

Report to Creditors

under Insolvency Practice Rule 70-40

Camporeale Properties Pty Ltd (In Liquidation) ATF The Camporeale Property Trust (Receiver Appointed)

ACN 127 201 932

4 March 2020

Peter Krejci
Liquidator

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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 Creditors, I have necessarily made forecasts of asset realisations and am required to estimate the ultimate quantum of creditor claims against the Company.

Neither I, as 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.

1 EXECUTIVE SUMMARY

As you are aware, I was appointed Liquidator of Camporeale Properties Pty Ltd (In Liquidation) (“the Company”) on 4 December 2019 pursuant to an order of the Federal Court of Australia. The petitioning creditor in the winding up is the Deputy Commissioner of Taxation (“ATO”).

This report has been prepared in accordance the Rule 70-40 of the Insolvency Practice Rules (Corporations) 2016 (“IPR”). I provide hereunder a summary of the conduct of the Liquidation over the past 3 months.

My initial investigations identified real properties located at Lots 5 & 6, 78 Fearnley Street Portsmith QLD 4870 (“Portsmith Properties”) in the name of the Company and that the Company is the Trustee of the Camporeale Property Trust (“the Trust”). Subsequently, I sought legal advice in respect to the Liquidator’s ability to preserve and deal with Trust assets. On 20 December 2019, I engaged Hall & Wilcox Lawyers to file an Originating Process in the Federal Court of Australia to seek that I be appointed Receiver of the Trust.

Accordingly, on 24 December 2019, Justice Collier of the Federal Court of Australia made orders, amongst others, appointing me as Receiver over the business and assets of the Trust. The purpose of this appointment was to enable me to realise the Trust assets for the benefit of creditors of the Trust and the Company.

The Company was incorporated on 23 August 2007 and is the trustee of the Camporeale Property Trust. The sole Director of the Company, Ms Sandra Camporeale (“the Director”) was appointed on 26 February 2009. The Director advised that the Company has not traded in any capacity other than being the owner of the Portsmith Properties.

The Director has provided me with a Report on Company Activities and Property (“ROCAP”) and limited books and records of the Company. I note that the ROCAP discloses limited information and the books and records are not up to date which has hampered my enquiries into the Company’s affairs.

The Director has not provided a reason for the Company’s failure. However, my investigation to date indicate that the failure of the Company was primarily due to its failure to remit GST to the ATO from the sale of real properties.

My investigations into the Portsmith Properties identified a mortgage registered with Westpac Banking Corporation (“Westpac”). I have not identified any other assets that may be realised for the benefit of creditors. The Company has liabilities in the order of \$1.25M, represented by Secured Creditors of \$607K and unsecured creditors totalling \$642K.

The Director has indicated she wishes to terminate the winding-up of the Company and the receivership of the Trust. I have provided the Director with an estimate of costs and a timeframe to restore the Company/the Trust to solvency and satisfy creditor claims in full.

Notwithstanding, I am still required to continue my role as Receiver of the Trust and Liquidator of the Company. In my role as Receiver, I appointed Colliers International (Cairns) Pty Ltd (“Colliers”) on 11 February 2020 to market and sell the Portsmith Properties through an expressions of interest campaign. I have indicated to the Director that if she intends to terminate the Liquidation/the Receivership that it

is imperative that such an application be made as soon as possible. For the application to be successful, the Director must bring the financial affairs of the Company/the Trust up to date and demonstrate to the Court that the Company/the Trust is solvent. I have advised the Director should do so by 13 March 2020.

At this stage, whilst it is uncertain whether the Director will make such an application, I have continued the process of selling the Portsmith Properties. I will continue to do so until such time that the Director provides a definitive indication that an application will be made.

Prima facie, it appears the Company did not trade whilst insolvent. This is based on the limited information that has been currently provided to me. However, I have only been provided financial statements up to 30 June 2016. I have requested the Director to bring the accounts of the Company/the Trust up to date and provide same to my office. If I receive updated financials of the Company/the Trust, I will be better able to comment on the solvency of the Company up to the date of my appointment.

To date, I have not identified any voidable recoveries claim that can be pursued.

In the event that a dividend of less than 50 cents in the dollar is paid to unsecured creditors I will lodge a report with ASIC pursuant to Section 533(1) of the Corporations Act 2001 (“the Act”). This report to ASIC identifies potential offences and breaches of the Act by Directors and Officers of the Company. The report is confidential and is not available to creditors. ASIC will review my Report and advise if they require any further information or if I am able to proceed to finalise the Liquidation.

At the forthcoming meeting convened for Thursday, 19 March 2020 at 11:00 AM, I intend to seek creditor approval of my remuneration in respect to the Liquidation and the Receivership. Further details are contained at Section 9 of this Report and in the Remuneration Approval Report marked as **Annexure “7”**.

There is two possible scenarios regarding the likely rate of return to unsecured creditors. Firstly, if the Director proceeds with her intention to terminate the winding up/the Receivership she will be required to satisfy the court that the Company is solvent which will include satisfying all unsecured creditors claims.

Alternatively, if I continue to act as liquidator/receiver and I realise both the Portsmith Properties and recover the Director’s loan account, I believe there is likely to be a return to unsecured creditors of up to 100 cents in the dollar.

I intend to finalise the matter in six (6) months to one (1) year.

1.1 PREVIOUS REPORTS TO CREDITORS

This report should be read in conjunction with my Initial Report to Creditors dated 23 December 2019 (“the First Report”). Information in the First Report will not be repeated unless required.

1.2 DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES

I refer to the Declaration of Independence, Relevant Relationships and Indemnities (“DIRRI”) enclosed in the First Report. I have subsequently been appointed Receiver of the Trust on 24 December 2019.

I have prepared an updated DIRRI attached as **Annexure “1”**.

1.3 PURPOSE OF THE REPORT

I provide the following Report to Creditors in accordance the Rule 70-40 of IPR:

- An estimated amount of assets and liabilities of the Company;
- My opinion as to what happened to the business of the Company;
- The progress of the Liquidation, including inquiries that have been undertaken to date;
- Possible further inquiries and/or recovery actions (if any); and
- The likelihood of a dividend being paid in the liquidation.

A meeting of creditors has been convened for Thursday, 19 March 2020 at 11:00 AM:

Meeting of Creditors	
Venue	BRI Ferrier Chartered Accountants Level 30 - Australia Square 264 George Street Sydney NSW 2000
Date	Thursday, 19 March 2020
Meeting Commences	11.00 AM

2 STATUTORY INFORMATION

The following is a summary of the Company’s statutory and business details obtained from the ASIC database, the Personal Property Securities Register (“PPSR”) database, and the Company’s records:

2.1 COMPANY DETAILS

Company Name	Camporeale Properties Pty Ltd
Registered Address	C/- Cadogan Financial Services Suite G4 1-15 Barr Street BALMAIN NSW 2041
Principal Place of Business	53 Dilkara Circuit BANGOR NSW 2234
Incorporation Date	23 August 2007
A.C.N	127 201 932
A.B.N	49 127 201 932

2.2 COMPANY OFFICE HOLDERS

Name	Position	App Date	Cease Date
Sandra Camporeale	Director/Secretary	26/02/2009	Current
Michael Camporeale	Director/Secretary	23/08/2007	26/02/2009
Silvano Vecchio Ruggeri	Director	23/08/2007	29/04/2008

2.3 SHAREHOLDINGS

Name	Share Class	No. of Shares	Fully Paid Up	Status
Sandra Camporeale	ORD	2	Yes	Current

2.4 REGISTERED SECURITY INTERESTS

A search of the PPSR upon my appointment showed the following registered security interests:

Registration Number	Secured Party	Start Date	Collateral Class
201112280030888	Westpac Banking Corporation	30/01/2012	All present and after-acquired property - No exceptions
201112280179281	Westpac Banking Corporation	30/01/2012	All present and after-acquired property - With exceptions
201708160000407	Capital Finance Australia Limited	16/08/2017	Other Goods
201708230001278	Capital Finance Australia Limited	23/08/2017	Other Goods
201807260000597	Capital Finance Australia Limited	26/07/2018	Motor Vehicle

Correspondence was issued to Westpac Banking Corporation (“Westpac”) and Capital Finance Australia Limited (“Capital Finance”) upon my appointment requesting documentation to validate their respective claims. I have received the following from Westpac and Capital Finance respectively:

2.4.1 WESTPAC

The Company granted Westpac an All Present and After-Acquired Property security interest (“All-PAAP”) over the Company’s property as security in respect to a loan facility of \$604K. Westpac have a first ranking security interest and a mortgage over the Portsmith Properties.

As such, I sought and obtained consent from Westpac to proceed with the realisation of the Portsmith Properties.

My review of the mortgage documents provided by Westpac indicates that the loan is cross-collateralised against a real property in the Director’s personal capacity located in South Hurstville, NSW. The Director advised on 14 February 2020 that she was in the process of selling the South Hurstville Property and anticipated there would be sufficient funds from the realisation to satisfy Westpac’s debts in full.

I note that I have advised Westpac of my estimated costs and proposed realisation strategy, given their first ranking security held. Should the Director fail to return the Company/the Trust to solvency, any realisations less my costs in dealing with the Portsmouth Properties will be paid to Westpac.

2.4.2 CAPITAL FINANCE

Capital Finance has provided three (3) contracts relating to motor vehicles in the name of the Company with payout amounts totalling \$80K. I have also requested and received a desktop valuation from O'Mara's Valuers and Auctioneers. The below is a summary of the motor vehicles identified:

Make and Model
2017 E35T Bobcat Excavator
2013 E50 Bobcat Excavator
2018 Mazda MX-5

Subsequently, I requested the Director to provide information as to the location of the abovementioned motor vehicles. The Director has advised that the Capital Finance contracts had been paid out and the motor vehicles had been sold prior to my appointment as Liquidator. I have requested documentation from the Director to substantiate same, however I have not been provided with any records as to date.

Capital Finance has confirmed that the contracts had been paid out and were in the process of discharging their securities. I have requested a statement of accounts from Capital Finance. My investigations are ongoing in this respect.

A search of the Roads and Maritime Services (NSW) ("RMS") database indicates no motor vehicles currently registered in the name of the Company.

3 ESTIMATED AMOUNTS OF ASSETS AND LIABILITES

The Director provided a Report on Company Activities and Property (“ROCAP”) on 7 February 2020 detailing the Company’s financial position as at the date of my appointment. This has been lodged with ASIC. Based on my investigations and information currently available to me, I provide below a summary of the Company’s financial position.

