



Report to Creditors Under Insolvency Practice Rule 70-40

MPS VICTORIA PTY LTD
ACN 666 107 366

RICHSTONE HOLDINGS PTY LTD
ACN 666 106 243

RICHSTONE VICTORIA PTY LTD
ACN 665 967 028

**RICHSTONE CONSTRUCTION
SERVICES PTY LTD**
ACN 666 107 973

RSG CORPORATE SERVICES PTY LTD
ACN 666 106 930

(In Liquidation)
("the Companies")

18 September 2023

David Coyne and Peter Krejci
Joint and Several Liquidators

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TABLE OF CONTENTS

1	INTRODUCTION AND APPOINTMENT	4
2	CONDUCT OF THE ADMINISTRATION	4
2.1	Summary of Group Position	4
2.2	Tasks Undertaken by the Liquidators	5
3	COMPANY BACKGROUND	5
3.1	MPS VICTORIA PTY LTD (“MPS”).....	6
3.2	RICHSTONE CONSTRUCTION SERVICES PTY LTD (“RCS”).....	7
3.3	RICHSTONE HOLDINGS PTY LTD (“RH”)	9
3.4	RICHSTONE VICTORIA PTY LTD (“RV”)	10
3.5	RSG CORPORATE SERVICES pty ltd (“RSG”)	12
4	CURRENT POSITION	14
4.1	MPS VICTORIA PTY LTD	14
4.2	RICHSTONE CONSTRUCTION SERVICES PTY LTD	18
4.3	RICHSTONE HOLDINGS PTY LTD	21
4.4	RICHSTONE VICTORIA PTY LTD	24
4.5	RSG CORPORATE SERVICES PTY LTD.....	33
5	INVESTIGATIONS AND INSOLVENT TRANSACTIONS	37
5.1	Voidable Transaction Claims	38
6	LIKELIHOOD OF A DIVIDEND BEING PAID IN THE LIQUIDATION	41
7	REMUNERATION OF THE LIQUIDATOR.....	41

ANNEXURES:

"A" – SUMMARIES OF FINANCIAL POSITION AND PERFORMANCE

"B" – SUMMARIES OF RECEIPTS AND PAYMENTS

"C" – ESTIMATED OUTCOME STATEMENT

"D" – REMUNERATION REQUEST APPROVAL REPORTS

"E" – FORMAL ROOF OF DEBT FORM

"F" – PROPOSALS WITHOUT MEETING FORM – RETROSPECTIVE REMUNERATION

"G" – PROPOSALS WITHOUT MEETING FORM – PROSPECTIVE REMUNERATION

"H" – PROPOSALS WITHOUT MEETING FORM – DISBURSEMENTS WITH PROFIT ELEMENT

"I" – PROPOSALS WITHOUT MEETING FORM – EARLY DESTRUCTION OF BOOKS AND RECORDS

"J" – INFORMATION SHEET – PROPOSALS WITHOUT A MEETING

1 INTRODUCTION AND APPOINTMENT

On 19 June 2023, Peter Krejci and I were appointed Joint and Several Liquidators by a resolution of the members at a duly convened members' meeting for the following entities:

- ▲ MPS Victoria Pty Ltd;
- ▲ Richstone Construction Services Pty Ltd;
- ▲ Richstone Holdings Pty Ltd;
- ▲ RSG Corporate Services Pty Ltd; and
- ▲ Richstone Victoria Pty Ltd (In Liquidation) ("together the Companies")

The purpose of this Report to Creditors under Insolvency Practice Rule 70-40 of the Corporations Act 2001 ("the Act") is to advise you of the following:

- ▲ The estimated amounts of Assets and Liabilities of the Companies;
- ▲ The progress of the Liquidations, including:
 - i. inquiries that have been undertaken to date;
 - ii. possible further inquiries and/or recovery actions (if any);
- ▲ Our opinion as to what happened to the business of the Companies;
- ▲ The likelihood of a dividend being paid in the Liquidations once the affairs have been fully wound up; and
- ▲ Our proposed remuneration with respect to administering the Liquidations.

This report should be read in conjunction with our report to creditors dated 29 June 2023. A copy of this report may be provided upon written request.

2 CONDUCT OF THE ADMINISTRATION

2.1 SUMMARY OF GROUP POSITION

The business and assets of the Companies were purchased from the Voluntary Administrators of the below entities ("Richstone Group"):

- ▲ Modular Prefab Solutions VIC Pty Ltd (In Liquidation)
- ▲ Richstone Administration Pty Ltd (In Liquidation)
- ▲ Richstone Australia Group Pty Ltd (In Liquidation)
- ▲ Richstone Plumbing Pty Ltd (In Liquidation)
- ▲ Richstone Plumbing VIC Pty Ltd (In Liquidation)
- ▲ RSG Business Services Pty Ltd (In Liquidation)

We advise that the employee entitlements assumed and assets realised in relation to the Companies' purchase of the Richstone Group's business and assets are subject to the Liquidations of the Companies.

- ▲ We have obtained a copy of the Companies electronic accounting records. We have undertaken a preliminary investigation into the financial affairs of the Companies. Please refer to [section 3](#) of the Report for details.
- ▲ Our investigations to date with respect to the realisable assets and liabilities of each of the Companies as at the date of our appointment are detailed in [section 4](#) of this Report.
- ▲ We have undertaken our preliminary investigations with respect to potential Liquidator claims such as insolvent trading. Please see [section 5](#) of this Report for further details.
- ▲ We note that a return to creditors will be dependent on the outcome of recovery procedures with respect to debtors and tangible assets. Please see [section 6](#) of this Report for further details.

2.2 TASKS UNDERTAKEN BY THE LIQUIDATORS

We have undertaken the following tasks in order to prepare this Report:

- ▲ Obtained a Report on Company Activities and Property from the Companies' Director;
- ▲ Obtained and examined the Companies' financial records;
- ▲ Liaised with the Companies' external accountants and bookkeeper to obtain financial records;
- ▲ Liaised with the Companies' solicitors;
- ▲ Conducted a review of land title office records and shareholdings with respect to the Companies and the Director;
- ▲ Issued initial correspondence to the Sheriff's Offices of Victoria requesting searches of their records regarding any warrants issued against the Companies;
- ▲ Issued initial correspondence to VicRoads requesting a search of its records for any motor vehicles registered in the name of the Companies;
- ▲ Conducted ASIC's Money Smart to determine whether there is any unclaimed money held in the name of the Companies;
- ▲ Acquired control of the Companies' bank accounts;
- ▲ Completed preliminary investigations with respect to the conduct of the Director and voidable transactions; and
- ▲ Undertaken recovery actions with respect to the tangible assets and debtors of the Companies.

3 COMPANY BACKGROUND

Based on our enquiries to date and information provided by the Director, summaries of the Companies' backgrounds are as follows:

3.1 MPS VICTORIA PTY LTD (“MPS”)

3.1.1 Company Details

- ▲ MPS was incorporated in Victoria on 28 February 2023.
- ▲ In March 2023, MPS’s business and assets were purchased from the Richstone Group, in particular, Modular Prefab Solutions VIC Pty Ltd.
- ▲ MPS’s business manufactured prefabricated plumbing products to be used by the trading entities on the Companies.
- ▲ MPS employed sixteen (16) staff as at our appointment as Liquidators.
- ▲ The Director considered that MPS was, or would become, insolvent in the near future.
- ▲ On 19 June 2023, MPS’s member resolved to appoint us as Joint and Several Liquidators of MPS at a meeting of members.

3.1.2 Explanation for Failure

Director’s Explanation for Failure

The director of MPS attributed the failure of MPS primarily to:

- ▲ Increased market pressure.
- ▲ Inadequate working capital.

Liquidator’s Findings as to the Reasons for the Company’s Failure

I consider the following reasons primarily attributed to the failure of MPS’s business:

- ▲ Inadequate debtor realisations by the trading entities of the Companies.

3.1.3 Company Information

A summary of the information relating to MPS recorded in Australian Securities and Investments Commission (“ASIC”) and the Australian Financial Services Authority (“AFSA”) databases as at 19 June 2023 is recorded below:

Company Details

Company:	MPS Victoria Pty Ltd
Australian Company Number:	666 107 366
Date of Incorporation:	28 February 2023
Registered Office:	50 Belmore Street Yarrawonga VIC 3730
Principal Place of Business:	45 Jutland Way Epping VIC 3076
Number of Ordinary Shares:	100
Registered Security Interest Holders:	100
Current Land Title Interests:	N/A

Company Office Holders

Name	Role	Appointment Date	Cessation Date
Shannon Leigh Egglestone	Director	28 February 2023	Current
	Secretary	28 February 2023	Current

Company Shareholders

Shareholding Entity	Shares Held	Ownership
Richstone Holdings Pty Ltd	100 Ordinary Shares	100%

3.1.4 Financial History

Set out in Annexure “A” is a summary of the reported financial position and performance of MPS for the financial period March 2023 to June 2023.

The summaries have been extracted from MPS’s internally maintained accounting system.

We note that the financial statements have not been audited. We are therefore unable to express a view as to the accuracy or completeness of MPS’s accounts, or whether the figures contained in the accounts represent the true operational and financial position of MPS.

The financial statements for MPS report inadequate working capital and trading losses from March 2023.

3.1.5 Company Records

We have reviewed MPS’s records and financial statements to consider and identify any limits to our investigations. We are required to report any material failure to maintain records in accordance with Section 286 of the Act. Our review does not involve an audit or assurance review of the financial statements.

We have been able to take control of the records that we consider necessary to undertake our investigations and identify any material deficiencies in the completeness of MPS’s records.

We are satisfied that MPS has substantially complied with its obligations to maintain proper financial records pursuant to Section 286 of the Act for the following reasons:

- ▲ We have had access to account statements for MPS’s bank accounts and financial statements; and
- ▲ It appears MPS maintained adequate systems for recording information that would enable true and fair financial statements to be prepared and audited.

3.2 RICHSTONE CONSTRUCTION SERVICES PTY LTD (“RCS”)

3.2.1 Company Details

- ▲ RCS was incorporated on 28 February 2023 in Victoria.

- ▲ In March 2023, RCS purchased its assets from the Richstone Group, in particular, Richstone Plumbing VIC Pty Ltd in its own right and ATF Richstone Equipment Hire Trust.
- ▲ RCS provided plant and equipment to the trading entities of the Companies.
- ▲ RCS does not appear to be an employing entity.
- ▲ The Director considered that RCS was, or would become, insolvent in the near future.
- ▲ On 19 June 2023, RCS's members resolved to appoint us as Joint and Several Liquidators of RCS at a meeting of members.

3.2.2 Explanation for Failure

Director's Explanation for Failure

The director of RCS attributed the failure of RCS primarily to:

- ▲ Increased market pressure.
- ▲ Inadequate working capital.

Liquidator's Findings as to the Reasons for the Company's Failure

I consider the following reasons primarily attributed to the failure of RCS's business:

- ▲ Poor economic conditions.
- ▲ Inadequate debtor realisations from the trading entities of the Companies.

3.2.3 Company Information

A summary of the information relating to RCS recorded in Australian Securities and Investments Commission ("ASIC") and the Australian Financial Services Authority ("AFSA") databases as at 19 June 2023 is recorded below:

Company Details

Company:	Richstone Construction Services Pty Ltd
Australian Company Number:	666 107 973
Date of Incorporation:	28 February 2023
Registered Office:	50 Belmore Street Yarrawonga VIC 3730
Principal Place of Business:	45 Jutland Way Epping VIC 3076
Number of Ordinary Shares:	100
Registered Security Interest Holders:	100
Current Land Title Interests:	N/A

Company Office Holders

Name	Role	Appointment Date	Cessation Date
Shannon Leigh Egglestone	Director	28 February 2023	Current

	Secretary	28 February 2023	Current
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Company Shareholders

Shareholding Entity	Shares Held	Ownership
Richstone Holdings Pty Ltd	100 Ordinary Shares	100%

3.2.4 Company Records

We have reviewed RCS's records and financial statements to consider and identify any limits to our investigations. We are required to report any material failure to maintain records in accordance with Section 286 of the Act. Our review does not involve an audit or assurance review of the financial statements.

No management accounts or financial records have been provided to us, and no accounts appear to have been maintained for RCS.

3.3 RICHSTONE HOLDINGS PTY LTD ("RH")

3.3.1 Company Details

- ▲ RH was incorporated on 28 February 2023 in Victoria.
- ▲ RH appears to have acted as a common shareholder for the group of Companies.
- ▲ RH was not an employing entity.
- ▲ The Director considered that RH was, or would become, insolvent in the near future.
- ▲ On 19 June 2023, RH's members resolved to appoint us as Joint and Several Liquidators of RH at a meeting of members.

3.3.2 Explanation for Failure

Director's Explanation for Failure

The director of RH attributed the failure of RH primarily to:

- ▲ Increased market pressure.
- ▲ Inadequate working capital.

Liquidator's Findings as to the Reasons for the Company's Failure

We consider the following reasons primarily attributed to the failure of RH's business:

- ▲ Poor economic conditions.
- ▲ Inadequate debtor realisations from the trading entities of the Companies.

3.3.3 Company Information

A summary of the information relating to RH recorded in Australian Securities and Investments Commission ("ASIC") and the Australian Financial Services Authority ("AFSA") databases as at 19 June 2023 is recorded below:

Company Details

Company:	Richstone Holdings Pty Ltd
Australian Company Number:	666 106 243
Date of Incorporation:	28 February 2023
Registered Office:	50 Belmore Street Yarrowonga VIC 3730
Principal Place of Business:	45 Jutland Way Epping VIC 3076
Number of Ordinary Shares:	100
Registered Security Interest Holders:	100
Current Land Title Interests:	N/A

Company Office Holders

Name	Role	Appointment Date	Cessation Date
Shannon Leigh Egglestone	Director	28 February 2023	Current
	Secretary	28 February 2023	Current

Company Shareholders

Shareholding Entity	Shares Held	Ownership
RSG Victoria Investments Pty Ltd	100	100%

3.3.4 Company Records

We have reviewed the Company's records and financial statements to consider and identify any limits to our investigations. We are required to report any material failure to maintain records in accordance with Section 286 of the Act. Our review does not involve an audit or assurance review of the financial statements.

No management accounts or financial records have been provided to us, and no accounts appear to have been maintained for RH.

3.4 RICHSTONE VICTORIA PTY LTD ("RV")

3.4.1 Company Details

- ▲ RV was incorporated on 22 February 2023 in Victoria.
- ▲ In March 2023, RV purchased its business and assets from the Richstone Group, in particular, Richstone Plumbing Pty Ltd.
- ▲ RV's business provided commercial plumbing services to major building projects.
- ▲ RV employed one hundred and twenty-seven (127) staff as at the date of our appointment.

- ▲ The Director considered that RV was, or would become, insolvent in the near future.
- ▲ On 19 June 2023, RV's members resolved to appoint us as Joint and Several Liquidators of RV at a meeting of members.

3.4.2 Explanation for Failure

Director's Explanation for Failure

The director of RV attributed the failure of RV primarily to:

- ▲ Increased market pressure.
- ▲ Inadequate working capital.

Liquidator's Findings as to the Reasons for the Company's Failure

We agree with the Director's explanation and also consider the following reason attributed to the failure of RV's business:

- ▲ Inadequate recovery of outstanding debtors.

3.4.3 Company Information

A summary of the information relating to RV recorded in Australian Securities and Investments Commission ("ASIC") and the Australian Financial Services Authority ("AFSA") databases as at 19 June 2023 is recorded below:

Company Details

Company:	Richstone Victoria Pty Ltd
Australian Company Number:	665 967 028
Date of Incorporation:	22 February 2023
Registered Office:	50 Belmore Street Yarrowonga VIC 3730
Principal Place of Business:	45 Jutland Way Epping VIC 3076
Number of Ordinary Shares:	100
Registered Security Interest Holders:	100
Current Land Title Interests:	N/A

Company Office Holders

Name	Role	Appointment Date	Cessation Date
Shannon Leigh Egglestone	Director	22 February 2023	Current
	Secretary	22 February 2023	Current

Company Shareholders

Shareholding Entity	Shares Held	Ownership
Richstone Holdings Pty Ltd	100	100%

3.4.4 Financial History

Set out in Annexure “A” is a summary of the reported financial position and performance of RV for the financial period March 2023 to June 2023.

The summaries have been extracted from the RV’s internally maintained accounting system.

We note that the financial statements have not been audited. We are therefore unable to express a view as to the accuracy or completeness of the Company’s accounts, or whether the figures contained in the accounts represent the true operational and financial position of the Company.

The financial statements for RV report inadequate working capital and trading losses from May 2023.

3.4.5 Company Records

We have reviewed RV’s records and financial statements to consider and identify any limits to our investigations. We are required to report any material failure to maintain records in accordance with Section 286 of the Act. Our review does not involve an audit or assurance review of the financial statements.

We have been able to take control of the records that we consider necessary to undertake our investigations and identify any material deficiencies in the completeness of RV’s records.

We are satisfied that RV has substantially complied with its obligations to maintain proper financial records pursuant to Section 286 of the Act for the following reasons:

- ▲ We have had access to RV’s bank account statements and financial statements; and
- ▲ It appears RV maintained adequate systems for recording information that would enable true and fair financial statements to be prepared and audited.

3.5 RSG CORPORATE SERVICES PTY LTD (“RSG”)

3.5.1 Company Details

- ▲ RSG was incorporated on 28 February 2023 in Victoria.
- ▲ In March 2023, RSG purchased its assets from the Richstone Group, in particular, RSG Business Services Pty Ltd (In Liquidation). We note that the employee entitlements owed by RSG Business Services Pty Ltd (In Liquidation) and Modular Prefab Design Pty Ltd were assumed by RSG.
- ▲ RSG’s business provided management and administration services to the other entities of the Companies.
- ▲ RSG employed fourteen (14) staff as at the date of our appointment.
- ▲ The Director considered that RSG was, or would become, insolvent in the near future.
- ▲ On 19 June 2023, RSG’s members resolved to appoint us as Joint and Several Liquidators of RSG at a meeting of members.

3.5.2 Explanation for Failure

Director's Explanation for Failure

The director of RSG attributed the failure of the company primarily to:

- ▲ Increased market pressure.
- ▲ Inadequate working capital.

Liquidator's Findings as to the Reasons for the Company's Failure

I consider the following reasons primarily attributed to the failure of RSG business:

- ▲ Poor economic conditions.
- ▲ Inadequate debtor realisations from the trading entities of the Companies.

3.5.3 Company Information

A summary of the information relating to RSG recorded in Australian Securities and Investments Commission ("ASIC") and the Australian Financial Services Authority ("AFSA") databases as at 19 June 2023 is recorded below:

Company Details

Company:	RSG Corporate Services Pty Ltd
Australian Company Number:	666 106 930
Date of Incorporation:	28 February 2023
Registered Office:	50 Belmore Street Yarrawonga VIC 3730
Principal Place of Business:	45 Jutland Way Epping VIC 3076
Number of Ordinary Shares:	100
Registered Security Interest Holders:	100
Current Land Title Interests:	N/A

Company Office Holders

Name	Role	Appointment Date	Cessation Date
Shannon Leigh Egglestone	Director	28 February 2023	Current
	Secretary	28 February 2023	Current

Company Shareholders

Shareholding Entity	Shares Held	Ownership
Richstone Holdings Pty Ltd	100	100%

3.5.4 Financial History

Set out in Annexure "A" is a summary of the reported financial position and performance of RSG for the financial period March 2023 to June 2023.

The summaries have been extracted from RSG's internally maintained accounting system.

We note that the financial statements have not been audited. We are therefore unable to express a view as to the accuracy or completeness of RSG's accounts, or whether the figures contained in the accounts represent the true operational and financial position of RSG.

The financial statements of RSG report inadequate working capital and trading losses from March 2023.

3.5.5 Company Records

We have reviewed RSG's records and financial statements to consider and identify any limits to my investigations. We are required to report any material failure to maintain records in accordance with Section 286 of the Act. Our review does not involve an audit or assurance review of the financial statements.

We have been able to take control of the records that we consider necessary to undertake our investigations and identify any material deficiencies in the completeness of RSG's records.

We are satisfied that RSG has substantially complied with its obligations to maintain proper financial records pursuant to Section 286 of the Act for the following reasons:

- ▲ We have had access to RSG's bank account statements and financial statements; and
- ▲ It appears RSG maintained adequate systems for recording information that would enable true and fair financial statements to be prepared and audited.

4 CURRENT POSITION

4.1 MPS VICTORIA PTY LTD

Subsequent to our appointment, a notice was served to MPS's Director to prepare a Report on Company Activities and Property ("ROCAP").

The ROCAP lists MPS's assets and liabilities as at 19 June 2023, which was the date of the Liquidation. The ROCAP does not take into account the Liquidators' fees and disbursements, which rank as a priority under Section 556 of the Act.

