



SECOND REPORT TO CREDITORS

EDEN AUSTRALASIA PTY LTD

ACN 653 282 609

&

THE SAPPHIRE AUSTRALASIA PTY LTD

ACN 655 675 442

(BOTH ADMINISTRATORS APPOINTED)
("THE COMPANIES")

22 October 2024

PETER KREJCI

ANDREW CUMMINS

Joint and Several Administrators

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GLOSSARY OF COMMON ACRONYMS & ABBREVIATIONS

ABN	Australian Business Number
ACN	Australian Company Number
Act	Corporations Act 2001 (Cth)
Administrators	Peter Krejci and Andrew Cummins
ARITA	Australian Restructuring Insolvency and Turnaround Association
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
BAS	Business Activity Statement
Bond Finance	Bond Finance Pty Ltd
Committee	Committee of Inspection
Companies	Eden Australasia Pty Ltd & The Sapphire Australasia Pty Ltd
Director	Andrew Miller
DIRRI	Declaration of Independence, Relevant Relationships & Indemnities
DOCA	Deed of Company Arrangement
FEG	Fair Entitlements Guarantee
Firm	BRI Ferrier NSW
Freehold Property	142-144 Imlay Street Eden NSW
IMB	IMB Bank Limited
IPR	Insolvency Practice Rules (Corporations) 2016
IPS	Insolvency Practice Schedule (Corporations) 2016
Mr Palasti	John Palasti/ John Palasty
Mr Toma	Mark Toma
NAB	National Australia Bank Limited
Premises	142-144 Imlay Street Eden NSW 2551
POD	Proof of Debt
PPSR	Personal Property Securities Register
Eden	Eden Australasia Pty Ltd
Sapphire	The Sapphire Australasia Pty Ltd
ROCAP	Report on Company Activities and Property
VA	Voluntary Administration
Virtual Group	Virtual Pty Ltd, Virtual Metro Pty Ltd, Virtual Metro Management Pty Ltd and other entities controlled by Mr Palasti and Mr Toma

INTRODUCTION

We refer to our First Report to Creditors dated 27 September 2024 in which our appointment as Joint and Several Administrators of the Companies was advised along with an explanation of the Voluntary Administration process.

The objective of Part 5.3A of the Act is to provide for the business, property and affairs of an insolvent (or likely to become insolvent) company to be administered in a way that maximises the chances of the company, or as much as possible of its business, continuing in existence, or, if this is not possible, results in a better return for the company's creditors than would result from an immediate winding up of the company.

Section 438A of the Act requires that, as soon as practicable, the Administrators must investigate the business, property, affairs and financial circumstances of the Companies and form an opinion about each of the following matters:

- ▲ Whether it would be in the Creditors' interests for the Companies to execute a DOCA;
- ▲ Whether it would be in the Creditors' interests for the Administrations to end; and
- ▲ Whether it would be in the Creditors' interests for the Companies to be wound up.

This report should be read in conjunction with the First Report. If you have any questions relating to the administration in general, or specific questions relating to your position, please do not hesitate to contact this office.

COMPANY DETAILS

Name	Eden Australasia Pty Ltd
Incorporated	31 August 2021
ACN/ABN	653 282 609/87 653 282 609
Registered Office & Trading Address	Level 2, 74 McEvoy Street Alexandria NSW 2015

Name	The Sapphire Australasia Pty Ltd
Incorporated	29 November 2021
ACN/ABN	655 675 442/15 655 675 442
Registered Office & Trading Address	Level 2, 74 McEvoy Street Alexandria NSW 2015

ADMINISTRATORS

Name	Peter Krejci Andrew Cummins
Date Appointed	24 September 2024

ADMINISTRATION CONTACT

Name	Mankirth Mandair
Email	mmandair@brifnsw.com.au
Phone	02 8263 2333

EXECUTIVE SUMMARY

As you are aware, we, Andrew Cummins and Peter Krejci, were appointed Joint and Several Administrators of Eden Australasia Pty Ltd (“Eden”) and The Sapphire Australasia Pty Ltd (“Sapphire”) (referred together as “the Companies”) on 24 September 2024 pursuant to Section 436C of the Corporations Act 2001.

Pursuant to Section 439A of the Act, we have convened the Second Meeting of Creditors to be held concurrently on **Thursday, 30 October 2024 at 11:00AM AEDT**. Please find attached as **Annexure “1”** the Notice of Concurrent Second Meeting of Creditors for your information. The meeting will be held at our offices with virtual meeting technology also made available should creditors wish to attend the meeting virtually. Given the operations of the Companies are intertwined we are proposing to hold the meeting of Eden and Sapphire concurrently. Further details on the meeting are disclosed in Section **Error! Reference source not found.** of this report.

We summarise below our observations of the Companies’ affairs, our preliminary investigations and the potential outcomes for creditors from the Administration process.

We have had virtually no cooperation from either the Director or Mr Palasti. They have not provided the Administrators with a ROCAP nor any books and records of the Companies. This has obviously hampered the Administrators ability to trade and conduct appropriate investigations.

Eden is the sole registered owner of the Premises located at 142-144 Imlay Street Eden NSW 2551, known as Hotel Australasia. Hotel Australasia trades as a luxury boutique hotel, with 8 unique rooms with a bar & restaurant space. Prior to our appointment, Eden made an application for a gaming license.

The Companies were part of the Virtical Group, which according the Virtical Group’s website are “property developers of residential, commercial and leisure assets”. It would appear that Hotel Australasia ostensibly was an asset that Virtical Group was seeking to add value to by way of a redevelopment. The hotel has undergone extensive renovations, however they are incomplete, with the kitchen and bathroom spaces housed in temporary sheds.

The Administrators took possession of the Premises and have undertaken a review of the financial position of the hotel. On appointment, the Companies held little to no funds in the two bank accounts identified. To preserve its value as a going concern, we consulted with Bond Finance (our appointor) to seek funding to trade the business with a view to a sale. We were provided an indemnity from Bond and have received \$50,000 under the indemnity. Since our appointment, we have continue to trade the business.

The business has experienced a number of difficulties, in particular the retention of kitchen staff. Whilst the general manager has agreed to remain for the short term, he has indicated he will be resigning in mid November. We have sought to engage an alternate manager. The hotel also contracts a number of staff through an agency.

In the lead up to our appointment, the Companies were subject to an extensive audit and investigation in relation to various GST credits claimed for expenses incurred in renovating the hotel. A large proportion of the GST claimed pertains to expenses incurred for purported construction costs to renovate the hotel. The ATO has determined that for the majority of the amounts claimed Eden is not entitled to claim the tax credits. Following this audit, the ATO has revised their claim against Eden and has lodged a claim in the amount of \$15.105M. At this stage, the ATO has indicated they don't have a claim against Sapphire.

We have prepared an estimate of the potential returns to creditors in a liquidation scenario. We estimate that there will be no return to ordinary unsecured creditors unless substantial recoveries are made in respect of liquidators' actions.

The Companies are both insolvent and no DOCAs have been proposed for creditors to consider. Accordingly, we must recommend that creditors resolve to place the Companies into Liquidation. However, it is in creditors interests that the Administration process is extended, in order to preserve the value in the assets whilst we explore a sale of the business and property. We have entered into an Agency Agreement with HTL Property to market the Premises for sale via expressions of interest. There appears to be strong demand and a potential purchaser may wish to structure their offers via a DOCA proposal. We anticipate a sale can be effected in the short term.

Accordingly, at the forthcoming second creditors meeting, we will likely adjourn those meeting for up to forty-five (45) business days.

In summary, we have no choice but to recommend Liquidation of the Companies at this time. However, we consider it to be in creditors interests, for us to adjourn the second creditors meeting for up to forty-five (45) business days, to preserve the value in the assets whilst a sale of the business and property is further progressed. This will be discussed further at the second meeting of creditors.

1. BASIS OF REPORT

On 24 September 2024, we, Andrew Cummins and Peter Krejci of BRI Ferrier, Level 26, 25 Bligh Street Sydney NSW 2000, were appointed Administrators of the Companies pursuant to Section 436C of the Act.

This report has been prepared primarily from information received from the secured creditor's solicitors, records maintained at the Premises (including sales and stocktaking records) as well as the management accounting system, Xero. To date, Mr Palasti and Director have provided no assistance. Mr Palasti has indicated that he had resigned prior to our appointment although the ASIC notification recording this was not lodged until 26 September 2024.

In order to complete this report and in conducting our investigations, we have also utilised information from:

- ▲ ASIC
- ▲ The books and records of the Companies;
- ▲ Discussions with Employees;
- ▲ Extracts from public information databases;
- ▲ Correspondence with creditors; and
- ▲ Documents obtained from the ATO in relation to the Companies.

2 DISCLAIMER

This Report and the statements made herein are based upon available books and records and from our own enquiries. Whilst we have no reason to doubt the accuracy of the information provided or contained herein, we reserve the right to alter our opinions or conclusions should the underlying data prove to be inaccurate or materially change after the date of this Report.

In considering the options available to Creditors and in formulating our recommendations, we have necessarily made forecasts and estimates of asset realisations and the ultimate quantum of Creditors' claims against the Companies where appropriate. These forecasts and estimates may change as asset realisations progress and as Creditors' claims are made and adjudicated upon. Whilst the forecasts and estimates are the Administrators' best assessment in the circumstances, Creditors should note that the Companies' ultimate deficiency, and therefore the outcome for Creditors could differ from the information provided in this Report.

Neither the Administrators nor any member or employee of BRI Ferrier accepts responsibility in any way whatsoever to any person in respect of any errors in this Report arising from incorrect information provided to us, or necessary forecasts, estimates and assessments made for the purposes of these Reports.

Should any Creditor have material information in relation to the Companies' affairs which they consider may impact on our investigation or Reports, please forward the details to our office as soon as possible.

3 DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES

A DIRRI pursuant to Section 436DA of the Act was enclosed in the First Report. The DIRRI records that we undertook a proper assessment of the risks to our independence prior to accepting the appointment. There is no update required to the DIRRI.

4 CORPORATE INFORMATION

The following information has been extracted from ASIC records as at the date of our appointment. We are aware that lodgements have been made with ASIC after our appointment and we have marked these changes with a footnote.

4.1 EDEN AUSTRALASIA PTY LTD

4.1.1 Company Details

Company Name	Eden Australasia Pty Ltd
ABN	87 653 282 609
ACN	653 282 609
Incorporation Date	31 August 2021
Registered Address	Level 2 74 McEvoy Street Alexandria NSW 2015
Principal Place of Business	Level 2 74 McEvoy Street Alexandria NSW 2015

4.1.2 Officeholders

Name	Position(s)	Start Date	Cease Date
Andrew Miller*	Director	5/09/2024	Current
	Secretary	5/09/2024	Current
John Palasti	Director	28/11/2023	5/09/2024
	Secretary	28/11/2023	5/09/2024
Mark Toma	Director	31/08/2021	28/11/2023
	Secretary	31/08/2021	28/11/2023

*Change of officeholder form was lodged with ASIC on 26 September 2023 with Mr Palasti's resignation backdated to 5 September 2024.

4.1.3 Share Structure and Shareholders

Name	Share Class	Amount paid	Fully Paid	Status
Andrew Miller*	ORD	4	Yes	Current
John Palasti	ORD	4	Yes	Former

* Change of shareholder form was lodged with ASIC on 26 September 2023 but backdated to 5 September 2024.

4.1.4 Current Registered Security Interests

A search of the PPSR indicates the following registered security interests:

Registration Number	Secured Party	Start Date	Collateral
202208120043573	PFD FOOD SERVICES PTY LTD	12/8/2022	Other Goods
202211020008899	FRANC ABOUT WINE PTY LTD	2/11/2022	Other Goods
202211020015361	CELLARHAND CONSULTING PTY LTD	2/11/2022	Other Goods
202211280002469	CUB PTY LTD	28/11/2022	Other Goods
202211280079039	LION-BEER, SPIRITS & WINE PTY LTD	28/11/2022	Other Goods
202212280038628	BOC LIMITED	28/12/2022	Other Goods
202304170067257	OZ TANK NSW PTY LIMITED	17/4/2023	Other Goods
202401190067313	ROVERA CONSTRUCTION PTY LTD	19/1/2024	All PAP
202403120063105	SUPERANNUATION FUN BOND FINANCE PTY LTD	12/3/2024	All PAP
202403180065763	ROVERA INVESTMENT FUND PTY LTD	18/3/2024	All PAP
202405030053050	DESICOM PTY LTD	3/5/2024	All PAP
202408090019859	ROVERA INVESTMENT FUND PTY LTD MA & A INVESTMENTS PTY LTD	9/8/2024	All PAP
	The Trustee for De Simone Family Trust		
	DEZICON PTY LTD		

Please refer to Section 10.2.1 of this report for further comments on the above.

4.2 THE SAPPHIRE AUSTRALASIA PTY LTD

4.2.1 Company Details

Company Name	The Sapphire Australasia Pty Ltd
ABN	15 655 675 442
ACN	655 675 442
Incorporation Date	29 November 2021
Registered Address	Level 2 74 McEvoy Street, Alexandria NSW 2015
Principal Place of Business	Level 2 74 McEvoy Street, Alexandria NSW 2015

4.2.2 Officeholders

Name	Position(s)	Start Date	Cease Date
Andrew Miller*	Director	5/09/2024	Current

	Secretary	5/09/2024	Current
John Palasti	Director	28/09/2023	5/09/2024
	Secretary	28/09/2023	5/09/2024
John Palasty	Director	28/11/2023	10/01/2024
Mark Toma	Director	29/11/2023	28/11/2023
Rory Gallagher	Secretary	29/02/2024	16/05/2024
Mark Toma	Secretary	29/11/2021	28/11/2023
John Palasty	Secretary	28/11/2023	28/11/2023

*Change of officeholder form was lodged with ASIC on 26 September 2023 with Mr Palasti's resignation backdated to 5 September 2024.

4.2.3 Share Structure and Shareholders

Name	Share Class	Amount paid	Fully Paid	Status
Andrew Miller*	ORD	100	Yes	Current
John Palasti	ORD	100	Yes	Former

*Change of shareholder form was lodged with ASIC on 26 September 2023 but backdated to 5 September 2024.

4.2.4 Current Registered Security Interests

A search of the PPSR indicates the following registered security interests:

Registration Number	Secured Party	Start Date	Collateral
202403130068449	BOND FINANCE PTY LTD	13/03/2024	ALL PAP

Please refer to Section 10.2.1 of this report for further comments on the above.

4.3 RELATED ENTITIES

Please refer to **Annexure "5"** for details of Mr Palasti's and Mr Toma's directorships and shareholdings.

4.4 LEGAL PROCEEDINGS AGAINST THE COMPANIES

Pursuant to Section 440D of the Act, upon our appointment as Administrators, all proceedings against the Company are automatically stayed.

Creditors cannot commence or continue proceedings against the Companies without our written consent or without leave of the Court. We understand that immediately prior to our appointment Eden commenced proceedings against Karneil Pty Ltd and was unsuccessful in those proceedings. It appears that on 25 September 2024 Eden's solicitor issued a Notice of Intention to Appeal filed on behalf of Eden. We did not authorise the issuance of this Notice and are currently considering our position in this regard.

5 GROUP HISTORY AND EVENTS LEADING UP TO ADMINISTRATION

The following summary has been prepared primarily from our own enquiries and the available records:

- ▲ Eden was incorporated in August 2021. Sapphire was incorporated in November 2021. We understand the Companies were incorporated to acquire, renovate and trade the hotel and restaurant located at 142-144 Imlay Street Eden NSW. Eden trades as Hotel Australasia, notwithstanding that it is not a business name registered with ASIC.
- ▲ We understand that the Eden entered into a contract to purchase the hotel in September 2021. It appears that the contract provided for an extended settlement period and the property settled on 10 March 2022.
- ▲ Eden and Sapphire were part of the Virtical Group, a property developer involved in residential, commercial and hospitality venues. Virtical Group was run by Mr Palasti and Mr Toma, former directors of Eden and Sapphire.
- ▲ Mr Palasti and Mr Toma were in the business of acquiring large hospitality venues with a view to renovation and rejuvenation of the property/business for profit. Virtical Group had purchased a number of hospitality venues and entered into contracts to buy a number of other venues throughout the east coast of Australia.
- ▲ Mr Palasti and Mr Toma had entered into contracts to purchase the Courthouse Pub and Kinselas, hospitality venues located in the Darlinghurst, NSW. Bond Finance, agreed to fund these acquisitions, with the Hotel (owned by Eden) provided as collateral. Bond was granted a first ranked mortgage and a general security interest registered over Eden.
- ▲ Proceedings were brought against four companies (Kinselas Pty Ltd, Kinselas Management Pty Ltd, The Courthouse (NSW) Pty Ltd and The Courthouse Management Pty Ltd) to complete the contracts and pay the balance of the purchase price by 1 July 2024. Those companies were unable to complete the purchase.
- ▲ Bond has sought to recover its debt, currently \$61M across a number of Companies in the Virtical Group, and has resulted in Bond appointing voluntary administrators to other related entities, including Republic Hotel Sydney Pty Ltd, Republic Hotel Management Pty Ltd, Risby Cove TAS Pty Ltd and Risby Cove Management Pty Ltd.
- ▲ Our investigations demonstrate that there has been an extensive intermingling of records and accounts with the Companies maintaining a single set of management accounts. The bank accounts are maintained in the name of Eden. Suppliers appear to hold accounts in the name of Hotel Australasia. The Companies' liquor license is held by Sapphire. The contractual relationship between Eden and Sapphire is not clear and no documentation in this regard has been received.
- ▲ The maintenance of books and records generally has generally been deficient. In particular, the Companies have maintained only one set of accounts. The fact that Sapphire held the hotel's liquor license has led to key creditors indicating that they are unable to supply Eden, and required that new accounts must be established in Sapphire's name.

- ▲ We have also been in discussions with the ATO regarding Eden's compliance history. We have been provided with the ATO's correspondence with Eden which include the ATO undertaking an investigation and audit into lodgements made by the Eden. This is discussed further below.
- ▲ We have had no assistance from the Director or Mr Palasti, a former director. On our appointment, searches conducted of the ASIC database confirmed Mr Palasti was the sole director of Eden and Sapphire. On 26 September 2024, after our appointment, Mr Palasti filed documents to cease his directorship, reporting that this occurred on 5 September 2024. He has requested we contact Mr Andrew Miller, the new director for information pertaining to the Companies.

6 REASONS FOR FAILURE

We are yet to receive a completed ROCAP or questionnaire for the Companies from Mr Palasti or the Director which would detail the reasons for failure.

Based on our enquiries, it appears that the Companies demise can be attributed to the following reasons:

- ▲ Insufficient working capital
- ▲ Poor compliance of tax affairs, including failure to remit employee superannuation, non lodgement of statutory returns and incorrectly claiming GST refunds/credits from the ATO.
- ▲ Payment of large sums to associated entities where we have been unable to determine the reasons for the payment.
- ▲ Lack of strategic management regarding the operational and financial aspects of the business.

Our investigations indicate substantial mismanagement of Eden's funds. Significant levels of funds have been 'loaned' or advanced to other entities controlled by Mr Toma and/or Mr Palasti, so much so that the Companies held no funds in their bank accounts on our appointment. We discuss Mr Toma and Mr Palasti's duties in Section 11 below.

7 CONDUCT OF THE ADMINISTRATION

We have attended to the following major tasks during this appointment:

- ▲ Assume control of the Companies and performed an urgent assessment of the Companies' financial position;
- ▲ Communicated with employees, suppliers, customers, trade creditors regarding the continued trading during the Administration period and implemented management and operational protocols;
- ▲ Performed an urgent review of the Companies' financial position and prepare a cashflow forecast;
- ▲ Secured the Companies' assets;

- ▲ Took control of the Companies IT infrastructure (including website, various POS systems and communication systems);
- ▲ Reported to Creditors and held the First Meeting on 4 October 2024;
- ▲ Obtained appropriate insurance cover for the administration period;
- ▲ Assumed control over management accounting system and obtain access to POS data;
- ▲ Obtained access to and copies of the Companies' electronic accounting systems;
- ▲ Conducted preliminary investigations of the affairs of the Companies, in particular potential voidable transactions and other potential avenues of recoveries that may be available to a liquidator.

7.1 ATO INVESTIGATION AND AUDIT

We have liaised with the ATO regarding the compliance history of Eden since its incorporation. We are aware that the ATO has conducted an extensive investigation and audit and has determined that Eden has made a number of false and misleading statements, including claiming tax credits when it was not entitled to do so.

The audits pertained to tax credits claimed in relation to BASs lodged for months September 2021 to July 2023 and resulted in revisions of Eden's liabilities. The ATO have lodged a claim of \$15.105M against Eden.

In summary, the ATOs findings in respect of Eden, are as follows:

- ▲ For the period 1 September 2021 to 28 February 2022 the credits claimed were for costs associated with the renovation of the hotel/restaurant. Further, as Eden was not the legal owner of the Property at that time, the ATO has determined that it was not entitled to claim tax credits, as there was no taxable supply. This has amounted to a debt of \$990,371.71.
- ▲ For the months of April and May 2022, GST credits totaling \$456,860, in relation to expenses incurred in running the hotel. The ATO has permitted Eden to claim these credits, on the basis that consideration was paid by Eden.
- ▲ For the period 1 July 2022 to 30 July 2023, the ATO has indicated that no consideration was made by Eden, and therefore no creditable acquisition was made. The ATO indicates that the tax credits claimed of \$11,719,920 have been disallowed by the ATO.
- ▲ Most of the credit acquisitions claimed pertain to invoices issued by Top Class Constructions NSW Pty Limited, a related party entity, of which Mr Toma was a director.
- ▲ The penalties charge amount to \$4,222,023.30.
- ▲ The ATO has not determined if any additional penalties should be imposed as result of Eden incorrectly claiming these amounts.
- ▲ The ATO has indicated that it has no current claim against Sapphire at this stage.

8 TRADING DURING VOLUNTARY ADMINISTRATION

As mentioned earlier, we continued to trade the business in order to facilitate the sale of Premises and business.

We have had substantive communications with staff, suppliers and the external bookkeeper to understand the operations of the Business. It became apparent that the Companies were experiencing cashflow difficulties. We note that we negotiated an indemnity with Bond Finance to allow the Hotel to continue to trade. Based on our investigations, we are of the opinion that these difficulties were partly due to substantial withdrawals made by Mr Palasti and / or entities associated with him.

We put in place controls and procedures for the ongoing operations and tracked the financial performance via reporting streams on a daily basis. The financial performance during the Administration thus far indicates that the business is profitable, and we expect to achieve a small profit by the time a sale is finalised. The Hotel has two key revenue streams with food and beverage sales from the restaurant and bar accounting for approximately (80%) of revenue. The remaining revenue is derived from accommodation.

We sought ongoing supply arrangements with the existing key suppliers. In certain circumstances, we have negotiated new supply and payment arrangements, due to pricing or other disputes. We have also continued the employment of all staff, to ensure continuity for a potential new owner.

Other matters dealt with during our trading period were:

- Negotiating with key suppliers requiring payment prior to providing goods or services or shorten payment terms;
- Securing sales receipts (including setup of new payment systems) and directing online booking sales to accounts controlled by the Administrators;
- Ensuring continued supply of utilities including phone and internet, electricity and gas;
- Arranging repairs to cool room and kitchen equipment as needed;
- Dealing with staffing matters, including payroll obligations and statutory tax reporting.

We intend to continue trading the business until a sale is achieved. As previously stated, based on current projections we anticipate a small profit. We will provide an update at the forthcoming creditors meeting in particular regarding the sale of the business.