Camporeale Properties Pty Ltd (In Liquidation)			
	Report Ref.	ROCAP as at 4 December 2019 (\$)	Liquidator’s Estimated Realisable Value (\$)
Assets			
Cash and Cash Equivalents	3.1.1	Nil	Nil
Land and Building	3.1.2	400,000	Withheld
Motor Vehicles	3.1.3	Nil	Nil
Director Loan	3.1.4	Nil	603,441
Other Assets	3.1.5	Nil	Nil
Total Assets		400,000	603,441
Liabilities			
Secured Creditors	3.2.1	Nil	607,632
Partly-secured Creditors	3.2.2	Nil	Nil
Priority Creditors	3.2.3	Nil	Nil
Unsecured Creditors	3.2.4	Nil	642,293
Total Liabilities		230,000	1,249,925
Net Assets/(Deficiency)		170,000	(646,484)

3.1 ASSETS

3.1.1 Cash and Cash Equivalents

On appointment, I wrote to major financial institutions notifying them of the Liquidation and requesting information regarding any bank accounts held in the name of the Company.

To date, I have identified two (2) bank accounts the Company maintained with Westpac. Westpac advised the bank accounts had a debit balance totalling \$607K as at the date of appointment.

No further bank accounts have been identified based on responses received to date.

3.1.2 Land and Building

A land title search conducted in Queensland identified two (2) properties registered in the name of the Company. I obtained a curb side appraisal for the Portsmith Properties from two commercial real estate agencies in Cairns, QLD.

My investigations revealed the Portsmith Properties are currently tenanted by Distinction Joinery and is subject to a lease agreement. My investigations indicate that Distinction Joinery is not a related-entity of

the Company or the Director. The managing agents for the Portsmouth Properties is Cairns Commercial Properties (“CCP”). I issued a demand to CCP seeking lease payments to be made into the Company’s liquidation account. I advise that CCP has complied with my demand and have transferred monthly lease payments less agency costs into the Company’s liquidation account.

In my role as Receiver and after obtaining approval from Westpac, I appointed Colliers on 11 February 2020 to market and sell the Portsmouth Properties through an expressions of interest campaign. I have indicated to the Director that if she intends to terminate the Liquidation/the Receivership that it is imperative that such an application be made as soon as possible. For the application to be successful, the Director must bring the financial affairs of the Company/the Trust up to date and demonstrate to the Court that the Company/the Trust is solvent. I have advised the Director should do so by 13 March 2020.

At this stage, whilst it is uncertain whether the Director will make such an application, I have continued the process of selling the Portsmouth Properties. I will continue to do so until such time that the Director provides a definitive indication that an application will be made.

I have withheld disclosing the estimated realisable value of the Portsmouth Properties as they are on the market for sale.

3.1.3 Motor Vehicle

On appointment, I wrote to RMS requesting information regarding any motor vehicles held in the name of the Company. I note that the RMS search has identified no motor vehicles registered in the name of the Company.

Please refer to Section 2.4.2 in respect to three (3) motor vehicles identified which are subject to a finance agreement with Capital Finance.

3.1.4 Director’s Loan

The Director has provided me with a copy of the financial statements of the Trust for the financial year ended 30 June 2016. My review of these statements indicate a loan account to the Director totalling \$603K.

The Director advised that the loan was used to purchase the real property in South Hurstville. I am seeking legal advice whether the Company/the Trust is likely to have a direct claim against the South Hurstville property for the benefit of creditors.

On 10 February 2020, I issued a letter of demand to the Director for the repayment of the loan. At this stage, I have not received a response from the Director regarding the demand.

3.1.5 Other Assets

I wrote to major utility providers notifying them of the Liquidation and requesting information regarding any accounts held in the name of the Company.

I have not identified any other asset(s) in the name of the Company to date.

3.2 LIABILITIES

3.2.1 Secured Creditors

Please refer to Section 2.4.1 above in respect to my commentary for the Secured Creditors.

3.2.2 Partly-Secured Creditors

Please refer to Section 2.4.2 above in respect to my commentary for Partly-secured Creditors.

3.2.3 Priority Creditors

The Director has advised that the Company did not trade and had no employees. To date, I have not received any claims from priority creditors.

If there are any outstanding entitlements, employees may be eligible to apply to the Federal Government, which has established a safety net scheme known as the Fair Entitlements Guarantee scheme ("FEG"). FEG is administered by the Attorney-General's Department ("the Department") for eligible employees who have been terminated as a result of their employer's insolvency and are owed entitlements.

To obtain further information, please contact my office or alternatively, please visit the FEG website at <https://www.ag.gov.au/industrial-relations/fair-entitlements-guarantee/Pages/default.aspx>.

3.2.4 Ordinary Unsecured Creditors

My investigations indicate that Ordinary Unsecured Creditors are owed approximately \$642K. Below is a breakdown of Unsecured Creditor claims received to date:

Unsecured Creditors	ERV Amount (\$)
Trade Creditors	12,594
Statutory Creditors	257,810
Related-party Creditors	371,889
Total Estimated Unsecured Creditors	642,293

Should creditors who have not already done so, wish to lodge their claim with this office, please complete the Formal Proof of Debt form, attached as **Annexure "3"**, and return same together with documentary evidence to support your claim.

3.2.4.1 Trade Creditors

Based on my investigations, known Trade Creditor claims to date total \$12.5K. These relate to outstanding council and strata fees for the Portsmouth Properties. In the event that the Portsmouth Properties are sold, it is expected that these amounts will be paid on settlement of the Portsmouth Properties.

3.2.4.2 Statutory Creditors

The ATO, being the petitioning creditor, has submitted a proof of debt for \$257K in respect to a Running Balance Account deficit.

The Director has advised that the debt relates to GST incurred from the sale of real properties. The Director also advised that she disputed the debt with the ATO. I have requested documents from the Director evidencing the reasons for the dispute and the legal advice obtained. None have been provided as to date.

The ATO has advised of a number of outstanding Business Activity Statement and tax returns for the Company. As such, ATO's claim may increase dependent on the outcome of the lodgements.

3.2.4.3 Related Party Creditors

I have identified the following related party claims from the Trust's financial statements ending 30 June 2016:

Related Creditors	ERV Amount (\$)
Michael Camporeale	205,390
Chanelle Camporeale	80,816
Brigitte Camporeale	13,333
Vitoria Camporeale	3,749
Alessandra Camporeale	3,749
Michela Camporeale	3,749
Camporeale Holdings Pty Ltd	61,103
Total Related Party Creditors	371,889

The related party claims are listed as beneficiary loans in the Trust's financial statement. At this stage, I have not received sufficient information to substantiate these claims.

The Trust accounts also show a related-party company, Camporeale Holdings Pty Ltd ("Camporeale Holdings"), being a creditor of the Company. From discussions with the Director it appears that Camporeale Holdings was the primary trading entity and that the Company primarily held the assets required to trade. I have been made aware that a liquidator was recently appointed to Camporeale Holdings, who has also contacted my office and advised their investigations were at preliminary stages.

4 LIQUIDATOR'S OPINION AS TO WHAT HAPPENED TO THE BUSINESS

The Director has not provided a reason for failure. However, my investigations to date have identified the following reason for failure:

- Poor financial control including lack of records. The financial accounts of the Company have only been prepared to Financial Year ended 30 June 2016. There are also a number of tax returns and Business Activity Statement lodgements outstanding. The Director has failed to provide adequate books and records for the Company/the Trust;
- Inadequate cash flow. The Company failed to make necessary provisions to meet outstanding tax debts.

5 UPDATE ON PROGRESS OF THE LIQUIDATION

5.1 INVESTIGATIONS UNDERTAKEN

5.1.1 Books and Records (S286)

On appointment, I issued demands to the Director to deliver Company books and records to my office. Subsequently, I have also issued demands for the Trust books and records to be delivered to my office. To date, the Director has provided a ROCAP for the Company and the Trust's financial statement for the year ended 30 June 2016.

I have not been provided with any records for the period after this date by the Director. Discussions with the Company's accountant indicates that discussions had commenced to bring the Company's financial reporting up to date. However, based on the records currently available, and the Director's failure to have these returns prepared as and when they fell due, my preliminary view is that the Company has not kept sufficient books and records to meet the requirements of Section 286 of the Act.

5.2 VOIDABLE TRANSACTIONS

To date, I have conducted preliminary investigations into the affairs of the Company to ascertain whether there are any transactions that appear to be voidable, or other causes of action available whereby money, property or other benefits may be recoverable by a liquidator.

Voidable transactions include transactions such as unfair preferences, uncommercial transactions, unfair loans, unreasonable director related transactions and circulating security interests created within six months before the relation-back day, which is the date of the filing of the winding up application.

These transactions usually relate to the period six (6) months prior to the date of my appointment; however in certain circumstances, this period can be extended to four (4) years in relation to transactions with related entities and up to ten (10) years in relation if the transactions were entered into with related parties with the intention of fraud.

5.2.1 Uncommercial Transactions

A transaction of a company is an uncommercial transaction of the company if, and only if, it may be expected that a reasonable person in the company's circumstances would not have entered into the transaction, having regard to:

- (a) the benefits (if any) to the company of entering into the transaction; and
- (b) the detriment to the company of entering into the transaction; and
- (c) the respective benefits to other parties to the transaction of entering into it; and
- (d) any other relevant matter.

Generally, an uncommercial transaction is voidable against the Liquidator if it has occurred during the two (2) years before the Liquidation. If a related entity is a party to the transaction, the time period is four (4) years and if the intention of the transaction is to defeat creditors, the time period is ten (10)

years. The company must have been insolvent at the time of the transaction, or become insolvent as a result of the transaction.

As discussed earlier, my investigations identified a loan account from the Company/the Trust to the Director totalling \$607K. At this stage, I have issued a demand for the repayment of these funds to the Company.

Further investigations are required to determine if such payments made to the director may also constitute an uncommercial transaction to the Director.

I have not identified any other voidable transactions at this stage.

5.3 INSOLVENT TRADING

Directors have a duty to prevent insolvent trading by a company, if:

- ▲ A person is a director of a company at the time when the company incurs a debt; and
- ▲ The company is insolvent at that time or becomes insolvent by incurring that debt; and
- ▲ There are reasonable grounds for suspecting that the company is insolvent, or would so become insolvent; and
- ▲ The person, or a reasonable person in a like position, is aware at that time there are such grounds for so suspecting.

Subject to defences available; the director is required to compensate the company an amount equal to the amount of loss or damage. If the director's failure to prevent the company incurring the debt was dishonest, it may be a criminal offence.

5.4 INSOLVENCY

One important element of liability for Insolvent Trading is if, and when, the Company became insolvent.

Section 95A of the *Corporations Act* defines solvency as follows:

“95A(1) [when person is solvent] A person is solvent if, and only if, the person is able to pay all the person's debts, as and when they become due and payable.

95A(2) [insolvent person not solvent] A person who is not solvent is insolvent”.

Under Australian law, the test of insolvency is a “cashflow” test: it is focussed on whether, in commercial reality, a company is able to meet its liabilities as and when they fall due for payment. The forensic assessment of insolvency, and preparation of a case on insolvency, involves a thorough, and costly, examination of the Company's business, its market, its relationships with its customers, lenders, suppliers, owners and with regulators. Where a Company has had expectations of support from related parties, that support is a factor that has to be considered in the context of insolvency.

