

20 November 2020

**TO THE CREDITOR AS ADDRESSED**

Dear Sir/Madam

**TALON CONSTRUCTION GROUP PTY LTD (IN LIQUIDATION)  
ACN 124 131 497 ("the Company")**

I refer to my appointment as Liquidator of the Company on 6 November 2020.

I have issued my First Report to Creditors under Insolvency Practice Rule 70-30. The Report and Annexures to the Report are available for download from my firm's website at: <http://briferrier.com.au/about-us/current-matters/talon-construction-group-pty-ltd>.

For ease of reference, I have attached a copy of the following:

- ▲ Formal Proof of Debt Form;
- ▲ Declaration of Independence, Relevant Relationships and Indemnities; and
- ▲ Proposals without Meeting Forms.

The Report provides an update regarding the progress of the Liquidation and details of my investigations into the Company's affairs. This Report also encloses the following documents:

Annexures	
1	Formal Proof of Debt
2	A Declaration of Independence, Relevant Relationships and Indemnities
3	Summary of Affairs
4	List of Creditors
5	Information Sheet - Creditors Rights in Liquidation
6	Information Sheet - Proposal without a meeting
7	Initial Remuneration Notice
8	Remuneration Approval Report
9	Proposals without Meeting Forms

If you do not have access to the internet, you can request that a copy of the report be mailed to you. Please contact Mr Chris Garvey of this office on (02) 8263 2300.

Yours faithfully

**TALON CONSTRUCTION GROUP PTY LTD (IN LIQUIDATION)**

**PETER KREJCI**

Liquidator

*Encl.*

Novabrif Pty Ltd Trading as BRI Ferrier ABN 61 643 013 610  
Chartered Accountants  
Level 30, Australia Square, 264 George Street NSW 2000 GPO Box 7079, Sydney NSW 2001  
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**BRI Ferrier... throughout Australia, New Zealand, Hong Kong and the United Kingdom.**

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BRI Ferrier is an association of independent accounting firms. Each of the member firms is a separate and independent entity operating under the name 'BRI Ferrier' or related names.

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Liquidator of Talon Construction Group Pty Ltd (In Liquidation) ACN 124 131 497

1. This is to state that the company was, on 6 November 2020 <sup>(1)</sup> and still is, justly and truly indebted to<sup>(2)</sup> (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 <sup>(3)</sup> state how the debt arose	Amount \$ (Incl. GST)	Remarks <sup>(4)</sup> 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 <sup>(5)</sup>
- I am a related creditor of the Company <sup>(5)</sup>  
relationship: \_\_\_\_\_

3A.<sup>(6)\*</sup> 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.<sup>(6)\*</sup> 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>
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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	\$
<b>Reason for Admitting / Rejection</b>			
PREP BY/AUTHORISED		<b>TOTAL PROOF</b>	\$
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.

Declaration of Independence, Relevant  
Relationships and Indemnities

**TALON CONSTRUCTION GROUP PTY LTD  
(IN LIQUIDATION)  
ACN 124 131 497**

20 November 2020

PETER KREJCI  
Liquidator

Novabrif Pty Ltd ABN 61 643 013 610  
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](mailto:info@brifnsw.com.au)  
Website: [www.briferrier.com.au](http://www.briferrier.com.au)

**BRI Ferrier** 

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 the Insolvent and others within the previous 24 months;
  - iii any prior professional services for the Insolvent 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, BRI Ferrier and the other members of the BRI Ferrier network across Australia.

## **A. INDEPENDENCE**

I, Peter Krejci, of BRI Ferrier have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as Liquidator of 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**

This appointment was referred to me by Mr Richard Smith, the Director of the Company. I have not been referred other matters from Mr Smith prior to this appointment. Further, I have not received or paid any benefit to Mr Smith with respect to this referral. Therefore, I am of the view that the referral source will not give rise to a conflict of interest.

I had discussions with the Director, as detailed below:

- On 7 September 2020, the Director called me to discuss the Company's position and potential Liquidation.
- On 14 September 2020, my staff sent pro-forma appointment documents to the Director for his consideration.
- I received a phone call from the Director on 22 October 2020 to discuss placing his Company into Liquidation. He asked about the process and advised the timing would be subject to the completion of building rectification defects the Company was completing and various NCAT proceedings that were on foot.

- On 23 October 2020, the Director sent me an email containing details of a claim that the Company had against a former customer for unpaid retentions and variations.
- On 27 October 2020, the Director sent me an email containing details of an NCAT proceeding involving the Company. On the same day, I rang the Director to discuss the NCAT proceedings and the timing of the Company being wound up.
- On 28 October 2020, I received an email from the Director’s wife requesting my firm’s postal details in order to send to me documents relating to the NCAT proceedings. I responded by email on the same day with the postal details.
- On 4 November 2020, I received an email from the Director’s wife providing details of a Company debtor.