A summary of the Director's ROCAP, our respective comments and Estimated Realisable Values (ERV) is below.

Annotated ROCAP	ROCAP Valuation (\$)	Estimated Realisable Value (\$)
ASSETS		
Cash at Bank / Cash on Hand	15	-
Tangible Assets	25,000	16,700
Total Assets	25,015	16,700
LIABILITIES		
<u>Secured Creditors</u>		
Swiss Re International Se	-	Uncertain
<u>Priority Creditors</u>		
Employee Entitlements	Uncertain	179,986
<u>Unsecured Creditors</u>		
Statutory Creditors	65,400	57,486
Trade Creditors	-	-
Related Party Creditors	-	Uncertain
	65,400	57,486
Total Liabilities	65,400	237,472
SURPLUS/DEFICIENCY	(40,385)	(220,772)

4.1.1 Assets

4.1.1.1 Cash at Bank

The Director disclosed in his ROCAP that MPS held bank accounts with a balance of \$15.

Following our appointment, we wrote to the major banks and requested that they undertake a search of their records to locate any accounts held in the name of MPS, and to impose a freeze on the accounts to prevent any outward payments.

Based on our enquiries and the responses received to date, we have identified the following bank accounts in the name of the MPS held Australia and New Zealand Bank.

Account Name	Balance	As at
Australia and New Zealand Bank	\$(10.00)	22 June 2023

For the purposes of this Report, MPS's cash at bank is nil.

4.1.1.2 Tangible Assets

The Director's ROCAP disclosed that MPS owned tangible assets with an estimated value of \$25,000 to \$45,000.

We note that the MPS tangible assets consist of material cages, stillages and stock. We note the builder customers have retained these assets on project sites and they have not yet been recovered by my agents. This matter is currently with my solicitors.

We note that the valuation undertaken prior to my appointment as Voluntary Administrator of Modular Prefab Solutions VIC Pty Ltd suggests that these assets have an estimated realisable value of \$16,700.

For the purposes of this Report, the value of MPS's tangible assets total \$16,700.

4.1.2 Liabilities

4.1.2.1 Secured Creditors

AFSA is the current responsible authority for the operation of the PPSR, a comprehensive nationwide register designed to facilitate the registration of security interests in personal property, pursuant to the PPSA.

The most fundamental premise of the legislation is the requirement that secured creditors register their security interests in order to enforce same in the event of insolvency.

A review of MPS's comprehensive PPSR records, maintained by AFSA, revealed that the following security interests were granted by MPS and registered as at the date our appointment:

Secured party	Registration No.	Collateral Class	Created On
Swiss Re International Se	202303300097707	All PAP	30/03/2023
	202303300097724	General Intangible	30/03/2023

Swiss Re International SE ("Swiss")

Immediately upon our appointment, we wrote to the secured party and requested details of their security interests.

On 12 August 2023, Swiss responded with a copy of its General Security Deed and Deed of Indemnity and Guarantee dated 6 April 2023. Swiss have advised that it is owed up to \$2.6 million with respect to performance bonds that it had issued to the Richstone Group.

We have not yet reached a conclusion with respect to the validity and enforceability of this security interest.

4.1.2.2 Priority Creditors

Creditors are advised that pursuant to Section 556 of the Act employees are afforded a priority over ordinary unsecured creditors of the MPS for unpaid wages, superannuation contributions, annual leave, long service leave, pay in lieu of notice, and redundancy entitlements.

Furthermore, Section 556 of the Act states that related parties (including directors, shadow directors and their relatives) are only entitled to claim, as a priority, a maximum amount of \$2,000 in respect of unpaid wages and superannuation, and \$1,500 in respect of leave entitlements. In addition, redundancy entitlements of related parties are not entitled to rank as priority claims. Any amounts owed to related parties in excess of these statutory limits will rank equally with all other ordinary unsecured claims, and have been isolated as non-priority components.

Our review of MPS's books and records reveals that priority employee entitlements consist of:

Entitlements	Total (\$)
Superannuation Guarantee Charge	29,765.16
Unpaid Wages	58,246.59
Annual Leave (plus loading)	71,205.51
Long Service Leave	20,769.24
TOTAL	179,986.49

Superannuation

The MPS records disclose the outstanding superannuation owed was \$29,765 at the date of our appointment as Liquidators.

In accordance with Section 52 of the Superannuation Guarantee (Administration) Act 1992, any claim received from the ATO in relation to these amounts has a priority equal to the debts referred to in Section 556(1)(e) of the Act in the event that a distribution is made, i.e. it is treated as a priority equal to wages.

Fair Entitlement Guarantee ("FEG")

Employees are eligible to apply to the Federal Government, which has established a safety net scheme known as the Fair Entitlement Guarantee ("FEG"), for payment of their outstanding entitlements in these circumstances.

The scheme is administered by the Department of Employment & Workplace Relations for eligible employees who have been terminated as a result of their employer's insolvency and are owed entitlements.

In order for an employee to be eligible to claim outstanding entitlements under FEG, they must meet one of the following conditions:

- ▲ The employee is terminated upon the appointment of an insolvency practitioner; or
- ▲ The employee is terminated by the company within six (6) months of the appointment of an insolvency practitioner.

Employees may submit claims in respect of the following entitlements, provided they are entitled to claim under their respective industrial instrument, contract of employment or by any other means:

- ▲ Up to three months unpaid wages for the period prior to our appointment;
- ▲ Unpaid annual leave and long service leave;
- ▲ Up to a maximum of five weeks unpaid payment in lieu of notice;
- ▲ Up to a maximum of four weeks redundancy entitlement for each completed year of service.

In calculating employee entitlements payable under the scheme, the maximum annual wage applies.

FEG will not cover:

- ▲ Outstanding superannuation entitlements;
- ▲ Entitlements such as rostered days off unless the relevant legislation, award, statutory agreement or written contract of employment provides they are payable upon termination of employment; and
- ▲ Employee entitlements of the Director and related party creditors.

To date, we have provided the verification data for seventeen (17) claims to FEG. I note that the verification of the FEG claims is ongoing, in particular, the balance of employees' annual leave as at the date of our appointment as Liquidators.

For the purposes of this Report, we have attributed a value of \$179,986 with respect to MPS's priority claims.

4.1.2.3 Statutory Claims

The Director's ROCAP discloses that MPS owes statutory debts of approximately \$65,400.

The ATO has submitted a formal proof of debt in the amount of \$57,485 with respect to GST and PAYG liabilities.

Subsequent to our appointment, we wrote to the State Revenue Office of Victoria. We note that we have not yet received a response with respect to outstanding payroll tax at this time.

For the purposes of this Report, we have attributed a value of \$57,486 with respect to MPS's statutory liabilities.

4.1.2.4 Trade Creditors

The Director's ROCAP does not disclose any amounts outstanding to trade creditors.

To date, we have not received any claims from trade creditors.

For the purposes of this Report, MPS's trade creditors appear to be nil.

4.1.2.5 Related Party Creditors

The Director's ROCAP does not disclose any amounts owed to related party creditors.

Our review of the MPS records have not identified any liabilities owed to related parties. We refer to section 4.4.1.4 of this Report and note that RV is owed \$218,779 with respect to an inter-group loan account. Our investigations with respect to this matter are ongoing.

For the purposes of this Report, the value of MPS's related party creditors appear to be uncertain.

4.1.3 Receipts and Payments

Enclosed as Annexure "B" is a summary of the Receipts and Payments for the period 19 June 2023 to 14 September 2023.

Creditors are advised pursuant to IPS 70-10(2) of the Corporations Act 2001 that the Liquidator's account of receipts and payments can be inspected at the offices of BRI Ferrier, Level 10, 45 William Street, Melbourne VIC 3000 during business hours.

4.2 RICHSTONE CONSTRUCTION SERVICES PTY LTD

Subsequent to our appointment, a notice was served to RCS's Director to prepare a Report on Company Activities and Property ("ROCAP").

The ROCAP lists RCS's assets and liabilities as at 19 June 2023, which was the date of the Liquidation. The ROCAP does not take into account the Liquidators' fees and disbursements, which rank as a priority under Section 556 of the Act.

A summary of the Director's ROCAP, our respective comments and Estimated Realisable Values (ERV) is below.

Annotated ROCAP	ROCAP Valuation (\$)	Estimated Realisable Value (\$)
ASSETS		
Cash at Bank / Cash on Hand	-	-
Tangible Assets	-	76,500
Total Assets	-	76,500
LIABILITIES		
<u>Secured Creditors</u>		
Swiss Re International Se	-	Uncertain
<u>Priority Creditors</u>		
Employee Entitlements	-	-
<u>Unsecured Creditors</u>		
Statutory Creditors	Uncertain	Uncertain
Trade Creditors	-	-
Related Party Creditors	-	Uncertain
	-	Uncertain
Total Liabilities	Uncertain	Uncertain
SURPLUS/DEFICIENCY	Uncertain	Uncertain

4.2.1 Assets

4.2.1.1 Cash at Bank

The Director disclosed in his ROCAP that RCS held bank accounts but did not provide any details.

Following our appointment, we wrote to the major banks and requested that they undertake a search of their records to locate any accounts held in the name of RCS, and to impose a freeze on the accounts to prevent any outward payments.

Based on our enquiries and the responses received to date, we have identified the following bank accounts in the name of RCS held with Australia and New Zealand Bank.

Account Name	Balance	As at
Australia and New Zealand Bank	\$(10.00)	22 June 2023

For the purposes of this Report, RCS's cash at bank is nil.

4.2.1.2 Tangible Assets

The records of RCS, in particular, relating to the purchase of its business and assets, suggests that it owns tangible assets in the amount of \$38,537 and consists of motor vehicles, heavy equipment and tools.

We note that our agents have realised tangible assets via public auction for \$84,150.

We note that the valuation undertaken prior to our appointment as Voluntary Administrators of the Richstone Group suggests that some assets remain unaccounted for and may remain on project sites. Our investigations with respect to the location of these assets are ongoing.

For the purposes of this Report, the value of RCS's tangible assets total at least \$76,500.

4.2.2 Liabilities

4.2.2.1 Secured Creditors

AFSA is the current responsible authority for the operation of the PPSR, a comprehensive nationwide register designed to facilitate the registration of security interests in personal property, pursuant to the PPSA.

The most fundamental premise of the legislation is the requirement that secured creditors register their security interests in order to enforce same in the event of insolvency.

A review of RCS's comprehensive PPSR records, maintained by AFSA, revealed that the following security interests were granted by RCS and registered as at the date our appointment:

Secured party	Registration No.	Collateral Class	Created On
Swiss Re International Se	202303300097707	All PAP	30/03/2023
	202303300097724	General Intangible	30/03/2023

Swiss Re International SE ("Swiss")

Immediately upon our appointment, we wrote to the secured party and requested details of their security interests.

On 12 August 2023, Swiss responded with a copy of its General Security Deed and Deed of Indemnity and Guarantee dated 6 April 2023. Swiss have advised that it is owed up to \$2.6 million with respect to performance bonds that it had issued to the Richstone Group.

We have not yet reached a conclusion with respect to the validity and enforceability of this security interest.

4.2.2.2 Priority Creditors

Creditors are advised that pursuant to Section 556 of the Act employees are afforded a priority over ordinary unsecured creditors of RCS for unpaid wages, superannuation contributions, annual leave, long service leave, pay in lieu of notice, and redundancy entitlements.

Furthermore, Section 556 of the Act states that related parties (including directors, shadow directors and their relatives) are only entitled to claim, as a priority, a maximum amount of \$2,000 in respect of unpaid wages and superannuation, and \$1,500 in respect of leave entitlements. In addition, redundancy entitlements of related parties are not entitled to rank as priority claims. Any amounts owed to related

parties in excess of these statutory limits will rank equally with all other ordinary unsecured claims and have been isolated as non-priority components.

Our investigations to date have not revealed any outstanding employee entitlements.

For the purposes of this Report, RCS's priority claims appear to be nil.

4.2.2.3 Statutory Claims

The Directors' ROCAP discloses it owes statutory debts but does not provide details.

The ATO has advised that it does not have a claim against RCS at this time, however, there may be a claim when the outstanding obligations are lodged and issued.

Subsequent to our appointment, we wrote to the State Revenue Office of Victoria. We note that we have not yet received a response with respect to outstanding payroll tax at this time.

For the purposes of this Report, RCS's statutory liabilities are uncertain.

4.2.2.4 Trade Creditors

The Director's ROCAP does not disclose any amounts outstanding to trade creditors.

To date, we have not received any claims from trade creditors.

For the purposes of this Report, RCS's trade creditors appear to be nil.

4.2.2.5 Related Party Creditors

The Director's ROCAP does not disclose any amounts outstanding to related party creditors.

Our review of the RCS records has not identified any liabilities owed to related parties. We refer to section 4.4.1.4 of this Report and note that RCS is owed \$10,994 with respect to an inter-group loan account. Our investigations with respect to this matter are ongoing.

For the purposes of this Report, the value of RCS's related party creditors appears to be uncertain.

4.2.3 Receipts and Payments

Enclosed as Annexure "B" is a summary of the Receipts and Payments for the period 19 June 2023 to 14 September 2023.

Creditors are advised pursuant to IPS 70-10(2) of the Corporations Act 2001 that the Liquidator's account of receipts and payments can be inspected at the offices of BRI Ferrier, Level 10, 45 William Street, Melbourne VIC 3000 during business hours.

4.3 RICHSTONE HOLDINGS PTY LTD

Subsequent to our appointment, a notice was served to RH's Director to prepare a Report on Company Activities and Property ("ROCAP").

The ROCAP lists the Company's assets and liabilities as at 19 June 2023, which was the date of the Liquidation. The ROCAP does not take into account the Liquidators' fees and disbursements, which rank as a priority under Section 556 of the Act.

A summary of the Director's ROCAP, our respective comments and Estimated Realisable Values (ERV) is below.

Annotated ROCAP	ROCAP Valuation (\$)	Estimated Realisable Value (\$)
ASSETS		
Total Assets	-	-
LIABILITIES		
<u>Secured Creditors</u>		
Swiss Re International Se	-	Uncertain
<u>Priority Creditors</u>		
Employee Entitlements	-	-
<u>Unsecured Creditors</u>		
Statutory Creditors	Uncertain	Uncertain
Trade Creditors	-	-
Related Party Creditors	-	-
	Uncertain	Uncertain
Total Liabilities	Uncertain	Uncertain
SURPLUS/DEFICIENCY	Uncertain	Uncertain

4.3.1 Assets

The Director's ROCAP discloses RH did not operate a bank account or own any assets.

Following our appointment, we wrote to the major banks and requested that they undertake a search of their records to locate any accounts held in the name of RH, and to impose a freeze on the accounts to prevent any outward payments.

Based on our enquires and the responses received to date, we have not identified any bank accounts in the name of RH.

Our investigations have not identified any assets owned by RH.

For the purposes of this Report, the value of RH's assets is nil.

4.3.2 Liabilities

4.3.2.1 Secured Creditors

AFSA is the current responsible authority for the operation of the PPSR, a comprehensive nationwide register designed to facilitate the registration of security interests in personal property, pursuant to the PPSA.

The most fundamental premise of the legislation is the requirement that secured creditors register their security interests in order to enforce same in the event of insolvency.

A review of the RH comprehensive PPSR records, maintained by AFSA, revealed that the following security interests were granted by RH and registered as at the date our appointment:

Secured party	Registration No.	Collateral Class	Created On
Swiss Re International Se	202303300097707	All PAP	30/03/2023
	202303300097724	General Intangible	30/03/2023

Swiss Re International SE (“Swiss”)

Immediately upon our appointment, we wrote to the secured party and requested details of their security interests.

On 12 August 2023, Swiss responded with a copy of its General Security Deed and Deed of Indemnity and Guarantee dated 6 April 2023. Swiss have advised that it is owed up to \$2.6 million with respect to performance bonds that it had issued to the Richstone Group.

We have not yet reached a conclusion with respect to the validity and enforceability of this security interest.

4.3.2.2 Priority Creditors

Creditors are advised that pursuant to Section 556 of the Act employees are afforded a priority over ordinary unsecured creditors of RH for unpaid wages, superannuation contributions, annual leave, long service leave, pay in lieu of notice, and redundancy entitlements.

Furthermore, Section 556 of the Act states that related parties (including directors, shadow directors and their relatives) are only entitled to claim, as a priority, a maximum amount of \$2,000 in respect of unpaid wages and superannuation, and \$1,500 in respect of leave entitlements. In addition, redundancy entitlements of related parties are not entitled to rank as priority claims. Any amounts owed to related parties in excess of these statutory limits will rank equally with all other ordinary unsecured claims and have been isolated as non-priority components.

Our investigations to date have not revealed any outstanding employee entitlements.

For the purposes of this Report, priority creditors appear to be nil.

4.3.2.3 Statutory Claims

The Directors’ ROCAP discloses RH owes statutory debts but does not provide details.

The ATO has advised that it does not have a claim against RH at this time, however, there may be a claim when the outstanding obligations are lodged and issued.

Subsequent to our appointment, we wrote to the State Revenue Office of Victoria. We note that we have not yet received a response with respect to outstanding payroll tax at this time.

For the purposes of this Report, RH’s statutory liabilities are uncertain.

4.3.2.4 Trade Creditors

The Director’s ROCAP does not disclose any amounts outstanding to trade creditors.

To date, we have not received any claims from trade creditors.

For the purposes of this Report, RH's trade creditors appear to be nil.

4.3.2.5 Related Party Creditors

The Director's ROCAP does not disclose any amounts outstanding to related party creditors.

Our review of the RH records has not identified any liabilities owed to related parties.

For the purposes of this Report, RH's related party creditors appear to be nil.

4.3.3 Receipts and Payments

Enclosed as Annexure "B" is a summary of the Receipts and Payments for the period 19 June 2023 to 14 September 2023.

Creditors are advised pursuant to IPS 70-10(2) of the Corporations Act 2001 that the Liquidator's account of receipts and payments can be inspected at the offices of BRI Ferrier, Level 10, 45 William Street, Melbourne VIC 3000 during business hours.

4.4 RICHSTONE VICTORIA PTY LTD

Subsequent to our appointment, a notice was served to RV's Director to prepare a Report on Company Activities and Property ("ROCAP").

The ROCAP lists RV's assets and liabilities as at 19 June 2023, which was the date of the Liquidation. The ROCAP does not take into account the Liquidators' fees and disbursements, which rank as a priority under Section 556 of the Act.

A summary of the Director's ROCAP, our respective comments and Estimated Realisable Values (ERV) is below.

Annotated ROCAP	ROCAP Valuation (\$)	Estimated Realisable Value (\$)
ASSETS		
Cash at Bank / Cash on Hand	50,000	50,080
Tangible Assets	75,000	27,990
Debtors	113,000	Uncertain
Related Party Debtors	Uncertain	Uncertain
Total Assets	238,000	78,070
LIABILITIES		
<u>Secured Creditors</u>		
Timelio	310,000	319,720
Other Security Interest Holders	Uncertain	Uncertain
<u>Priority Creditors</u>		
Employee Entitlements	Uncertain	1,620,159
<u>Unsecured Creditors</u>		
Statutory Creditors	1,300,000	1,507,800
Trade Creditors	485,682	565,891
Related Party Creditors	-	-
	1,785,682	2,073,691
Total Liabilities	2,095,682	4,013,570
SURPLUS/DEFICIENCY	(1,785,682)	(3,935,500)

4.4.1 Assets

4.4.1.1 Cash at Bank

The Director disclosed in his ROCAP that RV held bank accounts with cash at bank of approximately \$50,000.

Following our appointment, we wrote to the major banks and requested that they undertake a search of their records to locate any accounts held in the name of RV, and to impose a freeze on the accounts to prevent any outward payments.

Based on our enquiries and the responses received to date, we have identified the following bank accounts in the name of RV:

Account Name	Balance	As at
Australia and New Zealand Bank ("ANZ")	\$50,089	20 June 2023
Commonwealth Bank of Australia ("CBA")	\$0	5 June 2023

On 28 June 2023, we requested that the balance of the ANZ account to be remitted to our Liquidators' bank account.

To date, we have received cash at bank of \$50,080 from ANZ after it deducted its fees with respect to remitting the balance to our Liquidators' RV bank account.

We note the CBA account was closed on 5 June 2023, prior to our appointment as Liquidators.

For the purposes of this Report, RV's cash at bank totals \$50,080.

4.4.1.2 Tangible Assets

The Director's ROCAP disclosed that RV owned tangible assets with an estimated value of \$75,000 to \$150,000.

We note that the RV tangible assets consist of office equipment, motor vehicles and tools. We note that the valuation undertaken prior to our appointment as Voluntary Administrator of Richstone Plumbing Pty Ltd suggests that these assets have a value of approximately \$50,00.

To date, our agents have realised the tangible assets of RV via public auction for \$27,990. We note that assets included in the Director's ROCAP for RV appear to have been purchased by RCS and RSG.