In elaborating on the cashflow test of insolvency, the Courts have provided extensive commentary on the subject to determining insolvency. One of the leading authorities is the judgment of the Victorian Supreme Court in *ASIC -v- Plymin*, in which Justice Mandie, relying on Expert Evidence, identified the following 14 indicators of insolvency:

- ▲ Continuing Losses;

- ▲ Liquidity ratios below 1;
- ▲ Overdue Commonwealth and State taxes;
- ▲ Poor relationship with present Bank, including inability to borrow further funds;
- ▲ No access to alternative finance;
- ▲ Inability to raise further equity capital;
- ▲ Suppliers placing company on COD, or otherwise demanding special payments before resuming supply;
- ▲ Creditors unpaid outside trading terms;
- ▲ Issuing of post-dated cheques;
- ▲ Dishonoured cheques;
- ▲ Special arrangements with selected creditors;
- ▲ Solicitors' letters, summons(es), judgements or warrants issued against the company;
- ▲ Payments to creditors of rounded sums which are not reconcilable to specific invoices;
- ▲ Inability to produce timely and accurate financial information to display the company's trading performance and financial position, and make reliable forecasts.

Comprehensive forensic insolvency assessment requires the review of each of these indicators, as well as the Company's business, to answer the question "was it able to pay its debts as and when they fell due".

I have summarised the financial information provided to me below:

SUMMARY	FY 16 (\$)	FY 15 (\$)
Sales Revenue	1,546,045	0
Less: Cost of Goods Sold	(1,391,000)	0
Gross Profit	155,045	-
Less: Expenditure	(150,316)	(83,940)
Add: Other Income	79,963	80,678
Net Operating Profit Before Income Tax	84,692	(3,262)
Income Tax		
Net Operating Profit After Income Tax	84,692	(\$3,262)
Retained Profits/(Losses) at the end of the financial year	\$84,692	(\$3,262)

My comments in relation to the Trust's Profit and Loss Statement is as follows:

- ▲ I have been provided with financial information which indicates that the Trust had a small trading loss for the financial year ended 30 June 2015. The Trust recorded a trading profit for the financial year ended 30 June 2016.
- ▲ The Sale Revenue generated appears to be in relation to a one off transaction pertaining to a real property sale by the Company.

- It is not unusual for a company, whose primary purpose is as an 'asset holding company' to generate limited cashflows. The financial statements indicate for FY 16 that in addition to the sale of real property of the Trust, the Trust also earned 'rental income'. It would be expected that Camporeale Holdings, who utilised the Company's assets (in this case, the Company's motor vehicles/excavators), would also pay a rental fee to the Trust in respect of utilising these assets of the Company.
- If the one off Sales Revenue was disregarded then the Company would have recorded a small loss for FY 16.
- I have limited financial information pertaining to subsequent financial years.

SUMMARY	FY16 (\$)	FY 15 (\$)
Current Assets	829,198	1,346,181
Fixed Assets	146,420	146,420
Non-Current Assets	-	280
Total Assets	\$975,618	\$1,492,881
Current Liabilities	310,786	119,030
Non-Current Liabilities	665,103	1,377,103
Total Liabilities	\$975,889	\$1,496,133
Net Assets	(\$271)	(\$3,252)
Working Capital Position	\$518,412	\$1,227,151
Liquidity (Current) Ratio	2.67	11.31

My comments in relation to the Trust's Balance Sheet is as follows:

- The Trust's liquidity ratio has been above 1 for the financial year ended 30 June 2015 and 2016.
- It appears that the Trust would have had sufficient assets (if realised) to meet their liabilities. This is reflective of our assessment of the Trust's current financial position.
- My staff have been advised that following the sale of the Trust's real property that the ATO undertook an audit to assess whether the Company had appropriately accounted for the sale and remitted the necessary tax associated with the realisation of real property. I am advised that the audit resulted in a significant liability being raised against the Company. The Company has ultimately failed to satisfy this statutory tax debt to the ATO.
- The Director has failed to provide sufficient books and records of the Company/the Trust for me to adequately complete my investigations including determining the Company's solvency.

I have been only provided with financial statements for the year ended 2016 for the Trust. Based on the books and records of the Company I have reviewed to date, prima facie it appears the Company did not

trade whilst insolvent for the financial year ended 30 June 2016. I have requested the Director to bring the accounts of the Company/the Trust up to date and provide same to my office. If I receive updated financials of the Company/the Trust, I will be better able to comment on the solvency of the Company up to the date of my appointment.

5.5 RECOVERY OF CLAIM

In determining whether an insolvent trading claim could be pursued, a liquidator would need to have regard to the respective personal financial positions of the potential defendants. To pursue recovery of the insolvent trading claim, there would be significant costs involved in obtaining further evidence, preparing an insolvency report and conducting complex and protracted legal proceedings.

My investigations indicate that the Director holds the title for two (2) properties in New South Wales. The equity position of the real properties are currently unknown. However, one these properties has been granted as security for the Westpac loan. I have not identified any other significant assets of the Director. At this stage, it is unknown if the Director is likely to have sufficient means to discharge any claims brought against her.

If legal action is required to be commenced, I will further investigate the Director's financial position.

5.6 LITIGATION AND FUNDING

Part 5.7B of the Act gives Liquidators the right to commence certain legal proceedings to recover money, property or other benefits for the benefit of ordinary unsecured creditors of a company.

Recovery actions under Part 5.7B of the Act, including voidable transactions and insolvent trading, require the Liquidator to demonstrate that the Company was insolvent at the time of the transaction. Proving insolvency may be a complex, lengthy and costly exercise.

Creditors should note that recovery actions:

- ▶ are usually expensive, lengthy and have unpredictable outcomes;
- ▶ should not be commenced unless defendants have the financial resources to satisfy any judgment; and
- ▶ must be funded out of the Company's existing assets or, where such assets do not exist, by Creditors or by external litigation funders (who are likely to require a significant share of the proceeds of any judgment as a condition of funding the litigation).

If litigation is pursued, funding will be required, which generally comes at a premium of around 30% to 40% of the recovery. As an alternative, a Liquidator can consider selling the causes of action on a commercial basis, to obtain a return in a quicker timeframe, usually at a substantial discount given the removal of risk. If creditors are interested, please contact Mr Jack Li of this office by 18 March 2020. Absent any funding, I may pursue a commercial settlement

5.7 DEFENCES AVAILABLE

Finally, I note that the Director may have defences available, should an insolvent trading claim be pursued. Section 588H of the Act outline the defences available to directors. It is up to the Director to put up a defence if litigation is pursued.

6 ESTIMATED RETURN TO CREDITORS

The Director has advised of her intention to satisfy creditors in full and return the Company/the Trust to solvency. Since time is of the essence and to avoid additional costs in the liquidation, I have advised the Director to provide sufficient funds into the Company's liquidation account to satisfy creditors in full by no later than 13 March 2020.

Should the Director terminate the winding up of the Company and Receivership of the Trust, Creditors will be paid 100 cents in the dollar.

Notwithstanding the above, in the interim I am required by the Court to progress the Receivership of the Trust, which means I will be proceeding with the campaign to sell the Portsmouth Properties and realising any other assets of the Company/the Trust.

I have attached as **Annexure "5"** an analysis of the estimated return that may be available to creditors in the Liquidation.

By way of best estimate, there may be a return to Unsecured Creditors of up to 100 cents in the dollar. My analysis is based on the assets identified to date, primarily the Portsmouth Properties and the Director's loan account. Creditors will be kept appraised in future reports.

7 REPORT TO ASIC

I am required to complete an investigation into the Company's affairs and, if offences are identified, or in the event that a dividend of less than 50 cents in the dollar is paid to unsecured creditors, I will lodge a report with ASIC pursuant to Section 533 of the Act.

In the event that the Director doesn't proceed with the termination of the Liquidation/the Receivership I intend to submit a confidential report to the ASIC pursuant to Section 533(1) of the Act, detailing my investigations into the affairs of the Company and the conduct of the Director.

8 LIQUIDATOR'S RECEIPTS AND PAYMENTS

Attached as **Annexure "6"** is a summary of our receipts and payments for the Receivership period from 24 December 2019 to 3 March 2020.

There have been no receipts or payments in the Liquidation to date.

9 REMUNERATION

I advise that no remuneration have been approved by creditors in the administration to date. Accordingly, I intend to seek your approval for my remuneration as Liquidator as well as Receiver. I am awaiting legal advice from my solicitors regarding the ability of creditors to approve my remuneration in respect of my work done as Receiver.

Should the legal advice state that it is not appropriate for me to rely on creditors' approval for the work in my role as Receiver then, I will be required to make an application to the Federal Court of Australia to seek approval for my remuneration and disbursements incurred as Receiver of the Trust.

Please note that the fee approval sought, is based on the assumption that I will not be commencing any recovery proceedings. Should I be required to commence recovery proceedings then I will likely seek further fee approval.

Creditors are referred to my Remuneration Approval Report, attached as **Annexure "7"**, for details regarding the approvals sought. My remuneration is calculated on the time spent by staff at hourly rates used by BRI Ferrier (NSW). A schedule of the Firm's hourly rates is attached as **Annexure "8"**.

10 TASKS REQUIRED IN THE LIQUIDATION

As detailed above, I anticipate that the following matters will be dealt with during the Liquidation moving forward:

- Discussions with the Director regarding the termination of the Winding-up and Receivership;
- Provide updates to the Court regarding the progress of the Receivership;
- Court proceedings to terminate my appointments as Liquidator/Receiver, if required;
- Tasks associated with the sale of real property;
- Recover the director's loan account;
- Approval of my remuneration in respect of my work done as Receiver, if required;
- Lodgement of my confidential report to ASIC pursuant to Section 533 of the Act, if required;
- Lodging a supplementary report to ASIC, if required;
- Consider lodgements to other regulatory bodies regarding my findings;
- Statutory lodgements; and
- Finalisation tasks.

I estimate that finalisation of the Liquidation will be between six (6) months to one (1) year.

Should any creditor or interested party have any relevant information that they wish to provide me, they are requested to contact my office as soon as possible.

11 CREDITORS' RIGHTS

Pursuant to Clauses 70-40, 70-45, 75-15, 85-5, 90-24 and 90-35 of the Insolvency Practice Schedule (Corporations) and Rule 70-30 of the Insolvency Practice Rules (Corporations) 2016, I am required to give certain information to creditors as to their rights in the administration.

Accordingly, I attach as **Annexure "9"** further information regarding 'Creditor Rights in Liquidations'.

12 FURTHER INFORMATION

I attached as **Annexure "10"** an ASIC information sheet entitled "Insolvency information for directors, practitioners, employees, creditors and investors". This publication provides basic information about the different types of external administrations, including Liquidation, and reference to further sources of information available on the ASIC website at www.asic.gov.au.