My staff and I received no remuneration for the above correspondence and/or advice.

In my opinion, the above do not affect my independence for the following reasons:

- The Courts and the Australian Restructuring Insolvency and Turnaround Association’s (“ARITA”) Code of Professional Practice (“COPP”) specifically recognise the need for practitioners to provide advice on the insolvency practice and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointment.
- The nature of the advice provided to the Company is such that it would not be subject to review and challenge during the course of the Liquidation.
- The pre-appointment advice will not influence my ability to be able to fully comply with the statutory and fiduciary obligations associated with the Liquidation of the Company in an objective and impartial manner.
- I summarised the insolvency remedies available to the Company, but did not provide advice to the Director about the possible or likely outcomes of any of those remedies; and
- The Director obtained his own advice regarding the financial position of the Company.

I have provided no other information or advice to the Director prior to my appointment beyond that outlined in this Declaration.

## 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
The Australian Taxation Office (“ATO”)/ Federal 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	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

Name	Nature of relationship	Reasons why no conflict of interest or duty
	<p>Australian Courts initiated by the Federal Commissioner.</p> <p>These Official 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.</p> <p>BRI Ferrier is likely to seek inclusion in any comparable panel should one be established in future.</p>	<p>insolvency practitioners in connection with the discharge of their duties to creditors generally.</p> <p>Membership of the panel was not conditional upon any preference or benefit being conferred upon the ATO.</p>
Mr Richard Smith	I have not been referred other matters from Mr Smith prior to my appointment to this Company.	<p>I have not received or paid any benefit to Mr Smith with respect to this referral. Therefore I am of the view that the referral source will not give rise to a conflict of interest.</p> <p>The referral source does not impact my independence as the referral is not contingent upon the achievement of any specific outcome.</p>

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, 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 I 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 the Company’s property that should be disclosed.


**C. INDEMNITIES AND UP-FRONT PAYMENTS**

I have been provided with the following indemnity for the conduct of the Liquidation:

Name	Relationship with the Company	Nature of indemnity or payment
Richard Smith	Director of the Company	<p>Mr Smith has provided an indemnity up to a maximum amount of \$16,500 to partially cover my remuneration, expenses and costs associated with the Liquidation of the Company.</p> <p>As at the date of this report, I have not yet received payment of this indemnity from Mr Smith, but anticipate it will be paid shortly.</p>

This does not include statutory indemnities. I have not received any other indemnities or upfront payments that should be disclosed.

Dated: 20<sup>th</sup> day of November 2020



.....

PETER KREJCI  
Liquidator

**NOTE:**

- 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.*
- 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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NOTICE OF PROPOSAL TO CREDITORS

Dated: 20 November 2020

Voting Poll Closes: 17 December 2020

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TALON CONSTRUCTION GROUP PTY LTD (IN LIQUIDATION)  
ACN 124 131 497 ("the Company")

**Proposal No. 1 for creditor approval**

*"That the remuneration of the Liquidator, his partners and staff for the period 6 November 2020 to 18 November 2020, be calculated on a time basis in accordance with the rates of charge annexed to the Liquidator's Initial Report to Creditors dated 20 November 2020, be fixed and approved at \$7,808.50 (plus GST) and that the Liquidator be authorised to draw that amount."*

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

- A Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties, including reporting obligations in acting as a liquidator.
- I am unable to pay my remuneration without the approval of the Committee of Inspection (if one has been appointed), Creditors, or the Court.
- Approval by Creditors is efficient and timely, and is less costly than an application to the Court.
- Approval of my remuneration will allow me to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.

**Vote on the Proposal No. 1**

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

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

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

- I have previously submitted a proof of debt form and supporting documents
- I have **enclosed** a proof of debt form and supporting documents with this proposal form

**Creditor details**

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

I am **not** a related creditor of the Company

I am a related creditor of the Company\*

relationship: \_\_\_\_\_

\*eg Director, relative of Director, related company, beneficiary of a related trust.

**Name of creditor /  
authorised person:**

**Signature:**

**Date:**

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For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than close of business on **17 December 2020**, by email to Mr Chris Garvey at [cgarvey@brifnsw.com.au](mailto:cgarvey@brifnsw.com.au). Should you have any queries in relation to this matter, please contact Mr Chris Garvey on (02) 8263 2300.