9 HISTORICAL FINANCIAL INFORMATION

The Companies' maintained only one set of management accounts in the name of Hotel Australasia. We have reviewed these accounts for the period 31 August 2021 (the date of Eden's incorporation) to our appointment. We note that the management accounts are not audited and we have prepared our financial analysis based on the available information, which is discussed below.

9.1 BALANCE SHEETS

Attached as **Annexure "6"** is a comparative analysis of the Balance Sheets.

We make the following comments with respect to the comparative Balance Sheets:

- ▶ The accounts are not reconciled as noted in the current liabilities balance, where various transactions have been recorded as “Suspense” and “SOLPOINT Queries – TBC”. A review of the ledger for this account shows a number of large round payments for which the bookkeeper was uncertain as to their purpose.
- ▶ A number of liabilities also appear to be understated such as outstanding superannuation entitlements, the debt owed to the first ranked mortgagee and major secured creditor, Bond Finance (approximately \$61M at the date of appointment) and other tax liabilities owed to the ATO.
- ▶ Eden appear to have funded a number of other related entities, including the Coast Motel in Eden, Risby Cove TAS Pty Ltd (Administrators Appointed) in VIC and Republic Hotel Management Pty Ltd (Administrators Appointed) in NSW, despite reporting net losses since its incorporation.
- ▶ The largest asset recorded in the Balance Sheet is “Buildings at Cost” at \$135M which appears to be capitalised costs for building improvements. We understand that Eden entered into a contract with Top Class Construction NSW Pty Ltd to renovate the Hotel. We do not have sufficient information on the scope of the improvements done to the Hotel with respect to this renovation. A significant amount of this costs circa \$145M remains unpaid. A cursory inspection of the Premises suggests that whilst some renovation work has been conducted the value of such work is nothing like the \$132M claimed. We will be conducting further investigation in this regard.

9.2 PROFIT AND LOSS STATEMENTS

Attached as **Annexure “7”** is a comparative analysis of the Profit and Loss Statements for the abovementioned periods.

We make the following commentary with respect to the comparative Profit and Loss Statements:

- ▶ Overall, food and beverage sales make up the majority of revenue 70 to 80% of sales with the balance made from accommodation. Whilst the major expense is the cost of goods sold a significant portion of the recorded expenses is wages. We have been advised that the Hotel has experienced shortage of staff and had to resort to employee staff from overseas and provide accommodation resulting in high wage costs.
- ▶ We have reviewed a month-on-month profit and loss statement which shows that during the winter months of June – August 2024, the Companies experienced a downturn in sales. The hotel’s business being in highly reliant on the tourism including visits of various cruise ships which mainly occurs during the warmer months.

10 CURRENT FINANCIAL POSITION

We have not received a statement about the Company's business, property, affairs and financial position ("ROCAP") from either Mr Palasti nor the current director. We are advised by the Former Director's solicitor, that Mr Palasti resigned as Director in the days leading to the voluntary administration, on 5 September 2024 and they has suggested that we obtain information from the new Director, Mr Miller.

Detailed below is summary the current financial position of the Companies, prepared utilising the available financial records and our enquiries to date. Because of the intermingling of Eden's and Sapphire's affairs we have presented a combined summary.

Eden Australasia Pty Ltd & The Sapphire Australasia Pty Ltd (Both Administrators Appointed) Summary of Companies' Financial Position			
	Report Reference	Management Accounts (\$)	Administrators' ERV (\$)
Assets			
Cash and Cash Equivalents	10.1.1	8,060	387
Trade Debtors	10.1.2	11,036	TBC
Prepayments	10.1.3	12,687	Nil
Stock on Hand	10.1.4	19,549	TBC
Plant and Equipment	10.1.5	136,003,090	TBC
Related Party Loans	10.1.6	9,773,614	TBC
Clearing Accounts	10.1.7	84,872	Nil
Rental Bonds	10.1.8	5,800	Nil
Other Assets	10.1.9	219,454	TBC
Total Assets		146,138,161	387
Liabilities			
Secured Creditors	10.2.1	2,794,337	66,244,031
Priority Creditors	10.2.2	59,382	79,060
Unsecured Creditors and Trade Creditors	10.2.3	144,479,933	162,066,846
Total Liabilities		147,333,651	228,389,937
Estimated Net Asset / (Deficiency)		(1,195,490)	(228,389,550)

10.1 ASSETS

10.1.1 Cash and Cash Equivalents

Upon our appointment we wrote to all major banking institutions to identify and freeze all bank accounts held by Eden and Sapphire. We were advised that Eden operated bank accounts as at the date of our appointment, one with NAB and another with IMB. NAB confirmed that Eden held \$46.12 in its account as at our appointment and IMB held \$340.89. We subsequently arranged for these funds to be transferred to the Administrators' bank account. There were no accounts identified in the name of Sapphire.

The Companies maintained a cash float of \$3K for its day-to-day trading activities and as petty cash.

A further \$4k is recorded as held in a 'Weel' account. This appears to be a digital prepaid debit card, utilised by the hotel as petty cash. The management accounts indicate the account has been inactive since late November 2023. We are investigating if any amounts are recoverable.

10.1.2 Trade Debtors

The balance sheet discloses an amount of \$11K as owing from 'Razorback'. Based on the management accounts, it is unclear as to the reasons for this loan, and further investigation will need to be undertaken to determine its recoverability.

10.1.3 Prepayments

The management accounts records prepayment of \$12K in respect of insurance premiums. As the business of the Companies continues to trade the administrators will be maintaining these policies and as such, there will be no amount recoverable.

10.1.4 Stock on Hand

The management accounts indicate an amount of approximately \$19K in respect of stock on hand. This stock pertains to beverages held at the Premises. As the Companies are continuing to trade, the stock will be utilised in the ordinary course of business.

In the event a sale of business occurs, a stocktake will be conducted, and any value will be adjusted on the settlement of the sale.

10.1.5 Plant and Equipment

The Companies list Property Plant and Equipment to a value of \$136M, the majority of which is circa \$135M consists of capitalised costs for building improvements. We understand that the Companies entered into a contract with Top Class Construction NSW Pty Ltd to renovate the Hotel. The management accounts also indicate approximately \$2M has been paid to Top Class. At this stage we have limited information pertaining to any agreements between Top Class and the Companies and are not aware of the scope of the works agreed to be conducted. As noted earlier, nothing like \$135M has been spent on renovating the premises.

The balance consists of artwork, motor vehicles, computers, kitchen and other equipment. These assets are likely to form part of any sale of the business. We are investigating the location of any motor vehicles registered in the name of the Companies.

10.1.6 Related Party Loans

The balance sheets disclose a large number of related party loan accounts. We have written to various parties requesting a return of funds advanced. It is clear that revenue earned by the hotel has been extensively utilised to meet costs incurred by related parties. We are working towards reconciling these accounts and will be completing substantial further investigations to recover these payments.

10.1.6.1 Top Class Construction

\$4.9M is owed from Top Class Construction. This is in addition to the capitalised building costs mentioned above. We have issued a demand for the repayment of this loan and are awaiting a response.

10.1.6.2 Risby Cove Management Pty Ltd (Adelphi Hotel)(Administrators Appointed)

\$1.2M is owed from Adelphi Hotel. A review of the account ledger indicates that a majority of the funds were paid to trade suppliers on behalf of Adelphi. Peter Krejci and David Coyne were appointed Administrators to Adelphi Hotel on 23 September 2024, any recoveries to be made under this account would be dependent on the asset recoveries made by the Administrators of Adelphi Hotel and a dividend distribution (if any).

10.1.6.3 Coast Motel

\$6K is owed by Coast Motel. A review of the account ledger indicates that this debt arose from the Companies paying Coast Motel's expenses. We have issued a demand requesting repayment of this amount and are awaiting a response.

10.1.6.4 Republic Hotel

\$6K is owed by Republic Hotel. A review of the account ledger indicates that a majority of the funds were paid to the trade suppliers of Republic Hotel. We were appointed Administrators of the Republic on 20 September 2024. At this stage, it appears that there will be no dividend payable to unsecured creditors of the Republic unless there is a successful recovery of any liquidators' actions. As such we do not anticipate any recoveries for this claim. We will shortly be lodging a claim in the administration.

10.1.6.5 Myamba Parade

\$15K is owed from Myamba Parade. We understand that Myamba Parade is a development site owned by Virtical located in Batemans Bay and based on the loan ledger, it is unclear the purpose of the funds advanced. Further investigations are required as to the purpose of the loan and if any amount is recoverable. We have issued a demand for the repayment of this loan and are awaiting a response.

10.1.6.6 Virtical Group, Virtical Group Metro, Core Asset Development and Loans from others (largely comprised of loans to Core Asset Development)

The management accounts disclose amounts owing from Virtical Group and other related entities of \$2.8M. Our initial review indicates substantial payments made by Eden on behalf these related parties. We have also noted large withdrawals/transfers out from Eden's bank account paid to 'Virtical'. It is unclear as to the purpose of the withdrawals, however it generally appears that Eden's funds were utilised to meet expenses of the Virtical group generally.

We are aware on 16 October 2024, Virtical Pty Ltd was placed into creditors voluntary liquidation and that Nicarson Natkunarajah of Roger and Carson was appointed Liquidator. We will be lodging a claim in the liquidation in respect of any funds advanced to Virtical Pty Ltd but given this early stage of the liquidation it is unclear if any amount may be recovered. Our investigations indicate that other Virtical Group entities remain active, and we have issued demands for the repayment of the amounts owed on the balance sheet.

10.1.6.7 Whale Hotel

\$220K is owed from 'Whale Hotel'. The management accounts indicate that the funds were advanced for 'settlement.' We are investigating the recoverability of this loan however we understand this pertains to the acquisition of a parcel of land located in Batemans Bay.

10.1.6.8 Other Related Party Loans

The management accounts disclose an asset as 'gift cards' of \$3K. It appears that these 'gift cards' pertain to room bookings at the hotel, that may have been complimentary or given at a discount. On this basis, we do not believe this amount is recoverable.

\$5K is owed from Batemans. Our investigations indicate this may be costs paid by the Companies on behalf of a related party. We understand that 'Batemans' is a Virtical development located in Batemans Bay. We have issued a demand for the repayment of this loan and are awaiting a response.

The management accounts indicate that an amount of \$7.4k owed to the Companies. The management accounts do not record who received these funds or why the payment represents a loan.

10.1.6.9 Directors Personal Loan and Loans to associates

The management accounts record directors loan accounts totalling \$492K. A review of the transactions and the management accounts indicate Mr Palasti utilised Eden's funds for personal expenditure.

The accounts also disclose loans accounts of two close associates of Mr Palasti, 'Judith Palasty' for an amount of \$11.5K and 'Justin Palasty' in the amount of \$6.6K. We have issued demands for the repayment of these amounts and are awaiting a response. It is unclear as to the purpose of the funds advanced.

10.1.6.10 SOLPOINT QUERIES - TBC

The balance sheet records an asset account of \$12K marked as 'Solpoint Queries.' This account appears to be a suspense account, where the bookkeepers had insufficient details to correctly record the transaction. Our review of the management account indicates, Eden has paid various expenses on behalf of related parties, and the bookkeeper has recorded it as a loan in the balance sheet. However, insufficient details have been provided to the bookkeepers and they are unable to record these items against the relevant related party loan.

We have also identified a further \$2887K recorded as an asset account labelled as 'Suspense,' which records similar miscellaneous expenses paid for which the bookkeeper had been provided insufficient details to record the transaction.

10.1.7 Clearing Accounts

The Companies recorded a number of clearing accounts primarily relating to income earned by electronic payment systems. Clearing accounts are often used by bookkeepers and accountants where there is insufficient information available to properly record a transaction and therefore, it is unlikely that these accounts would be recoverable during the administration.

10.1.8 Rental Bonds

Rental Bonds totalling \$5.8K have been paid to the residential bond board for two houses leased as accommodation for employees and other staff. The administrators have continued to pay the rent. We do not anticipate any recoveries of these rental bonds as they are likely to be applied to any rental arrears which arose prior to our appointment.

10.1.9 Other Assets

The management accounts record a number of other assets totalling \$219K. They are listed as assets in the balance sheet, as they appears to be expenses paid on behalf of various related parties, and therefore form a loans recoverable from these related entities. These expenses include legal fees, a bank guarantee and a further residential bond paid to NSW Fair Trading. We have also included in this account balance \$6.7K recorded in the balance sheet as 'Metro,' which we understand to be miscellaneous costs related to the failed acquisition of the Metropolitan Hotel in Sydney's CBD.

10.2 LIABILITIES

10.2.1 Secured Creditors

A search of the PPSR for the Companies as at the date of our appointment indicates the following security interests registered against the Companies respectively;

- 12 security interests over Eden Australasia Pty Ltd (Administrators Appointed)
- 1 security interest over The Sapphire Australasia Pty Ltd (Administrators Appointed)

A number of security interest holders have not yet asserted a claim in the administration. Below is a summary table of the security interests with our comments:

Eden Australasia

PPSR Creditors	Estimated Unsecured Claims \$	Comment
PFD Food Services Pty Ltd	\$11,064	We have been provided with statements of account indicating the amounts outstanding. However, at this time, no formal claim made in the administration. It is likely because of ongoing communications with the creditor to discharge their security interests.
Lion-Beer, Spirits & Wine Pty Ltd	\$5,298	
Franc About Wine Pty Ltd	Nil	Security Interest has been discharged.
Cellarhand Consulting Pty Ltd	To be confirmed	We are waiting for Cellarhand Consulting to respond to our correspondence
CUB Pty Ltd	To be confirmed	We are waiting for these creditors to provide us with their security documentation
BOC Limited	To be confirmed	
Oz Tank NSW Pty Limited	To be confirmed	
Rovera Construction Pty Ltd Superannuation Fund	\$1,800,000	In accordance with Loan Agreements executed with the Eden.
Rovera Investment Fund Pty Ltd	\$1,500,000	
Desicom Pty Ltd Rovera Investment Fund Pty Ltd	\$850,000	
Dezicon Pty Ltd	\$1,000,000	
Bond Finance	\$61,077,668	The amount disclosed represents the value of the POD lodged by Bond. This amount is cross collateralised against a number of entities operated by Mr Palasti and Mr. Toma.
Total	\$66,244,031	

The Sapphire Australasia

PPSR Creditors	Estimated Unsecured Claims \$	Comment
Bond Finance Pty Ltd	\$61,077,668	As discussed above.
Total	\$61,077,668	

10.2.2 Priority Creditors

We have prepared a preliminary calculation of entitlements owed to staff as at our appointment which is as follows. This does not include any entitlements that may be crystallised if there were to be termination.

Entitlements	Administrators' ERV (\$)
Superannuation (Pre-appointment)	33,448.53
Annual Leave	14,833.51
Accrued Days Off	3,331.93
Total	45,611.29

In the event that the Companies are placed into Liquidation, it is probable that the business will need to cease to trade, which will likely cause the staff to be terminated by way of redundancy, assuming they cannot be transferred to another employer. This would likely crystallise redundancy claims. We have prepared a preliminary calculation of outstanding entitlements including PILN and redundancy, in a Liquidation scenario, breakdown as follows:

Entitlements	Administrators' ERV (\$)
Superannuation (Pre-appointment)	33,448.53
Annual Leave including leave loading	14,833.51
Accrued Days Off	3,331.93
PILN & Redundancy	27,445.85
Total	79,059.82

Please note that superannuation reported on the entitlements schedule above was obtained from the management accounts and our investigations indicate that the amount of superannuation is greater than recorded.

In a Liquidation scenario, however, as it is anticipated there to be insufficient funds available to pay outstanding entitlements, employees may be eligible to lodge a claim under the FEG scheme as detailed below.

Fair Entitlements Guarantee

In a Liquidation scenario, employees may be eligible to apply to for the Federal Government's, safety net scheme known as FEG, for payment of their outstanding entitlements (other than superannuation). FEG is administered by the Department of Employment and Workplace Relations (DEWR) for eligible employees who have been terminated as a result of their employer's insolvency and are owed entitlements. The FEG scheme is not available in a DOCA scenario.

For an employee to be eligible to claim outstanding entitlements under FEG:

- They must be an Australian Citizen or Permanent Resident (contact FEG for further details); and
- The end of their employment must be due to the insolvency of the employer; or have occurred less than six (6) months before the appointment of an insolvency practitioner; or occurred on or after 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 thirteen (13) weeks unpaid wages for the period ending at the earlier of the date on which employment ended or the appointment of an insolvency practitioner;
- Unpaid annual leave and long service leave;
- Up to a maximum of five (5) weeks unpaid payment in lieu of notice;
- Up to a maximum of four (4) 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 Directors and related party Creditors.

Should you wish to obtain further information, FEG may be contacted on 1300 135 040. Alternatively, you may visit their website at: <https://www.dewr.gov.au/fair-entitlements-guarantee>.

1.1.1.1 Unsecured Creditors

Based on the management accounts and claims lodged to date, unsecured creditors may be owed approximately \$162M, subject to further enquiries and adjudication of claims. Below is a breakdown:

Entitlements	Administrators' ERV \$
Statutory Creditors - Eden	15,105,224
Trade Creditors	146,009,760
Related Party Loans	951,862
Total	162,066,846

We provide our commentary as follows:

- The statutory creditor's debt relates to tax liabilities and penalties owed to ATO as determined in an audit/investigation.
- The trade creditors consist of various supplier liabilities incurred in the ordinary course of business and amounts purportedly due for the renovation of the Premises .
- Loans are comprised of related parties and associates of the Director, broken down as follows:

Related Party Creditors	Amount \$
Loan - Eden Growth Pty Ltd	920,205
Loan – Virtual	1,961
Loan - Jewel Motel	29,696
Total	951,862

The above balances are obtained from the management accounting records. The largest related party loan appears to be from Eden Growth Pty Ltd. The records indicate that Eden Growth provided labour services to Eden. It is our understanding that various employees of Eden were previously employed by Eden Growth.

11 PRELIMINARY INVESTIGATIONS

11.1 OVERVIEW

During the course of the Administration, we have conducted preliminary investigations into the affairs of the Companies to ascertain whether there are any transactions that appear to be voidable, or other causes of action available whereby money, property or other benefits may be recoverable by a liquidator pursuant to Part 5.7B of the Act, in the event that creditors resolve to wind up the Companies. Creditors should be aware that an administrator does not have the power to recover voidable transactions or take action for insolvent trading.

11.2 INVESTIGATION CONSTRAINTS

The Act sets out a strict timeline for the reporting of an administrator's investigations of an insolvent company's affairs prior to the second meeting of creditors.

As such, our investigations into the Companies' affairs are preliminary at this stage. The interim findings discussed below are based on the available records reviewed and time constraints. A Liquidator would conduct more detailed investigations, provided that funding is available.

11.3 BOOKS AND RECORDS

Section 286 of the Act provides that:

"A company, registered scheme or disclosing entity must keep written financial records that;

- (a) correctly record and explain its transactions and financial position and performance; and
- (b) would enable true and fair financial statements to be prepared and audited."

The failure to maintain books and records in accordance with Section 286 of the Act allows a liquidator to presume a company was insolvent throughout the period the books were not maintained (Section 588E of the Act).

We have obtained limited books and records of the Companies to date. The Director and Mr Palasty have provided any assistance to the Administrators. Further, Mr Palasty has advised via solicitors, that he is no longer the Director and that our requests for information should be issued to the new Director, Mr Andrew Miller.

The books and records reveal significant deficiencies in record keeping; in particular, the co-mingling of funds from several related parties, inaccuracies in accruing employee entitlements, management accounts that are unreconciled and the failure to record outstanding taxation liabilities. Accordingly, our preliminary review is that the Companies may not have kept sufficient books and records to prepare true and fair financial statements.

It may therefore be the case that a liquidator could rely on the presumption that the Companies were insolvent since they commenced trading because of the failure to maintain proper books and records pursuant to Section 588E of the Act.

11.4 RISK OF LITIGATION ACTION GENERALLY

Part 5.7B of the Act gives liquidators (but not administrators) the right to commence certain legal proceedings to recover money, property or other benefits for the benefit of the unsecured creditors of a company.

Creditors should note that recovery actions:

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

11.5 INSOLVENCY & INSOLVENT TRADING (SECTION 588G)

The Act prohibits Insolvent Trading and provides that directors can be required to compensate creditors for losses they suffer because of Insolvent Trading by making a payment to a liquidator of a company. We have considered the prospects of such a claim, as it is one that is only available if creditors decide that the Companies should be placed into Liquidation, and so may be relevant to the decisions creditors take at the forthcoming concurrent Second Meeting of Creditors.

11.5.1 What Is Insolvent Trading?

Insolvent Trading is the incurring of a debt or liability at a time when a company is insolvent and when the Director(s) had or should have had reasonable grounds to suspect, or a person in their position would have suspected, that the company was insolvent.

If such a debt or liability is incurred, a Court may require the Director(s) to pay as compensation to a liquidator of a company an amount equal to the loss suffered by creditors. In determining that loss, it is necessary to have regard to any amount that may be recovered from a company's assets or from the recovery of other claims such as Unfair Preferences.

Recovery from Insolvent Trading is only available in a Liquidation. A claim may be brought by a liquidator, or, if, the liquidator declines to pursue a claim, by one or more creditors.

A Liquidator pursuing a claim must:

- demonstrate insolvency
- show that the director(s) suspected, or should have suspected, insolvency
- show that a debt or liability was incurred
- show the debt or liability has not been paid, so that the creditor has suffered loss.

A Director accused of Insolvent Trading can answer a claim by showing that:

- the director had reasonable grounds to believe the debt would be paid; and/or
- the director relied on information from another reliable person to believe the debt would be paid; and/or
- the director did everything he or she could to avoid the incurring of the debt; and/or
- the director was not participating in the management of the company for some good reason, such as illness; and/or
- the director was acting honestly and reasonably and, notwithstanding that a debt or liability was incurred that will be unpaid, he or she should be excused from liability; and/or
- the director may assert a defence that they have relief from insolvent trading by way of using the Safe Harbour regime contained in the Corporations Act; and/or
- the government provided legislative relief from insolvent trading from March to December 2020 in response to the COVID-19 pandemic.

Litigation in respect of Insolvent Trading is carried out in the ordinary civil courts. This means that the costs of pursuit of a claim are borne by the Liquidator, who uses a company's assets and may enter into a form of borrowing called "litigation funding" to do so or may ask creditors to make a voluntary contribution to the pursuit of a claim.

If a claim is successful, some of the costs, but usually not all of them, may also be ordered to be paid by the Director(s). If the Liquidator fails in some or all of the claim, they may be ordered to pay some, or all of the costs incurred by the Director(s) in defending the claim. Therefore, in practice Liquidators can only pursue claims where they have funds available to meet both their own and the Defendants' costs, or they have the benefit of "insurance" against costs provided either by creditors or a commercial litigation funder.

If the company has no assets and neither a litigation funder nor creditors are willing to fund the litigation, no claim can be pursued. Litigation in respect of Insolvent Trading can be expensive, slow and risky. The Liquidator, funder and creditors are exposed to the risk that if the Director(s) are found liable, they may be unable to meet the judgment against them.

Where a company is a subsidiary of another company, a claim can also be brought against the holding company.

11.5.2 Insolvency

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

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

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

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

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

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

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

- ▲ Inability to produce timely and accurate financial information to display the company's trading performance and financial position and make reliable forecasts.

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

As part of reporting about Insolvent Trading we are required to form a preliminary view about when the company became insolvent. Our opinion is necessarily formed summarily: a forensic analysis of insolvency would be more thorough, more expensive and slower than the voluntary administration process ordinarily permits. We have set out our views below.