We note that the valuation undertaken prior to our appointment as Voluntary Administrators of the Richstone Group suggests that some assets remain unaccounted for and may remain on project sites. Our investigations with respect to the location of these assets are ongoing.

For the purposes of this Report, RV's tangible assets total \$27,990.

4.4.1.3 Debtors and Retentions

The Director's ROCAP reports the estimated realisable value of debtors and retentions as \$113,000.

The records of RV also identify outstanding debtors totalling approximately \$217,400 with respect to non-contract works.

A summary is provided below:

Progress Claims

The RV records identify the following progress claims relating to contract works as being outstanding:

Debtors	Amount (\$)
Built	168,104
Crema	14,057
Crema	211,086
Crema	76,312
Hickory	169,361
Bujar	212,300
	851,220

We advise that progress claims totalling approximately \$381,500 were remitted to RV prior to our appointment as Liquidators but were not updated in the RV accounts.

We refer to the balance of the progress claims and that the builders have submitted liquidated damages and/or counter claims.

Our solicitors are reviewing the validity of these counter claims and we advise that these matters are ongoing.

Retentions

The RV records identify the following retentions as being accrued and due to be released at practical completion and/or the lapsing of the defect liability period:

Retentions	Amount (\$)
Built	171,878
Hickory	17,107
Hickory	8,097
	197,082

We have provided Deeds of Releases with respect to retentions totalling approximately \$25,200 and expect payment to be remitted in due course.

We refer to the balance of the retentions and that the builders have submitted liquidated damages and/or counter claims.

Our solicitors are reviewing the validity of these counter claims and we advise that these matters are ongoing.

Non-Contract Work Debtors

Our investigations have identified outstanding invoices totalling approximately \$217,400 with respect to non-contract works undertaken by RV, such as Occupational Health & Safety inspections and design works.

Subsequent to our appointment, we wrote to these debtors requesting payment. To date, we have received \$8,641 to our Liquidators' RV bank account from non-contract work debtors and advise that this matter is ongoing.

I refer to section 4.4.2.1 of this Report and note that these debtors do not appear to be subject to Timelio's security interest with respect to debtor factoring.

For the purposes of this Report, the estimated realisable value of the RV's debtors and retentions are uncertain and are subject to recovery procedures.

4.4.1.4 Related Party Debtors

Our review of the RV records has identified the below related party debtor loan accounts as being owed to RV. A summary of our findings to date is provided below:

Related Party	Amount
Richstone Plumbing	\$775,414.03
RSG Business Services	\$5,951.60
Modular Design	\$7,620.38
RSG Corporate Services	\$509,142.90
MPS Victoria	\$218,779.02
Richstone Equipment Hire	\$10,994

- **Richstone Plumbing (“RP”)**

The RV financial statements reveal RP as a related party debtor in the amount of \$775,414.03.

The transaction account suggests that RV paid pre-appointment compliance liabilities of RP including superannuation and Incolink contributions in order to continue the operation of its acquired business.

We note that RP is subject to Liquidation and a return to unsecured creditors is uncertain. For the purpose of this Report, the estimated realisable value of the RP debtor loan account is nil.

- **RSG Business Services (“RSGBS”)**

The RV financial statements reveal RSGBS as a related party debtor in the amount of \$5,951.

The loan transaction account reveals that the debtor loan account consists of one (1) payment to RSGBS on 14 March 2023 but does not provide further details with respect to the purpose of this payment.

We note that RSGBS is subject to Liquidation and a return to unsecured creditors is not expected. For the purpose of this Report, the estimated realisable value of the RSGBS debtor loan account is nil.

- **Modular Design (“MD”)**

The RV financial statements reveal MD as a related party debtor in the amount of \$7,620.38.

The loan transaction account reveals that the debtor loan account consists of two (2) payments to MD in March 2023 but does not provide further details with respect to the purpose of these payments.

Our investigations with respect to the recovery of the MD loan account are ongoing and the estimated realisable value of this debtor loan account is uncertain.

- **RSG Corporate Services (“RSG”)**

The RV financial statements reveal RSG as a related party debtor in the amount of \$509,142.

The loan transaction account suggests that RV paid liabilities on behalf of RSG.

We note that RSG is subject to Liquidation and a return to unsecured creditors is not expected. For the purpose of this Report, the estimated realisable value of the RSG debtor loan account is nil.

- **MPS Victoria (“MPS”)**

The RV financial statements reveal MPS as a related party debtor in the amount of \$218,779.

The loan transaction account suggests that RV paid liabilities on behalf of MPS.

We note that MPS is subject to Liquidation and a return to unsecured creditors is not expected. For the purpose of this Report, the estimated realisable value of the MPS debtor loan account is nil.

- **Richstone Equipment Hire (“REH”)**

The RV financial statements reveal REH as a related party debtor in the amount of \$10,994.

We note that Richstone Plumbing VIC Pty Ltd in its own right and ATF Richstone Equipment Hire Trust was the asset owning entity within the Richstone Group and sold a majority of its assets to RCS.

Our preliminary investigations suggests that these payments relate to liabilities of RCS.

4.4.2 Liabilities

4.4.2.1 Secured Creditors

AFSA is the current responsible authority for the operation of the PPSR, a comprehensive nationwide register designed to facilitate the registration of security interests in personal property, pursuant to the PPSA.

The most fundamental premise of the legislation is the requirement that secured creditors register their security interests in order to enforce same in the event of insolvency.

A review of RV's comprehensive PPSR records, maintained by AFSA, revealed that the following security interests were granted by RV and registered as at the date our appointment:

Secured party	Registration No.	Collateral Class	Created On
BOC Limited	202305010005579	Other Goods	01/05/2023
Drillcut Pty Ltd	202305090003919	Other Goods	09/05/2023
Fleet Partners Pty Ltd	202305230021874	Other Goods	23/05/2023
	202305230021888	Other Goods	23/05/2023
Hilti (Aust.) Pty Ltd	202305220072726	Other Goods	22/05/2023
Oak Capital Wholesale Fund Pty Ltd	202303300096825	All PAP	30/03/2023
Site Safe (VIC) Pty Ltd	202303230032373	Other Goods	23/03/2023
Swiss Re International Se	202303300097707	All PAP	30/03/2023
	202303300097724	General Intangible	30/03/2023
Timelio Pty Ltd	202303230017346	Account	23/03/2023
	202303230017403	All PAP	23/03/2023
	202303230017950	Other Goods	23/03/2023

Immediately upon our appointment, we wrote to the secured parties and requested details of their security interests.

- Timelio Pty Ltd

The PPSR reveals that Timelio has registered an All Present and After Acquired Property ("All-PAAP") against RV and one (1) non-circulating security interest with respect to present and future debtor accounts.

Timelio has provided documentation that appears to support its right to register security interests against RV and have advised that they are owed \$319,720.56 with debtors factored under its facility.

We note that Timelio appears to have a first ranking All-PAAP security interest against the property of RV.

For the purposes of this Report, Timelio's claim is \$319,720.

- **Oak Capital Wholesale Fund Pty Ltd (“OC”)**

The PPSR reveals that OC has registered an All Present and After Acquired Property (“All-PAAP”) against the assets of RV in its capacity as guarantor to a loan to Richstone Business Services Pty Ltd.

OC has provided us with documentation to support its claim and appear to have a valid security interest.

OC has advised that it is owed \$4,787,177, excluding enforcement and legal costs. We note that OC appears to have a second ranking All-PAAP security interest against the property of RV.

For the purposes of this Report, OC’s claim is \$4,787,177.

- **Swiss Re International SE (“Swiss”)**

The PPSR reveals that Swiss has an All-PAAP as well as a general intangible collateral security interest registered against RV.

On 12 August 2023, Swiss responded with a copy of its General Security Deed and Deed of Indemnity and Guarantee dated 6 April 2023. Swiss have advised that it is owed up to \$2.6 million with respect to performance bonds that it had issued to the Richstone Group.

We have not yet reached a conclusion with respect to the validity and enforceability of this security interest.

We note that Swiss’s All-PAAP will likely rank behind the claims of Timelio and OC should it be deemed to be valid.

- **Fleet Partners Pty Ltd (“FP”)**

The PPSR reveals that FP has two (2) security interests registered against the property of RV.

FP has confirmed that they do not have any outstanding debts owed by RV and have discharged their security interests.

- **Site Safe (VIC) Pty Ltd (“SS”)**

The PPSR reveals that FP has one (1) security interest registered against the property of RV.

SS has provided us with documentation that does not appear to support its right to register a security interest against the property of SS.

We note that SS’s claim of \$1,226 will rank as unsecured claim against RV.

We have not yet received a response from the following secured creditors:

- ▲ BOC Limited
- ▲ Drillcut Pty Ltd
- ▲ Hilti (Aust.) Pty Ltd

4.4.2.2 Priority Creditors

Creditors are advised that pursuant to Section 556 of the Act employees are afforded a priority over ordinary unsecured creditors of RV for unpaid wages, superannuation contributions, annual leave, long service leave, pay in lieu of notice, and redundancy entitlements.

Furthermore, Section 556 of the Act states that related parties (including directors, shadow directors and their relatives) are only entitled to claim, as a priority, a maximum amount of \$2,000 in respect of unpaid wages and superannuation, and \$1,500 in respect of leave entitlements. In addition, redundancy entitlements of related parties are not entitled to rank as priority claims. Any amounts owed to related parties in excess of these statutory limits will rank equally with all other ordinary unsecured claims, and have been isolated as non-priority components.

The Director's ROCAP did not disclose details of outstanding employee entitlements.

Our review of RV's books and records reveals that priority employee entitlements consist of:

Entitlements	Total (\$)
Superannuation Guarantee Charge	396,089.31
Unpaid Wages	471,807.50
Annual Leave (plus loading)	752,262.21
TOTAL	1,620,159.02

Superannuation

The records of RV disclose outstanding superannuation of \$396,089 at the date of our appointment as Liquidators.

In accordance with Section 52 of the Superannuation Guarantee (Administration) Act 1992, any claim received from the ATO in relation to these amounts has a priority equal to the debts referred to in Section 556(1)(e) of the Act in the event that a distribution is made, i.e. it is treated as a priority equal to wages.

Fair Entitlement Guarantee ("FEG")

Employees are eligible to apply to the Federal Government, which has established a safety net scheme known as the Fair Entitlement Guarantee ("FEG"), for payment of their outstanding entitlements in these circumstances.

The scheme is administered by the Department of Employment & Workplace Relations for eligible employees who have been terminated as a result of their employer's insolvency and are owed entitlements.

In order for an employee to be eligible to claim outstanding entitlements under FEG, they must meet one of the following conditions:

- ▲ The employee is terminated upon the appointment of an insolvency practitioner; or
- ▲ The employee is terminated by the company within six (6) months of the appointment of an insolvency practitioner.

Employees may submit claims in respect of the following entitlements, provided they are entitled to claim under their respective industrial instrument, contract of employment or by any other means:

- ▲ Up to three months unpaid wages for the period prior to our appointment;
- ▲ Unpaid annual leave and long service leave;
- ▲ Up to a maximum of five weeks unpaid payment in lieu of notice;

- ▲ Up to a maximum of four weeks redundancy entitlement for each completed year of service.

In calculating employee entitlements payable under the scheme, the maximum annual wage applies.

FEG will not cover:

- ▲ Outstanding superannuation entitlements;
- ▲ Entitlements such as rostered days off unless the relevant legislation, award, statutory agreement or written contract of employment provides they are payable upon termination of employment; and
- ▲ Employee entitlements of the Director and related party creditors.

To date, we have provided the verification data to FEG with respect to one hundred and twenty-eight (128) claims. I note that the adjudication of FEG claims is ongoing, in particular, the balance of employees' annual leave as at the date of our appointment as Liquidators.

For the purposes of this Report, we have attributed a value of \$1,620,159 with respect to RV's priority claims.

4.4.2.3 Statutory Claims

The Directors' ROCAP discloses RV owes statutory debts of approximately \$1.3 million.

The ATO has submitted a formal proof of debt in the amount of \$1,507,800 with respect to GST and PAYG liabilities.

Subsequent to our appointment, we wrote to the State Revenue Office of Victoria. We note that we have not yet received a response with respect to outstanding payroll tax at this time.

For the purposes of this Report, RV's statutory liabilities are \$1,507,800.

4.4.2.4 Trade Creditors

The Director's ROCAP details nineteen (19) trade creditors owed \$485,681.

We have also received three (3) claims totalling \$80,210 from creditors that are not present on the ROCAP.

We refer to section 4.4.2.1 of this Report and note that the unperfected security interest holder's debt likely ranks as unsecured claim totalling \$1,226.

As not all creditors have submitted Formal Proof of Debts to this office, the total amount of creditor claims may change upon receipt of such claims.

For the purposes of this Report, RV's trade creditors total at least \$565,891.

4.4.2.5 Related Party Creditors

The Director's ROCAP does not disclose any amounts outstanding to related party creditors.

Our review of the RV records have not identified any liabilities owed to related parties.

For the purposes of this Report, related party creditors appear to be nil.

4.4.3 Receipts and Payments

Enclosed as Annexure “B” is a summary of the Receipts and Payments for the period 19 June 2023 to 14 September 2023.

Creditors are advised pursuant to IPS 70-10(2) of the Corporations Act 2001 that the Liquidator’s account of receipts and payments can be inspected at the offices of BRI Ferrier, Level 10, 45 William Street, Melbourne VIC 3000 during business hours.

4.5 RSG CORPORATE SERVICES PTY LTD

Subsequent to our appointment, a notice was served to RSG’s Director to prepare a Report on Company Activities and Property (“ROCAP”).

The ROCAP lists RSG’s assets and liabilities as at 19 June 2023, which was the date of the Liquidation. The ROCAP does not take into account the Liquidators’ fees and disbursements, which rank as a priority under Section 556 of the Act.

A summary of the Director’s ROCAP, our respective comments and Estimated Realisable Values (ERV) is below.

Annotated ROCAP	ROCAP Valuation (\$)	Estimated Realisable Value (\$)
ASSETS		
Cash at Bank / Cash on Hand	-	220
Assets Subject to Security Interests	-	11,421
Other Tangible Assets	-	53,800
Total Assets	-	65,441
LIABILITIES		
<u>Secured Creditors</u>		
Swiss Re International Se	-	Uncertain
<u>Priority Creditors</u>		
Employee Entitlements	-	524,961
<u>Unsecured Creditors</u>		
Statutory Creditors	150,000	141,502
Trade Creditors	-	-
Related Party Creditors	-	Uncertain
	150,000	141,502
Total Liabilities	150,000	666,463
SURPLUS/DEFICIENCY	(150,000)	(601,022)

4.5.1 Assets

4.5.1.1 Cash at Bank

The Director disclosed in his ROCAP that RSG held bank accounts but did not provide any details.

Following our appointment, we wrote to the major banks and requested that they undertake a search of their records to locate any accounts held in the name of RSG, and to impose a freeze on the accounts to prevent any outward payments.

Based on our enquiries and the responses received to date, we have identified the following bank accounts in the name of RSG held Australia and New Zealand Bank.

Account Name	Balance	As at
Australia and New Zealand Bank ("ANZ")	\$230	19 June 2023

On 5 July 2023, we requested that the balance of the ANZ account to be remitted to our Liquidators' bank account.

To date, we have received cash at bank of \$220 from ANZ after it deducted its fees with respect to remitting the balance to our Liquidators' RSG bank account.

For the purposes of this Report, RSG's cash at bank totals \$220.

4.5.1.2 *Assets subject to security interest.*

The records of RSG, in particular relating to the purchase of its business and assets, suggests that it owns four (4) motor vehicles subject to security interests. We note that these Purchase Money Security Interests were registered against the Richstone Group and remained attached to the collateral subsequent to the sale of the business and assets of the Richstone Group.

We note that two (2) Holden Colorado utes, subject to a Capital Finance security interest and a BoQ security interest, have not yet been recovered. We understand that these vehicles may be located on project sites but we have been unable to confirm same.

We have realised an excavator subject to a BoQ security interest, with a payout of \$24,974, via public auction for \$30,250. We have also realised an excavator subject to a Westpac security interest, with a payout of \$46,355, via public auction for \$52,500.

We confirm that the security interests were paid out subsequent to us receiving the sale proceeds from our agents and that a surplus of \$11,421 is available to the Liquidation of RSG.

4.5.1.3 *Other Tangible Assets*

The records of RSG identified an unencumbered flatbed truck.

We note that this asset was realised at public auction for approximately \$53,800 before agents costs and commissions.

We note that the valuation undertaken prior to our appointment as Voluntary Administrators of the Richstone Group suggests that some assets remain unaccounted for and may remain on project sites. Our investigations with respect to the location of these assets are ongoing.

We are not aware of any other tangible assets for RSG.

4.5.2 Liabilities

4.5.2.1 Secured Creditors

AFSA is the current responsible authority for the operation of the PPSR, a comprehensive nationwide register designed to facilitate the registration of security interests in personal property, pursuant to the PPSA.

The most fundamental premise of the legislation is the requirement that secured creditors register their security interests in order to enforce same in the event of insolvency.

A review of RSG's comprehensive PPSR records, maintained by AFSA, revealed that the following security interests were granted by RSG and registered as at the date our appointment:

Secured party	Registration No.	Collateral Class	Created On
Swiss Re International Se	202303300097707	All PAP	30/03/2023
	202303300097724	General Intangible	30/03/2023

- Swiss Re International SE ("Swiss")

Immediately upon our appointment, we wrote to the secured party and requested details of their security interests.

On 12 August 2023, Swiss responded with a copy of its General Security Deed and Deed of Indemnity and Guarantee dated 6 April 2023. Swiss have advised that it is owed up to \$2.6 million with respect to performance bonds that it had issued to the Richstone Group.

We have not yet reached a conclusion with respect to the validity and enforceability of this security interest.

4.5.2.2 Priority Creditors

Creditors are advised that pursuant to Section 556 of the Act employees are afforded a priority over ordinary unsecured creditors of the RSG for unpaid wages, superannuation contributions, annual leave, long service leave, pay in lieu of notice, and redundancy entitlements.

Furthermore, Section 556 of the Act states that related parties (including directors, shadow directors and their relatives) are only entitled to claim, as a priority, a maximum amount of \$2,000 in respect of unpaid wages and superannuation, and \$1,500 in respect of leave entitlements. In addition, redundancy entitlements of related parties are not entitled to rank as priority claims. Any amounts owed to related parties in excess of these statutory limits will rank equally with all other ordinary unsecured claims, and have been isolated as non-priority components.

Our review of RSG's books and records reveals that priority employee entitlements consist of:

Entitlements	Total (\$)
Superannuation Guarantee Charge	53,177.94
Unpaid Wages	69,447.79
Annual Leave (plus loading)	186,423.33
Long Service Leave	215,912.05
TOTAL	524,961.11

Superannuation

The RSG records disclose the outstanding superannuation owed was \$53,177 at the date of our appointment as Liquidators.

In accordance with Section 52 of the Superannuation Guarantee (Administration) Act 1992, any claim received from the ATO in relation to these amounts has a priority equal to the debts referred to in Section 556(1)(e) of the Act in the event that a distribution is made, i.e. it is treated as a priority equal to wages.

Fair Entitlement Guarantee ("FEG")

Employees are eligible to apply to the Federal Government, which has established a safety net scheme known as the Fair Entitlement Guarantee ("FEG"), for payment of their outstanding entitlements in these circumstances.

The scheme is administered by the Department of Employment & Workplace Relations for eligible employees who have been terminated as a result of their employer's insolvency and are owed entitlements.

In order for an employee to be eligible to claim outstanding entitlements under FEG, they must meet one of the following conditions:

- ▲ The employee is terminated upon the appointment of an insolvency practitioner; or
- ▲ The employee is terminated by the company within six (6) months of the appointment of an insolvency practitioner.

Employees may submit claims in respect of the following entitlements, provided they are entitled to claim under their respective industrial instrument, contract of employment or by any other means:

- ▲ Up to three months unpaid wages for the period prior to our appointment;
- ▲ Unpaid annual leave and long service leave;
- ▲ Up to a maximum of five weeks unpaid payment in lieu of notice;
- ▲ Up to a maximum of four weeks redundancy entitlement for each completed year of service.

In calculating employee entitlements payable under the scheme, the maximum annual wage applies.

FEG will not cover:

- ▲ Outstanding superannuation entitlements;
- ▲ Entitlements such as rostered days off unless the relevant legislation, award, statutory agreement or written contract of employment provides they are payable upon termination of employment; and
- ▲ Employee entitlements of the Director and related party creditors.

To date, we have provided the verification data for fourteen (14) claims to FEG. I note that the verification of the FEG claims is ongoing.

For the purposes of this Report, we have attributed a value of \$524,961 with respect to RSG's priority creditors.

4.5.2.3 Statutory Claims

The Director's ROCAP discloses that RSG owes statutory debts in the amount of approximately \$150,000.