ARITA has issued a creditor information sheet "Offences, Recoverable Transactions and Insolvent Trading" providing further information about voidable transactions. This information sheet is attached as **Annexure "11"**.

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

- notices relating to appointments
- notices of meetings of creditors
- notices calling for proofs of debt and intention to declare dividends

13 QUERIES

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

- Contact: Mr Jack Li
- Phone: (02) 8263 2300
- Email: jli@brifnsw.com.au
- Mail: GPO Box 7079, Sydney NSW 2001
- Facsimile: (02) 8263 2399

Yours faithfully,

CAMPOREALE PROPERTIES PTY LIMITED (IN LIQUIDATION)
ATF THE CAMPOREALE PROPERTY TRUST (RECEIVER APPOINTED)



PETER KREJCI
LIQUIDATOR

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BRI Ferrier

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

**The Camporeale Property Trust
(Receiver Appointed)**

ACN 127 201 932

**Annexure "1"
Updated Declaration of
Independence, Relevant
Relationships and Indemnities**

Declaration of Independence, Relevant
Relationships and Indemnities

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

The Camporeale Property Trust

(Receiver Appointed)

ACN 127 201 932

4 March 2020

Peter Krejci

Liquidator

BRI Ferrier (NSW) Pty Ltd ABN 97 128 947 848

Level 30

Australia Square

264 George Street, Sydney NSW 2000

GPO Box 7079, Sydney NSW 2001

Phone (02) 8263 2300

Facsimile (02) 8263 2399

Email: info@brifnsw.com.au

Website: www.briferrier.com.au

BRI Ferrier

The logo for BRI Ferrier, featuring the company name in a bold, sans-serif font. The text is white and set against a dark grey rectangular background. A green diagonal shape is positioned at the bottom right corner of the grey rectangle.

This document requires the Practitioner/s appointed to an insolvent entity to make declarations as to:

- A. their independence generally;
- B. relationships, including
 - i the circumstances of the appointment;
 - ii any relationships with Camporeale Properties Pty Ltd and others within the previous 24 months;
 - iii any prior professional services for Camporeale Properties Pty Ltd within the previous 24 months;
 - iv. that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of myself, my partners and BRI Ferrier (NSW) Pty Ltd.

A. INDEPENDENCE

I, Peter Krejci, of BRI Ferrier (NSW) Pty Ltd have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as Liquidator of Camporeale Properties Pty Ltd (In Liquidation) (“the Company”) in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to my independence. I am not aware of any reasons that would prevent me from accepting this appointment.

B. DECLARATION OF RELATIONSHIPS

I. CIRCUMSTANCES OF APPOINTMENT

I was appointed Liquidator of the Company by the Court on the application of Craddock Murray Neumann Lawyers (“CMN”), on behalf the Deputy Commissioner of Taxation. On 21 October 2019, I received an email from Mr William Hocking from CMN’s office seeking my consent to act as liquidator of the Company. I provided my consent to act as liquidator on 22 October 2019.

This consent does not affect my independence for the reason that the giving of a consent to act does not result in any duty owed to that creditor that would conflict with my interests or duties under the Corporations Act.

II. RELEVANT RELATIONSHIPS (EXCLUDING PROFESSIONAL SERVICES TO THE INSOLVENT)

I, or a member of my firm, have, or have had within the preceding 24 months, a relationship with:

Name	Nature of relationship	Reasons why no conflict of interest or duty
Camporeale Property Trust ("the Trust")	Appointed as Receiver on 24 December 2019.	I was appointed Receiver of Camporeale Property Trust by order of the Federal Court of Australia. The Company was Trustee of the Trust. Subsequent to my appointment as Liquidator, I made an application to the Court to be appointed Receiver in order to realise the assets of trust for the benefit of the creditors. I am not aware of any reasons which would preclude me from acting as both Receiver and as Liquidator. Should any conflict of interest arise during the course of the liquidation/receivership, I will keep creditors informed and take appropriate action to resolve the conflict.
Craddock Murray Neumann Lawyers ("CMN")	Members of BRI Ferrier have been referred other matters from CMN prior to my appointment of this Company.	These matters have been referred to us on an irregular basis. I have not received or paid any benefit to CMN with respect of these referrals.
The Australian Taxation Office ("ATO")/ Deputy Commissioner of Taxation	Principals and Directors of BRI Ferrier around Australia, were, until its expiration at the end of 2014, members of a panel of Official Liquidators established by the ATO and accepted appointments by Australian Courts initiated by the Deputy Commissioner. The Deputy Commissioner of Taxation continues to request my consent to act from time to time. These Liquidators have undertaken to the ATO to accept appointments as Liquidator appointed by a Court under the Corporations Act where the ATO is the applicant creditor, whether the company has assets or not.	The ATO is a sophisticated statutory creditor and is administratively bound to act as a Model Litigant. In our experience the ATO does not seek to exert improper pressure on insolvency practitioners in connection with the discharge of their duties to creditors generally. Membership of the panel was not conditional upon any preference or benefit being conferred upon the ATO.

Name	Nature of relationship	Reasons why no conflict of interest or duty
	BRI Ferrier is likely to seek inclusion in any comparable panel should one be established in future.	

In addition to the above, I also note that Principals of BRI Ferrier routinely accept nominations and appointments as insolvency practitioners by the major trading banks including Westpac, the Company’s financier, in addition to creditors such as the ATO (as discussed above). The nature of these relationships varies over time depending on the nature of the engagements. Such relationships do not impede my independence or give rise to a conflict of duties because we accept such engagements only on the basis that my independence will be maintained and the relationships are maintained on professional commercial terms.

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

III. PRIOR PROFESSIONAL SERVICES TO THE INSOLVENT

Neither I, nor my firm, have provided any professional services to the Company in the previous 24 months.

IV. NO OTHER RELEVANT RELATIONSHIPS TO DISCLOSE

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has a valid and enforceable security interest on the whole or substantially whole of company’s property that should be disclosed.

C. INDEMNITIES AND UP-FRONT PAYMENTS

I have not been indemnified in relation to this administration, other than any indemnities that I may be entitled to under statute and I have not received any up-front payments in respect of my remuneration or disbursements.

Dated: 4 March 2020



.....
 PETER KREJCI
 LIQUIDATOR

NOTE:

1. *If circumstances change, or new information is identified, I am required under the Corporations Act 2001 and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with my next communication as well as table a copy of any replacement declaration at the next meeting of the Company's creditors.*
2. *I am required to make a replacement declaration of relevant relationships if:-*
 - a. *The Declaration becomes out-of-date; or*
 - b. *The Liquidator becomes aware of an error in the declaration.*

I am also required to table a copy of any replacement declaration at the next meeting of the Company's creditors.

3. *Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.*

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BRI Ferrier

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

**The Camporeale Property Trust
(Receiver Appointed)**

ACN 127 201 932

**Annexure "2"
Notice of Meeting**

FORM 529

CORPORATIONS ACT 2001

Insolvency Practice Rules (Corporations)
75-10, 75-15 & 75-20

NOTICE OF MEETING OF CREDITORS

CAMPOREALE PROPERTIES PTY LTD (IN LIQUIDATION)

ATF

THE CAMPOREALE PROPERTY TRUST

(RECEIVER APPOINTED)

ACN 127 201 932

NOTICE is given that a meeting of the creditors of the Company will be held at the offices of BRI Ferrier (NSW) Pty Ltd, Level 30, Australia Square, 264 George Street Sydney NSW 2000 on Thursday, 19 March 2020 at 11:00am.

A G E N D A

1. To receive the Report of the Liquidator;
2. To consider and, if thought fit, approve the remuneration of the Liquidator.
3. To consider and, if thought fit, approve the future remuneration of the Liquidator.
4. To consider and, if thought fit, approve the internal disbursements of the Liquidator.
5. To consider and, if thought fit, approve the remuneration of the Receiver.
6. To consider and, if thought fit, approve the future remuneration of the Receiver.
7. To consider and, if thought fit, approve the internal disbursements of the Receiver.
8. To consider the appointment of a Committee of Inspection and if so, who are to be the committee's members.
9. To consider the early destruction of books and records.
10. Any other business that may be lawfully brought forward.

A person, or the proxy or attorney of a person, who participates in the meeting by telephone must pay any costs incurred by the person, proxy or attorney in participating and is not entitled to be reimbursed for those costs from the assets of the company.

Proxies to be used at the meeting should be given to me as Liquidator to the person named a convening the meeting. A creditor can only be represented by proxy or by an attorney pursuant to Insolvency Practice Rules (Corporations) (IPR) 75-150 & 75-155 and if a body corporate by a representative appointed pursuant to Section 250D.

Creditors will not be entitled to vote at this meeting unless they have previously lodged particulars of their claim against the company in accordance with IPR 75-85 and that claim has been admitted for voting purposes wholly or in part by the Liquidator.

Telephone conference facilities will be available at the meeting. Please note under Insolvency Practice Rules (Corporations) (IPR) 75-35 if you wish to participate in the meeting using such facilities you must give to the convener, not later than two (2) business days prior to the meeting, a written statement setting out:

- (a) the name of the person and of the proxy or attorney (if any); and
- (b) an address to which notices to the person, proxy or attorney may be sent; and
- (c) a method by which the person, proxy or attorney may be contacted for the purposes of the meeting.

DATED this 4th day of March 2020.



PETER KREJCI
LIQUIDATOR

BRI FERRIER (NSW) PTY LTD
Level 30
Australia Square
264 George Street
Sydney NSW 2000

Telephone: (02) 8263 2300

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BRI Ferrier

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

**The Camporeale Property Trust
(Receiver Appointed)**

ACN 127 201 932

**Annexure "3"
Formal Proof of Debt**

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Liquidator of Camporeale Properties Pty Ltd (In Liquidation) ATF the Camporeale Property Trust (Receiver Appointed) ACN 127 201 932

1. This is to state that the company was, on 4 December 2019 ⁽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.

<input type="checkbox"/>	<p>I authorise the External Administrators' (whether as Voluntary Administrators/Deed Administrators/Liquidators) on behalf of the Company and his or her employees and agents to send and give electronic notification of documents in accordance with Section 600G of the Corporations Act 2001 to the following email address:</p> <p>Contact Name:</p> <p>Email Address:</p>
--------------------------	--

DATED this.....day of.....2020

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.

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BRI Ferrier

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

**The Camporeale Property Trust
(Receiver Appointed)**

ACN 127 201 932

**Annexure "4"
Appointment of Proxy Form**

APPOINTMENT OF PROXY
 CREDITORS MEETING

CAMPOREALE PROPERTIES PTY LTD (IN LIQUIDATION)
ATF
THE CAMPOREALE PROPERTY TRUST
(RECEIVER APPOINTED)
ACN 127 201 932

*I/*We ⁽¹⁾ (Creditor Name)	
Of (address)	
being a creditor of the Company, appoint ⁽²⁾ or in his or her absence	
to vote for me/us on my/our behalf at the meeting of creditors to be held on 19 March 2020 at 11:00am, or at any adjournment of that meeting.	