11.5.3 Director's Knowledge

As well as insolvency, a Liquidator must demonstrate when the director suspected, or ought to have suspected, that a company was insolvent. If a claim is brought, this will normally involve the comprehensive review of company records to show when directors first learnt of circumstances that could indicate insolvency. That review is typically thorough and expensive. Again, for the purpose of reporting to creditors we are required to make a summary assessment of when suspicions were or should have been formed. We have set out our views in this respect below as well.

11.5.4 Loss

Only losses *incurred* at or after the time of insolvency can form the basis of a claim, although all unpaid unsecured creditors are entitled to share in any recovery after costs. A debt or liability is "incurred" when the last event that could have avoided the liability arising occurs. For example, taking delivery will normally be the time at which a debt for the supply of goods is incurred.

Liabilities that have fallen due, but which were not freshly incurred during the period of insolvency cannot form the basis for a claim. Such liabilities commonly include ongoing contracts of employment, long term leases and hire-purchase arrangements, guarantees, loans and long-term supply and construction contracts.

11.5.5 Litigation and Funding

As noted above, if a company does not have significant assets, a liquidator contemplating bringing a claim for Insolvent Trading will only be able to pursue a claim if either creditors or a commercial litigation funder is willing to fund the liquidator's legal and accounting costs and meet any costs that liquidator may be liable to pay if the claim is unsuccessful.

Funding of this sort can be arranged as follows:

- ▲ A creditor or creditors may contribute funds for additional investigations and litigation. Such creditors need to indemnify a liquidator against any adverse cost orders should the litigation prove unsuccessful. However, should the litigation be ultimately successful, creditors who have funded the litigation may apply to the court to have their claim met in priority to other creditors not participating in the funding arrangement; and/or

- ▲ The Liquidator may request funding from an independent, specialist litigation funding firm. Generally, the litigation funder is compensated for its risk by receiving a share of up to 30 - 40% from any recoveries arising out of the litigation. Litigation funding is expensive and therefore only feasible where the possible recoveries are significant.

11.6 ASSESSMENT OF INSOLVENCY

Our assessment has been based on the information available to us from the records of the Companies and creditors. As noted above, this assessment has been undertaken on a preliminary basis. If the Companies are placed into Liquidation and litigation were contemplated, we would need to undertake a more thorough and rigorous assessment. We would also need to obtain legal advice and gather substantial further evidence, including potentially holding public examinations of the relevant parties.

Based on our investigations to date, the Companies' operations and financial records have been intermingled, with the Companies maintaining a single set of management accounting records. Trade suppliers have invoiced Hotel Australasia, Eden Australasia or Australasia. The proceeds from the operations were being deposited into bank accounts controlled by Eden. However, the liquor license is held by Sapphire. Our investigations have focused on the Xero management accounts, which are held in Hotel Australasia's name.

It is our preliminary view that the Companies became insolvent around March 2022, i.e., since its commenced trading. Our assessment of the solvency is detailed below.

11.6.1 Working Capital Analysis

A working capital analysis is generally based on a review of a company's financial records and management accounts to determine whether there were sufficient current assets to meet current liabilities, including any adjustments to the reported current assets and current liabilities.

The current ratio compares current assets to current liabilities. A current ratio over 1 indicates that there are sufficient current assets to meet current liabilities.

The analysis below is based on the Balance Sheet we obtained from the Companies accounting software. As discussed previously there appear to be significant errors and deficiencies in the Balance Sheet. Further work would be required to correct these errors and deficiencies. In the time available to us we have not been able to undertake this work. The analysis below is based on the current (potentially incorrect) version of the Balance Sheet.

Eden Australasia Pty Ltd & The Sapphire Australasia Pty Ltd As at 30 June 2022, 30 June 2023, 30 June 2024 and 20 Sept 2024				
	As at 30-Jun-22 (\$)	As at 30-Jun-23 (\$)	As at 30-Jun-24 (\$)	As at 24-Sep-24 (\$)
Working Capital Analysis				
Current Assets	30,000	4,728,761	7,547,772	7,570,514
Current Liabilities	21,919,566	129,583,036	143,546,545	143,680,583
Net Working Capital	(21,889,566)	(124,854,274)	(135,998,773)	(136,110,068)
Current Asset Ratio	0.00	0.04	0.05	0.05

Based on the above, the Companies have a significant working capital deficiency since incorporation. Majority of the current liabilities include capitalised costs for building improvements made by Top Class Construction NSW Pty Ltd which is discussed earlier in this report.

We are also aware of a number of discrepancies in the management accounts which if adjusted would result in larger deficiency in assets to liabilities. In a liquidation, we would perform a more substantive analysis of the Company's working capital.

A working capital deficiency, however, is only one of the many indicators of insolvency. Below are more a few more indicators.

11.6.2 Balance Sheet Analysis

A summary of the net asset position of is provided in the table below:

Eden Australasia Pty Ltd The Sapphire Australasia Pty Ltd				
	As at 30-Jun-22 (\$)	As at 30-Jun-23 (\$)	As at 30-Jun-24 (\$)	As at 24-Sep-24 (\$)
Net Asset Analysis				
Total Assets	24,027,051	131,765,849	145,133,830	145,159,806
Total Liabilities	(24,421,791)	(132,407,068)	(146,229,080)	(146,355,296)
Net Asset Position	(394,739)	(641,220)	(1,095,250)	(1,195,490)

The Companies have a negative net asset position since its incorporation with losses steadily increasing year on year.

The assets and liabilities appear to be inflated on the basis of costs for building improvements capitalised to an estimated amount of \$135M which the amount being payable.

A major portion of the assets other than building improvements mentioned above relates to related party loans. A breakdown of the loans is detailed in Section 10.1.6.

We are aware that the loan made to Virtical Group, Risby Cove Management, Republic Hotel is unlikely to be recoverable as a result of the companies placed into external administration.

The total liabilities are also inflated as a result of the numerous invoices issued for renovation and construction work which did not occur. We are also aware of substantial liabilities which are not recorded on the balance sheet.

11.6.3 Aged Payables Analysis

Our review of the aged payables reports extracted from the management accounts for each quarter after Dec 2021 indicates that the ageing of accounts payable significantly deteriorated. Majority of the aged payables relates to unpaid cost for building improvements discussed earlier in the report.

Below is a summary of the aged payable reports and our analysis of the ageing:

Period	Current - 30	>30 days	Total
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31/12/2021	4,879,314.44	453,595.50	5,332,909.94
31/03/2022	15,500.00	10,880,288.81	10,895,788.81
30/06/2022	9,326,602.28	13,194,808.71	22,521,410.99
30/09/2022	11,007,229.49	26,360,327.49	37,367,556.98
31/12/2022	22,934,578.53	42,440,880.67	65,375,459.20
31/03/2023	19,494,852.16	69,582,023.99	89,076,876.15
30/06/2023	29,485,133.95	103,897,886.02	133,383,019.97
30/09/2023	39,205.03	145,744,899.77	145,784,104.80
31/12/2023	206,840.18	145,747,046.46	145,953,886.64
31/03/2024	96,481.20	145,740,989.46	145,837,470.66
30/06/2024	91,394.39	145,732,510.56	145,823,904.95
20/09/2024	118,294.66	145,744,235.17	145,862,529.83

Period	Current - 30	>30 days
31/12/2021	91%	9%
31/03/2022	0%	100%
30/06/2022	41%	59%
30/09/2022	29%	71%
31/12/2022	35%	65%
31/03/2023	22%	78%
30/06/2023	22%	78%
30/09/2023	0%	100%
31/12/2023	0%	100%
31/03/2024	0%	100%
30/06/2024	0%	100%
20/09/2024	0%	100%
31/12/2021	91%	9%
31/03/2022	0%	100%

Again the aged payables analysis is skewed as a result of the numerous invoices issued for renovation and construction work which did not occur.

11.6.4 Indicators of Insolvency

In addition, we have observed the following facts relevant to the solvency of the Companies:

- [Continuing Losses and Liquidity ratios below 1](#) – As noted in our working capital analysis, balance sheet analysis and aged payable analysis above, it appears the Companies held insufficient working capital since its incorporation to meet its liabilities as and when they fell due and held a liquidity ratio below 1 since its incorporation.
- [Overdue Commonwealth and State taxes](#) – The ATO has lodged a claim in Eden. We are also aware that the Companies did not have an active workers compensation insurance policy, which is a mandatory requirement in NSW.

- [Inability to produce timely and accurate financial information to display the company's trading performance and financial position and make reliable forecasts](#) – As mentioned above, the management accounts have not been reconciled up to appointment, with the management account showing a number of understated liabilities. Secured creditor liabilities (in particular the mortgagee, Bond Finance) and Statutory liabilities (outstanding superannuation and Tax Credits owing to the ATO) have not been disclosed.

11.6.5 Potential Amount of Claim

Determining the value of an insolvent trading or breach of duty claim will generally involve a forensic review of the debts incurred after the date on which it can be maintained that the Companies were insolvent.

Given the deficiencies in the accounting information which we have been able to access and the lack of cooperation from the Director and Mr Palasti we are unable, at this time, to determine with any accuracy the potential quantum of an insolvent trading claim.

11.6.6 Defences Available

In respect of pursuing insolvent trading claims, we note that a defence is available under the Act where a director can establish:

- There were reasonable grounds to expect that the company was solvent, and they actually did so expect;
- They did not take part in management for illness or some other good reason;
- They took all reasonable steps to prevent the company incurring the debt; or
- If a director availed themselves of the protections under the Safe Harbour regime.

We have received no advice from the Director or Former Director that they sought to access the Safe Harbour regime. We note that this would have required the engagement of professionals and the development of a "restructuring plan". We have not seen any evidence in this regard.

Overall, we have not seen any particularly strong evidence of defences that may be available to the Director or Former Director. These are preliminary observations, and this will be explored further, should the Companies be placed into Liquidation.

11.6.7 Recovery of Claim

In respect of considering whether an insolvent trading or breach of duty claim could be pursued, a Liquidator would need to have regard to the financial positions of a potential defendant, Mr Palasti, notwithstanding his resignation in early September 2024, or Mr Toma.

Further investigation is required to determine if any action is available against Mr Andrew Miller, the currently listed director.

The following investigations have been conducted by the administrators' office:

- Property searches in NSW and VIC have been conducted on the Director and Mr Palasti and these searches indicate no current real property holdings.
- The Director and Former Director are not registered bankrupts as at the date of this report.

Therefore, according to the information obtained to date, prima facie the Director does not have sufficient assets to discharge an insolvent trading claim should one be brought against him.

Overall, our view is that pursuing an insolvent trading claim against the Director or Former Directors is highly speculative given their financial capacity, and a Liquidator would require funding to mitigate those cost and recovery risks.

12 VOIDABLE TRANSACTIONS

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

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

ARITA has issued a creditor information sheet "Offences, Recoverable Transactions and Insolvent Trading" providing further information about voidable transactions. This information sheet is attached as **Annexure "14"**.

The transactions identified, if determined to be voidable, may be recoverable under the following provisions:

12.1 VOIDABLE TRANSACTION PROVISIONS

12.1.1 Unreasonable Director Related Transactions (S588FDA)

A transaction is an unreasonable director-related transaction of the Companies if:

- The transaction is a payment, a conveyance, transfer or disposition of property, the issue of securities, or incurring of an obligation to make a payment, disposition or issue by a company.
- The transaction is to a director or a close associate of a director or for their benefit.
- A reasonable person in the company's circumstances would not have entered into the transaction having regard to the benefit or detriment to the Companies or other parties involved in the transaction.
- The transaction was entered into during the four (4) years leading to our appointment.

We have reviewed the Eden's bank statements since its incorporation and identified the following payments which may constitute Unreasonable Director Related Transactions:

Directors & Close Associates	Amount \$
John Palasty	543,510.77

Judith Palasty	11,500.00
Justin Palasty	6,660.00
Total	561,670.77

Related party payments	Amount \$
Top Class Construction NSW Pty Ltd	5,041,309.21
The Jewel of Eden Motel	1,210.08
Miscellaneous round payments	988,913.73
Whale Hotel	220,000.00
Virtual (In Liquidation)	2,189,294.75
Core Asset	3,704,021.36
Republic Hotel Group (Administrators Appointed)	40,201.38
Risby Cove Group (Administrators Appointed)	1,276,573.72
Risby Cove Tasmania	1,311,167.92
Coast Motel Eden	25,639.80
The Courthouse (NSW) Pty Ltd	100.00
Batemans	5,086.63
Myamba	15,251.67
Suspense	2,925,313.57
Total	17,744,083.82

Some of the payments identified have been recorded in the Xero management system as loans made to these entities and will therefore overlap any recovery of the loan accounts.

We note that some entities listed above are currently under external administration and the likelihood of any recovery from them is unlikely.

Notwithstanding the above, these payments being voidable transactions can be claimed against the Mr. Toma and Mr. Palasti. Their current financial position is unknown however both the Directors are not registered bankrupts as at the date of this report.

12.1.2 Unfair Preferences

An unfair preference results when a company and a Creditor are parties to a transaction(s) and the Creditor receives more than it would receive if the transaction(s) are set aside, and the Creditor proved for the debt in the winding up. If it is ultimately determined that certain payments are potentially recoverable as unfair preferences, it would be necessary to establish:

- that the company was insolvent at the time the payments were made; and
- that the recipient had reasonable grounds to suspect that the company was insolvent at that time or would become insolvent as a result of the payment.

The clawback provisions available to the Liquidator relate only to payments made within six (6) months from the date of our appointment, if the Companies were insolvent at that time, known as the RBP. Furthermore, pursuant to S588FE(2D)(4) of the Act, clawback provisions available to the Liquidator extend to four (4) years from the RBP for transactions to related-party creditors.

Our preliminary investigations have identified payments totalling approximately \$10M paid to related party creditors during the RBP to be of preferential nature and therefore potentially void against the liquidator.

To prove an unfair preference payment, the onus is on the Liquidator to prove the payment was outside the ordinary course of the business, the party had suspicion of the company's insolvency and cannot rely on a defence that the payment was received in good faith. This is typically evidenced by demands/threats, changed supply terms, payment arrangements and/or legal proceedings.

Thus far we have not identified any potential claims for unfair preferences. Further investigations would be undertaken by a liquidator if appointed.

12.1.3 Unfair Loans (S588FD)

A loan is unfair if it is made to a company at extortionate interest rates or the charges in relation to the loan are extortionate. In considering whether interest and charges are extortionate, regard must be had to the following:

- Risk the lender is exposed to;
- Value of the security;
- Term;
- Repayment schedule; and
- Amount of loan.

Our preliminary investigations have not identified any unfair loans made to the Companies that could be pursued in a Liquidation scenario.

12.1.4 Uncommercial Transactions

A transaction is considered uncommercial if it is made at a time when a company is insolvent, and it may be expected that a reasonable person in the company's circumstances would not have entered into the transaction having regard to:

- The benefits or detriment to the company of entering into the transaction; and
- The prospective benefits to other parties to the transaction.

Further investigation is required to determine whether there are any uncommercial transactions.

12.1.5 Discharge of Related Party Debts (S588FH)

A transaction is considered to have discharged a related party's debt if funds from a company are used to pay that Creditor which has had the effect of discharging, to the extent of a particular amount, a liability (whether under a guarantee or otherwise) of a related entity of the company.

We have not identified any claim for discharge of related party debts for the Companies that could be pursued in a Liquidation scenario.

12.1.6 Circulating Security Interests Created Within Six Months before the Relation-Back Day (S588FJ)

A circulating security interest in property of a company created within six (6) months before the relation-back day may be void against a Liquidator. However, circulating security interests that are created within this period for consideration paid at or after the date of creation remains valid.

We have not identified any voidable security interests in respect of the Companies.

13 BREACH OF DUTY CLAIMS

We have considered whether there are any potential breach of duty claims to be pursued against the Director, Mr Palasti, Mr Toma or other parties.

As mentioned earlier, Eden reported a working capital deficiency of \$135M in FY2024 and \$136M as at our appointment. By continuing to trade and incur debts after this time, the Director/Former Director may have caused loss to Company creditors and may have breached their duties where they:

- ▲ failed to act with reasonable care and diligence for the Companies' benefit;
- ▲ Failed to act in good faith; and
- ▲ used his position to benefit his personal interests.

We note this claim mirrors the insolvent trading claim discussed earlier, as the loss suffered is in part represented by the creditor claims incurred after the date of insolvency. We have already discussed the recovery prospects of the insolvent trading claim, including the apparent lack of financial resources of the Director and Former Director.

If creditors resolve to place the Companies into Liquidation, a Liquidator will likely explore insolvent trading and breach of duties claims together as the issues are linked, as is the loss. Similarly, the unreasonable director related transactions and unfair preferences may also form a single claim.

14 SUMMARY OF POTENTIAL OFFENCES

In summary, we consider there are various potential contraventions of the Act to consider in a Liquidation scenario:

Section	Potential Offence Identified	Summary of Offence
588FDA	Unreasonable director related transactions	Large payments made to related parties to the detriment of the Companies
180	Failure to exercise reasonable care and diligence	Incurring trade debts when insolvent /caused the Companies to claim GST credits when not entitled to do so.
181	Failure to act in good faith	Incurring trade debts when insolvent/caused the Companies to claim GST credits when not entitled to do so.
182	Use of Position	Caused Eden to claim GST credits when not entitled to do so. Large payments made to related parties to the detriment of the Companies.

286	Failure to maintain adequate financial records	Incomplete Financial Records as at appointment
588G	Director's duty to prevent insolvent trading	Insolvent Trading

A liquidator will be required to complete further investigation into these potential contraventions.

14.1 REPORT TO ASIC

Should the Companies be wound up, a liquidator is required to complete an investigation into the Companies' affairs and, if offences are identified, or if the Companies are unable to pay its Creditors more than 50 cents in the dollar, lodge a report with ASIC pursuant to Section 533 of the Act.

15 ESTIMATED RETURN TO CREDITORS

The likelihood of a dividend being paid to creditors will be affected by a number of factors including:

- ▲ the size and complexity of the administration.
- ▲ the amount of voidable transactions recovered and the costs of these recoveries;
- ▲ the statutory priority of certain claims and costs;
- ▲ the value of various classes of claims including secured, priority and unsecured creditor claims; and
- ▲ the volume of enquiries by creditors and other stakeholders.

Set out in **Annexure "8"** is an estimated return scenario that may be available to creditors of the Companies in a Liquidation. Please note these figures are estimates only, and the actual results may vary materially.

In summary, we estimate the return to unsecured creditors to be dependent upon from potential recoveries arising from further investigations. .

We encourage any creditors who have not already done so, to lodge a Formal Proof of Debt ("POD") together with relevant supporting documentation. A copy of the POD is attached as **Annexure "2"** in this regard.

16 RECOMMENDATION OF ADMINISTRATORS

Pursuant to Rule 75-225(3) of the IPR, the Administrators are required to make a statement setting out the Administrators' opinion about each of the following matters and provide their reasons for those opinions:

- ▲ Whether it would be in the Creditors' interests for the Companies to execute a DOCA;
- ▲ Whether it would be in the Creditors' interests for the administrations to end;
- ▲ Whether it would be in the Creditors' interests for the Companies to be wound up.

We set out below our opinions as to each of these options:

16.1 DEED OF COMPANY ARRANGEMENT

Creditors may resolve that the Companies should execute a DOCA, however at this stage no party has proposed a DOCA.

We note that a DOCA can be proposed by any party, including creditors of the Companies. Therefore, we invite any interested parties to contact our office promptly should they wish to formulate a proposal. Any proposal should be submitted as soon as possible.

We do not recommend creditors resolve that the Companies should execute a DOCA .

16.2 ADMINISTRATION TO END

Creditors may resolve that the administration of the Companies should end, and that control of the Companies should be handed back to its Director.

The Companies are insolvent and not expected to return to solvency without a DOCA being implemented.

We do not recommend that the administrations end on the basis that the Companies are clearly insolvent.

16.3 LIQUIDATION

Should Creditors decide to wind up the Companies, the Administrations would convert to a Creditors Voluntary Liquidations and the Administrators would become the Liquidators, unless creditors resolved to appoint alternative Liquidators.

One of the roles of the Liquidators would be to complete investigations to determine the causes of the Companies' failure and to identify any causes of action or voidable transaction recoveries against any entity or individual. The Liquidators are also required to report their findings to ASIC in the event that offences are uncovered.

The return to unsecured creditors is dependent upon the outcome of the sale of business and recoveries made in the liquidation.

On the basis of that the Company is insolvent and that no DOCA has been proposed for creditors' consideration, we recommend that Creditors resolve to wind up the Company.

Notwithstanding that the resolution to wind up the Company is an agenda item for the forthcoming meeting, as previously discussed, to provide further time to explore a sale of business and/or DOCA proposal, pursuant to Rule 75-140(1)(b) of the IPR, we intend to adjourn the Second Meeting of Creditors for up to forty-five (45) business days.

17 RECEIPTS AND PAYMENTS

The receipts and payments for Eden is attached as **Annexure "9"**.

No receipts and payments have been made in the administration of Sapphire.

18 REMUNERATION OF ADMINISTRATORS / LIQUIDATORS

In compliance with the ARITA Code of Professional Practice and the requirements of the Act, we are required to provide detailed information in respect of our remuneration. We attach our Remuneration Approval Reports for Eden as **Annexure “10”** and for Sapphire as **Annexure “11”** which details the major tasks that have been and will be conducted in this administration. Our remuneration is calculated on the time spent by staff at hourly rates used by BRI Ferrier. In addition, a schedule of hourly rates is attached as **Annexure “12”**.

To date, our remuneration has been calculated on this “Time-Cost” basis, and we propose that it continue to be calculated on this basis. The Time-Cost method for calculating remuneration reflects the cost to our firm of the work undertaken, rather than a measure of the assets realised. In our view, the Time-Cost method is the preferable basis for calculating remuneration in an engagement such as this.

For Creditors’ information, ASIC information sheets (**Annexure “13”**) that relate to specific circumstances once an insolvency practitioner is appointed to a Company and approval of remuneration can be found at the following websites:

- <http://www.asic.gov.au/insolvencyinfosheets>
- https://www.arita.com.au/ARITA/ARITA/Insolvency_help/Insolvency-explained.aspx

18.1 VOLUNTARY ADMINISTRATION PERIOD

Creditors will be asked to approve the Administrators’ remuneration at the Second Meeting of Creditors for the costs incurred.

We are seeking approval of our retrospective remuneration from the period 24 September 2024 to 20 September 2024 and prospective approval from 21 September 2024 to 30 September 2024 which is up to the date of the second meeting of creditors.

The administrators intend to adjourn the Second Meeting of Creditors for up to forty-five (45) business days. Accordingly, In the forthcoming meeting we won’t be seeking approval for fees incurred during the adjournment period. However, we estimate our fees during the adjournment period for Eden to be \$80,000 plus GST and Sapphire to be \$20,000 plus GST.

Please refer to the Remuneration Approval Reports, attached as **Annexure “10”** and **Annexure “11”** for further details.

18.2 LIQUIDATION PERIOD

If the Companies are placed into liquidation at the forthcoming Second Meeting of Creditors, we will be appointed Liquidators of the Company, unless creditors resolve to appoint an alternate Liquidator. We note that we have not received an alternate consent to act as Liquidator.

If we are appointed Liquidators, we will also seek approval for our estimated remuneration in conducting the Liquidation. The attached remuneration report details an estimate of the initial costs likely to be incurred in a liquidation scenario. It is an interim estimate only and actual costs may be

quite different, depending on the work required and/or if litigation is pursued, which may be significant. Therefore, the estimate may change depending on matters which occur during the liquidation.

Please refer to the Remuneration Approval Reports, attached as **Annexure “10”** and **Annexure “11”** for further details.

19 SECOND MEETING OF CREDITORS

The concurrent Second Meeting of Creditors will be held on Wednesday, 30 October 2024 at 11:00AM AEDT. The formal Notice of Meeting is attached as **Annexure “1”** for your reference. Virtual meeting facilities will be available.

