of terms used in this information sheet, see Information Sheet 41 Insolvency: A glossary of terms (INFO 41). For more on external administration, see the related information sheets listed in Information Sheet 39 Insolvency information for directors, employees, creditors and shareholders (INFO 39).

Further information is available from the Australian Restructuring Insolvency & Turnaround Association (ARITA) website. The ARITA website also contains the ARITA Code of Professional Practice for Insolvency Practitioners.

Important notice

Please note that this information sheet is a summary giving you basic information about a particular topic. It does not cover the whole of the relevant law regarding that topic, and it is not a substitute for professional advice. You should also note that because this information sheet avoids legal language wherever possible, it might include some generalisations about the application of the law. Some provisions of the law referred to have exceptions or important qualifications. In most cases your particular circumstances must be taken into account when determining how the law applies to you.

This is Information Sheet 85 (INFO 85), updated on 1 September 2017. Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.