Proxy Type: General Special

Please mark boxes with an "X"	For	Against	Abstain
<p>Resolution 1: <i>"That the remuneration of the Liquidator, his partners and staff for the period 4 December 2019 to 29 February 2020, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidators' Statutory Report to Creditors dated 4 March 2020, be fixed and approved at \$48,076.00 (plus GST), and that the Liquidator be authorised to draw that amount."</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Resolution 2: <i>"That the remuneration of the Liquidator, his partners and staff for the period 1 March 2020 to the conclusion of the Liquidation, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidator's Statutory Report to Creditors dated 4 March 2020 and approved to an interim cap of \$30,000.00 (plus GST), and that the Liquidator be authorised to draw that amount as and when incurred."</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CERTIFICATE OF WITNESS

This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.

I, of
certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated:

Signature of Witness:

Description:

Place of Residence:

* Strike out if inapplicable

(1) If a firm, strike out "I" and set out the full name of the firm.

(2) Insert the name, address and description of the person appointed.

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BRI Ferrier

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

**The Camporeale Property Trust
(Receiver Appointed)**

ACN 127 201 932

**Annexure "5"
Estimated Outcome Statement**

Camporeale Properties Pty Ltd (In Liquidation)
ATF The Camporeale Property Trust (Receiver Appointed)
Estimated Outcome Statement

	Continuation of Winding-up/Receivership		Termination of Winding-up/Receivership	
	High Scenario (\$)	Low Scenario (\$)	High Scenario (\$)	Low Scenario (\$)
Assets				
Receivables	603,441	-	Not Paid	Not Paid
Rental Income	7,630	7,630	7,630	7,630
Real Property - Lots 5 & 6, Fearnley St. Portsmith QLD	Withheld	Withheld	-	-
<i>Less: Westpac Mortgage/Loan</i>	(604,000)	(604,000)	Refinance Required	(604,000)
<i>Less: ATO (GST on Sale 10%)</i>	Withheld	Withheld	-	-
<i>Less: Agency - Commission (2%)</i>	Withheld	Withheld	-	-
<i>Less: Agency - Marketing Fees</i>	(5,230)	(5,230)	(5,230)	(5,230)
<i>Less: Conveyancer/Legal Fees</i>	(9,000)	(13,000)	(5,000)	(5,000)
<i>Less: Strata Fees</i>	(5,136)	(5,136)	(5,136)	(5,136)
<i>Less: Council Rates</i>	(7,458)	(7,458)	(7,458)	(7,458)
<i>Less: Contingency (Maintenance Repairs)</i>	(10,000)	(30,000)	-	-
Director Contribution - Sandra Camporeale	-	-	549,681	1,175,681
Total Realisations	(29,753)	(657,194)	534,487	556,487
Less: Estimated Costs of Liquidation/Receivership (Incl. GST)				
Liquidator/Receiver's Remuneration (Incurred)	(81,841)	(81,841)	(81,841)	(81,841)
Liquidator/Receiver's Remuneration (Estimated)	(66,000)	(88,000)	(55,000)	(66,000)
Legal Costs (Incurred) - Receiver Appointment	(28,900)	(28,900)	(28,900)	(28,900)
Legal Costs (Estimate) - Termination of Appointments	-	-	(44,000)	(55,000)
Legal Costs (Estimate) - Advice/Miscellaneous	(22,000)	(33,000)	-	-
Liquidator/Receiver's Disbursements	(2,200)	(2,200)	(2,200)	(2,200)
Total Estimated Costs of Liquidation	(200,941)	(233,941)	(211,941)	(233,941)
Less: Secured Creditors				
Westpac - Credit Card	(3,632)	(3,632)	(3,632)	(3,632)
Total Secured Creditors	(3,632)	(3,632)	(3,632)	(3,632)
Estimated Surplus Available to Priority Creditors	-	-	318,914	318,914
Priority Creditor Claims (Estimated)	-	-	-	-
Total Priority Creditor Claims	-	-	-	-
Estimated Surplus Available to Unsecured Creditors	-	-	318,914	318,914
Unsecured Creditors				
Deputy Commissioner of Taxation	(257,811) *	(257,811) *	(257,811) *	(257,811) *
Related Party Creditors - Beneficiary Loans	(371,889)	(371,889)	Forgiven	Forgiven
Related Party Creditors - Other	(61,103)	(61,103)	(61,103)	(61,103)
Total Unsecured Creditors	(690,803)	(690,803)	(318,914)	(318,914)
Return to Creditors	High Scenario	Low Scenario	High Scenario	Low Scenario
	Cents in the \$		Cents in the \$	
Unsecured Creditors	100.00 ^	Nil	100.00	100.00

*Subject to change: lodgement of outstanding ATO returns required

^Based on realisation of the Portsmith Properties at the appraisal value

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BRI Ferrier

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

**The Camporeale Property Trust
(Receiver Appointed)**

ACN 127 201 932

Annexure "6"

Summary of Receipts and Payments

Summarised Receipts & Payments

Camporeale Property Trust

(Receiver Appointed)

Transactions From 24 December 2019 To 03 March 2020

Account	Net	GST	Gross
Rent Received - Commercial	7,333.34	733.34	8,066.68
Total Receipts (inc GST)	\$7,333.34	\$733.34	\$8,066.68
Management Fee	366.68	36.66	403.34
Administration fee	30.00	3.00	33.00
Agents/Valuers Fees	4,754.55	475.45	5,230.00
Total Payments (inc GST)	\$5,151.23	\$515.11	\$5,666.34
Balance in Hand - By Bank Account			
212 Cheque Account			2,400.34
			\$2,400.34

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

BRI Ferrier

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

**The Camporeale Property Trust
(Receiver Appointed)**

ACN 127 201 932

**Annexure "7"
Remuneration Approval Report**

Remuneration Approval Report

Camporeale Properties Pty Ltd
(In Liquidation) (“the Company”)
ACN 127 201 932

AND

Camporeale Property Trust
(Receiver Appointed) (“the Trust”)
ABN 32 698 985 419

4 March 2020

Peter Krejci
Liquidator

BRI Ferrier (NSW) Pty Ltd ABN 97 128 947 848
Level 30, Australia Square, 264 George Street, Sydney NSW 2000
GPO Box 7079, Sydney NSW 2001
Phone (02) 8263 2300
Facsimile (02) 8263 2399
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1 DECLARATION

I, Peter Krejci of BRI Ferrier, have undertaken a proper assessment of this remuneration claim for my appointment as Liquidator of Camporeale Properties Pty Ltd (In Liquidation) (“the Company”) and my subsequent appointment as Receiver of Camporeale Property Trust (“the Trust”) in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the administrations.

2 EXECUTIVE SUMMARY

I refer to my initial report to creditors dated 23 December 2019 in which I advised creditors that the Company was Trustee of Camporeale Property Trust (“Trust”).

The Trust deed obtained indicates that upon the Company entering into liquidation, the trustee was automatically removed as trustee of the Trust. Accordingly the Company, as the former Trustee, held the Trust’s assets (including the Portsmouth Properties) as bare trustee for the Beneficiaries of the Trust, including Trust creditors.

I note that the Company as bare trustee, holds a right of exoneration over the assets of the Trust and accordingly by an application made by me, on 24 December 2019, Justice Collier of the Federal Court of Australia made orders, amongst others, appointed me as Receiver over the business and assets of the Trust.

In this report, I am seeking creditor approval for remuneration and disbursements for the work done in my capacity as Liquidator of the Company and as Receiver of the Trust. I am awaiting legal advice from my solicitors regarding the ability of creditors to approve my remuneration in respect of my work done as Receiver. The remuneration approval sought as Receiver is detailed in Resolutions 4 to 6.

Should the legal advice state that it is not appropriate for me to rely on creditors approval of my remuneration and disbursements in respect of the Receivership then, I will be required to make an application to the Federal Court of Australia to seek approval for my remuneration as Receiver of the Trust.

Notwithstanding, the above, to date, no remuneration has been approved and paid in either the liquidation or receivership.

This remuneration approval report details approval sought for the following fees:

Period	Report Reference	Amount (\$, ex GST)
<i>To be approved - Liquidation</i>		
Resolution [1]: Liquidator's remuneration for the period 4 December 2019 to 29 February 2020	[3.1]	\$48,076.00
Resolution [2]: Liquidator's remuneration for the period 1 March 2020 to conclusion of the Liquidation	[3.2]	\$30,000.00
Resolution [3]: Liquidator's internal disbursements for the period 4 December 2019 to conclusion of the Liquidation	[9]	\$2,000.00
Total to be approved in the Liquidation:		\$80,076.00
<i>To be approved - Receivership</i>		
Resolution [4]: Receiver's remuneration for the period 24 December 2019 to 29 February 2020	[3.3]	\$26,325.00
Resolution [5]: Receiver's remuneration for the period 1 March 2020 to conclusion of the Receivership	[3.4]	\$50,000.00
Resolution [6]: Receiver's internal disbursements for the period 24 December 2018 to conclusion of the Receivership	[9]	\$2,000.00
Total to be approved in the Receivership:		\$78,325.00
	Total Approval Sought:	\$158,401.00

The total remuneration sought for the Liquidation is greater than the estimate provided in the Initial Remuneration Notice dated 23 December 2019. The primary reasons for the variance are as follows:

- Detailed review of Camporeale Property Trust deed and seeking legal advice as to the powers of the Liquidator in realising the Trust Assets;
- Preparing affidavits and instructing solicitors to file an originating process to the Federal Court of Australia seeking my appointment as Receiver of the Trust;
- More work than originally anticipated in issuing correspondence to the Director and holding a meeting with the Director to discuss the termination of the Winding-up/Receivership.

Please refer to report section references detailed above for full details of the calculation and composition of the remuneration approval sought.

3 DESCRIPTION OF WORK COMPLETED / TO BE COMPLETED

The tables below provide a summary of the work completed / to be completed by myself and my staff in the Liquidation/the Receivership.