BRI FERRIER  
Level 30  
Australia Square  
264 George Street  
Sydney NSW 2000

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NOTICE OF PROPOSAL TO CREDITORS

Dated: 20 November 2020

Voting Poll Closes: 17 December 2020

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TALON CONSTRUCTION GROUP PTY LTD (IN LIQUIDATION)  
ACN 124 131 497 ("the Company")

**Proposal No. 2 for creditor approval**

*"That the remuneration of the Liquidator, his partners and staff for the period 19 November 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 Initial Report to Creditors dated 20 November 2020, approved to an interim cap of \$18,000 (plus GST) and that the Liquidator be authorised to draw that amount as and when incurred."*

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

- A Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties, including reporting obligations in acting as a liquidator.
- I am unable to pay my remuneration without the approval of the Committee of Inspection (if one has been appointed), Creditors, or the Court.
- Approval by Creditors is efficient and timely, and is less costly than an application to the Court.
- Approval of my remuneration will allow me to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.

**Vote on the Proposal No. 2**

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

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

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

- I have previously submitted a proof of debt form and supporting documents
- I have **enclosed** a proof of debt form and supporting documents with this proposal form

**Creditor details**

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

I am **not** a related creditor of the Company

I am a related creditor of the Company\*

relationship: \_\_\_\_\_

\*eg Director, relative of Director, related company, beneficiary of a related trust.

**Name of creditor /  
authorised person:**

\_\_\_\_\_

**Signature:**

\_\_\_\_\_

**Date:**

\_\_\_\_\_

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For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than close of business on **17 December 2020**, by email to Mr Chris Garvey at [cgarvey@brifnsw.com.au](mailto:cgarvey@brifnsw.com.au). Should you have any queries in relation to this matter, please contact Mr Chris Garvey on (02) 8263 2300.

BRI FERRIER  
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**NOTICE OF PROPOSAL TO CREDITORS**

Dated: 20 November 2020

Voting Poll Closes: 17 December 2020

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**TALON CONSTRUCTION GROUP PTY LTD (IN LIQUIDATION)  
ACN 124 131 497 ("the Company")**

**Proposal No. 3 for creditor approval**

*"That the Liquidator be allowed internal disbursements for the period 6 November 2020 to the conclusion of the Liquidation at the rates of charge annexed to the Liquidator's Remuneration Approval Report dated 20 November 2020, up to an amount of \$1,500.00 (plus GST) and that the Liquidator be authorised to draw that amount as accrued."*

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

- A Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties, including reporting obligations in acting as a liquidator.
  - I am unable to pay my internal disbursements without the approval of the Committee of Inspection (if one has been appointed), Creditors, or the Court.
  - Approval by Creditors is efficient and timely, and is less costly than an application to the Court.
  - Approval of my internal disbursements will allow me to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.

**Vote on the Proposal No. 3**

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

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

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

- I have previously submitted a proof of debt form and supporting documents
- I have **enclosed** a proof of debt form and supporting documents with this proposal form

**Creditor details**

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

I am **not** a related creditor of the Company

I am a related creditor of the Company\*

relationship: \_\_\_\_\_

\*eg Director, relative of Director, related company, beneficiary of a related trust.

**Name of creditor /  
authorised person:**

**Signature:**

**Date:**

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For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than close of business on **17 December 2020**, by email to Mr Chris Garvey at [cgarvey@brifnsw.com.au](mailto:cgarvey@brifnsw.com.au). Should you have any queries in relation to this matter, please contact Mr Chris Garvey on (02) 8263 2300.

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NOTICE OF PROPOSAL TO CREDITORS

Dated: 20 November 2020

Voting Poll Closes: 17 December 2020

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TALON CONSTRUCTION GROUP PTY LTD (IN LIQUIDATION)  
ACN 124 131 497 ("the Company")

**Proposal No. 4 for creditor approval**

*"That subject to the consent of the Australian Securities & Investment Commission, the Liquidator be approved to destroy the books and records of the Company at any time after the dissolution of the Company."*

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

- A Liquidator must retain the books and records of the Company for a period of five (5) years from the end of the Liquidation.
- To minimise the costs of storage, I am able to destroy the books and records at any time after the end of the Liquidation, with the consent of Creditors and the Australian Securities and Investments Commission.

**Vote on the Proposal No. 4**

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

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

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

- I have previously submitted a proof of debt form and supporting documents
- I have **enclosed** a proof of debt form and supporting documents with this proposal form

**Creditor details**

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

I am **not** a related creditor of the Company

I am a related creditor of the Company\*

relationship: \_\_\_\_\_

\*eg Director, relative of Director, related company, beneficiary of a related trust.

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

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

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For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than close of business on **17 December 2020**, by email to Mr Chris Garvey at [cgarvey@brifnsw.com.au](mailto:cgarvey@brifnsw.com.au). Should you have any queries in relation to this matter, please contact Mr Chris Garvey on (02) 8263 2300.

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