The purpose of the concurrent Second Meeting of Creditors is to enable Creditors to consider the Administrators’ Report pursuant to Rule 75-225 of the IPR and to determine the future of the Companies.

To participate as a Creditor, you should:

- ▲ Provide us with a Proof of Debt detailing your claim to be a Creditor. Proofs of Debt are enclosed as **Annexure “2”**. If you have previously provided a proof of debt and wish to supplement it, you may do so. **Otherwise, Creditors whose proofs were accepted for voting at the First Meeting are not required to be re-lodged for the concurrent Second Meeting of Creditors.**
- ▲ Creditors may attend and vote in person, by proxy or by attorney. The appointment of a proxy, copies of which are attached as **Annexure “3”** for Eden and **Annexure “4”** for Sapphire, must be in accordance with Form 532. Persons attending on behalf of a corporate entity are required to have a proxy signed on behalf of that entity. **Proxies from the First Meeting cannot be used at the concurrent Second Meeting, and it is necessary for creditors attending to submit new proxies for the concurrent Second Meeting of Creditors.**
- ▲ A specific proxy can be lodged showing approval or rejection of each proposal. Creditors, in lodging specific proxies, need to be mindful that their intended voting patterns can become academic or “contradictory” where the outcome of an earlier vote (in the order of proceedings) is determined in a way which could influence or change their intended voting. Proxy forms or facsimiles thereof must be lodged at my office by 4:00 PM one (1) business day prior to the meeting.

Yours faithfully,

EDEN AUSTRALASIA PTY LTD

THE SAPPHIRE AUSTRALASIA PTY LTD

(BOTH ADMINISTRATORS APPOINTED)



ANDREW CUMMINS

Joint and Several Administrator



Eden Australasia Pty Ltd
ACN 653 282 609

The Sapphire Australasia Pty Ltd
ACN 655 675 442

(Both Administrators Appointed)

Annexure "1"
Notice of Concurrent Second Meeting
of Creditors

CORPORATIONS ACT 2001

Section 439A

Insolvency Practice Rules (Corporations)

75-10, 75-15, 75-20 & 75-35

NOTICE OF CONCURRENT SECOND MEETING OF CREDITORS

EDEN AUSTRALASIA PTY LTD

ACN 653 282 609

THE SAPPHIRE AUSTRALASIA PTY LTD

ACN 655 675 442

(BOTH ADMINISTRATORS APPOINTED)

("THE COMPANIES")

NOTICE is given that the Second Meeting of the Creditors of the Company will be held at the offices of BRI Ferrier, Level 26, 25 Bligh Street, Sydney NSW 2000 on **Wednesday, 30 October 2024 at 11:00 AM AEDT.**

Virtual meeting technology will also be made available should creditors wish to attend the meeting virtually. To attend virtually, creditors will need to register their details at the following link:

<https://us06web.zoom.us/meeting/register/tZcscOGupjsrGNFPRI-6f76IPOK1VUwOVBS5>

A G E N D A

1. To receive the Report of the Administrators and receive questions from creditors.
2. To consider approving the remuneration of the Administrators.
3. To consider approving the disbursements of the Administrators.
4. To consider adjournment of the meeting.
5. For Creditors to resolve:
 - a. That the Company execute a Deed of Company Arrangement; or
 - b. That the administration should end; or
 - c. That the Company be wound up.
6. If Creditors resolve to wind up the Company:
 - a. To consider approving the remuneration of the Liquidator(s);
 - b. To consider approving the internal disbursements of the Liquidator(s); and
 - c. To consider the early destruction of the Company's books and records.
7. To consider the appointment of a Committee of Inspection.
8. To consider any other business that may be lawfully brought forward.

Proxies to be used at the meeting should be lodged at the office of the Administrators by 4:00 PM AEDT on the business day prior to the meeting. A creditor can only be represented by proxy or by an attorney pursuant to Insolvency Practice Rules (Corporations) (IPR) 75-150 & 75-155 or, if a body corporate, by a representative appointed pursuant to Section 250D of the Corporations Act 2001.

Special Instructions for Meeting

Attendees who wish to attend the meeting virtually are required to register to attend the meeting at the above link.

You will also need to provide a Formal Proof of Debt Form (including documentation to support your claim) and proxy form, if you are a corporate creditor or wish to be represented by another person.

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

Upon receipt of a valid Formal Proof of Debt Form and Proxy, a link to access the virtual meeting will be emailed to you. This link will be unique for each attendee and unable to be shared with other parties.

Telephone dial-in details will also be available for the virtual meeting. Those wishing to attend via telephone will also be required to complete the above registration process.

In accordance with IPR 5-5, a vote taken on a “show of hands” includes a vote taken using any electronic mechanism that indicates the intentions of a person in respect of a vote. This may include an attendee clicking a “raise a hand”, or similar button, on a virtual meeting computer program, as well as verbally indicating their vote if dialling in to the meeting.

This definition is necessary to ensure that a show of hands may be used at a virtual meeting as an alternative to a poll.

DATED this 22th day of October 2024



ANDREW CUMMINS
JOINT AND SEVERAL ADMINISTRATOR

BRI FERRIER
Level 26
25 Bligh Street
Sydney NSW 2000

***Voting at a Meeting the effect of Insolvency Practice Rules (Corporations) 75-85:**

Entitlement to vote at meetings of creditors

- (1) A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
- (2) Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
- (3) A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - (a) his or her debt or claim has been admitted wholly or in part by the external administrator; or
 - (b) he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 - (i) those particulars; or
 - (ii) if required—a formal proof of the debt or claim.
- (4) A creditor must not vote in respect of:
 - (a) an unliquidated debt; or
 - (b) a contingent debt; or
 - (c) an unliquidated or a contingent claim; or
 - (d) a debt the value of which is not established;unless a just estimate of its value has been made.
- (5) A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - (a) treat the liability to him or her on the instrument or security of a person covered by subsection (6) as a security in his or her hands;
 - (b) estimate its value;
 - (c) for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
- (6) A person is covered by this subsection if:
 - (a) the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
 - (b) the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - (c) the person is not an insolvent under administration or a person against whom a winding up order is in force



Eden Australasia Pty Ltd
ACN 653 282 609

The Sapphire Australasia Pty Ltd
ACN 655 675 442

(Both Administrators Appointed)

Annexure "2"
Formal Proof of Debt or Claim Form

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

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

☐

Eden Australasia Pty Ltd (Administrators Appointed) ACN 653 282 609

The Sapphire Australasia Pty Ltd (Administrators Appointed) ACN 655 675 442

1. This is to state that the company was, on 24 September 2024⁽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:

3A.^{(6)*} I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

3B.^{(6)*} I am the creditor's agent authorised to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

<input type="checkbox"/>	<p>I authorise the External Administrators' (whether as Voluntary Administrators/Deed Administrators/Liquidators) on behalf of the Company and his or her employees and agents to send and give electronic notification of documents in accordance with Section 105A of the Corporations Act 2001 to the following email address:</p> <p>Contact Name:</p> <p>Email Address:</p>
--------------------------	--

DATED this day of 2024

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation

Address

OFFICE USE ONLY

POD No:		ADMIT (Voting / Dividend) - Ordinary	\$
Date Received:	/ /	ADMIT (Voting / Dividend) – Preferential	\$
Entered into CORE IPS:		Reject (Voting / Dividend)	\$
Amount per CRA/RATA	\$	Object or H/Over for Consideration	\$
Reason for Admitting / Rejection			
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED	/ /		

Proof of Debt Form Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Related Party / Entity: Director, relative of Director, related company, beneficiary of a related trust.
- (6) If the Creditor is a natural person and this proof is made by the Creditor personally. In other cases, if, for example, you are the director of a corporate Creditor or the solicitor or accountant of the Creditor, you sign this form as the Creditor's authorised agent (delete item 3A). If you are an authorised employee of the Creditor (credit manager etc), delete item 3B.

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
 - (a) have an identifying mark;
 - (b) and be endorsed with the words:
 - i) "This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
 - (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.



Eden Australasia Pty Ltd
ACN 653 282 609

The Sapphire Australasia Pty Ltd
ACN 655 675 442

(Both Administrators Appointed)

Annexure "3"
Eden Appointment of Proxy Form

APPOINTMENT OF PROXY

EDEN AUSTRALASIA PTY LTD
(ADMINISTRATORS APPOINTED)
ACN 653 282 609
("THE COMPANY")

*I/*We⁽¹⁾.....of.....
a creditor of **Eden Australasia Pty Ltd (Administrators Appointed)**, appoint⁽²⁾
..... or in his or her absence
as *my/our general/special proxy to vote at the Second Meeting of Creditors of the Company to be held on
Wednesday, 30 October 2024 at 11:00 AM AEDT, or at any adjournment of that meeting.

Please mark any boxes with an ☒

Proxy Type: ☐ General ☐ Special

	For	Against	Abstain
Resolution 1: <i>"That the remuneration of the Joint and Several Voluntary Administrators, their partners and staff for the period 24 September 2024 to 20 October 2024, be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, be fixed and approved at \$155,252.00 (plus GST), and that the Joint and Several Voluntary Administrators be authorised to draw that amount."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: <i>"That the remuneration of the Joint and Several Voluntary Administrators, their partners and staff for the period 21 October 2024 to 30 October 2024 be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024 and approved to an interim cap of \$40,000.00 (plus GST), and that the Joint and Several Voluntary Administrators be authorised to draw that amount as and when incurred."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	For	Against	Abstain
<u>Resolution 3:</u> <i>"That the Joint and Several Voluntary Administrators be allowed internal disbursements from 24 September 2024 to the conclusion of the Voluntary Administration at the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, up to an amount of \$1,000.00 (plus GST) and that the Joint and Several Voluntary Administrators be authorised to draw that amount as accrued."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Resolution 4⁽³⁾:</u> <i>"That the Company execute a Deed of Company Arrangement."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Resolution 5⁽³⁾:</u> <i>"That the Voluntary Administration should end."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Resolution 6⁽³⁾:</u> <i>"That the Company be wound up."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>If creditors resolve to place the Company into Liquidation</u>			
<u>Resolution 7:</u> <i>"That the remuneration of the Joint and Several Liquidators, their partners and staff for the period starting from 30 October 2024 to the conclusion of the Liquidation, be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, and approved to an interim cap of \$80,000.00 (plus GST), and that the Joint and Several Liquidators be authorised to draw that amount as and when incurred."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Resolution 8:</u> <i>"That the Joint and Several Liquidators be allowed internal disbursements for the period starting from the conclusion of the Voluntary Administration to the conclusion of the Liquidation at the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, up to an amount of \$2,000.00 (plus GST) and that the Joint and Several Liquidators be authorised to draw that amount as accrued."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Resolution 9:</u> <i>"That subject to the consent of the Australian Securities & Investments Commission, the Liquidators be approved to destroy the books and records of the Company at any time after the dissolution of the Company."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

INSTRUCTIONS FOR COMPLETING:

- * Strike out if inapplicable.
- (1) Insert name and address. If a firm, strike out "I" and set out the full name of the firm.
- (2) Insert the name, address and description of the person appointed.
- (3) You may only vote in "favour" for one of these 3 resolutions relating to the future of the Company. You must vote "against" the other 2 resolutions.
-

DATED thisday of 2024

Signature

Proxies should be returned to the offices of BRI Ferrier by 4.00 PM AEDT one (1) business day prior to the meeting by: Email: mmandair@brifnsw.com.au, or Post: Level 26, 25 Bligh Street SYDNEY NSW 2000

CERTIFICATE OF WITNESS – (This certificate is to be completed only if the person giving the proxy is blind or incapable of writing)

I,of.....certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

DATED thisday of 2024

Signature of Witness:

Description:

Place of Residence:



Eden Australasia Pty Ltd
ACN 653 282 609

The Sapphire Australasia Pty Ltd
ACN 655 675 442

(Both Administrators Appointed)

Annexure "4"
Sapphire Appointment of Proxy Form

APPOINTMENT OF PROXY

THE SAPPHIRE AUSTRALASIA PTY LTD
(ADMINISTRATORS APPOINTED)
ACN 655 675 442
("THE COMPANY")

*I/*We⁽¹⁾.....of.....
a creditor of The Sapphire Australasia Pty Ltd (Administrators Appointed), appoint⁽²⁾
..... or in his or her absence
as *my/our general/special proxy to vote at the Second Meeting of Creditors of the Company to be held on
Wednesday, 30 October 2024 at 11:00 AM AEDT, or at any adjournment of that meeting.

Please mark any boxes with an ☒

Proxy Type: ☐ General ☐ Special

	For	Against	Abstain
Resolution 1: <i>"That the remuneration of the Joint and Several Voluntary Administrators, their partners and staff for the period 24 September 2024 to 20 October 2024, be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, be fixed and approved at \$17,458.00 (plus GST), and that the Joint and Several Voluntary Administrators be authorised to draw that amount."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: <i>"That the remuneration of the Joint and Several Voluntary Administrators, their partners and staff for the period 21 October 2024 to 30 October 2024 be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024 and approved to an interim cap of \$10,000.00 (plus GST), and that the Joint and Several Voluntary Administrators be authorised to draw that amount as and when incurred."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	For	Against	Abstain
<u>Resolution 3:</u> <i>"That the Joint and Several Voluntary Administrators be allowed internal disbursements from 24 September 2024 to the conclusion of the Voluntary Administration at the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, up to an amount of \$1,000.00 (plus GST) and that the Joint and Several Voluntary Administrators be authorised to draw that amount as accrued."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Resolution 4⁽³⁾:</u> <i>"That the Company execute a Deed of Company Arrangement."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Resolution 5⁽³⁾:</u> <i>"That the Voluntary Administration should end."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Resolution 6⁽³⁾:</u> <i>"That the Company be wound up."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>If creditors resolve to place the Company into Liquidation</u>			
<u>Resolution 7:</u> <i>"That the remuneration of the Joint and Several Liquidators, their partners and staff for the period starting from the 30 October 2024 to the conclusion of the Liquidation, be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, and approved to an interim cap of \$20,000.00 (plus GST), and that the Joint and Several Liquidators be authorised to draw that amount as and when incurred."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Resolution 8:</u> <i>"That the Joint and Several Liquidators be allowed internal disbursements for the period starting from the conclusion of the Voluntary Administration to the conclusion of the Liquidation at the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, up to an amount of \$2,000.00 (plus GST) and that the Joint and Several Liquidators be authorised to draw that amount as accrued."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Resolution 9:</u> <i>"That subject to the consent of the Australian Securities & Investments Commission, the Liquidators be approved to destroy the books and records of the Company at any time after the dissolution of the Company."</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

INSTRUCTIONS FOR COMPLETING:

- * Strike out if inapplicable.
- (1) Insert name and address. If a firm, strike out "I" and set out the full name of the firm.
- (2) Insert the name, address and description of the person appointed.
- (3) You may only vote in "favour" for one of these 3 resolutions relating to the future of the Company. You must vote "against" the other 2 resolutions.
-

DATED thisday of 2024

Signature

Proxies should be returned to the offices of BRI Ferrier by 4.00 PM AEDT one (1) business day prior to the meeting by: Email: mmandair@brifnsw.com.au, or Post: Level 26, 25 Bligh Street, SYDNEY NSW 2000

CERTIFICATE OF WITNESS – (This certificate is to be completed only if the person giving the proxy is blind or incapable of writing)

I,of.....certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

DATED thisday of 2024

Signature of Witness:

Description:

Place of Residence:



Eden Australasia Pty Ltd
ACN 653 282 609

The Sapphire Australasia Pty Ltd
ACN 655 675 442

(Both Administrators Appointed)

Annexure "5"
Director and Former Directors'
Related Entities

DIRECTORSHIPS

No.	Company	Status	ACN	Position	Start Date	Cease Date
1	GALLAGHER TRADING PTY LTD.	Registered	676 072 610	Director	25-Mar-24	05-Sep-24
2	VERTICAL METRO PTY LTD	Deregistered	675 437 144	Director	01-Mar-24	05-Sep-24
3	VERTICAL METRO MANAGEMENT PTY LTD	Deregistered	675 444 925	Director	01-Mar-24	05-Sep-24
4	BRIDGE & PITT STREET NO 1 PTY LTD	Registered	674 954 744	Director/Secretary	13-Feb-24	05-Sep-24
5	BRIDGE & PITT STREET NO 2 PTY LTD	Registered	674 954 931	Director/Secretary	13-Feb-24	05-Sep-24
6	BRIDGE & PITT STREET NO 3 PTY LTD	Registered	674 955 063	Director/Secretary	13-Feb-24	05-Sep-24
7	EDEN NSW NO 1 PTY LTD	Registered	674 950 442	Director/Secretary	13-Feb-24	05-Sep-24
8	EDEN NSW NO 2 PTY LTD	Registered	674 952 106	Director/Secretary	13-Feb-24	05-Sep-24
9	FLINDERS LANE VIC NO 1 PTY LTD	Registered	674 952 268	Director/Secretary	13-Feb-24	05-Sep-24
10	FLINDERS LANE VIC NO 2 PTY LTD	Registered	674 953 667	Director/Secretary	13-Feb-24	05-Sep-24
11	TAYLOR SQUARE NO 1 PTY LTD	Registered	674 955 376	Director/Secretary	13-Feb-24	05-Sep-24
12	TAYLOR SQUARE NO 2 PTY LTD	Registered	674 955 563	Director/Secretary	13-Feb-24	05-Sep-24
13	TAYLOR SQUARE NO 3 PTY LTD	Registered	674 959 472	Director/Secretary	13-Feb-24	05-Sep-24
14	TOP CLASS BUILDING (AUS) PTY LTD	Registered	673 951 338	Director/Secretary	03-Jan-24	05-Sep-24
15	ADELPHI (VIC) PTY LTD	Registered	670 830 887	Director/Secretary	28-Nov-23	05-Sep-24
16	NEWCASTLE DENISON PTY LTD	Registered	667 809 743	Director/Secretary	28-Nov-23	05-Sep-24
17	REPUBLIC HOTEL MANAGEMENT PTY LTD	Under External Administration	668 487 072	Director/Secretary	28-Nov-23	05-Sep-24
18	THE COURTHOUSE (NSW) PTY LTD	Registered	670 834 572	Director/Secretary	28-Nov-23	05-Sep-24
19	THE COURTHOUSE MANAGEMENT PTY LTD	Registered	670 835 300	Director/Secretary	28-Nov-23	05-Sep-24
20	THE JEWEL OF EDEN MOTEL PTY LTD	Registered	656 783 774	Director/Secretary	28-Nov-23	05-Sep-24
21	THE SAPPHIRE AUSTRALASIA PTY LTD	Under External Administration	655 675 442	Director/Secretary	28-Nov-23	05-Sep-24
22	THE WHALE HOTEL PTY LTD	Registered	656 052 578	Director/Secretary	28-Nov-23	05-Sep-24
23	VERTICAL PTY LTD	Registered	668 065 441	Director/Secretary	28-Nov-23	05-Sep-24
24	CEDAR GROVE TAS PTY LTD	Registered	671 936 628	Director/Secretary	07-Oct-23	05-Sep-24
25	NERANG QLD PTY LTD	Registered	667 994 569	Director/Secretary	20-Sep-23	05-Sep-24
26	NEWCASTLE DENISON PTY LTD	Registered	667 809 743	Director/Secretary	20-Sep-23	28-Nov-23
27	REPUBLIC HOTEL SYDNEY PTY LTD	Under External Administration	668 487 045	Director/Secretary	20-Sep-23	05-Sep-24
28	RISBY COVE TAS PTY LTD	Under External Administration	667 994 194	Director/Secretary	20-Sep-23	05-Sep-24
29	TWOFOLD ACCOMMODATION PTY LTD	Deregistered	667 257 150	Director/Secretary	14-Apr-23	05-Sep-24
30	BORDER HOTEL ADELAIDE PTY LTD	Deregistered	621 288 980	Director	29-Aug-17	13-Jun-18
31	BORDER HOTEL PALM COVE PTY LTD	Deregistered	621 373 653	Director	29-Aug-17	13-Jun-18
32	SOUTHERN HIGHLANDS HOLDINGS PTY LTD	Deregistered	155 315 352	Director/Secretary	24-Jan-12	31-Jan-12
33	SOUTHERN HIGHLAND HOLDINGS (QLD) PTY LTD	Deregistered	155 315 174	Director/Secretary	24-Jan-12	31-Jan-12
34	WATSON ROAD MOSS VALE DEVELOPMENTS PTY LIMITED	Deregistered	149 680 286	Director/Secretary	04-Mar-11	31-Jan-12
35	GIBRALTAR PARK BOWRAL DEVELOPMENTS PTY LIMITED	Deregistered	149 680 277	Director/Secretary	04-Mar-11	31-Jan-12
36	8 HERBERT ST LEURA PTY LTD	Deregistered	147 985 386	Director/Secretary	20-Jan-11	31-Jan-12
37	FEVEAUX HOTEL DEVELOPMENTS PTY LTD	Deregistered	147 985 377	Director/Secretary	22-Dec-10	26-Feb-12
38	SMITHFIELD HIMALAYAN DEVELOPMENTS PTY LTD	Deregistered	147 985 368	Director/Secretary	22-Dec-10	31-Jan-12
39	PRIME SYDNEY PROPERTY & DEVELOPMENTS PTY LTD	Deregistered	143 167 453	Director/Secretary	01-Dec-10	31-Jan-12
40	GOULBURN MYCORP CONSTRUCTIONS PTY LTD	Deregistered	133 217 026	Director/Secretary	28-Oct-10	30-Jan-11

No.	Company	Status	ACN	Position	Start Date	Cease Date
41	AUSTRALIAN RECOVERY SERVICES PTY LIMITED	Deregistered	138 800 512	Director/Secretary	11-Aug-09	15-Jan-12
42	DARLING HARBOUR FOUR POINTS PTY. LIMITED	Deregistered	135 242 394	Director/Secretary	05-Feb-09	13-May-09
43	A.C.N. 135 061 666 PTY. LIMITED	Deregistered	135 061 666	Director/Secretary	23-Jan-09	12-Jun-11
44	NORTBALE PTY LTD	Deregistered	106 550 225	Director/Secretary	24-Oct-08	26-Feb-12
45	MYCORP STORAGE & HANDLING FACILITIES PTY LTD	Deregistered	133 086 192	Director/Secretary	04-Sep-08	30-Jan-11
46	A.P.I.D (AUSTRALIAN PROPERTY INVESTMENTS & DEVELOPMENT) PTY LTD	Deregistered	108 363 113	Director	19-Jun-08	26-Feb-12
47	BILLABONG HOTEL (ST MARYS) PTY LIMITED	Deregistered	097 652 956	Director	19-Jun-08	31-Jan-12
48	CHERRYMOON PTY LTD	Deregistered	107 253 341	Director	19-Jun-08	26-Feb-12
49	GOULBURN HOTELS PTY LTD	Deregistered	129 448 620	Director	19-Jun-08	20-Jun-10
50	JANOS NORTHBRIDGE PTY LTD	Deregistered	118 771 127	Director	19-Jun-08	01-Aug-10
51	MACQUARIE ARCADE PARRAMATTA PTY LTD	Deregistered	118 644 447	Director	19-Jun-08	26-Feb-12
52	MYCORP INVESTMENTS PTY LTD	Deregistered	110 689 524	Director	19-Jun-08	10-Jan-10
53	MYCORP PROPERTIES PTY LTD	Deregistered	118 052 485	Director	19-Jun-08	19-Jun-11
54	MYCORP INVESTMENTS AND DEVELOPMENT GROUP PTY LTD	Deregistered	130 819 895	Director/Secretary	28-Apr-08	20-Sep-10
55	LENNOX TOWER PTY LTD	Deregistered	126 143 897	Director	19-Nov-07	12-Jun-11
56	MYCORP PROJECTS PTY LTD	Deregistered	118 151 689	Director/Secretary	24-Mar-06	26-Feb-12
57	LEWISHAM BAR & HOTEL PTY LIMITED	Deregistered	100 783 426	Director/Secretary	06-Mar-03	07-May-06
58	LIVERPOOL HOTELS PTY LIMITED	Deregistered	099 526 762	Director/Secretary	06-Mar-03	26-Feb-12
59	RAILWAY SQUARE (LIVERPOOL) PTY LIMITED	Deregistered	100 247 916	Director/Secretary	31-Jan-03	28-Aug-05
60	BILLABONG HOTEL (ST MARYS) PTY LIMITED	Deregistered	097 652 956	Director	22-Aug-01	14-Jan-02
61	GATEWAY DEVELOPMENT (ST MARYS) PTY LIMITED	Deregistered	097 639 677	Director	22-Aug-01	14-Jan-02
62	ADVANCED FINANCIAL SERVICES (NSW) PTY LIMITED	Deregistered	088 409 901	Director/Secretary	10-Apr-00	17-Feb-03
63	BORDER ISLAND PTY LIMITED	Deregistered	091 303 918	Director/Secretary	24-Jan-00	22-Jan-02
64	BORDER CORPORATION (NSW) PTY LTD	Deregistered	090 766 868	Director/Secretary	02-Dec-99	24-Dec-01
65	BORDER CORPORATION (QLD) PTY LTD	Deregistered	090 766 457	Director/Secretary	02-Dec-99	28-Apr-03
66	BORDER CORPORATION (VIC) PTY LTD	Deregistered	090 766 475	Director/Secretary	02-Dec-99	12-Apr-01
67	BORDER CORPORATION (WA) PTY LTD	Deregistered	090 766 484	Director/Secretary	02-Dec-99	12-Apr-01
68	BORDER CORPORATION (SA) PTY LTD	Deregistered	090 766 493	Director/Secretary	02-Dec-99	12-Apr-01
69	BORDER CORPORATION (NT) PTY LTD	Deregistered	090 766 500	Director/Secretary	02-Dec-99	12-Apr-01
70	BORDER CORPORATION (TAS) PTY LTD	Deregistered	090 766 519	Director/Secretary	02-Dec-99	12-Apr-01
71	BORDER CORPORATION PTY LIMITED	Deregistered	090 452 501	Director/Secretary	08-Nov-99	24-Apr-03
72	ALICE SPRINGS DEVELOPMENT PTY LIMITED	Deregistered	089 062 966	Director/Secretary	12-Aug-99	24-Apr-03
73	SOUTHERN HIGHLANDS DEVELOPMENT PTY LIMITED	Deregistered	088 990 069	Director/Secretary	06-Aug-99	22-Jun-04
74	TROPICAL HOTELS (NO.1) PTY LTD	Deregistered	009 627 436	Director/Secretary	30-Jul-99	04-Aug-00
75	AUSTRALIAN FRONTIER HOLIDAYS LIMITED	Deregistered	009 635 296	Director/Secretary	22-Jul-99	08-Nov-02
76	AUSTRALIAN FRONTIER HOLIDAY OPERATIONS PTY LTD	Deregistered	009 619 265	Director/Secretary	22-Jul-99	12-Apr-04
77	DFH PTY LTD	Deregistered	009 646 262	Director/Secretary	22-Jul-99	12-Apr-04
78	EMBLEM PTY. LTD.	Deregistered	009 606 302	Director/Secretary	22-Jul-99	08-Nov-02
79	K.F.L. PTY. LTD.	Deregistered	009 646 253	Director/Secretary	22-Jul-99	17-Feb-03
80	KFM (KATHERINE) PTY LTD	Deregistered	009 627 481	Director/Secretary	22-Jul-99	12-Apr-04
81	OFR (ALICE SPRINGS) PTY LTD	Deregistered	009 638 046	Director/Secretary	22-Jul-99	12-Apr-04

No.	Company	Status	ACN	Position	Start Date	Cease Date
82	TROPICAL HOTELS PTY. LTD.	Deregistered	009 592 358	Director/Secretary	22-Jul-99	04-Aug-00
83	MACARTHUR OFFICES PTY LIMITED	Deregistered	085 676 151	Director/Secretary	22-Dec-98	23-May-04
84	INTERNATIONAL HOTEL GROUP AUSTRALIA LIMITED	Deregistered	083 694 044	Director/Secretary	03-Aug-98	17-Feb-03
85	HOTEL ASSETS AUSTRALIA PTY LIMITED	Deregistered	083 687 058	Director/Secretary	31-Jul-98	08-Nov-02
86	PACIFIC HOME SOLUTIONS PTY LTD	Deregistered	082 576 789	Director/Secretary	15-May-98	26-Jun-98
87	A.C.N. 082 044 004 LIMITED	Deregistered	082 044 004	Director/Secretary	24-Mar-98	16-May-04
88	MACARTHUR CONSTRUCTIONS PTY LIMITED	Deregistered	077 490 898	Director/Secretary	27-Feb-97	21-Dec-03
89	CATTAI MINING CORPORATION PTY LIMITED	Deregistered	074 500 315	Director/Secretary	29-Jul-96	12-Apr-01
90	DRUMMER PTY. LTD.	Deregistered	074 153 012	Director/Secretary	31-May-96	29-Nov-96
91	PACIFIC BATHROOMS PTY LIMITED	Deregistered	074 153 030	Director/Secretary	31-May-96	08-Nov-02
92	OXAWIN PTY LTD	Deregistered	071 103 798	Director/Secretary	02-Feb-96	03-Jul-98
93	M.E.P. PLUMBING PTY. LIMITED	Deregistered	067 156 996	Director	15-Nov-94	07-Oct-97
94	JOINT VENTURE FIJI 34 PTY. LIMITED	Deregistered	066 717 155	Director/Secretary	07-Oct-94	03-Jul-98
95	ANTI POLLUTION TECHNOLOGY PTY LIMITED	Deregistered	061 129 084	Director	02-Sep-93	11-Sep-98
96	FLORIDA PACIFIC PTY LIMITED	Deregistered	057 704 051	Director/Secretary	26-Nov-92	11-Apr-01
97	VIEWHULK PTY. LIMITED	Deregistered	056 879 406	Director	31-Aug-92	26-Feb-93
98	TOLSTED PTY. LIMITED	Deregistered	003 553 544	Director	23-Jan-92	29-Apr-98
99	LAYIST PTY. LIMITED	Deregistered	050 325 543	Director	04-Dec-90	02-Sep-94
100	PANABO PTY. LIMITED	Deregistered	003 984 021	Director	14-Jun-90	09-Jun-02

SHAREHOLDINGS

No	Company	ACN	Share Class	No. of Shares	Fully Paid	Status
1	ADELPHI (VIC) PTY LTD	670 830 887	ORD	20	Yes	Ceased/Former
2	BORDER HOTEL ADELAIDE PTY LTD	621 288 980	ORD	100	Yes	Ceased/Former
3	BORDER HOTEL PALM COVE PTY LTD	621 373 653	ORD	100	Yes	Ceased/Former
4	CEDAR GROVE MANAGEMENT PTY LTD	671 936 977	ORD	10	Yes	Ceased/Former
5	CEDAR GROVE TAS PTY LTD	671 936 628	ORD	100	Yes	Ceased/Former
6	FLORIDA PACIFIC PTY LIMITED	057 704 051	ORD	1	Yes	Ceased/Former
7	KINSELAS MANAGEMENT PTY LTD	670 836 647	ORD	20	Yes	Ceased/Former
8	KINSELAS PTY LTD	670 836 683	ORD	20	Yes	Ceased/Former
9	LAYIST PTY. LIMITED	050 325 543	ORD	1	Yes	Ceased/Former
10	MYCORP INVESTMENTS AND DEVELOPMENT GROUP PTY LTD	130 819 895	ORD	1000	Yes	Ceased/Former
11	MYCORP STORAGE & HANDLING FACILITIES PTY LTD	133 086 192	ORD	100	Yes	Ceased/Former
12	NERANG QLD MANAGEMENT PTY LTD	667 994 630	ORD	4	Yes	Ceased/Former
13	NERANG QLD PTY LTD	667 994 569	ORD	4	Yes	Ceased/Former
14	NEWCASTLE DENISON MANAGEMENT PTY LTD	667 810 031	ORD	4	Yes	Ceased/Former
15	NEWCASTLE DENISON PTY LTD	667 809 743	ORD	4	Yes	Ceased/Former
16	PANABO PTY. LIMITED	003 984 021	ORD	1	Yes	Ceased/Former
17	REPUBLIC HOTEL MANAGEMENT PTY LTD	668 487 072	ORD	4	Yes	Ceased/Former
18	REPUBLIC HOTEL SYDNEY PTY LTD	668 487 045	ORD	4	Yes	Ceased/Former
19	RISBY COVE MANAGEMENT PTY LTD	667 994 461	ORD	4	Yes	Ceased/Former
20	RISBY COVE TAS PTY LTD	667 994 194	ORD	4	Yes	Ceased/Former
21	THE COURTHOUSE (NSW) PTY LTD	670 834 572	ORD	20	Yes	Ceased/Former
22	THE COURTHOUSE MANAGEMENT PTY LTD	670 835 300	ORD	20	Yes	Ceased/Former
23	TOLSTED PTY. LIMITED	003 553 544	ORD	1	Yes	Ceased/Former
24	VIRTICAL PTY LTD	668 065 441	ORD	4	Yes	Ceased/Former

DIRECTORSHIPS

No.	Company	Status	ACN	Position	Start Date	Cease Date
1	COM TRADE INTERNATIONAL PTY LTD	Registered	673 473 679	Director	06-Dec-23	Current
2	VOGUE PROJECTS AUSTRALIA PTY LTD	Registered	635 330 620	Director	06-Dec-23	Current
3	CEDAR GROVE MANAGEMENT PTY LTD	Registered	671 936 977	Director/Secretary	05-Oct-23	28-Nov-23
4	CEDAR GROVE TAS PTY LTD	Registered	671 936 628	Director	05-Oct-23	28-Nov-23
5	ADELPHI (VIC) PTY LTD	Registered	670 830 887	Director/Secretary	28-Aug-23	28-Nov-23
6	KINSELAS MANAGEMENT PTY LTD	Registered	670 836 647	Director/Secretary	28-Aug-23	28-Nov-23
7	KINSELAS PTY LTD	Registered	670 836 683	Director/Secretary	28-Aug-23	28-Nov-23
8	THE COURTHOUSE (NSW) PTY LTD	Registered	670 834 572	Director/Secretary	28-Aug-23	28-Nov-23
9	THE COURTHOUSE MANAGEMENT PTY LTD	Registered	670 835 300	Director/Secretary	28-Aug-23	28-Nov-23
10	A.C.N. 668 487 072 PTY LTD	Under External Administration	668 487 072	Director/Secretary	03-Jun-23	28-Nov-23
11	A.C.N. 668 487 045 PTY LTD	Under External Administration	668 487 045	Director	03-Jun-23	28-Nov-23
12	A.C.N. 668 487 045 PTY LTD	Under External Administration	668 487 045	Secretary	03-Jun-23	20-Sep-23
13	VIRTICAL PTY LTD	Registered	668 065 441	Director/Secretary	17-May-23	28-Nov-23
14	NERANG QLD MANAGEMENT PTY LTD	Registered	667 994 630	Director/Secretary	15-May-23	28-Nov-23
15	NERANG QLD PTY LTD	Under External Administration	667 994 569	Director/Secretary	15-May-23	28-Nov-23
16	RISBY COVE MANAGEMENT PTY LTD	Under External Administration	667 994 461	Director/Secretary	15-May-23	28-Nov-23
17	RISBY COVE TAS PTY LTD	Under External Administration	667 994 194	Director/Secretary	15-May-23	28-Nov-23
18	NEWCASTLE DENISON PTY LTD	Under External Administration	667 809 743	Director/Secretary	08-May-23	28-Nov-23
19	NEWCASTLE DENISON MANAGEMENT PTY LTD	Registered	667 810 031	Director/Secretary	08-May-23	28-Nov-23
20	TWOFOLD ARCADE EDEN PTY LTD	Registered	664 337 508	Director/Secretary	07-Dec-22	28-Nov-23
21	EDEN AUSTRALASIA MANAGEMENT PTY LTD	Registered	658 288 889	Director/Secretary	24-Mar-22	28-Nov-23
22	THE JEWEL OF EDEN MOTEL PTY LTD	Registered	656 783 774	Director	24-Jan-22	10-Jan-24
23	THE JEWEL OF EDEN MOTEL PTY LTD	Registered	656 783 774	Secretary	24-Jan-22	28-Nov-23
24	CAPITAL HILL ASSETS PTY LTD	Registered	656 633 591	Director/Secretary	18-Jan-22	Current
25	THE WHALE HOTEL PTY LTD	Registered	656 052 578	Director/Secretary	14-Dec-21	28-Nov-23
26	THE SAPPHIRE AUSTRALASIA PTY LTD	Under External Administration	655 675 442	Director/Secretary	29-Nov-21	28-Nov-23
27	DGA ASSETS PTY LTD	Registered	654 895 388	Director/Secretary	28-Oct-21	Current
28	EDEN AUSTRALASIA PTY LTD	Under External Administration	653 282 609	Director/Secretary	31-Aug-21	28-Nov-23
29	BOND GLOBAL CAPITAL PTY LTD	Registered	652 537 598	Director/Secretary	04-Aug-21	Current
30	PROVIA PROJECTS PTY LTD	Registered	651 824 814	Director/Secretary	08-Jul-21	28-Nov-23
31	FORMOLA1 PTY LTD	Registered	646 787 948	Director/Secretary	23-Dec-20	Current
32	A.C.N. 644 794 463 PTY LTD	Deregistered	644 794 463	Director/Secretary	01-Oct-20	24-Oct-21
33	A.C.N. 644 795 139 PTY LTD	Deregistered	644 795 139	Director/Secretary	01-Oct-20	24-Oct-21
34	CORE ASSET INVESTMENTS PTY LTD	Registered	644 206 324	Director/Secretary	09-Sep-20	28-Nov-23
35	CORE ASSET DEVELOPMENT PTY LTD	Registered	643 711 200	Director/Secretary	22-Aug-20	11-May-23
36	VOGUE PROJECTS AUSTRALIA PTY LTD	Registered	635 330 620	Director/Secretary	05-Aug-19	21-Dec-20
37	TOP CLASS CONSTRUCTION NSW PTY LTD	Registered	621 721 757	Director	15-Sep-17	12-Oct-23
38	TOP CLASS CONSTRUCTION NSW PTY LTD	Registered	621 721 757	Secretary	15-Sep-17	10-Jul-21
39	AM NSW HOLDINGS PTY LTD	Registered	620 510 670	Director/Secretary	17-Jul-17	Current
40	DGA GLOBAL PTY LTD	Registered	619 844 843	Director/Secretary	19-Jun-17	Current
41	DGA INTERNATIONAL PTY LTD	Registered	619 716 915	Director/Secretary	13-Jun-17	Current

No.	Company	Status	ACN	Position	Start Date	Cease Date
42	AM NSW PTY LIMITED	Under External Administration	163 065 478	Director	28-Mar-13	14-Nov-19
43	AUSTRALIA ENTERPRISES PTY LTD	Registered	155 886 187	Director	23-Feb-12	06-Apr-13
44	D & G CONSULTING PTY LTD	Deregistered	135 265 986	Director/Secretary	06-Feb-09	16-Sep-10
45	ROCKDALE JEWELLERY (AUST) PTY LTD	Deregistered	097 933 885	Director/Secretary	23-Aug-01	26-Jun-02
46	GAMA GOLD PTY LTD	Registered	081 230 846	Director	23-Mar-99	01-Jul-03

SHAREHOLDINGS

No	Company	ACN	Share Class	No. of Shares	Fully Paid	Status
1	A.C.N. 644 794 463 PTY LTD	644 794 463	ORD	1	Yes	Ceased/Former
2	A.C.N. 644 795 139 PTY LTD	644 795 139	ORD	1	Yes	Ceased/Former
3	A.C.N. 668 487 045 PTY LTD	668 487 045	ORD	4	Yes	Ceased/Former
4	A.C.N. 668 487 072 PTY LTD	668 487 072	ORD	4	Yes	Ceased/Former
5	ADELPHI (VIC) PTY LTD	670 830 887	ORD	20	Yes	Ceased/Former
6	AM NSW PTY LIMITED	163 065 478	ORD	2	Yes	Ceased/Former
7	AUSTRALIA ENTERPRISES PTY LTD	155 886 187	ORD	1	Yes	Ceased/Former
8	CAPITAL HILL ASSETS PTY LTD	656 633 591	ORD	2	Yes	Current
9	CEDAR GROVE MANAGEMENT PTY LTD	671 936 977	ORD	10	Yes	Ceased/Former
10	CEDAR GROVE TAS PTY LTD	671 936 628	ORD	100	Yes	Ceased/Former
11	COM TRADE INTERNATIONAL PTY LTD	673 473 679	ORD	10	Yes	Current
12	D & G CONSULTING PTY LTD	135 265 986	ORD	100	Yes	Ceased/Former
13	DGA ASSETS PTY LTD	654 895 388	ORD	10	Yes	Current
14	DGA GLOBAL PTY LTD	619 844 843	ORD	1	Yes	Current
15	DGA INTERNATIONAL PTY LTD	619 716 915	ORD	1	Yes	Current
16	GAMA GOLD PTY LTD	081 230 846	ORD	30	Yes	Ceased/Former
17	KINSELAS MANAGEMENT PTY LTD	670 836 647	ORD	20	Yes	Ceased/Former
18	KINSELAS PTY LTD	670 836 683	ORD	20	Yes	Ceased/Former
19	MI SYDNEY PTY LTD	626 086 244	ORD	1	Yes	Ceased/Former
20	NERANG QLD MANAGEMENT PTY LTD	667 994 630	ORD	4	Yes	Ceased/Former
21	NERANG QLD PTY LTD	667 994 569	ORD	4	Yes	Ceased/Former
22	NEWCASTLE DENISON MANAGEMENT PTY LTD	667 810 031	ORD	4	Yes	Ceased/Former
23	NEWCASTLE DENISON PTY LTD	667 809 743	ORD	4	Yes	Ceased/Former
24	RISBY COVE MANAGEMENT PTY LTD	667 994 461	ORD	4	Yes	Ceased/Former
25	RISBY COVE TAS PTY LTD	667 994 194	ORD	4	Yes	Ceased/Former
26	ROCKDALE JEWELLERY (AUST) PTY LTD	097 933 885	ORD	1	Yes	Ceased/Former
27	THE COURTHOUSE (NSW) PTY LTD	670 834 572	ORD	20	Yes	Ceased/Former
28	THE COURTHOUSE MANAGEMENT PTY LTD	670 835 300	ORD	20	Yes	Ceased/Former
29	THE SAPPHIRE AUSTRALASIA PTY LTD	655 675 442	ORD	50	Yes	Ceased/Former
30	THE WHALE HOTEL PTY LTD	656 052 578	ORD	50	Yes	Ceased/Former
31	VIRTICAL PTY LTD	668 065 441	ORD	4	Yes	Ceased/Former
32	VOGUE PROJECTS AUSTRALIA PTY LTD	635 330 620	ORD	4	Yes	Current

DIRECTORSHIPS – ANDREW BRUCE MILLER

No.	Company	Status	ACN	Position	Start Date	Cease Date
1	Ace Logistics Aust Pty Ltd	External Administration	609 534 563	Director/Secretary	15-Feb-21	01-Apr-21
2	Act Maintenance Services Pty Ltd	Deregistered	649 062 215	Director/Secretary	29-Mar-21	10-Oct-22
3	Active Civilworks Pty Ltd	Deregistered	134 042 649	Director/Secretary	23-Nov-20	01-Mar-21
4	Active Civilworks Pty Ltd	Deregistered	134 042 649	Director/Secretary	15-Mar-21	01-Nov-21
5	APG Logistics Pty Ltd	Deregistered	648 719 402	Director/Secretary	16-Mar-21	10-Oct-22
6	Arabian Owl Pty Ltd	Strike-Off Action In Progress	151 186 560	Director/Secretary	06-Feb-23	Current
7	Attcall Civil Pty Ltd	Registered	663 388 681	Director/Secretary	26-Oct-22	Current
8	Australian National Lift Components Pty Ltd	Deregistered	620 574 496	Director/Secretary	01-Jul-20	12-Dec-21
9	Australian National Lift Components Pty Ltd	Registered	657 865 480	Director/Secretary	08-Mar-22	11-May-22
10	Baked Beans And Spaghetti Pty Ltd	Registered	653 148 157	Director/Secretary	26-Aug-21	16-Oct-23
11	BHF Transport Pty Ltd	Deregistered	648 655 154	Director/Secretary	12-Mar-21	10-Oct-22
12	Black Cobra NSW Pty Ltd	Deregistered	165 875 552	Director/Secretary	25-Jan-22	10-Oct-22
13	Black Widow NSW Pty Ltd	Registered	656 097 031	Director/Secretary	16-Dec-21	Current
14	Bowerbird Holdings NSW Pty Ltd	Registered	656 776 831	Director/Secretary	24-Jan-22	01-Mar-23
15	Calf Road Pty Ltd	Registered	643 686 186	Director/Secretary	01-Nov-21	01-Oct-23
16	Carbone Constructions Pty Ltd	Registered	105 865 567	Director/Secretary	20-Sep-22	Current
17	City Lifts Sydney Pty Ltd	Deregistered	163 970 072	Director/Secretary	24-Aug-20	22-Feb-22
18	Datacenter (Balcatta) Pty Ltd	Deregistered	152 238 867	Director/Secretary	15-Feb-21	27-Feb-22
19	Dekko Kitchens Pty Ltd	Registered	628 382 856	Director/Secretary	01-Mar-23	01-Mar-23
20	Delta Financial Services (NSW) Pty Ltd	Registered	659 471 413	Director/Secretary	17-May-22	10-Oct-22
21	Eastrock Civilworks Pty Ltd	External Administration	623 318 178	Director/Secretary	15-Feb-21	01-Apr-21
22	Elsa Speed Racer Pty Ltd	Deregistered	633 071 440	Director/Secretary	23-Feb-21	05-Jul-21
23	Equipmed (Aust) Pty Ltd	External Administration	627 033 103	Director/Secretary	20-Jan-22	10-Oct-22
24	Equipmed (Aust) Pty Ltd	External Administration	627 033 103	Director/Secretary	02-May-23	Current
25	Equipmed (Aust) Pty Ltd	External Administration	627 033 103	Director/Secretary	20-Feb-23	01-Mar-23
26	Focus Logistics Transport Pty Ltd	Deregistered	612 603 148	Director/Secretary	10-Mar-20	22-Nov-20
27	Focus Logistics Holdings Pty Ltd	Deregistered	613 233 275	Director/Secretary	10-Mar-20	08-Nov-20
28	Fraser Holdings NSW Pty Ltd	External Administration	640 331 791	Director/Secretary	01-May-21	10-Oct-22
29	Georgia Plumbing Pty Ltd	Deregistered	107 927 426	Director/Secretary	15-Feb-21	01-Apr-21
30	Global Lift Specialists Pty. Ltd.	External Administration	611 096 943	Director/Secretary	05-Feb-20	01-Dec-20
31	Global Management Nsw Pty Ltd	Registered	674 737 770	Director/Secretary	06-Feb-24	15-Feb-24
32	Gourmet Foods International Pty Ltd	Registered	094 317 021	Director/Secretary	20-Sep-22	01-Aug-23
33	Harford Beef Company Pty Ltd	Registered	153 486 625	Director/Secretary	10-Aug-20	20-Nov-23
34	Highbreak Aust Pty Ltd	Deregistered	630 170 802	Director/Secretary	27-Jun-20	09-Apr-21
35	Indian Blue Pty Ltd	Registered	647 108 889	Director/Secretary	01-Jul-23	Current
36	Kantaga Finance Pty Ltd	Registered	647 170 107	Director/Secretary	15-Jan-21	15-Feb-23
37	Lincoln Elevators Pty Ltd	Deregistered	620 844 859	Director/Secretary	15-Feb-21	01-Apr-21
38	McEvoy Tax Pty Ltd	Registered	621 562 114	Director/Secretary	01-Jul-21	Current
39	Miller NSW Pty Ltd	Registered	651 498 243	Director/Secretary	20-Sep-22	Current
40	Mount Hunter Building Pty Ltd	Registered	656 638 747	Director/Secretary	18-Jan-22	27-Dec-22
41	Nararra Developments Pty Ltd	Registered	637 361 052	Director/Secretary	01-Jul-20	01-Jun-22

No.	Company	Status	ACN	Position	Start Date	Cease Date
42	Nararra Developments Pty Ltd	Registered	637 361 052	Director/Secretary	20-Sep-22	20-Nov-22
43	Opal Civil Services Pty Ltd	Registered	659 472 803	Director/Secretary	17-May-22	01-Oct-22
44	Platinum Logistics Aust Pty Ltd	Registered	659 500 393	Director/Secretary	18-May-22	10-Oct-22
45	Prestige Cleaning NSW Pty Ltd	Deregistered	623 091 127	Director/Secretary	01-Feb-21	10-Oct-22
46	Reliance Financial Services Pty Ltd	Registered	146 317 919	Director/Secretary	22-Jul-20	Current
47	RFS (NSW) Pty Ltd	Registered	657 440 296	Director/Secretary	20-Sep-22	Current
48	Richmond Lifts Pty Ltd	External Administration	608 024 719	Director/Secretary	15-Feb-21	01-Apr-21
49	Richmond Lifts Pty Ltd	External Administration	608 024 719	Director/Secretary	11-May-21	10-Oct-22
50	Scarlet Sunbird Pty Ltd	Deregistered	604 585 944	Director/Secretary	15-Jun-21	01-Aug-22
51	Slate Civil Pty Ltd	Deregistered	642 697 989	Director/Secretary	16-Jul-20	01-Apr-21
52	Snowball NSW Pty Ltd	Deregistered	163 579 753	Director/Secretary	01-Nov-20	20-Sep-21
53	Stoneworks Pty Ltd	Strike-Off Action In Progress	651 731 172	Director/Secretary	06-Jul-21	10-Oct-22
54	Suam Pty Ltd	Deregistered	604 853 965	Director/Secretary	20-Apr-20	22-Jul-21
55	Sunflower Bee Pty Ltd	Deregistered	657 629 528	Director/Secretary	25-Feb-22	25-Feb-22
56	Sunflower Firefly Pty Ltd	Registered	646 656 224	Director/Secretary	16-Dec-20	22-Feb-22
57	Sunstone Civil Solutions Pty Ltd	Registered	659 501 167	Director/Secretary	18-May-22	10-Oct-22
58	Tanager Finance Pty Ltd	Registered	647 172 978	Director/Secretary	15-Jan-21	20-Nov-22
59	Teamwork Oz Fitouts Pty Ltd	Deregistered	628 042 133	Director/Secretary	10-Mar-20	10-Jan-21
60	The Shed Shop (NSW) Pty Ltd	Deregistered	100 215 003	Director/Secretary	01-Sep-21	05-Nov-21
61	Tipper 2017 Pty Ltd	Registered	663 413 394	Director/Secretary	27-Oct-22	Current
62	Truck 2008 Pty Ltd	Registered	646 390 267	Director/Secretary	04-Dec-20	22-Feb-22
63	ULS Vehicles Pty Ltd	Registered	656 499 017	Director/Secretary	12-Jan-22	07-Aug-23
64	United Lifts ET Pty Ltd	Registered	653 311 516	Director/Secretary	02-Sep-21	Current
65	United Lifts Technologies Pty Ltd	External Administration	659 501 532	Director/Secretary	18-May-22	01-Jun-22
66	United Lifts Technologies Pty Ltd	External Administration	659 501 532	Director/Secretary	01-Oct-22	27-Dec-22
67	VHM Asset Holdings Pty Ltd	Deregistered	614 533 185	Director/Secretary	23-Feb-21	12-Jun-23
68	Violane Lifts Pty Ltd	Registered	659 500 660	Director/Secretary	18-May-22	Current
69	Vulturine Pty Ltd	Deregistered	633 071 539	Director/Secretary	05-Nov-20	20-May-22
70	Wild Violet NSW Pty Ltd	Deregistered	656 675 286	Director/Secretary	19-Jan-22	05-Feb-22

SHAREHOLDINGS – ANDREW BRUCE MILLER

No	Company	ACN	Share Class	No. of Shares	Fully Paid	Status
1	Ace Logistics Aust Pty Ltd	609 534 563	ORD	100	Yes	Ceased
2	Act Maintenance Services Pty Ltd	649 062 215	ORD	100	Yes	Ceased
3	Active Civilworks Pty Ltd	134 042 649	ORD	1	Yes	Ceased
4	APG Logistics Pty Ltd	648 719 402	ORD	100	Yes	Ceased
5	Attcall Civil Pty Ltd	663 388 681	ORD	100	Yes	Current
6	Australian National Lift Components Pty Ltd	620 574 496	ORD	10	Yes	Ceased
7	Baked Beans And Spaghetti Pty Ltd	653 148 157	ORD	100	Yes	Ceased
8	BHF Transport Pty Ltd	648 655 154	ORD	100	Yes	Ceased
9	Black Cobra NSW Pty Ltd	165 875 552	ORD	40	Yes	Ceased
10	Black Widow NSW Pty Ltd	656 097 031	ORD	100	Yes	Current
11	Bowerbird Holdings NSW Pty Ltd	656 776 831	ORD	100	Yes	Ceased
12	Calf Road Pty Ltd	643 686 186	ORD	100	Yes	Ceased
13	City Lifts Sydney Pty Ltd	163 970 072	ORD	120	Yes	Ceased
14	Datacenter (Balcatta) Pty Ltd	152 238 867	ORD	100	Yes	Ceased
15	Dekko Kitchens Pty Ltd	628 382 856	ORD	200	Yes	Ceased
16	Delta Financial Services (NSW) Pty Ltd	659 471 413	ORD	10	Yes	Ceased
17	Eastrock Civilworks Pty Ltd	623 318 178	ORD	100	Yes	Ceased
18	Elsa Speed Racer Pty Ltd	633 071 440	ORD	100	Yes	Ceased
19	Equipmed (Aust) Pty Ltd	627 033 103	ORD	1000	Yes	Current
20	FLH Warehousing & Logistics Pty Ltd	635 090 890	ORD	100	Yes	Ceased
21	Focus Logistics Holdings Pty Ltd	613 233 275	ORD	1	Yes	Ceased
22	Fraser Holdings NSW Pty Ltd	640 331 791	ORD	100	Yes	Ceased
23	Georgia Plumbing Pty Ltd	107 927 426	ORD	1000	Yes	Ceased
24	Global Lift Specialists Pty. Ltd.	611 096 943	ORD	100	Yes	Ceased
25	Global Management NSW Pty Ltd	674 737 770	ORD	100	Yes	Ceased
26	Highbreak Aust Pty Ltd	630 170 802	ORD	100	Yes	Ceased
27	Kantaga Finance Pty Ltd	647 170 107	ORD	100	Yes	Ceased
28	Lincoln Elevators Pty Ltd	620 844 859	ORD	100	Yes	Ceased
29	McEvoy Tax Pty Ltd	621 562 114	ORD	10	Yes	Current
30	Miller NSW Pty Ltd	651 498 243	ORD	100	Yes	Ceased
31	Mount Hunter Building Pty Ltd	656 638 747	ORD	100	Yes	Ceased
32	Nararra Developments Pty Ltd	637 361 052	ORD	100	Yes	Ceased
33	Opal Civil Services Pty Ltd	659 472 803	ORD	10	Yes	Ceased
34	Platinum Logistics Aust Pty Ltd	659 500 393	ORD	10	Yes	Ceased
35	Prestige Cleaning NSW Pty Ltd	623 091 127	ORD	10	Yes	Ceased
36	Red Crossbill Pty Ltd	648 730 803	ORD	100	Yes	Ceased
37	Reliance Financial Services Pty Ltd	146 317 919	ORD	1	Yes	Current
38	Richmond Lifts Pty Ltd	608 024 719	ORD	10	Yes	Ceased
39	Scarlet Sunbird Pty Ltd	604 585 944	ORD	2000	Yes	Ceased
40	Slate Civil Pty Ltd	642 697 989	ORD	100	Yes	Ceased
41	Snowball Nsw Pty Ltd	163 579 753	ORD	10	Yes	Ceased
42	Stoneworks Pty Ltd	651 731 172	ORD	100	Yes	Ceased
43	Suam Pty Ltd	604 853 965	ORD	1	Yes	Ceased
44	Sunflower Bee Pty Ltd	657 629 528	ORD	100	Yes	Ceased
45	Sunflower Firefly Pty Ltd	646 656 224	ORD	100	Yes	Ceased
46	Sunstone Civil Solutions Pty Ltd	659 501 167	ORD	10	Yes	Ceased
47	Tanager Finance Pty Ltd	647 172 978	ORD	100	Yes	Ceased
48	Teamwork Oz Fitouts Pty Ltd	628 042 133	ORD	100	Yes	Ceased

No.	Company	ACN	Share Class	No. of Shares	Fully Paid	Status
49	The Shed Shop (NSW) Pty Ltd	100 215 003	ORD	1	Yes	Ceased
50	Tipper 2017 Pty Ltd	663 413 394	ORD	100	Yes	Current
51	Truck 2008 Pty Ltd	646 390 267	ORD	100	Yes	Ceased
52	ULS Vehicles Pty Ltd	656 499 017	ORD	100	Yes	Ceased
53	United Lifts ET Pty Ltd	653 311 516	ORD	100	Yes	Current
54	United Lifts Technologies Pty Ltd	659 501 532	ORD	10	Yes	Ceased
55	VHM Asset Holdings Pty Ltd	614 533 185	ORD	100	Yes	Ceased
56	Violane Lifts Pty Ltd	659 500 660	ORD	10	Yes	Ceased
57	Vulturine Pty Ltd	633 071 539	ORD	100	Yes	Ceased
58	Wild Violet NSW Pty Ltd	656 675 286	ORD	100	Yes	Ceased



Eden Australasia Pty Ltd
ACN 653 282 609

The Sapphire Australasia Pty Ltd
ACN 655 675 442

(Both Administrators Appointed)

Annexure "6"
Comparative Balance Sheets

**Eden Australasia Pty Ltd
&
The Sapphire Australasia Pty Ltd
Comparative Balance Sheets**

	As at 30-Jun-22 (\$)	As at 30-Jun-23 (\$)	As at 30-Jun-24 (\$)	As at 24-Sep-24 (\$)
ASSETS				
Current Assets				
Cash and cash equivalents	305	1,032,173	6,990	4,250
Trade receivables	-	-	12,427	8,756
Prepayments	-	-	24,663	12,687
Cash on Premises	-	5,617	4,961	3,810
Stock on Hand	-	83,896	19,549	19,549
Rental Bonds	-	-	5,800	5,800
Clearing Accounts	-	-	13,140	84,872
Related Party Loans	-	4,426,499	7,254,483	7,222,290
Other assets	30,000	212,750	212,750	212,750
Total Current Assets	30,305	5,760,935	7,554,763	7,574,764
Fixed Assets				
Buildings at Cost	22,140,646	124,531,975	135,827,775	135,827,775
Computer Equipment	-	1,727	1,727	1,727
Motor Vehicles at cost	-	53,627	53,627	53,627
Plant and Equipment	-	106,368	113,986	119,961
Total Fixed Assets	22,140,646	124,693,697	135,997,115	136,003,090
Non-Current Assets				
Loans and advances	1,856,100	1,311,217	1,581,952	1,581,952
Total Non-Current Assets	1,856,100	1,311,217	1,581,952	1,581,952
TOTAL ASSETS	24,027,051	131,765,849	145,133,830	145,159,806
LIABILITIES				
Current Liabilities				
Trade and other payables	21,919,566	132,673,443	145,734,010	145,831,300
Loans and Advances	-	(200,000)	694,895	731,643
Suspense and Rounding	-	(2,895,363)	(2,887,315)	(2,887,315)
Owner A Funds Introduced	-	4,955	4,955	4,955
Total Current Liabilities	21,919,566	129,583,036	143,546,545	143,680,583
Non-Current Liabilities				
Loans and advances	2,502,225	2,824,033	2,682,535	2,674,714
Directors Loan - Personal	-	-	(135,357)	(137,029)
Loan from MilDesi Syndicate	2,472,337	2,794,337	2,794,337	2,794,337
Loan to/from Jewel Motel	29,888	29,696	29,696	29,696
SOLPOINT Queries - TBC	-	-	(6,140)	(12,290)
Total Non-Current Liabilities	2,502,225	2,824,033	2,682,535	2,674,714
TOTAL LIABILITIES	24,421,791	132,407,068	146,229,080	146,355,296
NET ASSETS	(394,739)	(641,220)	(1,095,250)	(1,195,490)
EQUITY				
Current Earnings	(394,739)	(246,480)	(454,031)	(100,240)
Retained Earnings	-	(394,739)	(641,220)	(1,095,250)
TOTAL EQUITY	(394,739)	(641,220)	(1,095,250)	(1,195,490)



Eden Australasia Pty Ltd
ACN 653 282 609

The Sapphire Australasia Pty Ltd
ACN 655 675 442

(Both Administrators Appointed)

Annexure "7"
Comparative Profit and Loss
Statements

Eden Australasia Pty Ltd
&
The Sapphire Australasia Pty Ltd
Comparative Profit & Loss Statements
For the Financial Years Ended 30 June 2022, 30 June 2023, 30 June 2024 and Period Ended 24 Sept 2024

	Year Ended 30-Jun-22 (\$)	Year Ended 30-Jun-23 (\$)	Year Ended 30-Jun-24 (\$)	Period Ended 24-Sep-24 (\$)
Trading Income				
Sales	-	3,413	-	-
Food & Beverage Income	-	1,350,213	1,940,332	232,447
Function Income	-	17,142	11,764	(4,028)
Accommodation Income	-	155,859	437,507	85,754
Other Revenue	-	14,752	39,047	24,630
Total Trading Income	-	1,541,378	2,428,650	338,802
Cost of Sales				
Food & Beverage	-	710,010	1,467,882	266,018
Accommodation Costs	-	325,514	238,795	10,994
Total Cost of Sales	-	1,035,525	1,706,677	277,012
Gross Profit	-	505,854	721,973	61,790
Operating Expenses				
Accommodation	-	5,778	521	-
Advertising	-	44,902	28,204	2,193
Bank Fees	71,138	1,715	10,408	88
Cleaning	-	23,079	40,098	5,276
Commission	-	6,807	47,278	11,469
Compliance Expense	-	-	2,441	-
Computer/IT Expenses	-	-	2,878	4,428
Consulting & Accounting	-	40,920	92,844	17,871
Consumables	-	32,241	35,326	1,776
Contract Work	-	-	33,336	-
Donations	-	-	1,000	-
Employee Expenses - HR	-	3,330	15,618	3,359
Energy	-	8,970	65,101	18,429
Equipment Hire	-	-	1,845	636
Filing Fees	-	-	10	-
Fines & Penalties	-	-	646	35
Freight & Courier	-	6,068	7,244	867
Gas	-	42,263	39,496	5,287
General Expenses	-	290	1,569	747
Insurance	-	78,932	47,156	11,975
Interest Expense	302,400	201,600	1	1
Laundry expense (rooms)	-	-	11	-
Legal expenses	5,562	29,788	6,000	-
Licences	-	-	1,219	5,437
Live Guest Entertainment	15,500	26,613	75,631	5,750
Marketing Consultancy Fees	-	-	7,650	-
Marketing Materials	-	-	4,867	452
Merchant Fees	-	-	3,776	1,500
Motor Vehicle Expenses	-	412	7,910	877
Office Expenses	-	-	1,289	809
Printing & Stationery	-	3,038	8,342	141
Rates	-	2,701	21,505	12,346
Rent	-	64,303	101,916	12,466
Repairs and Maintenance	-	9,183	25,121	1,996
Security	-	3,098	3,778	-
Staff Amenities/Uniforms/Training	-	2,059	19,255	-
Staff Recruitment	-	-	20,539	800
Subscriptions	140	2,122	36,822	9,487
Telephone & Internet	-	4,805	11,156	2,005
Travel - International	-	3,464	-	-
Travel - National	-	17,187	5,863	-
Wages & Salaries	-	74,529	313,127	19,749
Waste Management - Bins & Recycling	-	12,141	26,650	3,775
Website	-	-	560	-
Total Operating Expenses	394,739	752,334	1,176,004	162,030
Net Profit	(394,739)	(246,480)	(454,031)	(100,240)



Eden Australasia Pty Ltd
ACN 653 282 609

The Sapphire Australasia Pty Ltd
ACN 655 675 442

(Both Administrators Appointed)

Annexure "8"
Estimated Outcome Statement

Eden Australasia Pty Ltd
ACN 653 282 609
&
The Sapphire Australasia Pty Ltd
ACN 655 675 442
Estimated Outcome Statement

	Management Accounts (maintained in Xero) 24/9/2024	Liquidation High (\$)	Low (\$)
Assets			
Cash and Cash Equivalents	8,060	387	387
Trade Debtors	11,036	unknown	unknown
Prepayments	12,687	-	-
Stock on Hand	19,549	unknown	unknown
Plant and Equipment	136,003,090	unknown	unknown
Related Party Loans	9,773,614	unknown	unknown
Clearing Accounts	84,872	-	-
Rental Bonds	5,800	-	-
Other Assets	219,454	unknown	unknown
Total Realisations	146,138,161	387	387
Recoveries in Liquidation			
Uncommercial Transaction Claims	-	unknown	unknown
Insolvent Trading Claims	-	unknown	unknown
Breach of Director Duties Claims	-	unknown	unknown
Unreasonable Director-related Transaction Claims	-	unknown	unknown
Total Recoveries	-	-	-
Less: Administration Costs			
Administrators' Remuneration (Accrued)	-	172,710	172,710
Administrators' Additional Remuneration (Future)	-	150,000	150,000
Administrators' Disbursements	-	1,000	500
Liquidators Remuneration (Est.)	-	100,000	100,000
Liquidator's Disbursements (Est.)	-	4,000	2,000
Legal Costs	-	100,000	50,000
Total Administration Costs	-	527,710	475,210
Estimated Surplus Available for Secured Creditors	146,138,161	-	-
Secured Creditor Claims (Estimated)	2,794,337	66,244,031	66,244,031
Total Secured Creditor Claims	2,794,337	66,244,031	66,244,031
Estimated Surplus Available to Priority Creditors	143,343,824	-	-
Priority Creditor Claims (Estimated)			
Wages and Superannuation	44,530	33,449	33,449
Annual Leave & Accrued Day Off	14,852	18,165	18,165
PILN and Redundancy	-	27,446	27,446
Total Priority Creditor Claims	59,382	79,060	79,060
Estimated Surplus Available to Unsecured Creditors	143,284,442	-	-
Unsecured Creditors			
Statutory Creditors	54,136	15,105,224	15,105,224
Trade Creditors	143,473,934	146,009,760	146,009,760
Related Party Loans	951,862	951,862	951,862
Total Unsecured Creditors	144,479,932	162,066,846	162,066,846
Net Surplus / Deficiency for Creditors	(1,195,490)	(228,917,260)	(228,864,760)

Summary of Return to Creditors	High		Low	
	Cents/\$		Cents/\$	
Secured Creditors	-		-	
Priority Creditors	-		-	
Unsecured Creditors	-		-	



Eden Australasia Pty Ltd
ACN 653 282 609
ABN 87 653 282 609
The Sapphire Australasia Pty
Ltd
ACN 655 675 442
ABN 15 655 675 442
(Both Administrators
Appointed)

Annexure "9"
Eden – Summary of Receipts &
Payments

Summarised Receipts & Payments

Eden Australasia Pty Ltd
(Administrators Appointed)

Transactions From 24 September 2024 To 22 October 2024

A/C	Account	Net	GST	Gross
1	Sales - Food and Beverage	103,921.26	10,392.11	114,313.37
2	Sales - Accommodation / Travel	19,882.59	1,988.26	21,870.85
9	Return of funds (supplier bank does not	245.80	24.58	270.38
61	Transaction Fee (no GST)	0.01	0.00	0.01
74	Funds subject to Indemnity	50,000.00	0.00	50,000.00
79	Cash at Bank	239.73	0.00	239.73
Total Receipts (inc GST)		\$174,289.39	\$12,404.95	\$186,694.34
8	Failure of Transaction	245.80	24.58	270.38
22	Refrigeration Costs	5,975.00	597.50	6,572.50
23	Suppliers (Excl. GST)	16,596.45	0.00	16,596.45
24	Suppliers (Incl. GST)	50,053.40	5,005.36	55,058.76
35	Casual Labour	10,961.39	0.00	10,961.39
41	Professional Fees	1,327.50	132.75	1,460.25
43	Rent Paid (Residential)	2,889.58	0.00	2,889.58
51	Wages & Salaries	56,614.81	0.00	56,614.81
59	Transaction Fees (incl GST)	641.50	64.15	705.65
88	wages deductions	(150.00)	0.00	(150.00)
89	PJ & AM Morgan Staff Accomodation	(2,700.00)	0.00	(2,700.00)
157	Superannuation	5,638.11	0.00	5,638.11
228	Superannuation Liability	(5,638.11)	0.00	(5,638.11)
234 - 1	Withholding Tax (PAYG) - Total Tax Withheld - OTE	(9,415.00)	0.00	(9,415.00)
Total Payments (inc GST)		\$133,040.43	\$5,824.34	\$138,864.77
Balance in Hand - By Bank Account				
212	Cheque Account			47,829.57
				\$47,829.57



Eden Australasia Pty Ltd
ACN 653 282 609
ABN 87 653 282 609
The Sapphire Australasia Pty
Ltd
ACN 655 675 442
ABN 15 655 675 442
(Both Administrators
Appointed)

Annexure "10"
Eden - Remuneration Approval
Report

Remuneration Approval Report

**Eden Australasia Pty Ltd
(Administrators Appointed)
ACN 653 282 609
("The Company")**

22 October 2024

**Peter Krejci & Andrew Cummins
Joint and Several Administrators**

Novabrif Pty Ltd ABN 61 643 013 610
Level 26, 25 Bligh Street, Sydney NSW 2000
GPO Box 7079, Sydney NSW 2001
Phone (02) 8263 2333
Email: info@brifnsw.com.au
Website: www.briferrier.com.au



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1. EXECUTIVE SUMMARY

We are asking creditors to approve the following remuneration and disbursements:

Eden Australasia Pty Ltd	Remuneration \$ (excl GST)	Disbursements \$ (excl GST)
Voluntary Administration	195,252.00	1,000.00
If Company is liquidated	80,000.00	2,000.00

Details of remuneration can be found in section 3 of this report. Creditors have not previously approved our remuneration.

We estimate the total cost of this Voluntary Administration will be approximately \$275,252.00 (plus GST). At the upcoming meeting, we anticipate that the meeting of creditors will be adjourned for a period of up to 45 business days. We anticipate a further \$80,000.00 will be incurred during this period. We are not seeking to have this amount approved at this stage.