Company	Camporeale Properties Pty Ltd (In Liquidation)	Period From	4 December 2019	To	29 February 2020
Practitioner	Peter Krejci	Firm	BRI Ferrier (NSW) Pty Ltd		
Administration Type	Court Liquidation				

3.1 LIQUIDATOR'S REMUNERATION FOR THE PERIOD 4 DECEMBER 2019 TO 29 MARCH 2019

Task Area	General Description	Includes
Assets 46.1 Hours \$23,477.50 (excl. GST)	Sale of Real Property	<ul style="list-style-type: none"> Liaising with sales agent regarding appraisal of the Portsmouth Properties Liaising with Mortgagee regarding status and course of action for realising the Portsmouth Properties Discussions with solicitors in relation to a Liquidator's right to realise the Trust assets Internal discussions for the sale and marketing of the Portsmouth Properties Application for appointment as Receiver of the Trust to realise the trust property
	Assets subject to security interests	<ul style="list-style-type: none"> Performing and reviewing PPSR searches Liaising with security interest holders disclosed on PPSR Search Reviewing leasing documents Review and identify all assets subject to security interests Liaising with Director to determine the location of the motor vehicles Liaising with O'Maras to obtain valuation of motor vehicles Calculation of equity from valuation figures received and payout received from security holders

Task Area	General Description	Includes
	Other Assets	<p>Issuing letter of demand to director for repayment of director's loan</p> <p>Review Trust Deed regarding ownership of Trust assets and Trust Principal's Power</p>
<p>Creditors 22.2 Hours \$9,745.00 (excl. GST)</p>	Creditor Enquiries	<p>Receive and follow up creditor enquiries by telephone and email</p> <p>Review and prepare correspondence to creditors and their representatives by email and post</p>
	Creditor reports	<p>Preparing and issuing First Report to Creditors regarding notification of appointment</p> <p>Preparation of DIRRI</p> <p><u>In Part</u></p> <p>Preparing of Statutory Report to Creditors detailing investigations</p> <p>Preparing annexures to reports including Remuneration Approval Reports</p> <p>Updating DIRRI</p>
	Dealing with proofs of debt	Receipting and filing Proof of Debt and Proxies
	Secured Creditor Reporting	<p>Correspondence with security interest holders disclosed on PPSR Search</p> <p>Review security documents provided</p> <p>Provide updates regarding the status of the administration to security interest holders</p>
<p>Investigation 17.7 Hours \$8,553.50 (excl. GST)</p>	Conducting investigation	<p>Conducting ASIC searches on Company and Director</p> <p>Conducting and summarising statutory searches</p> <p>Discussion with Director in relation to her intentions to terminate the winding up of the Company</p>

Task Area	General Description	Includes
		<p>Discussions with director and external accountant regarding Company records required</p> <p>Correspondence with the Director regarding the background and financial position of the Company</p> <p>Reviewing completed ROCAP</p> <p>Preparation of narrative of business nature and history</p> <p>Reviewing Company contracts</p> <p>Preparation of statutory information</p> <p>Conducting investigations into potential insolvent trading claim</p> <p>Internal meetings regarding above matters</p>
Administration 16.2 Hours \$6,300.00 (excl. GST)	Correspondence	All other correspondence not discussed above
	Document maintenance/file review/checklist	<p>Filing of documents</p> <p>File reviews</p> <p>Updating checklists</p>
	Insurance	<p>Correspondence with insurance broker regarding initial and ongoing insurance requirements</p> <p>Reviewing insurance policies</p>
	Bank account administration	<p>Preparing correspondence opening accounts</p> <p>Bank account reconciliations</p>
	ASIC Forms and other forms	Preparing and lodging ASIC forms including 505, 531 etc
	ATO and other statutory reporting	<p>Notification of appointment</p> <p>Requesting taxation documents</p>
	Books and records / storage	Securing books and records of the Company

Task Area	General Description	Includes
	Planning / Review	Discussions regarding status of administration Internal meetings to discuss workflow
Total hours: 102.2 hours Total: \$48,076.00 (excl. GST)		

3.2 LIQUIDATOR'S REMUNERATION FOR THE PERIOD 1 MARCH 2020 TO CONCLUSION

Company	Camporeale Properties Pty Ltd (In Liquidation)	Period From	1 March 2020	To	Conclusion of the Liquidation
Practitioner	Peter Krejci	Firm	BRI Ferrier (NSW) Pty Ltd		
Administration Type	Court Liquidation				

Task Area	General Description	Includes
Creditors \$7,000.00 (excl. GST)	Creditor Enquiries	Receive and follow up creditor enquiries by telephone Review and prepare correspondence to creditors and their representatives by facsimile, email and post.
	Dealing with proofs of debt	Receipting and filing Proofs of Debts and Proxies
	Creditor reports	Preparing of Statutory Report to Creditors detailing investigations Preparing annexures to reports including Remuneration Approval Reports Updating DIRRI
	Meeting of Creditors	Sending Notice of Meeting to all known creditors Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, report to creditors, advertisement of meeting and draft minutes of meeting Liaising with creditors regarding their claims and request for supporting documentation Reviewing proxies received from a variety of creditors Responding to stakeholders queries and questions immediately following meeting Preparation and lodgement of minutes with ASIC

Task Area	General Description	Includes
	Secured Creditor Reporting	Provide updates regarding the status of the administration to security interest holders
Investigation \$18,000.00 (excl. GST)	Conducting investigation	<p>Further review of Company's books and records</p> <p>Liaising with Director regarding specific transactions</p> <p>Conducting further investigations into solvency of the Company and potential voidable transactions</p> <p>Conducting further investigations into other potential recoveries</p> <p>Consider recovery action for potential recoveries, if any</p> <p>Consider breach of duty claims</p> <p>Discussion with director regarding progress regarding preparation of outstanding tax lodgements and application to terminate winding up</p>
	Termination of the Winding-Up	<p>Discussions with solicitors regarding applications to the Court</p> <p>Liaising with the Director regarding the termination process</p> <p>Preparing affidavit for the Court</p> <p>Internal discussions regarding the termination application</p>
	ASIC reporting	<p>Preparing statutory investigation reports pursuant to Section 533, if required.</p> <p>Preparing supplementary report, if required</p> <p>Liaising with ASIC</p>
Administration \$5,000.00 (excl. GST)	Correspondence	All other correspondence not discussed above
	Document maintenance/file review/checklist	<p>Filing of documents</p> <p>File reviews</p> <p>Updating checklists</p>

Task Area	General Description	Includes
	Bank account administration	Bank account reconciliations Preparing internal forms for receipts and payments processing
	Finalisation	Cancelling ABN and GST registration Completing checklists Finalising WIP
	Planning / Review	Discussions regarding status of administration
Total: \$30,000.00 (excl. GST)		

3.3 RECEIVER'S REMUNERATION FOR THE PERIOD 24 DECEMBER 2019 TO 29 FEBRUARY 2020

Company	Camporeale Property Trust ("the Trust")	Period From	24 December 2019	To	29 February 2020
Practitioner	Peter Krejci	Firm	BRI Ferrier (NSW) Pty Ltd		
Administration Type	Receivership				

Task Area	General Description	Includes
Assets 24.5 hours \$11,979.00 (excl. GST)	Sale of Real Property	Obtaining appraisals of the Portsmouth Properties Liaising with multiple agents obtaining proposals for the marketing and sale of the Portsmouth Properties Liaising with Mortgagee regarding status and course of action for realising the Portsmouth Properties Liaising with solicitors to draft contract for sale of the Portsmouth Properties Internal meetings to discuss sale and marketing of the Portsmouth Properties
	Leasing	Liaising with managing agent regarding ongoing management of the Portsmouth Properties Organising for the redirection of monthly rental payments to the Receivership bank account Receipting rental income from the Portsmouth Properties Reviewing rental income statement for the Portsmouth Properties
Creditors 3.4 hours \$1,646.00 (excl. GST)	Secured Creditor Enquiries	Receive and follow up creditor enquiries by telephone Review and prepare correspondence to creditors and their representatives by facsimile, email and post.

Task Area	General Description	Includes
	Dealing with proofs of debt	Receipting and filing Proofs of Debts and Proxies
	Creditor reports	Preparing report to creditors with an update of receivership Preparing annexures to reports including Remuneration Approval Reports
Investigation 15.7 hours \$7462.50 (excl. GST)	Conducting investigation	Discussions with director and external accountant regarding Trust records required Correspondence with Director regarding background and financial position of the Trust Discussion with Director in relation to her intentions to terminate the receivership
Administration 12.7 hours \$5,237.50 (excl. GST)	Correspondence	All other correspondence not discussed above
	Document maintenance/file review/checklist	Filing of documents File reviews Updating checklists
	Bank account administration	Bank account reconciliations Preparing internal forms for receipts and payments processing
	Planning / Review	Discussions regarding status of administration
Total hours: 56.3 hours Total: \$26,325.00 (excl. GST)		

3.4 RECEIVER'S REMUNERATION FOR THE PERIOD 1 FEBRUARY 2020 TO CONCLUSION

Company	Camporeale Property Trust ("the Trust")	Period From	1 March 2020	To	Conclusion of the Receivership
Practitioner	Peter Krejci	Firm	BRI Ferrier (NSW) Pty Ltd		
Administration Type	Receivership				

Task Area	General Description	Includes
Assets \$20,000.00 (excl. GST)	Sale of Real Property	<p>Liaising with sales agent regarding progress of sale and potential offers for the Portsmith Properties</p> <p>Liaising with Mortgagee regarding status and course of action for realising the Portsmith Properties</p> <p>Obtaining legal advice in relation to the sale of Portsmith Properties, if required</p> <p>Attend to settlement of property</p>
	Leasing	<p>Liaising with managing agent regarding management of the Portsmith Properties</p> <p>Ongoing collection of rental income</p> <p>Reviewing and receipting rental income received</p>
	Other Asset	<p>Follow up the Director on repayment of loan account, if required</p> <p>Seek Legal advice in relation to the recovery of loan account</p>
Creditors \$10,000.00 (excl. GST)	Secured Creditor Enquiries	<p>Receive and follow up creditor enquiries</p> <p>Review and prepare correspondence to creditors and their representatives by facsimile, email and post.</p>

Task Area	General Description	Includes
	Creditor reports	Preparing report to creditors providing an update of the Receivership Preparing annexures to the Report including Remuneration Approval Report etc.
	Proposals to Creditors	Preparing Proposal notices and voting forms Forward notice of proposal to all known creditors Reviewing votes and determining outcome of proposal Preparation and lodgement of proposal outcome with ASIC
Investigation \$7,000.00 (excl. GST)	Conducting investigation	Further review of Company's books and records
Administration \$13,000.00 (excl. GST)	Correspondence	All other correspondence not discussed above
	Document maintenance/file review/checklist	Filing of documents File reviews Updating checklists
	Bank account administration	Bank account reconciliations Preparing internal forms for receipts and payments processing
	Finalisation	Prepare application to court to finalise receivership Cancelling ABN and GST registration Completing checklists Finalising WIP
	Planning / Review	Discussions regarding status of administration
Total: \$50,000.00 (excl. GST)		

4 CALCULATION OF REMUNERATION

4.1 CALCULATION OF REMUNERATION FOR THE LIQUIDATION

Camporeale Properties Pty Ltd (In Liquidation)
A.C.N. 127 201 932
For the period 4 December 2019 to 29 February 2020