The ATO has submitted a formal proof of debt in the amount of \$141,501 with respect to GST and PAYG liabilities.

Subsequent to our appointment, we wrote to the State Revenue Office of Victoria. We note that we have not yet received a response with respect to outstanding payroll tax at this time.

For the purposes of this Report, RSG's statutory liabilities are \$141,502.

4.5.2.4 Trade Creditors

The Director's ROCAP does not disclose any amounts outstanding to trade creditors.

To date, we have not received any claims from trade creditors.

For the purposes of this Report, trade creditors appear to be nil.

4.5.2.5 Related Party Creditors

The Director's ROCAP does not disclose any amounts outstanding to related party creditors.

Our review of the RSG records have not identified any liabilities owed to related parties. We refer to section 4.4.1.4 of this Report and note that RV is owed \$509,142 with respect to an inter-group loan account. Our investigations with respect to this matter are ongoing.

For the purposes of this Report, the value of RSG's related party creditors appear to be uncertain.

4.5.3 Receipts and Payments

Enclosed as Annexure "B" is a summary of the Receipts and Payments for the period 19 June 2023 to 14 September 2023.

Creditors are advised pursuant to IPS 70-10(2) of the Corporations Act 2001 that the Liquidator's account of receipts and payments can be inspected at the offices of BRI Ferrier, Level 10, 45 William Street, Melbourne VIC 3000 during business hours.

5 INVESTIGATIONS AND INSOLVENT TRANSACTIONS

In accordance with Section 533 of the Act, I am required to lodge a report to ASIC regarding whether a person who has taken part in the formation, promotion, administration, management or winding up of the company may have misapplied or retained any money or property of the company or may have been guilty of any negligence, default, breach of duty or breach of trust in relation to the Company.

Our investigations have involved:

- ▲ Correspondence with the Director and external accountants;
- ▲ Review of management reports extracted from the Companies' accounting system;
- ▲ Review of records held by the Companies;
- ▲ Review of publicly available documents regarding the Companies, including records maintained by the ASIC, AFSA, the Victorian Land Titles Office, and VicRoads;
- ▲ Liaised with the Sheriff's Office in relation to any warrant issued against the Companies;

- Conducted ASIC's Money Smart and State Revenue Office searches to determine whether there is any unclaimed money held in the name of the Companies; and
- Review of information supplied by creditors of the Companies.

Our investigations pursuant to Section 533 of the Act are continuing, however, the findings of our preliminary investigations are set out below.

5.1 VOIDABLE TRANSACTION CLAIMS

5.1.1 Uncommercial Transactions / Unreasonable Director Related Transactions

A transaction of the company is an uncommercial transaction where a reasonable person in the company's circumstances would not have entered into the transaction having regard to the benefits flowing to the company, or the detriment suffered by the company, and the respective benefits flowing to other parties to the transaction from entering into the transaction.

To void an uncommercial transaction, a Liquidator must prove the following elements:

- a transaction was entered into;
- there was no benefit to, or there was a detriment to, the company by entering into the transaction;
- it occurred at a time when the company was insolvent; and
- the party suspected or should have suspected that the company was insolvent at the time of the transaction.

A transaction is considered to be an unreasonable director related transaction if it involves:

- a payment made by the company; or
- a conveyance, transfer or other disposition by the company of property of the company; or
- the issue of securities by the company; or
- the incurring by the company of an obligation to make such a payment, disposition or issue, including contingent obligations;

to a director, a shadow director or an associate of a director (or to a person on behalf of, or for the benefit of either), where a reasonable person would not have entered into the transaction having regard to the benefit of the Company entering into the transaction and/or the detriment to the Company arising from the transaction.

We note that our preliminary investigations have not identified any uncommercial transactions in relation to MPS, RCS, RH, RV and RSG.

5.1.2 Unfair Loans

A loan to the company may be deemed unfair if the interest on a loan, or the charges on a loan, were initially extortionate, or, subsequently became extortionate because of a variation to the loan. In considering whether interest and charges are extortionate, regard must be had to conditions available in the market generally and:

- ▲ the risk to which the lender was exposed,
- ▲ the value of any security undertaken in respect of the loan,
- ▲ the term of the loan,
- ▲ the repayment schedule, and
- ▲ the reasonableness of any subsequent variations to the loan.

We note that our preliminary investigations have not identified any unfair loans in relation to MPS, RCS, RH, RV and RSG.

5.1.3 Unfair Preferences

A Liquidator can seek repayment from creditors whose debts have been paid at a time when the company was insolvent, where that creditor has received more than they would have if the company had been wound up and the creditor proved in the Liquidation.

The creditor may defend such a claim by proving that it received the subject payment in good faith, for valuable consideration, and without suspecting or having grounds to suspect that the company was insolvent.

In summary there are four (4) criterion of a preference payment, being:

1. The creditor and the Company must be both parties to the transaction;
2. The creditor received more than they would have if the transaction were set aside and the creditor were to prove for their debt in the winding up of the Company;
3. The creditor had knowledge of the Company's insolvency at the time the transaction was entered into; and
4. The Company was insolvent when the transaction was entered into.

Furthermore, only payments made within six months before the relation back date (in this case being 30 September 2022 to 31 March 2023) are normally recoverable. In any case, allowance must be made for the "ultimate effect" of the payment, so that, where the payment has secured further supply, the value of that supply is deducted from the payment to determine the net preferential effect.

We note that our preliminary investigations have not identified any unfair preferences in relation to MPS, RCS, RH, RV and RSG.

5.1.4 Insolvent Trading

A Liquidator or creditor may pursue a claim against a director for the loss suffered by creditors resulting from the director allowing the company to incur a debt which is not later repaid, at a time when the company is insolvent, or when the director suspects, or should have suspected the insolvency.

A director can defend insolvent trading claims by showing that they had reasonable grounds to expect the debt would be paid, or that they relied on others who informed them that debts would be paid.

In deciding whether to commence an insolvent trading action against a director, a Liquidator needs to:

- ▲ gather evidence that supports the claim;
- ▲ have sufficient funds available to commence and prosecute an action to its conclusion; and
- ▲ be confident that in circumstances where judgment is obtained, the director have the wherewithal to satisfy such judgment.

In the case of *ASIC v Plymin* (46 ACSR 126 at 214-5) the Court identified the following widely cited indicators that may lead to a conclusion that a Company's insolvency may not be far off:

- a) a history of continuing losses
- b) liquidity ratios falling below one (1)
- c) overdue taxes
- d) a poor relationship with its present bank, including inability to borrow further funds
- e) inability to raise further funds from existing or new shareholders
- f) no access to alternative finance and an inability to raise further equity capital
- g) suppliers placing the Company on COD, or demanding special payments before resuming supply
- h) creditors remaining unpaid outside trading terms
- i) post-dated cheques being issued
- j) cheques being dishonoured
- k) special arrangements with selected creditors
- l) solicitors' letters, summonses, judgments or warrants being issued against the Company
- m) payments to creditors of rounded sums not reconcilable to specific invoices
- n) an inability to produce timely and accurate financial information to demonstrate its trading performance and financial position, and to make reliable forecasts.

Based on our investigations to date, the Companies operated in a group structure and some entities were significantly dependent on other entities within the group. For the purposes of this Report, we have analysed the solvency position of each of the Companies.

Working Capital Analysis

Working Capital represents a company's operating liquidity which is measured by deducting a company's current liabilities from its current assets. A negative Working Capital indicates that a company did not have sufficient current assets (for example, cash) to pay short-term debts.

Our working capital analysis is based on the available management accounts provided to us. Please see Annexure "A" of this Report for summaries of the management accounts.

We note that RSG and MPS appear to have had inadequate working capital from at least March 2023.

We note that RV's financial statements suggest that it had inadequate working capital from at least June 2023.

We note that RCS and RH did not maintain financial records and did not appear to trade in their own right.

Overdue Statutory Obligations

MPS, RV and RSG incurred substantial statutory debts owing to the ATO. Our investigations to date suggest that these entities incurred BAS and PAYG liabilities of approximately \$1.7 million from March 2023 to the date of our appointment as Liquidators.

Summary

Based on the above, our preliminary view is that RP, MPS and RSG appear to have experienced financial difficulties from at least March 2023 and have incurred debts of approximately \$2.7 million, summarised below:

- ▲ MPS appears to have incurred debts of approximately \$120,000 during the period it traded whilst insolvent.
- ▲ RV appears to have incurred debts of approximately \$2.3 million during the period it traded whilst insolvent.
- ▲ RSG appears to have incurred debts of \$286,000 during the period it traded whilst insolvent.
- ▲ With respect to RCS and RH, given the limited trading of these entities, there does not appear to be any insolvent trading claims to pursue.

6 LIKELIHOOD OF A DIVIDEND BEING PAID IN THE LIQUIDATION

We refer you to the Estimated Outcome Statement attached as Annexure "C" which provides the estimated return to creditors in each of the entities of the Companies.

We note that the return to ordinary priority and unsecured creditors will be dependent on the value and validity of secured creditor claims.

7 REMUNERATION OF THE LIQUIDATOR

A Remuneration Request Approval Report is enclosed as Annexure "D" for each of the Companies. We are unable to pay our remuneration without the approval of creditors (either by a proposal without a meeting, or by a meeting) or alternatively, by an application to the Court.

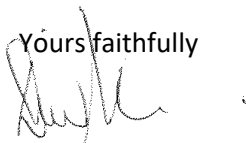
To participate in voting, please provide us with a Proof of Debt detailing your claim as a creditor. A Proof of Debt Form is enclosed as Annexure "E". If you have previously provided a Proof of Debt and wish to supplement it, you may do so. Otherwise, creditors **are not required** to re-submit a Proof of Debt.

In the interests of keeping costs to a minimum, we are seeking approval of my remuneration by a proposal without a meeting. Proposal without meeting forms are enclosed for each resolution sought and are marked as Annexure "F", Annexure "G", Annexure "H" and Annexure "I". The Proposal Without a Meeting forms must be returned to this office before **4.00PM AEST, Tuesday, 17 October 2023** for your vote to count.

Information about passing resolutions without a meeting and a proposal form is included with this Report as Annexure "J".

Should you have any questions concerning this Report, please contact this office on (03) 9622 1800.

Yours faithfully



DAVID COYNE

Joint and Several Liquidator

Annexure "A"

Financial Summaries

Please find enclosed Income Statement Summary and Financial Position Summary for:

- MPS Victoria Pty Ltd (In Liquidation);
- Richstone Victoria Pty Ltd (In Liquidation); and
- RSG Corporate Services Pty Ltd (In Liquidation).

Annexure "A"
Summaries of Financial Statements

MPS - Financial Summaries

Financial Performance

Income Statement Summary				
	Jun-23	May-23	Apr-23	Mar-23
<u>Income</u>				
Total Income	-	-	-	-
Less: Cost of Sales	-	855	-	-
Gross Profit	-	(855)	-	-
<u>Expenses</u>				
Operating Expenses	25,530	132,032	94,867	72,356
Total Expenses	25,530	132,032	94,867	72,356
NET PROFIT/(LOSS)	(25,530)	(132,887)	(94,867)	(72,356)

Financial Position

Balance Sheet Summary				
	19-Jun-23	31-May-23	30-Apr-23	31-Mar-23
ASSETS				
<u>Current Assets</u>				
Cash & Cash Equivalents	(236,681)	(219,654)	(128,311)	(52,663)
Total Current Assets	(236,681)	(219,654)	(128,311)	(52,663)
<u>Non-Current Assets</u>				
	-	-	-	-
Total Non-Current Assets	-	-	-	-
TOTAL ASSETS	(236,681)	(219,654)	(128,311)	(52,663)
<u>LIABILITIES</u>				
<u>Current Liabilities</u>				
Accounts Payable	65,400.19	47,323.86	29,705.00	13,043
Super Annuation Payable	10,368.06	19,828.77	8,806.05	6,649.28
Other Payroll Liabilities	13,189	13,303	400	-
Total Current Liabilities	88,957	80,455	38,911	19,692
<u>Non-Current Liabilities</u>				
	-	-	-	-
Total Non-Current Liabilities	-	-	-	-
TOTAL LIABILITIES	88,957	80,455	38,911	19,692
NET ASSETS	(325,639)	(300,109)	(167,222)	(72,356)

Annexure "A"
Summaries of Financial Statements

RV - Financial Summaries

Financial Performance

Income Statement Summary				
	Jun-23	May-23	Apr-23	Mar-23
Income				
Total Income	267,440	774,288	2,687,274	3,524,583
Less: Cost of Sales	4,670	52,241	564,796	455,577
Gross Profit	262,769	722,046	2,122,478	3,069,005
Expenses				
Operating Expenses	166,728	127,090	300,047	488,466
Employment Expenses	378,430	2,016,979	1,550,998	1,095,166
Other Expenses	-	26,158	1,463	-
Total Expenses	545,158	2,170,226	1,852,507	1,583,632
NET PROFIT/(LOSS)	(282,389)	(1,448,180)	269,971	1,485,373

Financial Position

Balance Sheet Summary				
	19-Jun-23	31-May-23	30-Apr-23	31-Mar-23
ASSETS				
Current Assets				
Cash & Cash Equivalents	(695,651)	(232,750)	62,904	373,069
Accounts Receivable	1,308,872	1,315,520	1,944,650	1,306,401
Total Current Assets	613,221	1,082,770	2,007,553	1,679,469
Non-Current Assets				
Total Non-Current Assets	-	-	-	-
TOTAL ASSETS	613,221	1,082,770	2,007,553	1,679,469
LIABILITIES				
Current Liabilities				
Accounts Payable	1,799,737	1,494,833	989,214	745,240
GST	513,638	512,896	453,918	259,506
Related Party Loans	(1,551,519)	(1,415,077)	(1,126,303)	(906,163)
Equipment Hire	(10,994)	(10,994)	(10,994)	-
Loan - Oak Capital	(147,196)	(49,065)	(49,065)	-
PMSI	167,847	167,847	172,318	175,583
Payroll Liabilities	(5,362)	252,871	826	97,560
Total Current Liabilities	766,151	953,310	429,913	371,726
Non-Current Liabilities				
Total Non-Current Liabilities	-	-	-	-
TOTAL LIABILITIES	766,151	953,310	429,913	371,726
NET ASSETS	(152,929)	129,460	1,577,640	1,307,743

Annexure "A"
Summaries of Financial Statements

RSG CS - Financial Summaries

Financial Performance

Income Statement Summary				
	Jun-23	May-23	Apr-23	Mar-23
Income				
Total Income	-	-	-	-
Less: Cost of Sales	133	2,881	1,526	3,634
Gross Profit	(133)	(2,881)	(1,526)	(3,634)
Expenses				
Operating Expenses	110,162	242,394	176,572	157,483
Other Expenses	184	499	4,292	50
Total Expenses	110,346	242,893	180,864	157,533
NET PROFIT/(LOSS)	(110,479)	(245,774)	(182,390)	(161,167)

Financial Position

Balance Sheet Summary				
	19-Jun-23	31-May-23	30-Apr-23	31-Mar-23
ASSETS				
Current Assets				
Cash & Cash Equivalents	(512,462)	(427,015)	(256,006)	(113,077)
Total Current Assets	(512,462)	(427,015)	(256,006)	(113,077)
Non-Current Assets				
Total Non-Current Assets	-	-	-	-
TOTAL ASSETS	(512,462)	(427,015)	(256,006)	(113,077)
LIABILITIES				
Current Liabilities				
Trade Creditors	145,003.22	94,893.29	64,269.10	16,019
PAYG Withholding Payable	(108,017)	(78,042)	(50,449)	(16,019)
Other Payroll Liabilities	150,362	145,465	73,731	48,090
Total Current Liabilities	187,348	162,316	87,551	48,090
Non-Current Liabilities				
Total Non-Current Liabilities	-	-	-	-
TOTAL LIABILITIES	187,348	162,316	87,551	48,090
NET ASSETS	(699,810)	(589,331)	(343,557)	(161,167)

Annexure “B”

Receipts and Payments

Please find enclosed Receipts and Payments for the period 19 June 2023 to 13 September 2023 for:

- MPS Victoria Pty Ltd (In Liquidation);
- Richstone Construction Services Pty Ltd (In Liquidation);
- Richstone Holdings Pty Ltd (In Liquidation);
- RSG Corporate Services Pty Ltd (In Liquidation); and
- Richstone Victoria Pty Ltd (In Liquidation).

Annexure "B"

MPS Victoria Pty Ltd (In Liquidation)

Summarised Receipts & Payments

For the period from 19 June 2023 To 15 September 2023

	Amount (\$)
Receipts	
FEG Contribution	6,864.00
Total (inc GST)	6,864.00
 Payments	
FEG Verification	6,864.00
Total (inc GST)	6,864.00
 Balance in Hand	 0.00

Annexure "B"

Richstone Construction Services Pty Ltd (In Liquidation)

Summarised Receipts & Payments

For the period from 19 June 2023 To 15 September 2023

	Amount (\$)
Receipts	
Plant & Equipment	84,150.00
Total (inc GST)	84,150.00
 Payments	
Agents Fees	13,964.09
Legal Fees	19,084.79
Bank Charges	5.40
Total (inc GST)	33,054.28
 Balance in Hand	 51,095.72

Annexure "B"

Richstone Holdings Pty Ltd (In Liquidation)

Summarised Receipts & Payments

For the period from 19 June 2023 To 15 September 2023

	Amount (\$)
Receipts	
Total (inc GST)	0.00
Payments	
Total (inc GST)	0.00
Balance in Hand	0.00

Annexure "B"

RSG Corporate Services Pty Ltd (In Liquidation)

Summarised Receipts & Payments

For the period from 19 June 2023 To 15 September 2023

	Amount (\$)
Receipts	
Cash at Bank	220.00
Plant & Equipment	59,225.00
FEG Contribution	6,006.00
Assets subject to specific charges	91,025.00
Total (inc GST)	156,476.00
Payments	
Payout to PMSI Holders	71,329.94
Agents Fees	17,673.18
Bank Charges	11.00
FEG Verification	6,006.00
Total (inc GST)	95,020.12
Balance in Hand	61,455.88

Annexure "B"

Richstone Victoria Pty Ltd (In Liquidation)

Summarised Receipts & Payments

For the period from 19 June 2023 To 15 September 2023

	Amount (\$)
Receipts	
Cash at Bank	50,079.91
Sundry Debtors	8,621.78
Plant & Equipment	43,490.00
FEG Contribution	30,976.00
Total (inc GST)	133,167.69
Payments	
Agents Fees	14,431.96
Legal Fees	15,373.05
FEG Verification	30,976.00
Bank Charges	12.40
Total (inc GST)	60,793.41
Balance in Hand	72,374.28

Annexure "C"

Estimated Outcome Statement

Please find enclosed the Estimated Outcome Statement which provides the estimated return to creditors for:

- MPS Victoria Pty Ltd (In Liquidation);
- Richstone Construction Services Pty Ltd (In Liquidation);
- Richstone Holdings Pty Ltd (In Liquidation);
- RSG Corporate Services Pty Ltd (In Liquidation); and
- Richstone Victoria Pty Ltd (In Liquidation).

Anenxure "C"	MPS	RCS	RH	RV	RSG
Balance in Hand	-	51,095	-	63,752	61,456
Tangible Assets to be realised	16,700	-	-	-	-
Debtors			-	Uncertain	-
Recoveries- Voidable Transactions					
Insolvent Trading	Uncertain	Uncertain	Uncertain	Uncertain	Uncertain
Unreasonable Director Related Transactions	-	-	-	-	-
Unfair Preference	-	-	-	-	-
Total Realisations	16,700	51,095	-	63,752	61,456
Less:					
- Liquidators' Remuneration up to 11-Sept-2023	9,441	9,699	2,833	38,847	8,875
- Estimated Future Liquidators' Fees	44,400	44,200	10,000	61,700	44,200
- Estimated Liquidators' disbursements	1,000	1,000	1,000	1,000	1,000
- Estimated Legal Fees	-	-	-	50,000	-
	54,841	54,899	13,833	151,547	54,075
Priority Creditors					
Estimated Available Balance to Section 566(1)(e) entitlements	-	-	-	-	7,381
- Superannuation & unpaid wages	88,012	-	-	867,897	122,626
Estimated Return to Section 566(1)(e) entitlements (cents per dollar)	Nil	Nil	Nil	Nil	6
Estimated Available Balance to Section 566(1)(g) entitlements	-	-	-	-	-
- Annual Leave & Long Service Leave	91,975	-	-	752,262	402,335
Estimated Return to Section 566(1)(g) entitlements (cents per dollar)	Nil	Nil	Nil	Nil	Nil
Estimated Available Balance to Section 566(1)(g) entitlements	-	-	-	-	-
- PILN & Redundancy	Uncertain	-	-	Uncertain	Uncertain
Estimated Return to Section 566(1)(g) entitlements (cents per dollar)	Nil	Nil	Nil	Nil	Nil
Estimated Available to Unsecured Creditors	-	-	-	-	-
Statutory Creditors	57,486	Uncertain	Uncertain	1,507,800	141,502
Trade Creditors	-	-	-	565,891	-
Related Party Creditors	Uncertain	Uncertain	-	-	Uncertain
Total Unsecured Creditors	57,486	Uncertain	-	2,073,691	141,502
Estimated return to unsecured creditors (cents per dollar)	Nil	Nil	Nil	Nil	Nil

Annexure “D”

Remuneration Request Approval Reports

Please find enclosed Remuneration Approval Request Reports for:

- MPS Victoria Pty Ltd (In Liquidation);
- Richstone Construction Services Pty Ltd (In Liquidation);
- RSG Corporate Services Pty Ltd (In Liquidation); and
- Richstone Victoria Pty Ltd (In Liquidation).

We note that if our time costs are less than the amount approved by creditors, then we will only draw the lesser amount.

We also note that we will only be able to draw our approved remuneration if there are sufficient funds available in the relevant external administration of the entity.

A summary is provided below:

Entity	Liquidators'		Liquidation		Total	
	Retrospective Remuneration		Disbursements		Remuneration & Disbursements	
	(S)	(S)	(S)	(S)	(S)	(S)
MPS	9,441.00	44,400.00	1,000.00	54,841.00	-	
RCS	9,699.00	44,200.00	1,000.00	54,899.00	51,095.00	
RV	38,847.00	61,700.00	1,000.00	101,547.00	63,752.00	
RSG	8,875.00	44,200.00	1,000.00	54,075.00	61,456.00	

Annexure "D"

Remuneration Request Approval Report

MPS VICTORIA PTY LTD

(In Liquidation)

ACN 666 107 366

18 September 2023

David Coyne and Peter Krejci
Joint and Several Liquidators

BRI Ferrier Victoria Pty Ltd ABN 18 638 454 029
Level 10, 45 William Street, Melbourne VIC 3000

PO Box 521, Collins Street West VIC 8007

Phone (03) 9622 1800

Email: info@brifvic.com.au

Website: www.briferrier.com.au



TABLE OF CONTENTS

1	DECLARATION.....	3
2	EXECUTIVE SUMMARY	3
3	DESCRIPTION OF WORK COMPLETED / TO BE COMPLETED	4
	3.1 Remuneration for the period 19 June 2023 to 11 September 2023	4
4	CALCULATION OF REMUNERATION	5
	4.1 Remuneration for the period 12 September 2023 to Completion.....	7
5	STATEMENT OF REMUNERATION CLAIM	8
6	REMUNERATION RECOVERABLE FROM EXTERNAL SOURCES	9
7	DISBURSEMENTS	9
8	LIKELY IMPACT ON DIVIDENDS.....	11
9	SUMMARY OF RECEIPTS AND PAYMENTS.....	11
10	QUERIES	11
11	INFORMATION SHEET	11
12	ADVICE TO CREDITORS.....	11
	12.1 Remuneration Methods	11
	12.2 Method chosen.....	12
	12.3 Explanation of Hourly Rates	12

1 DECLARATION

We, David Coyne and Peter Krejci of BRI Ferrier have undertaken a proper assessment of this remuneration claim for our appointment as Joint and Several Liquidators of MPS Victoria Pty Ltd in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, in the conduct of the Liquidation.

We have reviewed the work in progress report for the Liquidation to ensure that remuneration and disbursements claimed are necessary and proper.

2 EXECUTIVE SUMMARY

To date, no remuneration has been approved or paid in this administration. This remuneration report details approval sought for the following fees:

This remuneration report details approval sought for the following fees:

Period	Amount (\$, ex GST)
Past remuneration and disbursements approved:	
<i>Total past remuneration and disbursements approved and drawn</i>	Nil

Current Remuneration Approval Sought	Rates to Apply	To Be Drawn	Amount (\$, ex GST)
Liquidation			
Resolution #1: 19 June 2023 to 11 September 2023	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$9,441
Resolution #2: 12 September 2023 to Completion of Liquidation	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$44,400

Resolution #3: Disbursements for the period commencement to completion	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$1,000
Liquidation Total			\$54,841

We estimate that the total cost of this Liquidation will be \$54,841. This is consistent with the estimate of costs provided in the Initial Advice to Creditors dated 29 June 2023, which estimated a cost to completion of the administration of \$40,000 to \$60,000.

We do not expect to seek any further approval with respect to the Liquidation.

3 DESCRIPTION OF WORK COMPLETED / TO BE COMPLETED

Resolution #1

Company	MPS Victoria Pty Ltd(In Liquidation)	Period From	19/06/23	To	11/09/23
Practitioner	David Coyne Peter Krejci	Firm	BRI Ferrier		
Administration Type	Liquidation				

3.1 REMUNERATION FOR THE PERIOD 19 JUNE 2023 TO 11 SEPTEMBER 2023

Task Area	General Description	Includes
Assets 3.80 hours \$1,560	Plant and Equipment	Liaised with valuers, auctioneers and interested parties Reviewed asset listings and valuations Undertook enquiries regarding location of plant and equipment
Creditors 9.10 hours \$3,032	Secured creditor reporting	Notified Security Interest-holders of appointment Prepared position summary and responses to enquiries from secured creditor
	Creditor reports	Prepared and circulated Initial Information to Creditors including annexures Prepared Statutory Report to Creditors
	Dealing with proofs of debt	Receipted and filed Proofs when not related to a dividend Corresponded with SRO and ATO regarding Proofs

Task Area	General Description	Includes
		when not related to a dividend
Employees 7.60 hours \$3,164	Employees enquiry	Received and followed up employee enquiries by telephone Maintained employee enquiry register Reviewed and prepared correspondence to creditors and their representatives by email and post Prepared letters to employees advising of their entitlements and options available
	Fair Entitlements Guarantee	Corresponded with FEG Prepared FEG verification spreadsheet Prepared FEG invoices
	Calculation of entitlements	Calculated employee entitlements Reviewed employee files and payroll records
Investigation 4.90 hours \$1,249	Conducting investigation	Collected company books and records Reviewed company's books and records Conducted and summarising statutory searches Prepared comparative financial statements Undertook investigations with insolvent trading Undertook investigations with respect to potential unfair preferences and uncommercial transactions
Administration 1.40 hours \$436	Correspondence	Prepared general correspondence to stakeholders
	Document maintenance/file review/checklist	Filed documents Updated checklists
	Bank account administration	Prepared correspondence opening and closing accounts Requested bank statements Prepared bank account reconciliations
	ASIC Forms	Prepared and lodged ASIC forms including 505, etc
	ATO and other statutory reporting	Notified ATO of appointment Sending advice of likelihood of dividend and SGAA advice to ATO
Total 26.80 hrs	Total Cost	\$9,441 (plus GST)

4 CALCULATION OF REMUNERATION

The remuneration request is summarised by employee by area of activity on the following page.

MPS Victoria Pty Ltd (In Liquidation)

For the period from 19 June 2023 to 11 September 2023

			Assets		Creditors		Employees		Investigations		Administration		Grand Total	
Name	Position	Charge Out Rate	Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)
David Coyne	Principal	650.00	1.20	780.00	-	-	0.80	520.00	-	-	-	-	2.00	1,300.00
JM	Manager	500.00	-	-	3.00	1,500.00	3.60	1,800.00	0.20	100.00	0.30	150.00	7.10	3,550.00
BS	Senior Accountant 2	300.00	2.60	780.00	0.20	60.00	1.60	480.00	1.40	420.00	0.50	150.00	6.30	1,890.00
BS	Intermediate Accountant 2	220.00	-	-	-	-	0.30	66.00	-	-	-	-	0.30	66.00
ST	Intermediate Accountant 1	250.00	-	-	5.80	1,450.00	0.40	100.00	0.10	25.00	0.30	75.00	6.60	1,650.00
ST	Intermediate Accountant 2	220.00	-	-	0.10	22.00	0.90	198.00	-	-	0.20	39.00	1.20	259.00
RM	Intermediate Accountant 2	220.00	-	-	-	-	-	-	3.20	704.00	0.10	22.00	3.30	726.00
Grand Total			3.80	1,560.00	9.10	3,032.00	7.60	3,164.00	4.90	1,249.00	1.40	436.00	26.80	9,441.00
											Total Remuneration Sought:		9,441.00	
Average Hourly Rate			410.53		333.19		-		254.90		311.43		352.28	

Resolution #2

Company	MPS Victoria Pty Ltd (In Liquidation)	Period From	12/09/23	To	Completion
Practitioner	David Coyne Peter Krejci	Firm	BRI Ferrier		
Administration Type	Liquidation				

4.1 REMUNERATION FOR THE PERIOD 12 SEPTEMBER 2023 TO COMPLETION

Task Area	General Description	Includes
Assets 19 hours \$7,400	Plant and Equipment	Liaising with valuers, auctioneers and interested parties Liaising with project sites with respect to recovery of plant and equipment Undertaking investigations with respect to identifying owner of assets
Creditors 26.50 hours \$9,900	Creditor Enquiries	Receiving and following up creditor enquiries by telephone Maintaining creditor enquiry register Reviewing and preparing correspondence to creditors and their representatives by email and post
	Secured creditor reporting	Responding to secured creditor's queries
	Creditor reports	Preparing Statutory Report to Creditors and annexures including Remuneration Approval Request Report
	Dealing with proofs of debt	Receipting and filing Proofs when not related to a dividend Corresponding with SRO and ATO regarding Proofs when not related to a dividend
Employees 22.50 hours \$7,700	Employees enquiry	Receiving and following up employee enquiries by telephone Maintaining employee enquiry register Reviewing and preparing correspondence to creditors and their representatives by email and post
	Fair Entitlements Guarantee	Corresponding with FEG Undertaking verification of FEG claims
	Calculation of entitlements	Reviewing employee files and company's books and records Reconciling superannuation accounts

Task Area	General Description	Includes
Investigation 40.50 hours \$14,800	Conducting investigation	Undertaking further investigations with respect to insolvent trading Preparing investigation file Lodging investigation with the ASIC Preparing and lodging supplementary report if required
	ASIC reporting	Preparing statutory investigation reports Liaising with ASIC
Administration 14 hours \$4,600	Correspondence	Preparing general correspondence to stakeholders
	Document maintenance/file review/checklist	Filing of documents Undertaking file reviews Updating checklists
	Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Preparing bank account reconciliations Corresponding with bank regarding specific transfers
	ASIC Forms	Preparing and lodging ASIC forms including 505, etc Corresponding with ASIC regarding statutory forms
	ATO and other statutory reporting	Preparing BASs Completing group certificates
	Finalisation	Notifying ATO of finalisation Cancelling ABN / GST / PAYG registration Completing checklists Finalising WIP
	Planning / Review	Discussing status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage
Total 122.5 hrs	Total Estimated Cost	\$44,400 (plus GST)

5 STATEMENT OF REMUNERATION CLAIM

We are seeking approval for the following resolutions from creditors:

Liquidators' Remuneration Resolution #1

"That the remuneration of the Liquidators from 19 June 2023 to 11 September 2023 is determined at a sum equal to the cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be fixed at the amount of \$9,441, exclusive of GST, and that the

Liquidators may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidators to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval.”

Liquidators’ Remuneration Resolution #2

“That the remuneration of the Liquidators from 12 September 2023 to completion of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and the Liquidators’ partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$44,400, exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidators to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval.”

The total amount of remuneration sought with respect to this request is \$53,841.

If our time costs are less than the amount approved by creditors then we will only draw the lesser amount.

6 REMUNERATION RECOVERABLE FROM EXTERNAL SOURCES

We refer to our Report to Creditor dated 18 September 2023 and advise that we received \$6,864 from the Department of Employment & Workplace Relations with respect to providing verification services of claims submitted by employees to the Fair Entitlements Guarantee scheme.

We advise that these funds have been applied to our time costs and remitted to our firm. We confirm that the remuneration approval sought above does not include these time costs.

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 charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis. We also intend to charge the ASIC Industry Funding levy, detailed below, as an internal disbursement.

The ASIC Industry Funding Model levy commenced on 1 July 2017. The levy is calculated per metric events including certain lodgements with ASIC and certain advertisements on the ASIC Public Notice Website (“PNW”). These include the following:

- Notice of meetings advertised on the PNW;

- ▲ Notice of intention to declare dividend on the PNW; and
- ▲ Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

In this Liquidation, we consider that we will incur the ASIC levy for the following metric events:

- ▲ New appointment for financial year ending 30 June 2024 for each appointee;
- ▲ Ongoing appointment for financial year ending 30 June 2025 for each appointee; and
- ▲ Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

We will not be provided with an invoice for the exact amount of the fee for the year to 30 June 2024 until 2025.

Our current best estimate based on indications from ASIC is the fee will be calculated on a basis of \$125 per event and we are seeking creditor approval to recover these costs as internal disbursements with a potential profit element in accordance with the recommendations from our professional body, the Australia Restructuring Insolvency and Turnaround Association.

No disbursements have been drawn from the Liquidation to date.

In respect of internal disbursements, to the extent that these may be recovered at more than their cost, they may be considered as deriving a profit or advantage and must therefore be approved by creditors, a committee of inspection (if one is appointed), or by the Court prior to them being drawn.

Future disbursements with a potential profit element derived by our firm will be charged to the administration on the following basis, subject to creditors' approval:

Disbursements with a profit element	Rate (excl GST) (\$)
ASIC Industry Funding Levy	\$125 per event
Printing and Photocopying	\$0.25 per page

We are seeking the following resolution with respect to these disbursements:

Liquidators Disbursements Resolution #1

"That the disbursements potentially deriving a profit element of the Liquidation from 19 June 2023 to completion of the Liquidation are to be calculated at the rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$1,000, exclusive of GST, and that the Liquidators may draw disbursements on a monthly basis or as required."

If our internal disbursements are less than the amount approved by creditors then we will only draw the lesser amount.

We note that the drawing of disbursements will result in a reduction of funds available in the Liquidation.

8 LIKELY IMPACT ON DIVIDENDS

The Corporations Act 2001 sets the order for payment of claims against the company and it provides for remuneration of the Liquidators to be paid in priority to other claims. This ensures that when there are sufficient funds, the Liquidators receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds.

Please refer to our Report to Creditors dated 18 September 2023 for further details with respect to the estimated return to creditors.

9 SUMMARY OF RECEIPTS AND PAYMENTS

A summary of our receipts and payments have been provided in our Report to Creditors dated 18 September 2023.

10 QUERIES

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

Creditors should contact Mr Joshua May of the Liquidators' office on 03 9622 1800 or by email at jmay@brifvic.com.au to seek further information concerning the remuneration claims if they need so.

11 INFORMATION SHEET

The ARITA has produced a document entitled "Creditor Information Sheet: Approving remuneration in external administrations" that can be downloaded from the ARITA website www.arita.com.au or alternatively a copy can be obtained from this office.

12 ADVICE TO CREDITORS

12.1 REMUNERATION METHODS

There are four basic methods that can be used to calculate the remuneration charged by an insolvency Practitioner. They are:

Time based / hourly rates

This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

Fixed Fee

The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a Practitioner will finalise an administration for a fixed fee.

Percentage

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

▲ Contingency

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

12.2 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. Our 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.

Given the nature of this Liquidation, we propose that our remuneration be calculated on the time based / hourly rates method. In our opinion, this is the fairest method for the following reasons:

- ▲ We will only be paid for work done, subject to sufficient realisations of the Company assets or, if there are insufficient assets realised, to the indemnity provided to us (if any).
- ▲ It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications.
- ▲ We are required to perform a number of tasks which do not relate to the realisation of assets, including responding to creditor enquiries, reporting to the ASIC, distributing funds in accordance with the provisions of the Corporations Act 2001.

We are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in this administration. BRI Ferrier reviews its hourly rates every twelve months. The hourly rates quoted above remain current until 30 June 2024. At this time BRI Ferrier may increase the hourly rates charged for work performed past that date.

12.3 EXPLANATION OF HOURLY RATES

The rates for our remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

HOURLY RATES		
Title	Description	Rate (excl GST)
Principal / Appointee	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 Registered Liquidator. Fully qualified and able to control all aspects of an appointment. May have specialist industry knowledge or skills. Assists with all facets of appointment.	\$570
Senior Manager	An accountant with more than 7 years' experience. Qualified and answerable to the Team Leader. Self-sufficient in completing and planning all aspects of large appointments.	\$530
Manager	An accountant with at least 6 years' experience. Typically qualified with well-developed technical and commercial skills, and studying or has completed specialised study in Insolvency and Reconstruction. Controls and plans all aspects of medium to larger appointments, reporting to the Team Leader.	\$500
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.	\$400
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.	\$350
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.	\$300
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.	\$250
Intermediate 2	An accountant with less than 1 years' experience. A trainee undertaking degree with an accountancy major. Assists in the appointment under supervision.	\$220
Senior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$200
Junior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$150

12.3.1 Notes

- ▲ The abovementioned hourly rates are exclusive of GST.
- ▲ The above staff descriptions are intended a general guide only to the experience and qualifications of staff engaged in the external administration.
- ▲ Time is recorded and charged to the administration in six-minute increments.

Annexure "D"

Remuneration Request Approval Report

RICHSTONE CONSTRUCTION SERVICES PTY LTD

(In Liquidation)

ACN 666 107 973

18 September 2023

David Coyne and Peter Krejci
Joint and Several Liquidators

BRI Ferrier Victoria Pty Ltd ABN 18 638 454 029

Level 10, 45 William Street, Melbourne VIC 3000

PO Box 521, Collins Street West VIC 8007

Phone (03) 9622 1800

Email: info@brifvic.com.au

Website: www.briferrier.com.au



TABLE OF CONTENTS

1	DECLARATION.....	3
2	EXECUTIVE SUMMARY	3
3	DESCRIPTION OF WORK COMPLETED / TO BE COMPLETED	4
	3.1 Remuneration for the period 19 June 2023 to 11 September 2023	4
4	CALCULATION OF REMUNERATION	5
	4.1 Remuneration for the period 12 September 2023 to Completion.....	7
5	STATEMENT OF REMUNERATION CLAIM	8
6	DISBURSEMENTS	9
7	LIKELY IMPACT ON DIVIDENDS.....	10
8	SUMMARY OF RECEIPTS AND PAYMENTS.....	10
9	QUERIES	11
10	INFORMATION SHEET	11
11	ADVICE TO CREDITORS.....	11
	11.1 Remuneration Methods	11
	11.2 Method chosen.....	11
	11.3 Explanation of Hourly Rates	12

1 DECLARATION

We, David Coyne and Peter Krejci of BRI Ferrier have undertaken a proper assessment of this remuneration claim for our appointment as Joint and Several Liquidators of Richstone Construction Services Pty Ltd in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, in the conduct of the Liquidation.

We have reviewed the work in progress report for the Liquidation to ensure that remuneration and disbursements claimed are necessary and proper.

2 EXECUTIVE SUMMARY

To date, no remuneration has been approved or paid in this administration. This remuneration report details approval sought for the following fees:

This remuneration report details approval sought for the following fees:

Period	Amount (\$, ex GST)
Past remuneration and disbursements approved:	
<i>Total past remuneration and disbursements approved and drawn</i>	Nil

Current Remuneration Approval Sought	Rates to Apply	To Be Drawn	Amount (\$, ex GST)
Liquidation			
Resolution #1: 19 June 2023 to 11 September 2023	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$9,699
Resolution #2: 12 September 2023 to Completion of Liquidation	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$44,200

Resolution #3: Disbursements for the period commencement to completion	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$1,000
Liquidation Total			\$54,899

We estimate that the total cost of this Liquidation will be \$54,899.

This differs to the estimate of costs provided in the Initial Advice to Creditors dated 29 June 2023 of \$20,000 to \$40,000 for the following reasons:

- Greater than expected time incurred and to be incurred identifying and realising assets.

We expect that this will be our final remuneration approval request with respect to Liquidation.

3 DESCRIPTION OF WORK COMPLETED / TO BE COMPLETED

Resolution #1

Company	Richstone Construction Services Pty Ltd (In Liquidation)	Period From	19/06/23	To	11/09/23
	Practitioner		David Coyne Peter Krejci	Firm	BRI Ferrier
Administration Type	Liquidation				

3.1 REMUNERATION FOR THE PERIOD 19 JUNE 2023 TO 11 SEPTEMBER 2023

Task Area	General Description	Includes
Assets 8.30 hours \$3,515	Plant and Equipment	Liaised with valuers, auctioneers and interested parties Reviewed asset listings and valuations Undertook enquiries regarding location of plant and equipment
Creditors 7.10 hours \$2,690	Secured creditor reporting	Notified Security Interest-holders of appointment Prepared position summary and responses to enquiries from secured creditor
	Creditor reports	Prepared and circulated Initial Information to Creditors including annexures Prepared Statutory Report to Creditors

Task Area	General Description	Includes
Investigation 2 hours \$757	Conducting investigation	Collected company books and records Reviewed company's books and records Conducted and summarising statutory searches Undertook investigations with insolvent trading
Administration 8.60 hours \$2,737	Correspondence	Prepared general correspondence to stakeholders
	Document maintenance/file review/checklist	Filed documents Updated checklists
	Insurance	Corresponded with insurer regarding initial and ongoing insurance requirements
	Bank account administration	Prepared correspondence opening and closing accounts Requested bank statements Prepared bank account reconciliations
	ASIC Forms	Prepared and lodged ASIC forms including 505, etc
	ATO and other statutory reporting	Notified ATO of appointment
Total 26 hrs	Total Cost	\$9,699 (plus GST)

4 CALCULATION OF REMUNERATION

The remuneration request is summarised by employee by area of activity on the following page.

Richstone Construction Services Pty Ltd (In Liquidation)
For the period from 19 June 2023 to 11 September 2023

Name	Position	Charge Out Rate	Assets		Creditors		Employees		Investigations		Administration		Grand Total	
			Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)
David Coyne	Principal	650.00	1.90	1,235.00	0.70	455.00	-	-	0.60	390.00	1.00	650.00	4.20	2,730.00
JM	Manager	500.00	1.80	900.00	2.60	1,300.00	-	-	-	-	1.30	650.00	5.70	2,850.00
BS	Senior Accountant 2	300.00	4.60	1,380.00	-	-	-	-	0.70	210.00	0.60	180.00	6.70	1,770.00
BS	Intermediate Accountant 2	220.00	-	-	0.10	22.00	-	-	-	-	0.70	154.00	0.80	176.00
ST	Intermediate Accountant 1	250.00	-	-	3.30	825.00	-	-	0.10	25.00	0.10	25.00	3.50	875.00
ST	Intermediate Accountant 2	220.00	-	-	0.40	88.00	-	-	-	-	1.70	374.00	2.10	462.00
RM	Intermediate Accountant 2	220.00	-	-	-	-	-	-	0.60	132.00	3.20	704.00	3.80	836.00
Grand Total			8.30	3,515.00	7.10	2,690.00	-	-	2.00	757.00	8.60	2,737.00	26.80	9,699.00
											Total Remuneration Sought:		9,699.00	
Average Hourly Rate			423.49		378.87		-		378.50		318.26		361.90	

Resolution #2

Company

4.1 REMUNERATION FOR THE PERIOD 12 SEPTEMBER 2023 TO COMPLETION

Task Area	General Description	Includes
Assets 18 hours \$7,400	Plant and Equipment	Liaising with valuers, auctioneers and interested parties Liaising with project sites with respect to recovery of plant and equipment Undertaking investigations with respect to identifying owner of assets
	Assets subject to specific charges	Undertaking tasks associated with realising a charged asset
Creditors 36.5 hours \$14,800	Creditor Enquiries	Receiving and following up creditor enquiries by telephone Maintaining creditor enquiry register Reviewing and preparing correspondence to creditors and their representatives by email and post
	Secured creditor reporting	Responding to secured creditor's queries
	Creditor reports	Preparing Statutory Report to Creditors and annexures including Remuneration Approval Request Report
	Dealing with proofs of debt	Receipting and filing Proofs when not related to a dividend Corresponding with SRO and ATO regarding Proofs when not related to a dividend
Investigation 52.5 hours \$18,100	Conducting investigation	Undertaking further investigations with respect to insolvent trading Preparing investigation file Lodging investigation with the ASIC Preparing and lodging supplementary report if required
	ASIC reporting	Preparing statutory investigation reports

Task Area	General Description	Includes
Administration 12.5 hours \$3,900 Total 119.50 hrs	Correspondence	Preparing general correspondence to stakeholders
	Document maintenance/file review/checklist	Filing of documents Undertaking file reviews Updating checklists
	Bank account administration	Requesting bank statements Preparing bank account reconciliations Corresponding with bank regarding specific transfers
	ASIC Forms	Preparing and lodging ASIC forms including 505, etc Corresponding with ASIC regarding statutory forms
	ATO and other statutory reporting	Preparing BASs Completing group certificates
	Finalisation	Notifying ATO of finalisation Cancelling ABN / GST / PAYG registration Completing checklists Finalising WIP
	Planning / Review	Discussing status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage
	Total Estimated Cost	\$44,200 (plus GST)

5 STATEMENT OF REMUNERATION CLAIM

We are seeking approval for the following resolutions from creditors:

Liquidators' Remuneration Resolution #1

"That the remuneration of the Liquidators from 19 June 2023 to 11 September 2023 is determined at a sum equal to the cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be fixed at the amount of \$9,699, exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidators to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

Liquidators' Remuneration Resolution #2

"That the remuneration of the Liquidators from 12 September 2023 to completion of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$44,200, exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required. Any amount in excess of this

maximum would require the Liquidators to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval.”

The total amount of remuneration sought with respect to this request is \$53,899.

If our time costs are less than the amount approved by creditors then we will only draw the lesser amount.

6 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 charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis. We also intend to charge the ASIC Industry Funding levy, detailed below, as an internal disbursement.

The ASIC Industry Funding Model levy commenced on 1 July 2017. The levy is calculated per metric events including certain lodgements with ASIC and certain advertisements on the ASIC Public Notice Website (“PNW”). These include the following:

- Notice of meetings advertised on the PNW;
- Notice of intention to declare dividend on the PNW; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

In this Liquidation, we consider that we will incur the ASIC levy for the following metric events:

- New appointment for financial year ending 30 June 2024 for each appointee;
- Ongoing appointment for financial year ending 30 June 2025 for each appointee; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

We will not be provided with an invoice for the exact amount of the fee for the year to 30 June 2024 until 2025.

Our current best estimate based on indications from ASIC is the fee will be calculated on a basis of \$125 per event and we are seeking creditor approval to recover these costs as internal disbursements with a potential profit element in accordance with the recommendations from our professional body, the Australia Restructuring Insolvency and Turnaround Association.

No disbursements have been drawn from the Liquidation to date.

In respect of internal disbursements, to the extent that these may be recovered at more than their cost, they may be considered as deriving a profit or advantage and must therefore be approved by creditors, a committee of inspection (if one is appointed), or by the Court prior to them being drawn.

Future disbursements with a potential profit element derived by our firm will be charged to the administration on the following basis, subject to creditors' approval:

Disbursements with a profit element	Rate (excl GST) (\$)
ASIC Industry Funding Levy	\$125 per event
Printing and Photocopying	\$0.25 per page

We are seeking the following resolution with respect to these disbursements:

Liquidators Disbursements Resolution #1

"That the disbursements potentially deriving a profit element of the Liquidation from 19 June 2023 to completion of the Liquidation are to be calculated at the rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$1,000, exclusive of GST, and that the Liquidators may draw disbursements on a monthly basis or as required."

If our internal disbursements are less than the amount approved by creditors then we will only draw the lesser amount.

We note that the drawing of disbursements will result in a reduction of funds available in the Liquidation.

7 LIKELY IMPACT ON DIVIDENDS

The Corporations Act 2001 sets the order for payment of claims against the company and it provides for remuneration of the Liquidators to be paid in priority to other claims. This ensures that when there are sufficient funds, the Liquidators receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds.

Please refer to our Report to Creditors dated 18 September 2023 for further details with respect to the estimated return to creditors.

8 SUMMARY OF RECEIPTS AND PAYMENTS

A summary of our receipts and payments have been provided in our Report to Creditors dated 18 September 2023.

9 QUERIES

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

Creditors should contact Mr Joshua May of the Liquidators' office on 03 9622 1800 or by email at jmay@brifvic.com.au to seek further information concerning the remuneration claims if they need so.

10 INFORMATION SHEET

The ARITA has produced a document entitled "Creditor Information Sheet: Approving remuneration in external administrations" that can be downloaded from the ARITA website www.arita.com.au or alternatively a copy can be obtained from this office.

11 ADVICE TO CREDITORS

11.1 REMUNERATION METHODS

There are four basic methods that can be used to calculate the remuneration charged by an insolvency Practitioner. They are:

Time based / hourly rates

This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

Fixed Fee

The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a Practitioner will finalise an administration for a fixed fee.

Percentage

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

Contingency

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

11.2 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. Our 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.

Given the nature of this Liquidation, we propose that our remuneration be calculated on the time based / hourly rates method. In our opinion, this is the fairest method for the following reasons:

- ▲ We will only be paid for work done, subject to sufficient realisations of the Company assets or, if there are insufficient assets realised, to the indemnity provided to us (if any).
- ▲ It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications.
- ▲ We are required to perform a number of tasks which do not relate to the realisation of assets, including responding to creditor enquiries, reporting to the ASIC, distributing funds in accordance with the provisions of the Corporations Act 2001.

We are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in this administration. BRI Ferrier reviews its hourly rates every twelve months. The hourly rates quoted above remain current until 30 June 2024. At this time BRI Ferrier may increase the hourly rates charged for work performed past that date.

11.3 EXPLANATION OF HOURLY RATES

The rates for our remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

HOURLY RATES		
Title	Description	Rate (excl GST)
Principal / Appointee	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 Registered Liquidator. Fully qualified and able to control all aspects of an appointment. May have specialist industry knowledge or skills. Assists with all facets of appointment.	\$570
Senior Manager	An accountant with more than 7 years' experience. Qualified and answerable to the Team Leader. Self-sufficient in completing and planning all aspects of large appointments.	\$530
Manager	An accountant with at least 6 years' experience. Typically qualified with well-developed technical and commercial skills, and studying or has completed specialised study in Insolvency and Reconstruction. Controls and plans all aspects of medium to larger appointments, reporting to the Team Leader.	\$500

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.	\$400
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.	\$350
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.	\$300
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.	\$250
Intermediate 2	An accountant with less than 1 years' experience. A trainee undertaking degree with an accountancy major. Assists in the appointment under supervision.	\$220
Senior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$200
Junior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$150

11.3.1 Notes

- ▲ The abovementioned hourly rates are exclusive of GST.
- ▲ The above staff descriptions are intended a general guide only to the experience and qualifications of staff engaged in the external administration.
- ▲ Time is recorded and charged to the administration in six-minute increments.

Annexure "D"

Remuneration Request Approval Report

RSG CORPORATE SERVICES PTY LTD

(In Liquidation)

ACN 666 106 930

18 September 2023

David Coyne and Peter Krejci
Joint and Several Liquidators

BRI Ferrier Victoria Pty Ltd ABN 18 638 454 029
Level 10, 45 William Street, Melbourne VIC 3000

PO Box 521, Collins Street West VIC 8007

Phone (03) 9622 1800

Email: info@brifvic.com.au

Website: www.briferrier.com.au



TABLE OF CONTENTS
1 DECLARATION.....	3
2 EXECUTIVE SUMMARY	3
3 DESCRIPTION OF WORK COMPLETED / TO BE COMPLETED	4
3.1 Remuneration for the period 19 June 2023 to 11 September 2023	4
4 CALCULATION OF REMUNERATION	5
4.1 Remuneration for the period 12 September 2023 to Completion.....	7
5 STATEMENT OF REMUNERATION CLAIM	9
6 REMUNERATION RECOVERABLE FROM EXTERNAL SOURCES	9
7 DISBURSEMENTS	9
8 LIKELY IMPACT ON DIVIDENDS.....	11
9 SUMMARY OF RECEIPTS AND PAYMENTS.....	11
10 QUERIES	11
11 INFORMATION SHEET	11
12 ADVICE TO CREDITORS.....	11
12.1 Remuneration Methods	11
12.2 Method chosen.....	12
12.3 Explanation of Hourly Rates	13

1 DECLARATION

We, David Coyne and Peter Krejci of BRI Ferrier have undertaken a proper assessment of this remuneration claim for our appointment as Joint and Several Liquidators of RSG Corporate Services Pty Ltd in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, in the conduct of the Liquidation.

We have reviewed the work in progress report for the Liquidation to ensure that remuneration and disbursements claimed are necessary and proper.

2 EXECUTIVE SUMMARY

To date, no remuneration has been approved or paid in this administration. This remuneration report details approval sought for the following fees:

This remuneration report details approval sought for the following fees:

Period	Amount (\$, ex GST)
Past remuneration and disbursements approved:	
<i>Total past remuneration and disbursements approved and drawn</i>	Nil

Current Remuneration Approval Sought	Rates to Apply	To Be Drawn	Amount (\$, ex GST)
Liquidation			
Resolution #1: 19 June 2023 to 11 September 2023	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$8,875
Resolution #2: 12 September 2023 to Completion of Liquidation	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$44,200

Resolution #3: Disbursements for the period commencement to completion	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$1,000
Liquidation Total			\$54,075

We estimate that the total cost of this Liquidation will be \$54,075. This is consistent with the estimate of costs provided in the Initial Advice to Creditors dated 29 June 2023, which estimated a cost to completion of the administration of \$40,000 to \$60,000.

We do not expect to seek any further approval with respect to the Liquidation.

3 DESCRIPTION OF WORK COMPLETED / TO BE COMPLETED

Resolution #1

Company	RSG Corporate Services Pty Ltd (In Liquidation)	Period From	19/06/23	To	11/09/23
Practitioner	David Coyne Peter Krejci	Firm	BRI Ferrier		
Administration Type	Liquidation				

3.1 REMUNERATION FOR THE PERIOD 19 JUNE 2023 TO 11 SEPTEMBER 2023

Task Area	General Description	Includes
Assets 4.80 hours \$2,255	Plant and Equipment	Liaised with valuers, auctioneers and interested parties Reviewed asset listings and valuations Undertook enquiries regarding location of plant and equipment
	Assets subject to specific charges	Liaised with PMSI holders with respect to payout amounts
Creditors 5.70 hours \$1,975	Secured creditor reporting	Notified Security Interest-holders of appointment Prepared position summary and responses to enquiries from secured creditor
	Creditor reports	Prepared and circulated Initial Information to Creditors including annexures

Task Area	General Description	Includes
		Prepared Statutory Report to Creditors
Employees	Fair Entitlements Guarantee	Corresponded with FEG Prepared FEG verification spreadsheet Prepared FEG invoices
3.30 hours		
\$1,530	Calculation of entitlements	Calculated employee entitlements Reviewed employee files and payroll records
Investigation	Conducting investigation	Collected company books and records Reviewed company's books and records Conducted and summarising statutory searches Prepared comparative financial statements Undertook investigations with insolvent trading Undertook investigations with respect to potential unfair preferences and uncommercial transactions
6.20 hours		
\$1,691		
Administration	Bank account administration	Prepared correspondence opening and closing accounts Requested bank statements Prepared bank account reconciliations
5.5 hours		
\$1,424	ATO and other statutory reporting	Notified ATO of appointment Prepared and sent dividend advice to ATO
Total 25.5 hrs	Total Cost	\$8,875 (plus GST)

4 CALCULATION OF REMUNERATION

The remuneration request is summarised by employee by area of activity on the following page.

RSG Corporate Services Pty Ltd (In Liquidation)

For the period from 19 June 2023 2023 to 11 September 2023

Name	Position	Charge Out Rate	Assets		Creditors		Employees		Investigations		Administration		Grand Total	
			Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)
David Coyne	Principal	650.00	1.30	845.00	-	-	0.60	390.00	-	-	-	-	1.90	1,235.00
JM	Manager	500.00	1.80	900.00	2.20	1,100.00	1.90	950.00	0.70	350.00	0.60	300.00	7.20	3,600.00
BS	Senior Accountant 2	300.00	1.70	510.00	-	-	0.60	140.00	1.60	480.00	0.50	150.00	4.40	1,280.00
ST	Intermediate Accountant 1	250.00	-	-	3.50	875.00	0.20	50.00	0.10	25.00	0.20	50.00	4.00	1,000.00
RM	Intermediate Accountant 2	220.00	-	-	-	-	-	-	3.80	836.00	4.20	924.00	8.00	1,760.00
Grand Total			4.80	2,255.00	5.70	1,975.00	3.30	1,530.00	6.20	1,691.00	5.50	1,424.00	25.50	8,875.00
											Total Remuneration Sought:		8,875.00	
Average Hourly Rate			469.79		346.49		-		272.74		258.91		348.04	

Resolution #2

Company	RSG Corporate Services Pty Ltd (In Liquidation)	Period From	12/09/23	To	Completion
Practitioner	David Coyne Peter Krejci	Firm	BRI Ferrier		
Administration Type	Liquidation				

4.1 REMUNERATION FOR THE PERIOD 12 SEPTEMBER 2023 TO COMPLETION

Task Area	General Description	Includes
Assets 19 hours \$7,900	Plant and Equipment	Liaising with valuers, auctioneers and interested parties Liaising with project sites with respect to recovery of plant and equipment Undertaking investigations with respect to identifying owner of assets
	Assets subject to specific charges	Undertaking tasks associated with realising assets subject to PMSIs
Creditors 27.5 hours \$10,200	Creditor Enquiries	Receiving and following up creditor enquiries by telephone Maintaining creditor enquiry register Reviewing and preparing correspondence to creditors and their representatives by email and post
	Secured creditor reporting	Responding to secured creditor's queries
	Creditor reports	Preparing Statutory Report to Creditors and annexures including Remuneration Approval Request Report
	Dealing with proofs of debt	Receipting and filing Proofs when not related to a dividend Corresponding with SRO and ATO regarding Proofs when not related to a dividend
Employees 25.5 hours \$8,400	Employees enquiry	Receiving and following up employee enquiries by telephone Maintaining employee enquiry register Reviewing and preparing correspondence to creditors and their representatives by email and post
	Fair Entitlements Guarantee	Corresponding with FEG Undertaking verification of FEG claims

Task Area	General Description	Includes
	Calculation of entitlements	Reviewing employee files and company's books and records Reconciling superannuation accounts
	Employee dividend	Corresponding with employees regarding dividend Corresponding with ATO regarding SGC proof of debt Calculating dividend rate Preparing dividend file Advertising dividend notice Preparing distribution Receipting Proofs Adjudicating Proofs Ensuring PAYG is remitted to ATO
Investigation 37 hours \$14,200	Conducting investigation	Undertaking further investigations with respect to insolvent trading Preparing investigation file Lodging investigation with the ASIC Preparing and lodging supplementary report if required
	ASIC reporting	Preparing statutory investigation reports Liaising with ASIC
Administration 11 hours \$3,500	Correspondence	Preparing general correspondence to stakeholders
	Document maintenance/file review/checklist	Filing of documents Undertaking file reviews Updating checklists
	Bank account administration	Requesting bank statements Preparing bank account reconciliations Corresponding with bank regarding specific transfers
	ASIC Forms	Preparing and lodging ASIC forms including 505, etc
	ATO and other statutory reporting	Preparing BASs
	Finalisation	Notifying ATO of finalisation Cancelling ABN / GST / PAYG registration Completing checklists Finalising WIP
	Planning / Review	Discussing status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage
	Total Estimated Cost	\$44,200 (plus GST)
Total 120 hrs		

5 STATEMENT OF REMUNERATION CLAIM

We are seeking approval for the following resolutions from creditors:

Liquidators' Remuneration Resolution #1

"That the remuneration of the Liquidators from 19 June 2023 to 11 September 2023 is determined at a sum equal to the cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be fixed at the amount of \$8,875, exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidators to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

Liquidators' Remuneration Resolution #2

"That the remuneration of the Liquidators from 12 September 2023 to completion of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$44,200, exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidators to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

The total amount of remuneration sought with respect to this request is \$53,075.

If our time costs are less than the amount approved by creditors then we will only draw the lesser amount.

6 REMUNERATION RECOVERABLE FROM EXTERNAL SOURCES

We refer to our Report to Creditor dated 18 September 2023 and advise that we received \$6,006 from the Department of Employment & Workplace Relations with respect to providing verification services of claims submitted by employees to the Fair Entitlements Guarantee scheme.

We advise that these funds have been applied to our time costs and remitted to our firm. We confirm that the remuneration approval sought above does not include these time costs.

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 charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both

variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis. We also intend to charge the ASIC Industry Funding levy, detailed below, as an internal disbursement.

The ASIC Industry Funding Model levy commenced on 1 July 2017. The levy is calculated per metric events including certain lodgements with ASIC and certain advertisements on the ASIC Public Notice Website (“PNW”). These include the following:

- ▲ Notice of meetings advertised on the PNW;
- ▲ Notice of intention to declare dividend on the PNW; and
- ▲ Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

In this Liquidation, we consider that we will incur the ASIC levy for the following metric events:

- ▲ New appointment for financial year ending 30 June 2024 for each appointee;
- ▲ Ongoing appointment for financial year ending 30 June 2025 for each appointee; and
- ▲ Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

We will not be provided with an invoice for the exact amount of the fee for the year to 30 June 2024 until 2025.

Our current best estimate based on indications from ASIC is the fee will be calculated on a basis of \$125 per event and we are seeking creditor approval to recover these costs as internal disbursements with a potential profit element in accordance with the recommendations from our professional body, the Australia Restructuring Insolvency and Turnaround Association.

No disbursements have been drawn from the Liquidation to date.

In respect of internal disbursements, to the extent that these may be recovered at more than their cost, they may be considered as deriving a profit or advantage and must therefore be approved by creditors, a committee of inspection (if one is appointed), or by the Court prior to them being drawn.

Future disbursements with a potential profit element derived by our firm will be charged to the administration on the following basis, subject to creditors’ approval:

Disbursements with a profit element	Rate (excl GST) (\$)
ASIC Industry Funding Levy	\$125 per event
Printing and Photocopying	\$0.25 per page

We are seeking the following resolution with respect to these disbursements:

Liquidators Disbursements Resolution #1

“That the disbursements potentially deriving a profit element of the Liquidation from 19 June 2023 to completion of the Liquidation are to be calculated at the rates as detailed in the Remuneration Request

Approval Report dated 18 September 2023 such sum to be capped at the amount of \$1,000, exclusive of GST, and that the Liquidators may draw disbursements on a monthly basis or as required.”

If our internal disbursements are less than the amount approved by creditors then we will only draw the lesser amount.

We note that the drawing of disbursements will result in a reduction of funds available in the Liquidation.

8 LIKELY IMPACT ON DIVIDENDS

The Corporations Act 2001 sets the order for payment of claims against the company and it provides for remuneration of the Liquidators to be paid in priority to other claims. This ensures that when there are sufficient funds, the Liquidators receives payment for the work done to recover assets, investigate the company’s affairs, report to creditors and ASIC and distribute any available funds.

Please refer to our Report to Creditors dated 18 September 2023 for further details with respect to the estimated return to creditors.

9 SUMMARY OF RECEIPTS AND PAYMENTS

A summary of our receipts and payments have been provided in our Report to Creditors dated 18 September 2023.

10 QUERIES

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

Creditors should contact Mr Joshua May of the Liquidators’ office on 03 9622 1800 or by email at jmay@brifvic.com.au to seek further information concerning the remuneration claims if they need so.

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This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

- Fixed Fee

The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a Practitioner will finalise an administration for a fixed fee.

- Percentage

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

- Contingency

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

12.2 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. Our 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.

Given the nature of this Liquidation, we propose that our remuneration be calculated on the time based / hourly rates method. In our opinion, this is the fairest method for the following reasons:

- We will only be paid for work done, subject to sufficient realisations of the Company assets or, if there are insufficient assets realised, to the indemnity provided to us (if any).
- It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications.
- We are required to perform a number of tasks which do not relate to the realisation of assets, including responding to creditor enquiries, reporting to the ASIC, distributing funds in accordance with the provisions of the Corporations Act 2001.

We are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in this administration. BRI Ferrier reviews its hourly rates every twelve months. The hourly

rates quoted above remain current until 30 June 2024. At this time BRI Ferrier may increase the hourly rates charged for work performed past that date.

12.3 EXPLANATION OF HOURLY RATES

The rates for our remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

HOURLY RATES		
Title	Description	Rate (excl GST)
Principal / Appointee	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 Registered Liquidator. Fully qualified and able to control all aspects of an appointment. May have specialist industry knowledge or skills. Assists with all facets of appointment.	\$570
Senior Manager	An accountant with more than 7 years' experience. Qualified and answerable to the Team Leader. Self-sufficient in completing and planning all aspects of large appointments.	\$530
Manager	An accountant with at least 6 years' experience. Typically qualified with well-developed technical and commercial skills, and studying or has completed specialised study in Insolvency and Reconstruction. Controls and plans all aspects of medium to larger appointments, reporting to the Team Leader.	\$500
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.	\$400
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.	\$350
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.	\$300
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.	\$250
Intermediate 2	An accountant with less than 1 years' experience. A trainee undertaking degree with an accountancy major. Assists in the appointment under supervision.	\$220
Senior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$200
Junior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$150

12.3.1 Notes

- The abovementioned hourly rates are exclusive of GST.
- The above staff descriptions are intended a general guide only to the experience and qualifications of staff engaged in the external administration.
- Time is recorded and charged to the administration in six-minute increments.

Annexure "D"

Remuneration Request Approval Report

RICHSTONE VICTORIA PTY LTD

(In Liquidation)

ACN 665 967 028

18 September 2023

David Coyne and Peter Krejci
Joint and Several Liquidators

BRI Ferrier Victoria Pty Ltd ABN 18 638 454 029
Level 10, 45 William Street, Melbourne VIC 3000

PO Box 521, Collins Street West VIC 8007

Phone (03) 9622 1800

Email: info@brifvic.com.au

Website: www.briferrier.com.au



TABLE OF CONTENTS

1	DECLARATION.....	3
2	EXECUTIVE SUMMARY	3
3	DESCRIPTION OF WORK COMPLETED / TO BE COMPLETED	4
	3.1 Remuneration for the period 19 June 2023 to 11 September 2023	4
4	CALCULATION OF REMUNERATION	6
	4.1 Remuneration for the period 12 September 2023 to Completion.....	8
5	STATEMENT OF REMUNERATION CLAIM	10
6	REMUNERATION RECOVERABLE FROM EXTERNAL SOURCES	11
7	DISBURSEMENTS	11
8	LIKELY IMPACT ON DIVIDENDS.....	12
9	SUMMARY OF RECEIPTS AND PAYMENTS.....	13
10	QUERIES	13
11	INFORMATION SHEET	13
12	ADVICE TO CREDITORS.....	13
	12.1 Remuneration Methods	13
	12.2 Method chosen.....	14
	12.3 Explanation of Hourly Rates	14

1 DECLARATION

We, David Coyne and Peter Krejci of BRI Ferrier have undertaken a proper assessment of this remuneration claim for our appointment as Joint and Several Liquidators of Richstone Victoria Pty Ltd in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, in the conduct of the Liquidation.

We have reviewed the work in progress report for the Liquidation to ensure that remuneration and disbursements claimed are necessary and proper.

2 EXECUTIVE SUMMARY

To date, no remuneration has been approved or paid in this administration. This remuneration report details approval sought for the following fees:

This remuneration report details approval sought for the following fees:

Period	Amount (\$, ex GST)
Past remuneration and disbursements approved:	
<i>Total past remuneration and disbursements approved and drawn</i>	Nil

Current Remuneration Approval Sought	Rates to Apply	To Be Drawn	Amount (\$, ex GST)
Liquidation			
Resolution #1: 19 June 2023 to 11 September 2023	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$38,847
Resolution #2: 12 September 2023 to Completion of Liquidation	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$61,700

Resolution #3: Disbursements for the period commencement to completion	As provided in Remuneration Request Approval Report dated 18 September 2023	On a monthly basis or as required.	\$1,000
Liquidation Total			\$101,547

We estimate that the total cost of this Liquidation will be \$101,547. This is consistent with the estimate of costs provided in the Initial Advice to Creditors dated 29 June 2023, which estimated a cost to completion of the administration of \$75,000 to \$125,000.

We do not expect to seek any further approval with respect to the Liquidation.

3 DESCRIPTION OF WORK COMPLETED / TO BE COMPLETED

Resolution #1

Company	Richstone Victoria Pty Ltd	Period From	19/06/23	To	11/09/23
Practitioner	David Coyne Peter Krejci		Firm	BRI Ferrier	
Administration Type	Liquidation				

3.1 REMUNERATION FOR THE PERIOD 19 JUNE 2023 TO 11 SEPTEMBER 2023

Task Area	General Description	Includes
Assets 31.10 hours \$15,023	Plant and Equipment	Liaised with valuers, auctioneers and interested parties Reviewed asset listings and valuations Undertook enquiries regarding location of plant and equipment
	Debtors	Corresponded with debtors Reviewed and assessed debtors ledgers Reviewed supporting documentation in relation to contract works Reviewed responses from debtors including counter-claims and liquidated damages claims Liaised with solicitors regarding recovery procedures

Task Area	General Description	Includes
Creditors 17.20 hours \$7,205	Creditor Enquiries	Received and followed up creditor enquiries by telephone Reviewed and prepared correspondence to creditors and their representatives by email and post
	Retention of Title/Purchase Money Security Interest Claims	Searched the PPSR Received initial notification of creditor's intention to claim/ discharge
	Secured creditor reporting	Notified Security Interest-holders of appointment Prepared position summary and responses to enquiries from secured creditor Reviewed documentation provided by secured creditors to assess validity of security interests
	Creditor reports	Prepared and circulated Initial Information to Creditors including annexures Prepared Statutory Report to Creditors
	Dealing with proofs of debt	Receipted and filed Proofs when not related to a dividend
Employees 16.10 hours \$6,970	Employees enquiry	Received and followed up employee enquiries by telephone Maintained employee enquiry register Reviewed and prepared correspondence to creditors and their representatives by email and post Prepared letters to employees advising of their entitlements and options available
	Fair Entitlements Guarantee	Corresponded with FEG Prepared FEG verification spreadsheet Prepared FEG invoices
	Calculation of entitlements	Calculated employee entitlements Reviewed employee files and payroll records
Investigation 23.30 hours \$7,644	Conducting investigation	Collected company books and records Reviewed company's books and records Conducted and summarising statutory searches Prepared comparative financial statements Undertook investigations with insolvent trading Undertook investigations with respect to potential unfair preferences and uncommercial transactions
	Litigation / Recoveries	Prepared brief to solicitors with respect to counter claims Liaised with solicitors regarding recovery procedures
Administration	Correspondence	Prepared general correspondence to stakeholders

Task Area	General Description	Includes
7.60 hours \$2,005	Document maintenance/file review/checklist	Scanned and filed documents
	Bank account administration	Prepared correspondence opening and closing accounts Requested bank statements Prepared bank account reconciliations
	ATO and other statutory reporting	Notified ATO of appointment
Total 95.30 hrs	Total Cost	\$38,847 (plus GST)

4 CALCULATION OF REMUNERATION

The remuneration request is summarised by employee by area of activity on the following page.

Richstone Victoria Pty Ltd (In Liquidation)

For the period from 19 June 2023 2023 to 11 September 2023

			Assets		Creditors		Employees		Investigations		Administration		Grand Total	
Name	Position	Charge Out Rate	Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)	Hours	(\$)
David Coyne	Principal	650.00	11.20	7,280.00	2.10	1,365.00	4.30	2,575.00	3.40	2,210.00	-	-	21.00	13,430.00
JM	Manager	500.00	10.30	5,109.00	8.10	4,050.00	4.40	2,200.00	2.90	1,450.00	0.70	350.00	26.40	13,159.00
BS	Senior Accountant 2	300.00	5.40	1,620.00	0.80	240.00	6.90	2,070.00	2.00	600.00	1.30	390.00	16.40	4,920.00
ST	Intermediate Accountant 1	250.00	3.00	750.00	6.20	1,550.00	0.50	125.00	2.80	700.00	1.10	275.00	13.60	3,400.00
RM	Intermediate Accountant 2	220.00	1.20	264.00	-	-	-	-	12.20	2,684.00	4.50	990.00	17.90	3,938.00
Grand Total			31.10	15,023.00	17.20	7,205.00	16.10	6,970.00	23.30	7,644.00	7.60	2,005.00	95.30	38,847.00
											Total Remuneration Sought:		38,847.00	
Average Hourly Rate			483.05		418.90		-		328.07		263.82		407.63	

Resolution #2

Company	Richstone Victoria Pty Ltd (In Liquidation)	Period From	12/09/23	To	Completion
Practitioner	David Coyne Peter Krejci	Firm	BRI Ferrier		
Administration Type	Liquidation				

4.1 REMUNERATION FOR THE PERIOD 12 SEPTEMBER 2023 TO COMPLETION

Task Area	General Description	Includes
Assets 24.5 hours \$11,300	Plant and Equipment	Liaising with valuers, auctioneers and interested parties Liaising with project sites with respect to recovery of plant and equipment Undertaking investigations with respect to identifying owner of assets
	Assets subject to specific charges	Undertaking tasks associated with realising a charged asset
	Debtors	Corresponding with debtors Reviewing and assessing debtors ledgers Liaising with solicitors regarding recovery procedures
Creditors 22 hours \$8,800	Creditor Enquiries	Receiving and following up creditor enquiries by telephone Maintaining creditor enquiry register Reviewing and preparing correspondence to creditors and their representatives by facsimile, email and post
	Secured creditor reporting	Responding to secured creditor's queries
	Creditor reports	Preparing Statutory Report to Creditors and annexures including Remuneration Approval Request Report
	Dealing with proofs of debt	Receipting and filing Proofs when not related to a dividend Corresponding with SRO and ATO regarding Proofs when not related to a dividend
Employees 28 hours	Employees enquiry	Receiving and following up employee enquiries by telephone Maintaining employee enquiry register Reviewing and preparing correspondence to

Task Area	General Description	Includes
\$10,100		creditors and their representatives by email and post
	Fair Entitlements Guarantee	Corresponding with FEG Undertaking verification of FEG claims
	Calculation of entitlements	Reviewing employee files and company's books and records Reconciling superannuation accounts
Investigation 50.5 hours \$17,800	Conducting investigation	Undertaking further investigations with respect to insolvent trading Preparing investigation file Lodging investigation with the ASIC Preparing and lodging supplementary report if required
	Litigation / Recoveries	Internal meetings to discuss status of litigation Liaising with solicitors regarding recovery actions with respect to counter claims Attending to negotiations Attending to settlement matters
	ASIC reporting	Preparing statutory investigation reports Liaising with ASIC
Dividend 25.5 hours \$9,400	Processing proofs of debt	Preparing correspondence to potential creditors inviting lodgement of Proofs Receipt of Proofs Maintaining Proofs of Debt register Adjudicating Proofs of Debt Requesting further information from claimants regarding Proofs Preparing correspondence to claimant advising outcome of adjudication
	Dividend procedures	Preparing correspondence to creditors advising of intention to declare dividend Advertisement of intention to declare dividend Obtaining clearance from ATO to allow distribution of company's assets Preparing dividend calculation Preparing correspondence to creditors announcing declaration of dividend Advertising announcement of dividend Preparing distribution Preparing dividend file Preparing payment vouchers to pay dividend Preparing correspondence to creditors enclosing payment of dividend

Task Area	General Description	Includes
Administration 14 hours \$4,300	Correspondence	Preparing general correspondence to stakeholders
	Document maintenance/file review/checklist	Filing of documents Undertaking file reviews Updating checklists
	Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Preparing bank account reconciliations Corresponding with bank regarding specific transfers
	ASIC Forms	Preparing and lodging ASIC forms including 505, etc Corresponding with ASIC regarding statutory forms
	ATO and other statutory reporting	Notifying ATO of appointment Preparing BASs Completing group certificates
	Finalisation	Notifying ATO of finalisation Cancelling ABN / GST / PAYG registration Completing checklists Finalising WIP
	Planning / Review	Discussing status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage
	Total 164.5 hrs	Total Estimated Cost

5 STATEMENT OF REMUNERATION CLAIM

We are seeking approval for the following resolutions from creditors:

Liquidators' Remuneration Resolution #1

“That the remuneration of the Liquidators from 19 June 2023 to 11 September 2023 is determined at a sum equal to the cost of time spent by the Liquidators and the Liquidators’ partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be fixed at the amount of \$38,847, exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidators to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval.”

Liquidators' Remuneration Resolution #2

“That the remuneration of the Liquidators from 12 September to completion of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and the Liquidators’ partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated

18 September 2023 such sum to be capped at the amount of \$61,700, exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidators to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval.”

The total amount of remuneration sought with respect to this request is \$100,547.

If our time costs are less than the amount approved by creditors then we will only draw the lesser amount.

6 REMUNERATION RECOVERABLE FROM EXTERNAL SOURCES

We refer to our Report to Creditor dated 18 September 2023 and advise that we received \$30,976 from the Department of Employment & Workplace Relations with respect to providing verification services of claims submitted by employees to the Fair Entitlements Guarantee scheme.

We advise that these funds have been applied to our time costs and remitted to our firm. We confirm that the remuneration approval sought above does not include these time costs.

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 charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis. We also intend to charge the ASIC Industry Funding levy, detailed below, as an internal disbursement.

The ASIC Industry Funding Model levy commenced on 1 July 2017. The levy is calculated per metric events including certain lodgements with ASIC and certain advertisements on the ASIC Public Notice Website (“PNW”). These include the following:

- Notice of meetings advertised on the PNW;
- Notice of intention to declare dividend on the PNW; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

In this Liquidation, we consider that we will incur the ASIC levy for the following metric events:

- New appointment for financial year ending 30 June 2024 for each appointee;

- ▲ Ongoing appointment for financial year ending 30 June 2025 for each appointee; and
- ▲ Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

We will not be provided with an invoice for the exact amount of the fee for the year to 30 June 2024 until 2025.

Our current best estimate based on indications from ASIC is the fee will be calculated on a basis of \$125 per event and we are seeking creditor approval to recover these costs as internal disbursements with a potential profit element in accordance with the recommendations from our professional body, the Australia Restructuring Insolvency and Turnaround Association.

No disbursements have been drawn from the Liquidation to date.

In respect of internal disbursements, to the extent that these may be recovered at more than their cost, they may be considered as deriving a profit or advantage and must therefore be approved by creditors, a committee of inspection (if one is appointed), or by the Court prior to them being drawn.

Future disbursements with a potential profit element derived by our firm will be charged to the administration on the following basis, subject to creditors' approval:

Disbursements with a profit element	Rate (excl GST) (\$)
ASIC Industry Funding Levy	\$125 per event
Printing and Photocopying	\$0.25 per page

We are seeking the following resolution with respect to these disbursements:

Liquidators Disbursements Resolution #1

"That the disbursements potentially deriving a profit element of the Liquidation from 19 June 2023 to completion of the Liquidation are to be calculated at the rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$1,000, exclusive of GST, and that the Liquidators may draw disbursements on a monthly basis or as required."

If our internal disbursements are less than the amount approved by creditors then we will only draw the lesser amount.

We note that the drawing of disbursements will result in a reduction of funds available in the Liquidation.

8 LIKELY IMPACT ON DIVIDENDS

The Corporations Act 2001 sets the order for payment of claims against the company and it provides for remuneration of the Liquidators to be paid in priority to other claims. This ensures that when there are sufficient funds, the Liquidators receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds.

Based on:

- realisations to date,
- estimated future realisations,
- our estimated remuneration to complete the Liquidation and
- the estimated total of creditor claims based on the company's records and claims lodged now,

Please refer to our Report to Creditors dated 18 September 2023 for further details with respect to the estimated return to creditors.

9 SUMMARY OF RECEIPTS AND PAYMENTS

A summary of our receipts and payments have been provided in our Report to Creditors dated 18 September 2023.

10 QUERIES

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

Creditors should contact Mr Joshua May of the Liquidators' office on 03 9622 1800 or by email at jmay@brifvic.com.au to seek further information concerning the remuneration claims if they need so.

11 INFORMATION SHEET

The ARITA has produced a document entitled "Creditor Information Sheet: Approving remuneration in external administrations" that can be downloaded from the ARITA website www.arita.com.au or alternatively a copy can be obtained from this office.

12 ADVICE TO CREDITORS

12.1 REMUNERATION METHODS

There are four basic methods that can be used to calculate the remuneration charged by an insolvency Practitioner. They are:

▲ Time based / hourly rates

This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

▲ Fixed Fee

The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a Practitioner will finalise an administration for a fixed fee.

▲ Percentage

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

▲ Contingency

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

12.2 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. Our 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.

Given the nature of this Liquidation, we propose that our remuneration be calculated on the time based / hourly rates method. In our opinion, this is the fairest method for the following reasons:

- ▲ We will only be paid for work done, subject to sufficient realisations of the Company assets or, if there are insufficient assets realised, to the indemnity provided to us (if any).
- ▲ It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications.
- ▲ We are required to perform a number of tasks which do not relate to the realisation of assets, including responding to creditor enquiries, reporting to the ASIC, distributing funds in accordance with the provisions of the Corporations Act 2001.

We are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in this administration. BRI Ferrier reviews its hourly rates every twelve months. The hourly rates quoted above remain current until 30 June 2024. At this time BRI Ferrier may increase the hourly rates charged for work performed past that date.

12.3 EXPLANATION OF HOURLY RATES

The rates for our remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

HOURLY RATES		
Title	Description	Rate (excl GST)
Principal / Appointee	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 Registered Liquidator. Fully qualified and able to control all aspects of an appointment. May have specialist industry knowledge or skills. Assists with all facets of appointment.	\$570
Senior Manager	An accountant with more than 7 years' experience. Qualified and answerable to the Team Leader. Self-sufficient in completing and planning all aspects of large appointments.	\$530
Manager	An accountant with at least 6 years' experience. Typically qualified with well-developed technical and commercial skills, and studying or has completed specialised study in Insolvency and Reconstruction. Controls and plans all aspects of medium to larger appointments, reporting to the Team Leader.	\$500
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.	\$400
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.	\$350
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.	\$300
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.	\$250
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Senior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$200
Junior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$150

12.3.1 Notes

- ▲ The abovementioned hourly rates are exclusive of GST.
- ▲ The above staff descriptions are intended a general guide only to the experience and qualifications of staff engaged in the external administration.
- ▲ Time is recorded and charged to the administration in six-minute increments.

Annexure “E”

Proof of Debt Form

Please find enclosed Form 535- Formal Proof of Debt Form for:

- MPS Victoria Pty Ltd (In Liquidation);
- Richstone Construction Services Pty Ltd (In Liquidation);
- Richstone Holdings Pty Ltd (In Liquidation);
- RSG Corporate Services Pty Ltd (In Liquidation); and
- Richstone Victoria Pty Ltd (In Liquidation).

If you have previously provided a Proof of Debt and wish to supplement it, you may do so. Otherwise, creditors **are not required** to re-submit a Proof of Debt.

Annexure "E"
FORM 535
CORPORATIONS ACT 2001

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Joint and Several Liquidators of : (please tick one)

- ☐ MPS Victoria Pty Ltd
- ☐ Richstone Construction Services Pty Ltd
- ☐ Richstone Holdings Pty Ltd
- ☐ RSG Corporate Services Pty Ltd
- ☐ Richstone Victoria Pty Ltd

1. This is to state that the company was, on 19 June 2023 ⁽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:

Date	Consideration ⁽³⁾ state how the debt arose	Amount \$	GST included \$	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:

If the form is being used for the purpose of voting at a meeting:

Is the debt you are claiming assigned to you?

No ☐ Yes ☐

If yes, attach written evidence of the debt, the assignment and consideration given.

☐ Attached

If yes, what value of consideration did you give for the assignment (eg, what amount did you pay for the debt?) \$

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.

DATED this day of 2023

Signature of Signatory.....

NAME IN BLOCK LETTERS

Occupation

Address

See Directions overleaf for the completion of this form

OFFICE USE ONLY

POD No:		ADMIT (Voting / Dividend) - Ordinary	\$
Date Received:	/ /	ADMIT (Voting / Dividend) – Preferential	\$
Entered into CORE IPS:		Reject (Voting / Dividend)	\$
Amount per ROCAP	\$	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.

Annexure "F"

Notice of Proposal to Creditors – MPS Victoria Pty Ltd (In Liquidation)

Please find enclosed Proposals for creditor approval with respect to MPS Victoria Pty Ltd (In Liquidation).

The Proposal Without a Meeting forms must be returned to this office before **4.00PM AEST, Tuesday, 17 October 2023** for your vote to count.

These proposals relate to:

- Retrospective Remuneration for the period from 19 June 2023 to 11 September 2023;
- Prospective Remuneration for the period from 12 September 2023 to completion;
- Disbursements with a potential profit element for the duration of the Liquidation; and
- Early destruction of books and records.

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

MPS VICTORIA PTY LTD
(IN LIQUIDATION)
ACN 666 107 366 ("THE COMPANY")

Proposal No. 1 for creditor approval

"That the remuneration of the Liquidation from 19 June 2023 to 11 September 2023 is determined at a sum equal to the cost of time spent by the Liquidator and the Liquidator's partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be fixed at the amount of \$9,441, exclusive of GST, and that the Liquidator may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidator to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- The drawing of remuneration will reduce the funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

MPS VICTORIA PTY LTD
(IN LIQUIDATION)
ACN 666 107 366 ("THE COMPANY")

Proposal No. 2 for creditor approval

"That the remuneration of the Liquidation from 12 September 2023 to completion of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidator and the Liquidator's partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$44,400, exclusive of GST, and that the Liquidator may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidator to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- The drawing of remuneration will reduce the funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

NOTICE OF PROPOSAL TO CREDITORS**Dated: 18 September 2023****Voting Poll Closes: 17 October 2023**

**MPS VICTORIA PTY LTD
(IN LIQUIDATION)
ACN 666 107 366 ("THE COMPANY")**

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 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 also intend to charge the ASIC Industry Funding levy, detailed below, as an internal disbursement.

The ASIC Industry Funding Model levy commenced on 1 July 2017. The levy is calculated per metric events including certain lodgements with ASIC and certain advertisements on the ASIC Public Notice Website ("PNW"). These include the following:

- Notice of meetings advertised on the PNW;
- Notice of intention to declare dividend on the PNW; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

In this Liquidation, we consider that we will incur the ASIC levy for the following metric events:

- New appointment for financial year ending 30 June 2024 for each appointee;
- Ongoing appointment for financial year ending 30 June 2025 for each appointee; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

We will not be provided with an invoice for the exact amount of the fee for the year to 30 June 2024 until 2025.

Our current best estimate is the fee will be calculated on a basis of \$125 per event and we are seeking creditor approval to recover these costs as internal disbursements with a potential profit element in accordance with the recommendations from our professional body, the Australia Restructuring Insolvency and Turnaround Association.

In respect of Internal disbursements, to the extent that these may be recovered at more than their cost, they may be considered as deriving a profit or advantage and must therefore be approved by creditors, a committee of inspection (if one is appointed), or by the Court prior to them being drawn.

Future disbursements with a potential profit element derived by our firm will be charged to the administration on the following basis, subject to creditor approval:

Disbursements with a profit element	Rate (excl GST) (\$)
ASIC Industry Funding Levy	\$125 per event
Printing and Photocopying	\$0.25 per page

Proposal No. 3 for creditor approval

“That the disbursements potentially deriving a profit element of the Liquidation from 19 June 2023 to completion of the Liquidation are to be calculated at the rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$1,000, exclusive of GST, and that the Liquidator may draw disbursements on a monthly basis or as required.”

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- We are unable to pay our 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 our disbursements will allow us to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.
- The drawing of disbursements will result in a reduction of funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST** on **Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

MPS VICTORIA PTY LTD
(IN LIQUIDATION)
ACN 666 107 366 ("THE COMPANY")

Proposal No. 4 for creditor approval

"That subject to obtaining the approval of the Australian Securities and Investments Commission under Insolvency Practice Schedule (Corporations) 70-35(3), the books and records of the company and of the liquidation be disposed of by the liquidator 6 months after the dissolution of the company or earlier at the discretion of 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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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

- Without creditor approval for early destruction, the Company and Liquidator's books and records must be kept for five (5) years from the end of the external administration.
- This requirement results in additional costs being borne by the Liquidation
- The passing of this resolution will not have an impact on creditors.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

Annexure “G”

Notice of Proposal to Creditors – Richstone Construction Services Pty Ltd (In Liquidation)

Please find enclosed Proposals for creditor approval with respect to Richstone Construction Services Pty Ltd (In Liquidation).

The Proposal Without a Meeting forms must be returned to this office before **4.00PM AEST, Tuesday, 17 October 2023** for your vote to count.

These proposals relate to:

- Retrospective Remuneration for the period from 19 June 2023 to 11 September 2023;
- Prospective Remuneration for the period from 12 September 2023 to completion;
- Disbursements with a potential profit element for the duration of the Liquidation; and
- Early destruction of books and records.

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

RICHSTONE CONSTRUCTION SERVICES PTY LTD
(IN LIQUIDATION)
ACN 666 107 973 ("THE COMPANY")

Proposal No. 1 for creditor approval

"That the remuneration of the Liquidation from 19 June 2023 to 11 September 2023 is determined at a sum equal to the cost of time spent by the Liquidator and the Liquidator's partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be fixed at the amount of \$9,699, exclusive of GST, and that the Liquidator may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidator to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- The drawing of remuneration will reduce the funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

RICHSTONE CONSTRUCTION SERVICES PTY LTD
(IN LIQUIDATION)
ACN 666 107 973 ("THE COMPANY")

Proposal No. 2 for creditor approval

"That the remuneration of the Liquidation from 12 September 2023 to completion of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidator and the Liquidator's partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$44,200, exclusive of GST, and that the Liquidator may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidator to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- The drawing of remuneration will reduce the funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

NOTICE OF PROPOSAL TO CREDITORS**Dated: 18 September 2023****Voting Poll Closes: 17 October 2023**

**RICHSTONE CONSTRUCTION SERVICES PTY LTD
(IN LIQUIDATION)
ACN 666 107 973 ("THE COMPANY")**

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 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 also intend to charge the ASIC Industry Funding levy, detailed below, as an internal disbursement.

The ASIC Industry Funding Model levy commenced on 1 July 2017. The levy is calculated per metric events including certain lodgements with ASIC and certain advertisements on the ASIC Public Notice Website ("PNW"). These include the following:

- Notice of meetings advertised on the PNW;
- Notice of intention to declare dividend on the PNW; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

In this Liquidation, we consider that we will incur the ASIC levy for the following metric events:

- New appointment for financial year ending 30 June 2024 for each appointee;
- Ongoing appointment for financial year ending 30 June 2025 for each appointee; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

We will not be provided with an invoice for the exact amount of the fee for the year to 30 June 2024 until 2025.

Our current best estimate is the fee will be calculated on a basis of \$125 per event and we are seeking creditor approval to recover these costs as internal disbursements with a potential profit element in accordance with the recommendations from our professional body, the Australia Restructuring Insolvency and Turnaround Association.

In respect of Internal disbursements, to the extent that these may be recovered at more than their cost, they may be considered as deriving a profit or advantage and must therefore be approved by creditors, a committee of inspection (if one is appointed), or by the Court prior to them being drawn.

Future disbursements with a potential profit element derived by our firm will be charged to the administration on the following basis, subject to creditor approval:

Disbursements with a profit element	Rate (excl GST) (\$)
ASIC Industry Funding Levy	\$125 per event
Printing and Photocopying	\$0.25 per page

Proposal No. 3 for creditor approval

“That the disbursements potentially deriving a profit element of the Liquidation from 19 June 2023 to completion of the Liquidation are to be calculated at the rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$1,000, exclusive of GST, and that the Liquidator may draw disbursements on a monthly basis or as required.”

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- We are unable to pay my 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 our disbursements will allow us to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.
- The drawing of disbursements will result in a reduction of funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST** on **Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

RICHSTONE CONSTRUCTION SERVICES PTY LTD
(IN LIQUIDATION)
ACN 666 107 973 ("THE COMPANY")

Proposal No. 4 for creditor approval

"That subject to obtaining the approval of the Australian Securities and Investments Commission under Insolvency Practice Schedule (Corporations) 70-35(3), the books and records of the company and of the liquidation be disposed of by the liquidator 6 months after the dissolution of the company or earlier at the discretion of 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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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

- Without creditor approval for early destruction, the Company and Liquidator's books and records must be kept for five (5) years from the end of the external administration.
- This requirement results in additional costs being borne by the Liquidation
- The passing of this resolution will not have an impact on creditors.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

Annexure “H”

Notice of Proposal to Creditors – RSG Corporate Services Pty Ltd (In Liquidation)

Please find enclosed Proposals for creditor approval with respect to RSG Corporate Services Pty Ltd (In Liquidation).

The Proposal Without a Meeting forms must be returned to this office before **4.00PM AEST, Tuesday, 17 October 2023** for your vote to count.

These proposals relate to:

- Retrospective Remuneration for the period from 19 June 2023 to 11 September 2023;
- Prospective Remuneration for the period from 12 September 2023 to completion;
- Disbursements with a potential profit element for the duration of the Liquidation; and
- Early destruction of books and records.

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

RSG CORPORATE SERVICES PTY LTD
(IN LIQUIDATION)
ACN 666 106 930 ("THE COMPANY")

Proposal No. 1 for creditor approval

"That the remuneration of the Liquidation from 19 June 2023 to 11 September 2023 is determined at a sum equal to the cost of time spent by the Liquidator and the Liquidator's partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be fixed at the amount of \$8,875, exclusive of GST, and that the Liquidator may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidator to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- The drawing of remuneration will reduce the funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

RSG CORPORATE SERVICES PTY LTD
(IN LIQUIDATION)
ACN 666 106 930 ("THE COMPANY")

Proposal No. 2 for creditor approval

"That the remuneration of the Liquidation from 12 September 2023 to completion of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidator and the Liquidator's partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$44,200, exclusive of GST, and that the Liquidator may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidator to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- The drawing of remuneration will reduce the funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

NOTICE OF PROPOSAL TO CREDITORS**Dated: 18 September 2023****Voting Poll Closes: 17 October 2023**

**RSG CORPORATE SERVICES PTY LTD
(IN LIQUIDATION)
ACN 666 106 930 ("THE COMPANY")**

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 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 also intend to charge the ASIC Industry Funding levy, detailed below, as an internal disbursement.

The ASIC Industry Funding Model levy commenced on 1 July 2017. The levy is calculated per metric events including certain lodgements with ASIC and certain advertisements on the ASIC Public Notice Website ("PNW"). These include the following:

- Notice of meetings advertised on the PNW;
- Notice of intention to declare dividend on the PNW; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

In this Liquidation, we consider that we will incur the ASIC levy for the following metric events:

- New appointment for financial year ending 30 June 2024 for each appointee;
- Ongoing appointment for financial year ending 30 June 2025 for each appointee; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

We will not be provided with an invoice for the exact amount of the fee for the year to 30 June 2024 until 2025.

Our current best estimate is the fee will be calculated on a basis of \$125 per event and we are seeking creditor approval to recover these costs as internal disbursements with a potential profit element in accordance with the recommendations from our professional body, the Australia Restructuring Insolvency and Turnaround Association.

In respect of Internal disbursements, to the extent that these may be recovered at more than their cost, they may be considered as deriving a profit or advantage and must therefore be approved by creditors, a committee of inspection (if one is appointed), or by the Court prior to them being drawn.

Future disbursements with a potential profit element derived by our firm will be charged to the administration on the following basis, subject to creditor approval:

Disbursements with a profit element	Rate (excl GST) (\$)
ASIC Industry Funding Levy	\$125 per event
Printing and Photocopying	\$0.25 per page

Proposal No. 3 for creditor approval

“That the disbursements potentially deriving a profit element of the Liquidation from 19 June 2023 to completion of the Liquidation are to be calculated at the rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$1,000, exclusive of GST, and that the Liquidator may draw disbursements on a monthly basis or as required.”

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- We are unable to pay our 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 our disbursements will allow us to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.
- The drawing of disbursements will result in a reduction of funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

Name of creditor /
authorised person:

Signature:

Date:

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST** on **Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
PO Box 521
Collins Street West VIC 8007

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

RSG CORPORATE SERVICES PTY LTD
(IN LIQUIDATION)
ACN 666 106 930 ("THE COMPANY")

Proposal No. 4 for creditor approval

"That subject to obtaining the approval of the Australian Securities and Investments Commission under Insolvency Practice Schedule (Corporations) 70-35(3), the books and records of the company and of the liquidation be disposed of by the liquidator 6 months after the dissolution of the company or earlier at the discretion of 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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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

- Without creditor approval for early destruction, the Company and Liquidator's books and records must be kept for five (5) years from the end of the external administration.
- This requirement results in additional costs being borne by the Liquidation
- The passing of this resolution will not have an impact on creditors.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

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Annexure "I"

Notice of Proposal to Creditors – Richstone Victoria Pty Ltd (In Liquidation)

Please find enclosed Proposals for creditor approval with respect to Richstone Victoria Pty Ltd (In Liquidation).

The Proposal Without a Meeting forms must be returned to this office before **4.00PM AEST, Tuesday, 17 October 2023** for your vote to count.

These proposals relate to:

- Retrospective Remuneration for the period from 19 June 2023 to 11 September 2023;
- Prospective Remuneration for the period from 12 September 2023 to completion;
- Disbursements with a potential profit element for the duration of the Liquidation; and
- Early destruction of books and records.

NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

RICHSTONE VICTORIA PTY LTD
(IN LIQUIDATION)
ACN 665 967 028 ("THE COMPANY")

Proposal No. 1 for creditor approval

"That the remuneration of the Liquidation from 19 June 2023 to 11 September 2023 is determined at a sum equal to the cost of time spent by the Liquidator and the Liquidator's partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be fixed at the amount of \$38,847, exclusive of GST, and that the Liquidator may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidator to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- The drawing of remuneration will reduce the funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

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NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

RICHSTONE VICTORIA PTY LTD
(IN LIQUIDATION)
ACN 665 967 028 ("THE COMPANY")

Proposal No. 2 for creditor approval

"That the remuneration of the Liquidation from 12 September 2023 to completion of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidator and the Liquidator's partners and staff, calculated at the hourly rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$61,700, exclusive of GST, and that the Liquidator may draw the remuneration on a monthly basis or as required. Any amount in excess of this maximum would require the Liquidator to call a further meeting of creditors/Committee of Inspection to seek approval of same or approach the Court for approval."

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- The drawing of remuneration will reduce the funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

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NOTICE OF PROPOSAL TO CREDITORS**Dated: 18 September 2023****Voting Poll Closes: 17 October 2023****RICHSTONE VICTORIA PTY LTD
(IN LIQUIDATION)
ACN 665 967 028 ("THE COMPANY")****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 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 also intend to charge the ASIC Industry Funding levy, detailed below, as an internal disbursement.

The ASIC Industry Funding Model levy commenced on 1 July 2017. The levy is calculated per metric events including certain lodgements with ASIC and certain advertisements on the ASIC Public Notice Website ("PNW"). These include the following:

- Notice of meetings advertised on the PNW;
- Notice of intention to declare dividend on the PNW; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

In this Liquidation, we consider that we will incur the ASIC levy for the following metric events:

- New appointment for financial year ending 30 June 2024 for each appointee;
- Ongoing appointment for financial year ending 30 June 2025 for each appointee; and
- Notice of the outcome of a proposal to pass resolution without meeting lodged with ASIC.

We will not be provided with an invoice for the exact amount of the fee for the year to 30 June 2024 until 2025.

Our current best estimate is the fee will be calculated on a basis of \$125 per event and we are seeking creditor approval to recover these costs as internal disbursements with a potential profit element in accordance with the recommendations from our professional body, the Australia Restructuring Insolvency and Turnaround Association.

In respect of Internal disbursements, to the extent that these may be recovered at more than their cost, they may be considered as deriving a profit or advantage and must therefore be approved by creditors, a committee of inspection (if one is appointed), or by the Court prior to them being drawn.

Future disbursements with a potential profit element derived by our firm will be charged to the administration on the following basis, subject to creditor approval:

Disbursements with a profit element	Rate (excl GST) (\$)
ASIC Industry Funding Levy	\$125 per event
Printing and Photocopying	\$0.25 per page

Proposal No. 3 for creditor approval

“That the disbursements potentially deriving a profit element of the Liquidation from 19 June 2023 to completion of the Liquidation are to be calculated at the rates as detailed in the Remuneration Request Approval Report dated 18 September 2023 such sum to be capped at the amount of \$1,000, exclusive of GST, and that the Liquidator may draw disbursements on a monthly basis or as required.”

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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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.
- We are unable to pay our 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 our disbursements will allow us to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.
- The drawing of disbursements will result in a reduction of funds available in the Liquidation.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

Name of creditor /
authorised person:

Signature:

Date:

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST** on **Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

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NOTICE OF PROPOSAL TO CREDITORS

Dated: 18 September 2023

Voting Poll Closes: 17 October 2023

RICHSTONE VICTORIA PTY LTD
(IN LIQUIDATION)
ACN 665 967 028 ("THE COMPANY")

Proposal No. 4 for creditor approval

"That subject to obtaining the approval of the Australian Securities and Investments Commission under Insolvency Practice Schedule (Corporations) 70-35(3), the books and records of the company and of the liquidation be disposed of by the liquidator 6 months after the dissolution of the company or earlier at the discretion of 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 Joint and Several Liquidators. Please select the option that applies to you:

- ☐ 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
- ☐ 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.

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

- Without creditor approval for early destruction, the Company and Liquidator's books and records must be kept for five (5) years from the end of the external administration.
- This requirement results in additional costs being borne by the Liquidation
- The passing of this resolution will not have an impact on creditors.

Creditor details

Name of creditor

Address

ABN (if applicable)

Contact number

Email address

**Name of creditor /
authorised person:** _____

Signature: _____

Date: _____

For your vote to count, you **must complete** this document and return it together with any **supporting documents** by no later than **4.00PM AEST on Tuesday, 17 October 2023**, by email to Joshua May at info@brifvic.com.au. Should you have any queries in relation to this matter, please contact Joshua May on (03) 9622 1800.

BRI FERRIER
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Annexure “J”

Proposals without meetings

Please find enclosed information sheet about passing resolutions without a meeting and a proposal form.

Information sheet: Proposals without meetings

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

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

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

What is a proposal without a meeting?

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

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

What types of proposals can be put to creditors?

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

What information must the notice contain?

The notice must:

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

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

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

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

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

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

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

How is a resolution passed?

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

What happens if the proposal doesn't pass?

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

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

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

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

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

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

Where can I get more information?

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

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

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

**For more information, go to www.arita.com.au/creditors.
Specific queries should be directed to the external administrator's office.**