This has increased from our initial estimate of \$150,000 provided in our Initial Remuneration Notice dated 27 September 2024 due to significant additional time spent by the Administrators' staff dealing with trading and operational issues.

We will seek further remuneration approval from creditors as necessary in due course.

2. DECLARATION

Peter Krejci and I of BRI Ferrier, have undertaken an assessment of this remuneration claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration and disbursement claimed is necessary and proper.

We have reviewed the work in progress ledger to ensure that remuneration is only being claimed for necessary and proper work performed and no adjustment was necessary.

3. REMUNERATION APPROVAL SOUGHT

The remuneration we are asking creditors to approve is as follows:

For	Period	Amount (\$, excl. GST)	Rates to apply	When it will be drawn
Work we have already done	24 September 2024 to 20 October 2024	155,252.00	Provided in our First Report to Creditors dated 27 September 2024	It will be drawn when approved by Creditors and funds are available
Future work	21 October 2024 to 30 October 2024	40,000.00	Provided in our First Report to Creditors dated 27 September 2024	It will be drawn when approved by Creditors and funds are available and incurred

For	Period	Amount (\$, excl. GST)	Rates to apply	When it will be drawn
VA Total		195,252.00		
Future work – Liquidation	30 October 2024 to Finalisation of Liquidation	80,000.00	Provided in our First Report to Creditors dated 27 September 2024	It will be drawn when approved by Creditors and funds are available and incurred
Liquidation Total		80,000.00		

Details of the work done for the period 24 September 2024 to 20 October 2024 and future work that we intend to do are included at **Schedule A**.

A breakdown of time spent by staff members on each major task for work completed from 24 September 2024 to 20 October 2024 is included in **Schedule B**.

Actual resolutions to be put to the meeting are included at **Schedule D** for your information. These resolutions also appear in the proxy form for the meeting provided to you.

4. DISBURSEMENTS SOUGHT

We are not required to seek creditor approval for costs paid to third parties or where we are recovering a cost incurred on behalf of the administration, but we must provide details to creditors. To date, we have not paid any such costs in the administration.

We are required to obtain creditor's consent for the payment of a disbursement where we, or a related entity of ourselves, may directly or indirectly obtain a profit.

For more information about disbursements, please refer to the Initial Remuneration Notice sent to you on 27 September 2024.

The internal disbursements we would like creditors to approve is as follows:

For	Period	Amount (\$, excl. GST)
Disbursements during the VA period	24 September 2024 to conclusion	1,000.00
If Company is liquidated - Future disbursements	30 October 2024 to conclusion	2,000.00

Details of disbursements incurred, and future disbursements are included at **Schedule E**. Actual resolutions to be put to the meeting are included at **Schedule D** for your information. These resolutions also appear in the proxy form for the meeting provided to you.

5. LIKELY IMPACT ON DIVIDENDS

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

6. SUMMARY RECEIPT AND PAYMENTS

A summary of receipts and payment as at the date of this report is attached.

7. QUERIES & INFORMATION SHEET

If you have any queries in relation to the information in this report, please contact our office. You can also access information which may assist you on the following websites:

ARITA at www.arita.com.au/creditors

ASIC at <http://www.asic.gov.au> (search for INFO 85)

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

8. ATTACHMENTS

Schedule A – Details of work from 24 September 2024 to 30 October 2024

Schedule B – A breakdown of time spent by staff members on each major task for work completed from 24 September 2024 to 20 October 2024

Schedule C – Detail of work to be completed – 30 October 2024 to Conclusion of the Liquidation

Schedule D – Resolutions

Schedule E – Disbursements

SCHEDULE A – DETAILS OF WORK FROM 24 SEPTEMBER 2024 TO 30 OCTOBER 2024

Company	Eden Australasia Pty Ltd (Administrators Appointed)	Period From	24 September 2024	To	30 October 2024
Practitioner	Peter Krejci and Andrew Cummins	Firm	BRI Ferrier		
Administration Type	Voluntary Administration				
		Tasks			
		Work completed (excl. GST)		Future work (excl. GST)	
Period		24 September 2024 to 20 October 2024		21 October 2024 to 30 October 2024	
Amount (excl. GST)		\$155,252.00		\$40,000.00	
Task Area	General Description				
Assets		16.0 Hours \$10,976.00		\$4,000.00	
	Sale of Business as a Going Concern	Review and discuss marketing material for sale of business Draft sale contract Internal discussions to discuss ongoing insurance		Liaise with agent regarding progress of sale Responding to potential purchaser queries Prepare and review cashflow Review employee contracts	
	Sale of Real Property	Review Company sale history Review and discuss marketing material for sale of property Liaising with purchasers Draft sale contract Internal discussions to discuss hotel renovations and ongoing insurance			
	Debtors	Review and assess debtors ledgers Prepare debtors demands		Correspondence with debtors and issue demands	

	Other Assets	Prepared and issued circular to banks requesting all accounts to be frozen Daily check of bank balances and organising bank sweeps when required	
Trade On		145.8 Hours \$81,186.00	\$15,000.00
	Trade on management	Attendance on site to address staff regarding continued trading Liaising with management and staff Internal meetings to discuss trading, budgeting and staffing Prepared and issued circular to staff Prepared and issued circular to suppliers Liaise with management, staff and suppliers regarding continued trading Liaise with lawyers regarding trade on issues Correspondence with bookkeeper regarding appointment and trade on support Discussion with bookkeeper regarding Company Xero Discussion with bookkeeper regarding STP obligations Discussions regarding payroll obligations Implementing management and operational protocols for continued trading Reconciling weekly payroll reports from accountant Organise payment of weekly payroll Discussions with key suppliers regarding trade on accounts to be opened under the company in administration's name Organise payment of suppliers on a weekly basis Requesting account statements from suppliers Maintaining a supplier invoice register Authorising purchase orders	Maintaining a supplier invoice register Organise payment of weekly payroll Organise payment of suppliers on a weekly basis Authorising purchase orders Liaising with management and staff and dealing with operational issues as they may arise

		<p>Liaising with management and dealing with various operational issues</p> <p>Liaising with OSR regarding outstanding taxes</p> <p>Liaising with the IT service provider in relation to prepare a backup of the Company's electronic records</p> <p>Liaise with lawyers regarding trade on accounts and employees</p>	
	Budgeting & Financial Reporting	<p>Review and discuss cashflow forecast and funds required for trade on</p> <p>Telephone conversations with key suppliers regarding ongoing trade and updating cash flow and supplier log accordingly</p>	Review and discuss cashflow forecast and funds required for trade on
	Processing receipts and payments	Entering trade on receipts and payments into accounting system	Entering trade on receipts and payments into accounting system
Creditors		45.1 Hours \$25,789.00	\$8,000.00
	Creditor Enquiries	<p>Receive and respond to creditor enquiries</p> <p>Receive and follow up creditor enquiries by telephone</p> <p>Review and prepare correspondence to creditors and their representatives by email</p> <p>Responding to information requested by creditors</p>	<p>Receive and respond to creditor enquiries</p> <p>Receive and follow up creditor enquiries by telephone</p> <p>Review and prepare correspondence to creditors and their representatives by email</p> <p>Responding to information requested by creditors</p> <p>Internal discussions regarding trade creditor liabilities and other transfer costs</p>
	Creditor Reports	<p>Preparing and issuing First Report to Creditors regarding notification of appointment and convening First Meeting of Creditors</p> <p>Preparation of necessary annexures for First Report to Creditors</p> <p>Preparing Second Report to Creditors</p> <p>Preparation of necessary annexures for Second Report to Creditors</p>	<p>Preparing and issuing Second Report to Creditors detailing investigations and convening Second Meeting of Creditors</p> <p>Preparation of necessary annexures for Second Report to Creditors</p>

	Dealing with proofs of debt	<p>Receipting and filing POD when not related to a dividend</p> <p>Maintaining register of Proofs of Debts received</p> <p>Reviewing supporting documentation from creditors</p>	<p>Receipting, processing, and filing Proofs of Debts when not related to a dividend</p> <p>Maintaining register of Proofs of Debts received</p> <p>Reviewing supporting documentation from creditors</p>
	Secured creditor reporting	<p>Notifying PPSR registered creditors of appointment</p> <p>Preparing reports to secured creditor</p> <p>Responding to secured creditor's queries</p>	Responding to secured creditor's queries
	Meeting of Creditors	<p>Preparation of meeting notices, proxies and advertisements</p> <p>Sending Notice of Meeting to all known creditors</p> <p>Preparation of meeting file, including agenda, attendance register, list of creditors, report to creditors, advertisement of meeting and draft minutes of meeting</p> <p>Attend first meeting of creditors</p> <p>Preparation and lodgement of minutes of First Meeting of Creditors with ASIC</p> <p>Responding to creditor queries and questions immediately following meeting</p>	<p>Preparation of meeting notices, proxies and advertisements</p> <p>Sending Notice of Meeting to all known creditors</p> <p>Preparation of meeting file, including agenda, attendance register, list of creditors, report to creditors, advertisement of meeting and draft minutes of meeting</p> <p>Attending second meeting of creditors</p> <p>Adjourning the second meeting of creditors (if necessary)</p> <p>Responding to creditor queries and questions immediately following meeting</p>
Investigation		33.80 Hours \$21,641.00	\$8,000.00
	Conducting Investigation	<p>Conducting and summarising statutory searches on the Company</p> <p>Reviewing Company's books and records</p> <p>Preparation of comparative financial statements</p> <p>Review Company bank statements in detail for related party transfers</p> <p>Review the Company's books and records in relation to the Company's historical financial position and financial performance</p>	<p>Finalise investigations & prepare summary for report to creditors</p> <p>Review ROCAP completed by Directors</p>

		Review Company Xero file and nature of related party loan accounts Review of General Ledger and account transactions Review signatory on company bank accounts Conducting statutory searches on directors' role in the Company as at appointment Conducting Motor Vehicle searches on Company's name Review and preparation of Company nature and history Preparation of comparative financial statements Preparation of investigation file Review aged payable schedules and prepare analysis Review inter-company loan accounts Review of Company Xero file and noting inaccuracies on same Conducting statutory searches on directors' financial position Conducting and summarising Directorships and Shareholdings of Former and Current Director Review ATO audit of GST claims by the Company Correspondence to and from Former Director regarding ROCAP completion	
Employees		0.5 Hours \$182.00	\$1,000.00
	Employees enquiries	Review claims from employees Attend to employees' queries Maintain employee register Review and prepare correspondence to creditors and their representatives via facsimile, email and post Preparation of letters to employees advising of their entitlements and options available	Correspondence with employees Any other tasks associated with employees

	Calculation of entitlements	Calculating employee entitlements Reviewing employee files and Company's books and records Liaise with management in relation to calculation of employee entitlements	Finalise calculation of employee entitlements Reviewing employee files and Company's books and records
	Other Employee Issues	Issued correspondence to Child Support	Prepare and issue employee termination letters
Administration		46.8 Hours \$15,478.00	\$4,000.00
	ASIC Forms and lodgements	Preparing and lodging ASIC forms including 505, 205, 531, etc Preparing and lodging ASIC PNW Advertisements	Preparing and lodging ASIC forms including 5011, 530 etc Preparing and lodging ASIC PNW Advertisements
	Bank account administration	Preparing correspondence opening bank account Requesting bank statements Bank account reconciliations	Bank account reconciliations
	Correspondence	Prepared and issued notice of appointment to director and company Issued ROCAP to Director Issued notification of appointment documents to utility companies	Prepared and issued further notices to director and company Issued ROCAP to director
	Document maintenance/file review/checklist	Preparing and updating job checklists Filing of documents	Updating job checklists Filing of documents
	ATO and other statutory reporting	Notification of appointment Correspondence with ATO to gain access to business portal in order to complete STP reporting obligations Review audit documents obtained	Correspondence with ATO to gain access to business portal in order to complete STP reporting obligations Liaising with ATO regarding claim
	Planning / Review	Discussions regarding status of administration	Discussions regarding status of administration
	Insurance	Prepared and issued notification of appointment to insurance provider	Liaising with insurance broker regarding adequacy of insurance

		<p>Liaising with insurance broker regarding adequacy of insurance</p> <p>Identification of potential issues requiring attention of insurance specialists</p> <p>Correspondence with insurer regarding initial and ongoing insurance requirements</p> <p>Reviewing insurance policies</p> <p>Correspondence with previous brokers</p>	
	Finalisation	N/A	<p>Notifying ATO of finalisation</p> <p>Completing checklists</p> <p>Finalising WIP</p>

SCHEDULE B – TIME SPENT BY STAFF ON MAJOR TASKS – 24 SEPTEMBER 2024 TO 20 OCTOBER 2024

Eden Australasia Pty Ltd (Administrators Appointed)

ACN 653 282 609

For the period 24 September 2024 to 20 October 2024

Staff Classification	Name	Hourly Rate \$ (ex GST)	Administration Hrs \$	Assets Hrs \$	Creditors Hrs \$	Employees Hrs \$	Investigation Hrs \$	Trade On Hrs \$	Total Hrs \$
Appointee	Andrew Cummins	750	- -	7.7 5,775.00	1.8 1,350.00	- -	2.3 1,725.00	32.7 24,525.00	44.5 33,375.00
Appointee	Peter Krejci	750	0.2 150.00	3.3 2,475.00	13.4 10,050.00	- -	20.1 15,075.00	3.7 2,775.00	40.7 30,525.00
Principal	John Keenan	750	- -	- -	- -	- -	- -	0.1 75.00	0.1 75.00
Senior Manager	Pauline Yeow	620	0.8 496.00	- -	8.3 5,146.00	0.1 62.00	0.6 372.00	2.6 1,612.00	12.4 7,688.00
Manager	Savio Monis	580	0.6 348.00	4.2 2,436.00	6.6 3,828.00	- -	2.8 1,624.00	40.3 23,374.00	54.5 31,610.00
Supervisor	Ashleigh Roche	510	0.4 204.00	- -	- -	- -	- -	- -	0.4 204.00
Senior 1	Joshua Coorey	450	1.6 720.00	- -	1.2 540.00	- -	- -	57.1 25,695.00	59.9 26,955.00
Senior 2	Sushma Mandria	400	3.2 1,280.00	0.2 80.00	3.6 1,440.00	- -	2.6 1,040.00	0.9 360.00	10.5 4,200.00
Intermediate 1	Mankirth Mandair	350	5.6 1,960.00	0.6 210.00	7.5 2,625.00	- -	4.7 1,645.00	5.0 1,750.00	23.4 8,190.00
Intermediate 2	Hugh Matthews	300	6.5 1,950.00	- -	2.2 660.00	0.4 120.00	- -	3.4 1,020.00	12.5 3,750.00
Intermediate 2	Zachary George	300	8.3 2,490.00	- -	- -	- -	- -	- -	8.3 2,490.00
Senior Administration	Sonia Stelmach	300	0.8 240.00	- -	- -	- -	- -	- -	0.8 240.00
Senior Administration	Sarita Gurung	300	18.8 5,640.00	- -	0.5 150.00	- -	- -	- -	19.3 5,790.00
Senior Administration	Andrea Moulukova	300	- -	- -	- -	- -	0.2 60.00	- -	0.2 60.00
Senior Administration	Phoebe Cummins	200	- -	- -	- -	- -	0.5 100.00	- -	0.5 100.00
Total			46.8 15,478.00	16.0 10,976.00	45.1 25,789.00	0.5 182.00	33.8 21,641.00	145.8 81,186.00	288.0 155,252.00
									GST 15,525.20
									Total (incl GST) 170,777.20
Average Rate			330.73	686.00	571.82	364.00	640.27	556.83	539.07

SCHEDULE C – DETAILS OF WORK TO BE COMPLETED – 30 OCTOBER 2024 TO THE CONCLUSION OF THE LIQUIDATION

Company	Eden Australasia Pty Ltd (Administrators Appointed)	Period From	30 October 2024	To	Conclusion of Liquidation
Practitioner	Peter Krejci and Andrew Cummins	Firm	BRI Ferrier		
Administration Type	Creditors Voluntary Liquidation				
		Tasks			
		If wound up			
		Liquidation Work			
Period		30 October 2024 to Conclusion of Liquidation			
Amount (excl. GST)		\$80,000.00			
Task Area	General Description				
Assets		\$20,000.00			
	Debtors	Correspondence with debtors and issue demands Review records supporting claims Reviewing and assessing debtors’ ledgers Liaising with debt collectors and solicitors			
Creditors		\$20,000.00			
	Creditor Enquiries	Receive and respond to creditor enquiries Review and prepare initial correspondence to creditors and their representatives Considering reasonableness of creditor request Obtaining legal advice on requests Compiling information requested by creditors			
	Creditor Reports	Prepare Circular to Creditors regarding Liquidation Prepare Statutory Report to Creditors Preparation of necessary annexures for Statutory Report to Creditors			
	Secured creditor reporting	Preparing reports to secured creditor Responding to secured creditor’s queries			

	Dealing with proofs of debt	Receipting, processing, and filing Proofs of Debts when not related to a dividend Maintaining register of Proofs of Debts received Reviewing supporting documentation from creditors
	Meeting of Creditors	Convening creditors meeting as necessary Preparation of Minutes of Meeting (if required)
Investigation		\$20,000.00
	Conducting Investigation	Obtaining and reviewing further Company's books and records Reviewing further Company's books and records Review of specific transactions and liaising with Director regarding certain transactions Conducting further investigations into potential voidable transactions Conducting further investigations into solvency analysis Preparation of updated investigation file
	Examinations	Preparing brief to solicitor Liaising with solicitor(s) regarding examinations Attendance at examination Reviewing examination transcripts Liaising with solicitor(s) regarding outcome of examinations and further actions available
	Litigation / Recoveries	Internal meetings to discuss status of litigation Preparing brief to solicitors Liaising with solicitors regarding recovery actions Attending to negotiations Attending to settlement matters
	ASIC Reporting	Preparing statutory investigation reports Preparation and lodgement of supplementary report if required Lodgement of investigation with ASIC Liaising with ASIC
Employees		\$10,000.00
	Employees enquiries	Correspondence with employees Receive and follow up employee enquiries via telephone Maintain employee enquiry register
	FEG	Correspondence with FEG

		Preparing initial questionnaire Preparing FEG quotation for services Request further supporting documentation from employees to substantiate their claims Preparing verification spreadsheet of employee entitlements Completing FEG questionnaires Correspondence with FEG regarding discrepancies, if any
	Calculation of entitlements	Calculating employee entitlements Reviewing employee files and Company's books and records Reconciling superannuation accounts Reviewing awards Liaising with solicitors regarding entitlements
	Employee dividend	Correspondence with employees regarding dividend Correspondence with ATO regarding SGC POD (if required) Preparing dividend file Advertising dividend notice Receipting and adjudicating POD Preparing distribution
Administration		\$10,000.00
	ASIC Forms and lodgements	Preparing and lodging ASIC forms Correspondence with ASIC regarding statutory forms
	Bank account administration	Preparing receipt and payment vouchers Bank account reconciliations Correspondence with bank regarding specific transfers
	Books and Records/ Storage	Dealing with records in storage
	Correspondence	Correspondence regarding the Company not related to any of the above milestones
	Document maintenance/file review/checklist	Filing of documents File reviews Updating checklists

	ATO and other statutory reporting	Notification of appointment Preparing BAS
	Planning / Review	Discussions regarding status of administration
	Finalisation	Notifying ATO of finalisation Cancelling ABN/GST/PAYG registration Completing checklists Finalising WIP

SCHEDULE D – RESOLUTIONS

We will be seeking approval of the following resolutions to approve our remuneration and disbursements. Details to support these resolutions are included in **sections 3 and 4** and in the attached Schedules.

Resolution 1: Administrators' Remuneration for the period 24 September 2024 to 20 October 2024

"That the remuneration of the Joint and Several Voluntary Administrators, their partners and staff for the period 24 September 2024 to 20 October 2024, be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, be fixed and approved at \$155,252.00 (plus GST), and that the Joint and Several Voluntary Administrators be authorised to draw that amount."

Resolution 2: Administrators' Remuneration for the period 21 October 2024 to 30 October 2024

"That the remuneration of the Joint and Several Voluntary Administrators, their partners and staff for the period 21 October 2024 to 30 October 2024 be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024 and approved to an interim cap of \$40,000.00 (plus GST), and that the Joint and Several Voluntary Administrators be authorised to draw that amount as and when incurred."

Resolution 3: Administrators' Internal Disbursements for the period 24 September 2024 to the conclusion of the Voluntary Administration

"That the Joint and Several Voluntary Administrators be allowed internal disbursements from 24 September 2024 to the conclusion of the Voluntary Administration at the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, up to an amount of \$1,000.00 (plus GST) and that the Joint and Several Voluntary Administrators be authorised to draw that amount as accrued."

If the Company is wound up:

Resolution 7: Liquidators' Remuneration from 30 October 2024 to the conclusion of the Liquidation

"That the remuneration of the Joint and Several Liquidators, their partners and staff for the period starting from 30 October 2024 to the conclusion of the Liquidation, be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, and approved to an interim cap of \$80,000.00 (plus GST), and that the Joint and Several Liquidators be authorised to draw that amount as and when incurred."

Resolution 8: Liquidators' Internal Disbursements from the conclusion of the Voluntary Administration to the conclusion of the Liquidation

"That the Joint and Several Liquidators be allowed internal disbursements for the period starting from the conclusion of the Voluntary Administration to the conclusion of the Liquidation at the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, up to an amount of \$2,000.00 (plus GST) and that the Joint and Several Liquidators be authorised to draw that amount as accrued."

SCHEDULE E – DISBURSEMENTS

Disbursements are divided into three types:

- Externally provided professional services - these are recovered at cost. An example of an externally provided service disbursement is legal fees.
- Externally provided non-professional costs such as travel, accommodation, and search fees. These are recovered at cost.
- Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally charge at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We advise that to date we have not paid any disbursements incurred during this Administration by our Firm.

We are not obliged to seek creditor approval for disbursements paid to third parties, but must account to creditors, this includes providing details of the basis of charging for these types of disbursements to creditors as part of the Remuneration Approval Report. We are required to seek creditor approval for internal disbursements where there could be a profit or advantage. Accordingly, we will be seeking approval from creditors for resolutions detailed under Schedule D.

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

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



Eden Australasia Pty Ltd
ACN 653 282 609
ABN 87 653 282 609
The Sapphire Australasia Pty
Ltd
ACN 655 675 442
ABN 15 655 675 442
(Both Administrators
Appointed)

Annexure "11"
Sapphire - Remuneration Approval
Report

Remuneration Approval Report

**The Sapphire Australasia Pty Ltd
(Administrators Appointed)
ACN 655 675 442
("The Company")**

22 October 2024

**Peter Krejci & Andrew Cummins
Joint and Several Administrators**

Novabrif Pty Ltd ABN 61 643 013 610
Level 26, 25 Bligh Street, Sydney NSW 2000
GPO Box 7079, Sydney NSW 2001
Phone (02) 8263 2333
Email: info@brifnsw.com.au
Website: www.briferrier.com.au



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1. EXECUTIVE SUMMARY

We are asking creditors to approve the following remuneration and disbursements:

The Sapphire Australasia Pty Ltd	Remuneration \$ (excl GST)	Disbursements \$ (excl GST)
Voluntary Administration	27,458.00	1,000.00
If Company is liquidated	20,000.00	2,000.00

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

Creditors have not previously approved our remuneration.

We estimate the total cost of this Voluntary Administration will be approximately \$47,458.00 (plus GST). This is consistent with the estimate provided in our Initial Remuneration Notice dated 27 September 2024.

At the upcoming meeting, we anticipate that the meeting of creditors will be adjourned for a period of up to 45 business days. We anticipate a further \$20,000.00 will be incurred during this period. We are not seeking to have this amount approved at this stage.

2. DECLARATION

Peter Krejci and I of BRI Ferrier, have undertaken an assessment of this remuneration claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration and disbursement claimed is necessary and proper.

We have reviewed the work in progress ledger to ensure that remuneration is only being claimed for necessary and proper work performed and no adjustment was necessary.

3. REMUNERATION APPROVAL SOUGHT

The remuneration we are asking creditors to approve is as follows:

For	Period	Amount (\$, excl. GST)	Rates to apply	When it will be drawn
Work we have already done	24 September 2024 to 20 October 2024	17,458.00	Provided in our First Report to Creditors dated 27 September 2024	It will be drawn when approved by Creditors and funds are available
Future work	21 October 2024 to 30 October 2024	10,000.00	Provided in our First Report to Creditors dated 27 September 2024	It will be drawn when approved by Creditors and funds are available and incurred
VA Total		27,458.00		

For	Period	Amount (\$, excl. GST)	Rates to apply	When it will be drawn
Future work – Liquidation	30 October 2024 to Finalisation of Liquidation	20,000.00	Provided in our First Report to Creditors dated 27 September 2024	It will be drawn when approved by Creditors and funds are available and incurred
Liquidation Total		20,000.00		

Details of the work done for the period 24 September 2024 to 20 October 2024 and future work that we intend to do are included at **Schedule A**.

A breakdown of time spent by staff members on each major task for work completed from 24 September 2024 to 20 October 2024 is included in **Schedule B**.

Actual resolutions to be put to the meeting are included at **Schedule D** for your information. These resolutions also appear in the proxy form for the meeting provided to you.

4. DISBURSEMENTS SOUGHT

We are not required to seek creditor approval for costs paid to third parties or where we are recovering a cost incurred on behalf of the administration, but we must provide details to creditors. To date, we have not paid any such costs in the administration.

We are required to obtain creditor's consent for the payment of a disbursement where we, or a related entity of ourselves, may directly or indirectly obtain a profit.

For more information about disbursements, please refer to the Initial Remuneration Notice sent to you on 27 September 2024.

The internal disbursements we would like creditors to approve is as follows:

For	Period	Amount (\$, excl. GST)
Disbursements during the VA period	24 September 2024 to conclusion	1,000.00
If Company is liquidated - Future disbursements	Conclusion of VA to conclusion of Liquidation	2,000.00

Details of disbursements incurred, and future disbursements are included at **Schedule D**. Actual resolutions to be put to the meeting are included at **Schedule C** for your information. These resolutions also appear in the proxy form for the meeting provided to you.

5. LIKELY IMPACT ON DIVIDENDS

The Corporations Act sets the order for payment of claims against the Company, and it provides for the remuneration of the Administrators to be paid in priority to other claims. This ensures that when there

are sufficient funds, the Administrators receives payment for the work done to recover assets, investigate the Company's affairs, report to creditors and ASIC and distribute any available funds. Even if creditors approve our remuneration, this does not guarantee that we will be paid, as we are only paid if sufficient assets are recovered.

6. SUMMARY RECEIPT AND PAYMENTS

No receipts and payments have been made in the administration of Sapphire.

7. QUERIES & INFORMATION SHEET

If you have any queries in relation to the information in this report, please contact our office. You can also access information which may assist you on the following websites:

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

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

8. ATTACHMENTS

Schedule A – Details of work from 24 September 2024 to 30 October 2024

Schedule B – A breakdown of time spent by staff members on each major task for work completed from 24 September 2024 to 20 October 2024

Schedule C – Detail of work to be completed – Conclusion of the VA to Conclusion of the Liquidation

Schedule D – Resolutions

Schedule E – Disbursements

SCHEDULE A – DETAILS OF WORK FROM 24 SEPTEMBER 2024 TO 30 OCTOBER 2024

Company	The Sapphire Australasia Pty Ltd (Administrators Appointed)	Period From	24 September 2024	To	30 October 2024
Practitioner	Peter Krejci and Andrew Cummins	Firm	BRI Ferrier		
Administration Type	Voluntary Administration				
		Tasks			
		Work completed (excl. GST)		Future work (excl. GST)	
Period		24 September 2024 to 20 October 2024		21 October 2024 to 30 October 2024	
Amount (excl. GST)		\$17,458.00		\$10,000.00	
Task Area	General Description				
Assets		3.4 Hours \$2,533.00		\$2,000.00	
	Sale of Business as a Going Concern	Liaise with sales agent to market business for sale Review agency agreement to appoint sales agent Prepare and review cashflow		Liaise with agent regarding progress of sale Responding to potential purchaser queries Prepare and review cashflow Review employee contracts	
	Sale of Real Property	Review Company sale history Review and discuss marketing material for sale of property Liaising with purchasers Draft sale contract Internal discussions to discuss hotel renovations and ongoing insurance			
	Debtors	Review and assess debtor ledgers		Correspondence with debtors and issue demands	

		Prepare debtors demands	
	Other Assets	Prepared and issued circular to banks requesting all accounts under the Company's name to be frozen	
Trade On		4.3 Hours \$3,020.00	\$1,000.00
	Trade on management	Attendance on site to address staff regarding continued trading Liaising with management and staff Internal meetings to discuss trade on tasks Prepared and issued circular to staff Prepared and issued circular to suppliers Liaise with management, staff and suppliers regarding continued trading Liaise with lawyers regarding trade on issues Correspondence with bookkeeper regarding appointment and trade on support Discussion with bookkeeper to provide access to company Xero file Implementing management and operational protocols for continued trading Organise payment of suppliers on a weekly basis Requesting account statements from suppliers Authorising purchase orders Liaising with management and dealing with various operational issues	Organise payment of weekly payroll Authorising purchase orders
	Budgeting & Financial Reporting	Review and discuss cashflow forecast and funds required for trade on	Review and discuss cashflow forecast and funds required for trade on
	Processing receipts and payments	Entering trade on receipts and payments into accounting system	Entering trade on receipts and payments into accounting system

Creditors		16.1 Hours \$8,817.00	\$3,000.00
	Creditor Enquiries	Receive and respond to creditor enquiries Receive and follow up creditor enquiries by telephone Review and prepare correspondence to creditors and their representatives by email Responding to information requested by creditors	Receive and respond to creditor enquiries Receive and follow up creditor enquiries by telephone Review and prepare correspondence to creditors and their representatives by email Responding to information requested by creditors Internal discussions regarding trade creditor liabilities and other transfer costs
	Creditor Reports	Preparing and issuing First Report to Creditors regarding notification of appointment and convening First Meeting of Creditors Preparation of necessary annexures for First Report to Creditors Preparing Second Report to Creditors Preparation of necessary annexures for Second Report to Creditors	Preparing and issuing Second Report to Creditors detailing investigations and convening Second Meeting of Creditors Preparation of necessary annexures for Second Report to Creditors
	Dealing with proofs of debt	Receipting and filing POD when not related to a dividend Maintaining register of Proofs of Debts received Reviewing supporting documentation from creditors	Receipting, processing, and filing Proofs of Debts when not related to a dividend Maintaining register of Proofs of Debts received Reviewing supporting documentation from creditors
	Secured creditor reporting	Notifying PPSR registered creditors of appointment Preparing reports to secured creditor Responding to secured creditor's queries	Responding to secured creditor's queries
	Meeting of Creditors	Preparation of meeting notices, proxies and advertisements Sending Notice of Meeting to all known creditors Preparation of meeting file, including agenda, attendance register, list of creditors, report to	Preparation of meeting notices, proxies and advertisements Sending Notice of Meeting to all known creditors Preparation of meeting file, including agenda, attendance register, list of creditors, report to creditors, advertisement of meeting and draft minutes of meeting

		creditors, advertisement of meeting and draft minutes of meeting Attend first meeting of creditors Preparation and lodgement of minutes of First Meeting of Creditors with ASIC Responding to creditor queries and questions immediately following meeting	Attending second meeting of creditors Adjourning the second meeting of creditors (if necessary) Responding to creditor queries and questions immediately following meeting
Investigation		1.9 Hours \$860.00	\$3,000.00
	Conducting Investigation	Conducting and summarising statutory searches Review the Company's books and records in relation to the Company's historical financial position and financial performance Preparation of investigation file Review inter-company loan accounts Conducting Motor Vehicle searches on Company's name Correspondence to and from Former Director regarding ROCAP completion Conducting statutory searches on directors' role in the Company as at appointment	Finalise investigations & prepare summary for report to creditors Review ROCAP completed by Directors
Administration		5.8 Hours \$2,228.00	\$1,000.00
	ASIC Forms and lodgements	Preparing and lodging ASIC forms including 505, 205, 531, 507 etc Preparing and lodging ASIC PNW Advert	Preparing and lodging ASIC forms including 5011, 530 etc
	Bank account administration	Preparing correspondence opening bank account	
	Correspondence	Prepared and issued notice of appointment to director and company	

		Issued ROCAP to Director Issued notification of appointment documents to utility companies	
	Document maintenance/file review/checklist	Preparing and updating job checklists Filing of documents	Updating job checklists Filing of documents
	ATO and other statutory reporting	Notification of appointment Correspondence with ATO to gain access to business portal	Correspondence with ATO to gain access to business portal
	Planning / Review	Discussions regarding status of administration	Discussions regarding status of administration
	Insurance	Prepared and issued notification of appointment to insurance provider Reviewing insurance policies	Identification of potential issues requiring attention of insurance specialists
	Finalisation	N/A	Notifying ATO of finalisation Completing checklists Finalising WIP

SCHEDULE B – TIME SPENT BY STAFF ON MAJOR TASKS – 24 SEPTEMBER 2024 TO 20 OCTOBER 2024

The Sapphire Australasia Pty Ltd (Administrators Appointed)
ACN 655 675 442
For the period 24 September 2024 to 20 October 2024

Staff Classification	Name	Hourly Rate \$(ex GST)	Administration Hrs	\$	Assets Hrs	\$	Creditors Hrs	\$	Investigation Hrs	\$	Trade On Hrs	\$	Total Hrs	\$
Appointee	Andrew Cummins	750	-	-	-	-	-	-	0.7	525.00	-	-	0.7	525.00
Appointee	Peter Krejci	750	-	-	3.3	2,475.00	1.2	900.00	-	-	3.2	2,400.00	7.7	5,775.00
Senior Manager	Pauline Yeow	620	0.5	310.00	-	-	7.5	4,650.00	-	-	-	-	8.0	4,960.00
Manager	Savio Monis	580	0.6	348.00	0.1	58.00	2.4	1,392.00	-	-	1.0	580.00	4.1	2,378.00
Senior 2	Sushma Mandria	400	1.1	440.00	-	-	2.8	1,120.00	-	-	0.1	40.00	4.0	1,600.00
Intermediate 1	Mankirth Mandair	350	1.0	350.00	-	-	1.9	665.00	0.5	175.00	-	-	3.4	1,190.00
Intermediate 2	Hugh Matthews	300	1.1	330.00	-	-	0.2	60.00	-	-	-	-	1.3	390.00
Senior Administration	Sarita Gurung	300	1.1	330.00	-	-	0.1	30.00	-	-	-	-	1.2	360.00
Senior Administration	Sonia Stelmach	300	0.1	30.00	-	-	-	-	-	-	-	-	0.1	30.00
Senior Administration	Andrea Moulikova	300	-	-	-	-	-	-	0.2	60.00	-	-	0.2	60.00
Senior Administration	Ashleigh Hartigan	300	0.3	90.00	-	-	-	-	-	-	-	-	0.3	90.00
Junior Administration	Phoebe Cummins	200	-	-	-	-	-	-	0.5	100.00	-	-	0.5	100.00
Total			5.8	2,228.00	3.4	2,533.00	16.1	8,817.00	1.9	860.00	4.3	3,020.00	31.5	17,458.00
													GST	1,745.80
													Total (incl GST)	19,203.80
Average Rate				384.14		745.00		547.64		452.63		702.33		554.22

SCHEDULE C – DETAILS OF WORK TO BE COMPLETED – 30 OCTOBER 2024 TO CONCLUSION OF THE LIQUIDATION

Company	The Sapphire Australasia Pty Ltd (Administrators Appointed)	Period From	30 October 2024	To	Conclusion of Liquidation
Practitioner	Peter Krejci and Andrew Cummins	Firm	BRI Ferrier		
Administration Type	In Liquidation				
		Tasks			
		If wound up			
		Liquidation Work			
Period		Conclusion of VA to Conclusion of Liquidation			
Amount (excl. GST)		\$20,000.00			
Task Area	General Description				
Assets		\$5,000.00			
	Debtors	Correspondence with debtors and issue demands Review records supporting claims Reviewing and assessing debtors’ ledgers Liaising with debt collectors and solicitors			
Creditors		\$5,000.00			
	Creditor Enquiries	Receive and respond to creditor enquiries Review and prepare initial correspondence to creditors and their representatives Considering reasonableness of creditor request Obtaining legal advice on requests Compiling information requested by creditors			
	Creditor Reports	Prepare Circular to Creditors regarding Liquidation Prepare Statutory Report to Creditors Preparation of necessary annexures for Statutory Report to Creditors			
	Secured creditor reporting	Preparing reports to secured creditor Responding to secured creditor’s queries			

	Dealing with proofs of debt	Receipting, processing, and filing Proofs of Debts when not related to a dividend Maintaining register of Proofs of Debts received Reviewing supporting documentation from creditors
	Meeting of Creditors	Convening creditors meeting as necessary Preparation of Minutes of Meeting (if required)
Investigation		\$5,000.00
	Conducting Investigation	Obtaining and reviewing further the Company's books and records Review of specific transactions and liaising with Director regarding certain transactions Conducting further investigations into potential voidable transactions Conducting further investigations into solvency analysis Preparation of updated investigation file Preparation and lodgement of supplementary report if required
	Examinations	Preparing brief to solicitor Liaising with solicitor(s) regarding examinations Attendance at examination Reviewing examination transcripts Liaising with solicitor(s) regarding outcome of examinations and further actions available
	Litigation / Recoveries	Internal meetings to discuss status of litigation Preparing brief to solicitors Liaising with solicitors regarding recovery actions Attending to negotiations Attending to settlement matters
	ASIC Reporting	Preparing statutory investigation reports Lodgement of investigation with ASIC Liaising with ASIC
Administration		\$5,000.00
	ASIC Forms and lodgements	Preparing and lodging ASIC forms Correspondence with ASIC regarding statutory forms
	Bank account administration	Preparing receipt and payment vouchers

	Books and Records/ Storage	Dealing with records in storage
	Correspondence	Correspondence regarding the Company not related to any of the above milestones
	Document maintenance/file review/checklist	Filing of documents File reviews Updating checklists
	ATO and other statutory reporting	Notification of appointment Preparing BAS
	Planning / Review	Discussions regarding status of administration
	Finalisation	Notifying ATO of finalisation Cancelling ABN/GST/PAYG registration Completing checklists Finalising WIP

SCHEDULE D – RESOLUTIONS

We will be seeking approval of the following resolutions to approve our remuneration and disbursements. Details to support these resolutions are included in **sections 3 and 4** and in the attached Schedules.

Resolution 1: Administrators' Remuneration for the period 24 September 2024 to 20 October 2024

"That the remuneration of the Joint and Several Voluntary Administrators, their partners and staff for the period 24 September 2024 to 20 October 2024, be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, be fixed and approved at \$17,458.00 (plus GST), and that the Joint and Several Voluntary Administrators be authorised to draw that amount."

Resolution 2: Administrators' Remuneration for the period 21 October 2024 to 30 October 2024

"That the remuneration of the Joint and Several Voluntary Administrators, their partners and staff for the period 21 October 2024 to 30 October 2024 be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024 and approved to an interim cap of \$10,000.00 (plus GST), and that the Joint and Several Voluntary Administrators be authorised to draw that amount as and when incurred."

Resolution 3: Administrators' Internal Disbursements for the period 24 September 2024 to the conclusion of the Voluntary Administration

"That the Joint and Several Voluntary Administrators be allowed internal disbursements from 24 September 2024 to the conclusion of the Voluntary Administration at the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, up to an amount of \$1,000.00 (plus GST) and that the Joint and Several Voluntary Administrators be authorised to draw that amount as accrued."

If the Company is wound up:

Resolution 7: Liquidators' Remuneration from the conclusion of the Voluntary Administration to the conclusion of the Liquidation

"That the remuneration of the Joint and Several Liquidators, their partners and staff for the period starting from the 30 October 2024 to the conclusion of the Liquidation, be calculated on a time basis in accordance with the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, and approved to an interim cap of \$20,000.00 (plus GST), and that the Joint and Several Liquidators be authorised to draw that amount as and when incurred."

Resolution 8: Liquidators' Internal Disbursements from the conclusion of the Voluntary Administration to the conclusion of the Liquidation

"That the Joint and Several Liquidators be allowed internal disbursements for the period starting from the conclusion of the Voluntary Administration to the conclusion of the Liquidation at the rates of charge annexed to the Voluntary Administrators' Second Report to Creditors dated 22 October 2024, up to an

amount of \$2,000.00 (plus GST) and that the Joint and Several Liquidators be authorised to draw that amount as accrued.”

SCHEDULE E – DISBURSEMENTS

Disbursements are divided into three types:

- Externally provided professional services - these are recovered at cost. An example of an externally provided service disbursement is legal fees.
- Externally provided non-professional costs such as travel, accommodation, and search fees. These are recovered at cost.
- Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally charge at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We advise that to date we have not paid any disbursements incurred during this Administration by our Firm.

We are not obliged to seek creditor approval for disbursements paid to third parties, but must account to creditors, this includes providing details of the basis of charging for these types of disbursements to creditors as part of the Remuneration Approval Report. We are required to seek creditor approval for internal disbursements where there could be a profit or advantage. Accordingly, we will be seeking approval from creditors for resolutions detailed under Schedule D.

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

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



Eden Australasia Pty Ltd
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ABN 87 653 282 609
The Sapphire Australasia Pty
Ltd
ACN 655 675 442
ABN 15 655 675 442
(Both Administrators
Appointed)

Annexure "12"
Advice to Creditors About
Remuneration

ADVICE TO CREDITORS ABOUT REMUNERATION

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

EDEN AUSTRALASIA PTY LTD ACN 653 282 609
THE SAPPHIRE AUSTRALASIA PTY LTD ACN 655 675 442
(BOTH ADMINISTRATORS APPOINTED) ("THE COMPANIES")

A REMUNERATION METHOD

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

▲ Time based / hourly rates or "Time Cost"

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

▲ Fixed Fee

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

▲ Percentage

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

▲ Contingency

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

B METHOD CHOSEN

Given the nature of this administration, 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.
- ▲ It ensures creditors are only charged for work that is performed. Our time are 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.

BRI Ferrier reviews its hourly rates every twelve months. The hourly rates quoted below remain current. BRI Ferrier may increase the hourly rates charged for work performed and if hourly rates are increased, we will seek creditors' approval.

C EXPLANATION OF HOURLY RATES

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

Title	Description	Hourly Rate (ex GST) 1 July 24
Appointee / Principal	Senior member of the firm. May be a Registered Liquidator and/or Registered Trustee. A senior accountant with over 10 years' experience who brings specialist skills and experience to the appointment. Leads staff carrying out appointments.	\$750
Director	An accountant with more than 10 years' experience. May be a Liquidator. Fully qualified and able to control all aspects of an appointment. May have specialist industry knowledge or skills. Assists with all facets of appointment.	\$670
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.	\$620
Manager	An accountant with at least 6 years' experience. Typically qualified with well-developed technical and commercial skills. Controls and plans all aspects of medium to larger appointments, reporting to the Team Leader.	\$580
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.	\$510
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.	\$450
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.	\$400
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.	\$350
Intermediate 2	An accountant with less than 1 year's experience. A trainee undertaking degree with an accountancy major. Assists in the appointment under supervision.	\$300
Senior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$300
Junior Administration	Appropriately skilled and undertakes support activities including but not limited to treasury, word processing and other administrative, clerical and secretarial tasks.	\$200

D DISBURSEMENTS

Disbursements are divided into three types:

- Externally provided professional services - these are recovered at cost. An example of an externally provided service disbursement is legal fees.
- Externally provided non-professional costs such as travel, accommodation and search fees. These are recovered at cost.
- Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

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

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

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

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



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Annexure "13"
ASIC Information Sheet – Insolvency
Information for Directors,
Employees, Creditors and
Shareholders

Insolvency information for directors, employees, creditors and shareholders

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

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

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

List of information sheets

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

Where can I get more information?

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

Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

This information sheet was updated on 1 September 2017.

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Annexure "14"
ARITA Information Sheet – Offences,
Recoverable Transactions and
Insolvent Trading

Voluntary Administration

Creditor Information Sheet

Offences, Recoverable Transactions and Insolvent Trading



Offences

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

180	Failure by company officers to exercise a reasonable degree of care and diligence in the exercise of their powers and the discharge of their duties.
181	Failure to act in good faith.
182	Making improper use of their position as an officer or employee, to gain, directly or indirectly, an advantage.
183	Making improper use of information acquired by virtue of the officer's position.
184	Reckless or intentional dishonesty in failing to exercise duties in good faith for a proper purpose. Use of position or information dishonestly to gain advantage or cause detriment. This can be a criminal offence.
198G	Performing or exercising a function or power as an officer while a company is under administration.
206A	Contravening a court order against taking part in the management of a corporation.
206A, B	Taking part in the management of corporation while being an insolvent, for example, while bankrupt.
206A, B	Acting as a director or promoter or taking part in the management of a company within five years after conviction or imprisonment for various offences.
209(3)	Dishonest failure to observe requirements on making loans to directors or related companies.
254T	Paying dividends except out of profits.
286	Failure to keep proper accounting records.
312	Obstruction of an auditor.
314-7	Failure to comply with requirements for the preparation of financial statements.
437D(5)	Unauthorised dealing with company's property during administration.
438B(4)	Failure by directors to assist administrator, deliver records and provide information.
438C(5)	Failure to deliver up books and records to the administrator.
588G	Incurring liabilities while insolvent
588GAB	Officer's duty to prevent creditor-defeating disposition
588GAC	A person must not procure a company to make a creditor-defeating disposition
590	Failure to disclose property, concealed or removed property, concealed a debt due to the company, altered books of the company, fraudulently obtained credit on behalf of the company, material omission from Report as to Affairs or false representation to creditors.
596AB	Entering into an agreement or transaction to avoid employee entitlements.

Recoverable Transactions

Preferences

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

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

Creditor-defeating disposition

Creditor-defeating dispositions are the transfer of company assets for less than market value (or the best price reasonably obtainable) that prevents, hinders or significantly delay creditors' access to the company's assets in liquidation. Creditor-defeating dispositions are voidable by a liquidator.

Uncommercial Transaction

An uncommercial transaction is one that it may be expected that a reasonable person in the company's circumstances would not have entered into, having regard to the benefit or detriment to the company; the respective benefits to other parties; and any other relevant matter.

To be voidable, an uncommercial transaction must have occurred during the two years before the liquidation. However, if a related entity is a party to the transaction, the period is four years and if the intention of the transaction is to defeat creditors, the period is ten years. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Unfair Loan

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

Arrangements to avoid employee entitlements

If an employee suffers loss because a person (including a director) enters into an arrangement or transaction to avoid the payment of employee entitlements, the liquidator or the employee may seek to recover compensation from that person or from members of a corporate group (Contribution Order).

Unreasonable payments to directors

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

Voidable charges

Certain charges over company property are voidable by a liquidator:

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

Insolvent trading

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

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

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

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

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

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

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

Queries about the voluntary administration should be directed to the administrator's office.