Staff Classification	Name	Charge Rate per hour \$	Assets		Creditors		Investigation		Administration		Total		
			Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	
Appointee	Peter Krejci	680.00	4.0	2,720.00	-	-	2.7	1,836.00	1.6	1,088.00	8.3	5,644.00	
Principal	John Keenan	650.00	5.2	3,380.00	2.7	1,755.00	0.6	390.00	0.6	390.00	9.1	5,915.00	
Senior Manager	Pauline Yeow	525.00	17.9	9,397.50	3.4	1,785.00	2.5	1,312.50	2.2	1,155.00	26.0	13,650.00	
Manager	Katherine La	505.00	-	-	0.2	101.00	0.2	101.00	0.5	252.50	0.9	454.50	
Supervisor	Jack Li	420.00	19.0	7,980.00	8.2	3,444.00	11.7	4,914.00	4.6	1,932.00	43.5	18,270.00	
Senior 1	Pallav Lodha	360.00	-	-	-	-	-	-	0.3	108.00	0.3	108.00	
Senior 1	Savio Monis	360.00	-	-	6.1	2,196.00	-	-	0.2	72.00	6.3	2,268.00	
Senior 2	Chris Garvey	290.00	-	-	1.6	464.00	-	-	-	-	1.6	464.00	
Intermediate 2	Patrick Mao	235.00	-	-	-	-	-	-	0.1	23.50	0.1	23.50	
Senior Administration	Sonia Stelmach	220.00	-	-	-	-	-	-	0.2	44.00	0.2	44.00	
Senior Administration	Jessica Mula	220.00	-	-	-	-	-	-	4.8	1,056.00	4.8	1,056.00	
Senior Administration	Ashleigh Hartigan	220.00	-	-	-	-	-	-	0.2	44.00	0.2	44.00	
Junior Administration	Sarita Gurung	150.00	-	-	-	-	-	-	0.2	30.00	0.2	30.00	
Junior Administration	Joanna Miralis	150.00	-	-	-	-	-	-	0.7	105.00	0.7	105.00	
Total			46.1	23,477.50	22.2	9,745.00	17.7	8,553.50	16.2	6,300.00	102.2	48,076.00	
												GST	4,807.60
												Total (incl. GST)	52,883.60
Average rate per hour				509.27		438.96		483.25		388.89			470.41

4.2

CALCULATION OF REMUNERATION FOR THE RECEIVERSHIP

Camporeale Property Trust (Receiver Appointed)
A.B.N 32 698 985 419
For the period 24 December 2019 to 29 February 2020

Staff Classification	Name	Charge Rate per hour \$	Assets		Creditors		Investigation		Administration		Total		
			Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	
Appointee	Peter Krejci	680.00	0.4	272.00	0.3	204.00	0.3	204.00	0.9	612.00	1.9	1,292.00	
Principal	John Keenan	650.00	6.8	4,420.00	0.8	520.00	3.3	2,145.00	1.1	715.00	12.0	7,800.00	
Senior Manager	Pauline Yeow	525.00	0.2	105.00	-	-	0.3	157.50	0.6	315.00	1.1	577.50	
Manager	Katherine La	505.00	-	-	-	-	-	-	0.7	353.50	0.7	353.50	
Supervisor	Jack Li	420.00	17.1	7,182.00	1.8	756.00	11.8	4,956.00	5.8	2,436.00	36.5	15,330.00	
Senior 1	Savio Monis	360.00	-	-	0.4	144.00	-	-	0.1	36.00	0.5	180.00	
Senior Administration	Sonia Stelmach	220.00	-	-	-	-	-	-	0.5	110.00	0.5	110.00	
Senior Administration	Jessica Mula	220.00	-	-	0.1	22.00	-	-	1.1	242.00	1.2	264.00	
Senior Administration	Ashleigh Hartigan	220.00	-	-	-	-	-	-	1.9	418.00	1.9	418.00	
Total			<u>24.5</u>	<u>11,979.00</u>	<u>3.4</u>	<u>1,646.00</u>	<u>15.7</u>	<u>7,462.50</u>	<u>12.7</u>	<u>5,237.50</u>	<u>56.3</u>	<u>26,325.00</u>	
												GST	<u>2,632.50</u>
												Total (incl. GST)	<u>28,957.50</u>
Average rate per hour				<u>488.94</u>		<u>484.12</u>		<u>475.32</u>		<u>412.40</u>			<u>467.58</u>

5 STATEMENT OF REMUNERATION CLAIM

By Resolution, I will be seeking approval from the Creditors for the following resolutions:

Resolution 1: Liquidator's Remuneration for the period 4 December 2019 to 29 February 2020

"That the remuneration of the Liquidator, his partners and staff for the period 4 December 2019 to 29 February 2020, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidators' Statutory Report to Creditors dated 4 March 2020, be fixed and approved at \$48,076.00 (plus GST), and that the Liquidator be authorised to draw that amount."

Resolution 2: Liquidator's Remuneration for the period 1 March 2020 to conclusion of the Liquidation

"That the remuneration of the Liquidator, his partners and staff for the period 1 March 2020 to the conclusion of the Liquidation, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidator's Statutory Report to Creditors dated 4 March 2020 and approved to an interim cap of \$30,000.00 (plus GST), and that the Liquidator be authorised to draw that amount as and when incurred."

Subject to legal advice, I will be seeking approval from Creditors in relation to the following resolutions as Receiver of the Trust:

Resolution 4: Receiver's Remuneration for the period 24 December 2019 to 29 February 2020

"That the remuneration of the Receiver, his partners and staff for the period 24 December 2019 to 29 February 2020, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidator's Statutory Report to Creditors dated 4 March 2020, be fixed and approved at \$26,325.00 (plus GST), and that the Receiver be authorised to draw that amount."

Resolution 5: Receiver's Remuneration for the period 1 March 2020 to conclusion of the Administration

"That the remuneration of the Receiver, his partners and staff for the period 1 March 2020 to the conclusion of the Receivership, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidator's Statutory Report to Creditors dated 4 March 2020 and approved to an interim cap of \$50,000.00 (plus GST), and that the Receiver be authorised to draw that amount as and when incurred."

At this time, I do not anticipate seeking approval for any further remuneration other than as set out in this report. Should further issues arise as a result of my investigations and I wish to seek further remuneration then I will be required to convene a meeting of the creditors or committee of inspection or issue proposals without meeting notices and present a report detailing the remuneration sought and explaining the additional work that was necessarily performed.

6 LIKELY IMPACT ON DIVIDENDS

The Liquidator/Receiver 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/Receiver has a priority ranking ahead of creditors.

I am unable to pay any 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.

However, any dividend will ultimately be impacted by the realisations achieved by the Liquidator/Receiver 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.

7 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 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.

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 must also be satisfied that these disbursements are appropriate, justified and reasonable.

I advise that to date, I have not been paid any disbursements incurred during this Receivership/Liquidation by my Firm.

I am required to seek creditor approval for internal disbursements where there could be a profit or advantage. Accordingly, I will be seeking approval from creditors for the following resolutions:

Resolution 3: Liquidator's Internal Disbursements for the period 4 December 2019 to the Conclusion of the Liquidation

"That the Liquidator be allowed internal disbursements at the rates of charge in the Liquidator's Remuneration Approval Report dated 4 March 2020, up to an amount of \$2,000.00 (plus GST) and that the Liquidator be authorised to draw that amount as accrued."

Resolution 6: Receiver's Internal Disbursements for the period 24 December 2019 to the Conclusion of the Receivership

"That the Receiver be allowed internal disbursements at the rates of charge in the Remuneration Approval Report dated 4 March 2020, up to an amount of \$2,000.00 (plus GST) and that the Receiver be authorised to draw that amount as accrued."

Future internal disbursements provided by my firm will be charged to the Liquidation/Receivership on the following basis:

Internal Disbursements	Rate (excl. GST) (\$)
Photocopying/Printing	\$0.25 per page
Facsimile	\$0.25 per page
Postage	At cost
Staff vehicle use	In accordance with ATO mileage allowances

8 SUMMARY OF RECEIPTS AND PAYMENTS

There have been no receipts or payments in the Liquidation to date.

Attached as **Annexure "6"** is a summary of my receipts and payments for the Receivership period from 24 December 2019 to 3 March 2020.

9 QUERIES & INFORMATION SHEET

The above information is provided to assist creditors with the appropriateness of the remuneration claims that are being made.

Creditors should contact the Administrator's office to seek further information concerning the remuneration claimed if they so require.

The Australian Restructuring, Insolvency and Turnaround Association ("ARITA") has produced a document entitled "Creditors Information Sheet: Approving Remuneration in External Administrations" which can be downloaded from the ARITA website, www.arita.com.au, or can be obtained from this office.

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

BRI Ferrier

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

**The Camporeale Property Trust
(Receiver Appointed)**

ACN 127 201 932

**Annexure "8"
Advice to Creditors Regarding
Remuneration**

ADVICE TO CREDITORS ABOUT REMUNERATION

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

**CAMPOREALE PROPERTIES PTY LTD
(IN LIQUIDATION)
ATF
CAMPOREALE PROPERTY TRUST
ACN 127 201 932 (“THE COMPANY”)**

REMUNERATION METHOD

There are four methods for calculation of remuneration that can be used to calculate the remuneration of an Insolvency Practitioner. They are:

▲ Time based / hourly rates or “Time Cost”

This is the most common method. It provides for remuneration to be charged at an hourly rate for each person working on the matter. The hourly rate charged will reflect the level of experience each person has.

▲ Fixed Fee

The total remuneration for the administration is quoted at commencement of the appointment and is the total charge for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.

▲ Percentage

The remuneration for the appointment is based on a percentage of a particular variable, such as the gross proceeds of asset realisations.

▲ Contingency

The total remuneration for the matter is structured to be contingent on a particular outcome being achieved.

METHOD CHOSEN

BRI Ferrier normally charges to use a Time Cost basis, because:

- ▲ It is often difficult to estimate accurately the likely cost of undertaking an appointment, as appointments differ in unforeseeable ways as to their factual or legal complexity;
- ▲ The Time Cost method reflects the opportunity cost to BRI Ferrier of the use of staff on a particular engagement
- ▲ The Time Cost method reflects the extent of work undertaken, reflecting in turn the nature of the appointment

- ▲ The Time Cost method can be applied equally to all aspects of an appointment, while percentage or contingent remuneration normally only reflect parts of an appointment, such as the recovery of assets. My duties include activities, such as reporting to creditors and ASIC, that do not directly yield asset recovery, while contributing to the overall return to creditors.

BRI Ferrier reviews its hourly rates every twelve months. The hourly rates quoted below remain current until 30 June 2020. At this time BRI Ferrier may increase the hourly rates charged for work performed past that date. If hourly rates are increased, I will seek approval from creditors.

EXPLANATION OF HOURLY RATES

The rates applicable are set out in the table on the following page together with a general guide to the qualifications and experience of staff engaged in 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.

Title	Description	Hourly Rate (ex GST)
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
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 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 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 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

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 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.

I am not required to seek creditor approval for disbursements paid to third parties, but must account to creditors. However, I must be satisfied that these disbursements are appropriate, justified and reasonable.

I am required to obtain creditor's consent for the payment of internal disbursements. Creditors will be asked to approve my internal disbursements prior to these disbursements being paid from the administration.

Details of the basis of recovering disbursements in this administration are provided below.

Internal Disbursements	Rate (excl GST) (\$)
Photocopying / Printing	\$0.25 per page
Facsimiles	\$0.25 per page
Postage	At cost
Travel	At cost
Staff vehicle use	In accordance with ATO mileage allowances

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BRI Ferrier

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

**The Camporeale Property Trust
(Receiver Appointed)**

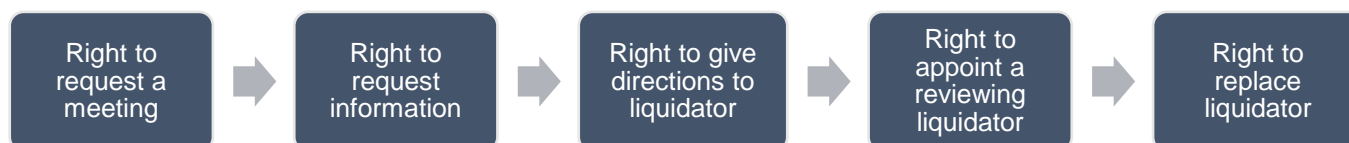
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Annexure "g"

**ARITA Information Sheet – Creditors
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.

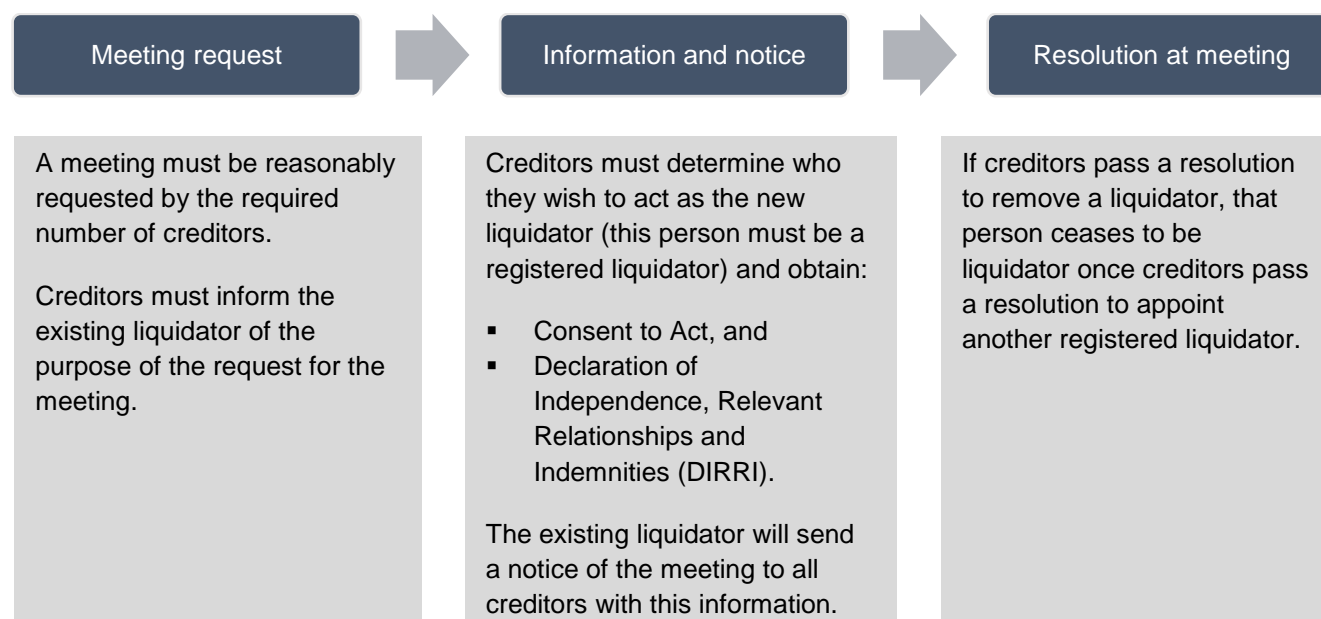
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

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.
Specific queries about the liquidation should be directed to the liquidator's office.**

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BRI Ferrier

Camporeale Properties Pty Ltd

(In Liquidation)

ATF

**The Camporeale Property Trust
(Receiver Appointed)**

ACN 127 201 932

**Annexure "10"
ASIC Information Sheet**



ASIC

Australian Securities & Investments Commission

Insolvency information for directors, employees, creditors and shareholders

This information sheet (INFO 39) lists ASIC's information sheets for directors, employees, creditors and shareholders affected by a company's insolvency.

We have produced these with endorsement from the Australian Restructuring Insolvency & Turnaround Association (ARITA).

The information sheets give a basic understanding of the three most common company insolvency procedures – liquidation, voluntary administration and receivership – as well as the independence requirements for external administrators and approving external administrator remuneration. There is also a glossary of commonly used insolvency terms.

List of information sheets

- [INFO 41](#) Insolvency: A glossary of terms
- [INFO 42](#) Insolvency: A guide for directors
- [INFO 43](#) Insolvency: A guide for shareholders
- [INFO 45](#) Liquidation: A guide for creditors
- [INFO 46](#) Liquidation: A guide for employees
- [INFO 54](#) Receivership: A guide for creditors
- [INFO 55](#) Receivership: A guide for employees
- [INFO 74](#) Voluntary administration: A guide for creditors
- [INFO 75](#) Voluntary administration: A guide for employees
- [INFO 84](#) Independence of external administrators: A guide for creditors
- [INFO 85](#) Approving fees: A guide for creditors

Where can I get more information?

Further information is available from the [ARITA website](#). The ARITA website also contains the [ARITA Code of Professional Practice for Insolvency Practitioners](#).

This is **Information Sheet 39 (INFO 39)** updated on 1 September 2017. Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

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BRI Ferrier

**Camporeale Properties Pty Ltd
(In Liquidation)**

ATF

**The Camporeale Property Trust
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ACN 127 201 932

**Annexure "11"
ARITA Information Sheet –
Offences, Recoverable Transactions
and Insolvent Trading**

Creditor Information Sheet

Offences, Recoverable Transactions and Insolvent Trading



Offences

A summary of offences under the Corporations Act that may be identified by the administrator:

180	Failure by company officers to exercise a reasonable degree of care and diligence in the exercise of their powers and the discharge of their duties.
181	Failure to act in good faith.
182	Making improper use of their position as an officer or employee, to gain, directly or indirectly, an advantage.
183	Making improper use of information acquired by virtue of the officer's position.
184	Reckless or intentional dishonesty in failing to exercise duties in good faith for a proper purpose. Use of position or information dishonestly to gain advantage or cause detriment. This can be a criminal offence.
198G	Performing or exercising a function or power as an officer while a company is under administration.
206A	Contravening a court order against taking part in the management of a corporation.
206A, B	Taking part in the management of corporation while being an insolvent, for example, while bankrupt.
206A, B	Acting as a director or promoter or taking part in the management of a company within five years after conviction or imprisonment for various offences.
209(3)	Dishonest failure to observe requirements on making loans to directors or related companies.
254T	Paying dividends except out of profits.
286	Failure to keep proper accounting records.
312	Obstruction of an auditor.
314-7	Failure to comply with requirements for the preparation of financial statements.
437D(5)	Unauthorised dealing with company's property during administration.
438B(4)	Failure by directors to assist administrator, deliver records and provide information.
438C(5)	Failure to deliver up books and records to the administrator.
590	Failure to disclose property, concealed or removed property, concealed a debt due to the company, altered books of the company, fraudulently obtained credit on behalf of the company, material omission from Report as to Affairs or false representation to creditors.

Recoverable Transactions

Preferences

A preference is a transaction, such as a payment by the company to a creditor, in which the creditor receiving the payment is preferred over the general body of creditors. The relevant period for the payment commences six months before the commencement of the liquidation. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Where a creditor receives a preference, the payment is voidable as against a liquidator and is liable to be paid back to the liquidator subject to the creditor being able to successfully maintain any of the defences available to the creditor under the Corporations Act.

Uncommercial Transaction

An uncommercial transaction is one that it may be expected that a reasonable person in the company's circumstances would not have entered into, having regard to:

- the benefit or detriment to the company;
- the respective benefits to other parties; and,
- any other relevant matter.

To be voidable, an uncommercial transaction must have occurred during the two years before the liquidation. However, if a related entity is a party to the transaction, the period is four years and if the intention of the transaction is to defeat creditors, the period is ten years.

The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Unfair Loan

A loan is unfair if and only if the interest was extortionate when the loan was made or has since become extortionate. There is no time limit on unfair loans – they only must be entered into before the winding up began.

Arrangements to avoid employee entitlements

If an employee suffers loss because a person (including a director) enters into an arrangement or transaction to avoid the payment of employee entitlements, the liquidator or the employee may seek to recover compensation from that person. It will only be necessary to satisfy the court that there was a breach on the balance of probabilities. There is no time limit on when the transaction occurred.

Unreasonable payments to directors

Liquidators have the power to reclaim '*unreasonable payments*' made to directors by companies prior to liquidation. The provision relates to payments made to or on behalf of a director or close associate of a director. The transaction must have been unreasonable, and have been entered into during the 4 years leading up to a company's liquidation, regardless of its solvency at the time the transaction occurred.

Voidable charges

Certain charges over company property are voidable by a liquidator:

- circulating security interest created within six months of the liquidation, unless it secures a subsequent advance;
- unregistered security interests;
- security interests in favour of related parties who attempt to enforce the security within six months of its creation.

Insolvent trading

In the following circumstances, directors may be personally liable for insolvent trading by the company:

- a person is a director at the time a company incurs a debt;
- the company is insolvent at the time of incurring the debt or becomes insolvent because of incurring the debt;
- at the time the debt was incurred, there were reasonable grounds to suspect that the company was insolvent;
- the director was aware such grounds for suspicion existed; and
- a reasonable person in a like position would have been so aware.

The law provides that the liquidator, and in certain circumstances the creditor who suffered the loss, may recover from the director, an amount equal to the loss or damage suffered. Similar provisions exist to pursue holding companies for debts incurred by their subsidiaries.

A defence is available under the law where the director can establish:

- there were reasonable grounds to expect that the company was solvent and they did so expect;
- they did not take part in management for illness or some other good reason; or
- they took all reasonable steps to prevent the company incurring the debt.

The proceeds of any recovery for insolvent trading by a liquidator are available for distribution to the unsecured creditors before the secured creditors.

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances.