



All Trades Queensland Pty Ltd  
(Administrators Appointed)  
ACN 115 379 461 (“the Company”)

Supplementary Report to creditors – Section 75-225  
of the Insolvency Practice Rules (Corporations) 2016

# About this report: a guide for creditors

## Voluntary Administrators

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## Purpose of this supplementary report

- This supplementary report follows the Administrators' Report to Creditors pursuant to Section 75-225 of the Insolvency Practice Rules (Corporations) 2016 issued on 19 August 2020 (**the Administrators' Report**).
- Since issuing the Administrators' Report, a DOCA Proposal has been received from RUI Management Pty Ltd.
- The purpose of this supplementary report is to provide a copy of the final DOCA Proposal submitted to the Administrators and to provide a recommendation for what we consider to be in the best interests of creditors.
- This supplementary report should be read in conjunction with the Administrators' Report dated 19 August 2020 unless otherwise stated.

## Information included

- The table of contents on the following page lists the sections of this report and relevant appendices.

## Administrators' recommendation and return to creditors

- **Sections 1, 5 and 6** of this supplementary report contain the Administrators' recommendation to creditors and the estimated return to creditors under a DOCA and Liquidation scenario.

## Details and forms for the Reconvened Second Meeting of Creditors

- All details, forms and instructions relating to the Reconvened Second Meeting of Creditors are available for download from the [FTI Consulting Creditor Portal](#). Instructions on how to attend the meeting are summarised in **Section 2** of this supplementary report.

## Questions and help

- Please contact us if you are unsure about any of the matters raised in this supplementary report and the impact any decision on the Company's future may have on you.

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# Glossary and terms of reference

## Terms of reference

- This supplementary report has been prepared for the creditors of the Company to assist them in evaluating their position as creditors and in deciding on the Company's future. None of the Administrators, FTI Consulting and its staff shall assume any responsibility to any third party to which this report is disclosed or otherwise made available.
- This supplementary report is based on information obtained from the Company's records, the Director and management of the Company and from our own enquiries. While we have no reason to doubt the veracity of information contained in this report, unless otherwise stated we have proceeded on the basis that the information provided and representations made to us are materially accurate, complete and reliable. We have not carried out anything in the nature of an audit, review or compilation.
- This supplementary report may contain prospective financial information, including estimated outcomes for creditors, and other forward looking information. As events and circumstances frequently do not occur as expected, there may be material differences between estimated and actual results. We take no responsibility for the achievement of any projected outcomes or events.
- We reserve the right to alter any conclusions reached on the basis of any changed or additional information which may become available to us between the date of this supplementary report and the forthcoming meeting of creditors.
- Creditors should seek their own advice if they are unsure how any matter in this supplementary report affects them.

## Glossary and terms of reference

Item	Definition
Act	Corporations Act 2001 (Cth)
Administrators	John Park and Joanne Dunn
AEST	Australian Eastern Standard Time
Approx.	Approximately
ASIC	Australian Securities and Investments Commission
atf	As Trustee For
ATLS	All Trades Labour Solutions Pty Ltd
ATO	Australian Taxation Office (incorporating the Deputy Commissioner of Taxation, as applicable)
Back Pay	Amounts the Company is liable to pay to employee apprentices employed after 1 January 2014 and before 1 February 2018 as a result of the operation of the law as interpreted by the decision of the Federal Court of Australia in All Trades Queensland Pty Ltd v. Construction, Forestry, Mining and Energy Union [2017] FCAFC 189 and the Company not having paid its employee apprentices for a period after 1 January 2014 and before 1 February 2018 as required by law.
c.	Circa
COGS	Cost of goods sold
Company or ATQ	All Trades Queensland Pty Ltd (Administrators Appointed)
DESBT	Department of Education, Small Business and Training
Director	Ian David Johnson
DOCA	Deed of company arrangement
DOCA Proposal	Deed of company arrangement proposal from RUI Management Pty Ltd dated 27 August 2020.
EBIT / EBITDA	Earnings before interest and tax / Earnings before interest, tax, depreciation and amortisation

Item	Definition
Eligible Employee Meeting	The meeting of eligible employees to be held at 1:00PM (AEST) on 8 October 2020.
Eligible Employees	Employees where a DOCA proposal does not give them the same priority which they would have in a liquidation.
FEG	Fair Entitlements Guarantee Scheme
First Ranking Secured Creditor	Westpac Banking Corporation
FY18, FY19 and FY20	Financial years ended/ending 30 June 2018, 30 June 2019 and 30 June 2020
GST	Goods and Services Tax, as applicable in Australia
GTO	Group Training Organisation
HCFT	Helmsman Capital Fund Trust IIB
Helmsman	Helmsman Funds Management Limited
m	Million
MWD	Managed wind down
POD	Proof of debt/claim
PPSR	Personal Property Securities Register
Proponent	RUI Management Pty Ltd
Reconvened Second Meeting of Creditors	The reconvened second meeting of creditors to be held at 10:00AM (AEST) on 9 October 2020.
RTO	Registered Training Organisation
SAG	Skill Australia Group Pty Ltd
Second Meeting of Creditors	The second meeting of creditors held on 27 August 2020.
Second Ranking Secured Creditor	Helmsman Funds Management Limited as trustee for the Helmsman Capital Fund Trust IIB
Westpac	Westpac Banking Corporation



# 1. Executive summary

# 1. Executive summary

## Recommendation on the Company's future

### Our recommendation to creditors

In our opinion it is in the creditors' interests that the Company be wound up and a liquidator appointed.

Details about the estimated return to creditors and other information about what creditors can decide at the Reconvened Second Meeting of Creditors are provided at **Sections 2 and 5** of this supplementary report.

Options available to creditors	Option 1: Execute a DOCA	Option 2: Administration end	Option 3: Liquidation
<b>Description</b>	<ul style="list-style-type: none"> <li>Whether it would be in the creditors' interests for the Company to execute a DOCA.</li> </ul>	<ul style="list-style-type: none"> <li>Whether it would be in the creditors' interests for the administration to end.</li> </ul>	<ul style="list-style-type: none"> <li>Whether it would be in the creditors' interests for the Company to be wound up.</li> </ul>
<b>Key factors to considers</b>	<ul style="list-style-type: none"> <li>Significant uncertainty exists regarding whether the condition precedent to operation of the DOCA will be satisfied (Westpac approval).</li> <li>The DOCA provides an insignificant return to unsecured creditors.</li> <li>A restructure of the Company is an unlikely outcome of the DOC.A</li> <li>If a managed wind down is to occur, liquidation is a more appropriate framework.</li> </ul>	<ul style="list-style-type: none"> <li>The Company is insolvent with no cash to pay all due debts and no confirmed prospects of obtaining external funding.</li> </ul>	<ul style="list-style-type: none"> <li>As explained in <b>Section 4</b>, there are significant uncertainties regarding various aspects of the DOCA Proposal and its ability to operate effectively.</li> <li>Liquidation provides an established framework within which to conduct a managed wind down of the business and a level of certainty for its stakeholders.</li> </ul>
<b>Our opinion</b>	<ul style="list-style-type: none"> <li><b>Not</b> in the creditors' interests that the Company execute a DOCA.</li> </ul>	<ul style="list-style-type: none"> <li><b>Not</b> in the creditors' interests that the administration should end.</li> </ul>	<ul style="list-style-type: none"> <li><b>Is</b> in the creditors' interests that the Company be wound up.</li> </ul>
<b>Recommended option</b>	Not recommended	Not recommended	<b>Recommended</b>

# 1. Executive summary

## Estimated return to creditors

### Key areas

### Commentary

### Analysis

#### Estimated outcome for creditors

The table provides a summary of the estimated return to creditors for each class of creditor in the Liquidation, summarised by category of creditors in accordance with Section 556 of the Act. Should the Company be placed into Liquidation, it should be noted that the estimates will be updated prior to issuing the Liquidators first report to creditors, due within three months of commencement of the liquidation.

Class of Creditor	Liquidation		DOCA	
	Low Return	High Return	Low Return	High Return
Wages & Superannuation	100 cents/\$	100 cents/\$	100 cents/\$	100 cents/\$
Leave Entitlements	100 cents/\$	100 cents/\$	100 cents/\$	100 cents/\$
Redundancy & PILN	82 cents/\$	100 cents/\$	100 cents/\$	100 cents/\$
First Ranking Secured Creditor	9.3 cents/\$	100 cents/\$	18.6 cents/\$	26.7 cents/\$
Second Ranking Secured Creditor <sup>1</sup>	Nil	6.0 cents/\$	Nil	Nil
Unsecured Creditors <sup>1</sup>	Nil	Nil	0.75 cents/\$	0.75 cents/\$
Unsecured Creditor, ATO only	n/a	n/a	0.75 cents/\$	0.82 cents/\$

1. A dividend to the Second Ranking Secured Creditor is subject to a security review. In the event the security of the Second Ranking Secured Creditor is deemed invalid, a return may be available to unsecured creditors.

The key factors and variables impacting the estimated return to creditors include:

- Recoverability of debtors, unfair preference payments and the insolvent trading claim.
- Quantum of employee entitlements, which are subject to change based on the circumstances of the winding up and any transferred employees or apprentices.

Section 5

# 1. Executive summary

## Estimated return to creditors

Key areas	Commentary	Analysis												
<b>Timing of payments to creditors</b>	<p>The indicative (estimated) timing of dividends are set out below for each class of creditor under a DOCA and liquidation scenario:</p> <table border="1"> <thead> <tr> <th></th> <th><u>Liquidation</u></th> <th><u>DOCA</u></th> </tr> </thead> <tbody> <tr> <td>■ Priority employee claims <sup>1</sup></td> <td>12 – 18 months</td> <td>Within 2 – 4 months of execution of the DOCA</td> </tr> <tr> <td>■ Secured creditors <sup>2</sup></td> <td>3 – 18 months</td> <td>Within 1 – 4 months of execution of the DOCA</td> </tr> <tr> <td>■ Unsecured creditors <sup>2</sup></td> <td>12 – 18 months</td> <td>Within 2 – 4 months of execution of the DOCA</td> </tr> </tbody> </table> <p>1. In a liquidation scenario, employees may be eligible to lodge a claim for their unpaid entitlements under the Federal Government’s FEG Scheme, which would significantly shorten timing of payment. Please refer to details in Section 5.</p> <p>2. A dividend to the Second Ranking Secured Creditor is subject to a security review. In the event the security of the Second Ranking Secured Creditor is deemed invalid, a return may be available to unsecured creditors.</p> <p>The key factors and variables impacting the estimated timing include timing for finalisation of any sale contracts and transfer of apprentices; completion time for asset realisations; debtor and unfair preference payment recoverability; and recovery of the insolvent trading claim.</p>		<u>Liquidation</u>	<u>DOCA</u>	■ Priority employee claims <sup>1</sup>	12 – 18 months	Within 2 – 4 months of execution of the DOCA	■ Secured creditors <sup>2</sup>	3 – 18 months	Within 1 – 4 months of execution of the DOCA	■ Unsecured creditors <sup>2</sup>	12 – 18 months	Within 2 – 4 months of execution of the DOCA	Section 5
	<u>Liquidation</u>	<u>DOCA</u>												
■ Priority employee claims <sup>1</sup>	12 – 18 months	Within 2 – 4 months of execution of the DOCA												
■ Secured creditors <sup>2</sup>	3 – 18 months	Within 1 – 4 months of execution of the DOCA												
■ Unsecured creditors <sup>2</sup>	12 – 18 months	Within 2 – 4 months of execution of the DOCA												
<b>Remuneration</b>	Under s 449E of the Act, the remuneration of the Administrators (and either the Deed Administrators or Liquidators, if appointed) can be fixed at the Reconvened Second Meeting of Creditors. Details of our proposed remuneration and resolutions are included in our Remuneration Approval Report.	Appendix 3												
<b>Receipts and payments</b>	Details of the receipts and payments in the Administration.	Appendix 4												



## 2. Reconvened Second Meeting of Creditors

## 2. Reconvened Second Meeting of Creditors

### Meeting details

- The Administrators' are required by law to reconvene the Second Meeting of Creditors within 45 business days after 27 August 2020, at which creditors will vote on the future of the Company.
- The Reconvened Second Meeting of Creditors will be held on **Friday, 9 October 2020 at 10:00AM (AEST)** using virtual meeting facilities.
- Due to the threat of COVID-19, and consistent with government policy on gatherings, this meeting will be held by electronic means only and there will be no physical meeting place available.
- Should you wish to attend the Reconvened Second Meeting of Creditors, please complete and return the relevant forms shown in the opposite table, to our office by no later than **10:00AM (AEST) Thursday, 8 October 2020**.
- Meeting forms are available to download from the FTI Consulting Creditor Portal: [www.fticonsulting-asia.com/creditors/all-trades-queensland-pty-ltd](http://www.fticonsulting-asia.com/creditors/all-trades-queensland-pty-ltd)
- At the reconvened meeting, creditors will determine the Company's future by voting on the following options:
  - The company execute a DOCA; or
  - The administration of the Company end; or
  - The Company be wound up.

### Questions for the meeting

- Creditors can use the question and answer function during the meeting to submit questions to be answered by the Administrators and will be able to ask questions verbally at the appropriate question time.
- We encourage creditors to submit their questions to our office prior to the meeting by emailing [ATQ@fticonsulting.com](mailto:ATQ@fticonsulting.com).

#### Meeting Registration Form

**You must complete and return this form if you wish to attend the meeting of creditors, and vote at the meeting.**

Creditors will receive their individual meeting registration details and a link to register for the Zoom meeting by email, once they have submitted the required forms.

A creditor unique identifier will also be provided to be used for voting at the meeting.

#### Proxy Form

**You must complete this form if you wish to appoint another person to attend the meeting on your behalf (corporate creditors must complete this form).**

Non-individual creditors (corporate, trusts, etc.) who want to be represented must appoint an individual to act on its behalf by executing a proxy form.

Individuals may choose to appoint a proxy/representative to vote on their behalf by executing a proxy form. If an individual is attending in person a proxy form is not required.

#### Proof of Debt Form

**You must complete this form in order to vote at the meeting.**

This form is required to register your claim against the Company.

Documents to substantiate your claim (e.g. invoices) must also be provided.

## 2. Reconvened Second Meeting of Creditors

### Voting at the Reconvened Second Meeting of Creditors

- If you previously submitted a Proof of Debt form, you are not required to resubmit a form.
- A number of creditors previously submitted general or special proxy forms, for voting at the Second Meeting of Creditors held on 27 August 2020.
- Outlined below are guidelines to those creditors who previously submitted a proxy form:

#### General Proxy Holders

- If you appointed a general proxy (a person who may vote at their discretion on motions at the meeting), your proxy is still **valid** for the Reconvened Second Meeting of Creditors however you can complete a new proxy form should you wish.

#### Special Proxy Holders

- If you appointed a special proxy (a person who must vote according to your directions specified on the proxy form), your proxy is now **invalid** for the Reconvened Second Meeting of Creditors.
- **You must complete and return a new proxy form to vote at the Reconvened Second Meeting of Creditors.**
- A proxy form for the Reconvened Second Meeting of Creditors is available to download from the FTI Consulting Creditor Portal: [www.fticonsulting-asia.com/creditors/all-trades-queensland-pty-ltd](http://www.fticonsulting-asia.com/creditors/all-trades-queensland-pty-ltd)

### Meeting of Eligible Employee creditors

- Pursuant to section 444DA of the Act, the Administrators are required to hold an Eligible Employee Meeting prior to the Reconvened Second Meeting of Creditors, where the DOCA does not contain a provision for Eligible Employees to receive a priority at least equal to what they would have been entitled to under the priority of payment section 556 of the Act in a liquidation.
- The purpose of the Eligible Employee Meeting is for Eligible Employee creditors to consider and, if thought appropriate, approve the absence of the provision in the DOCA Proposal.
- A circular has been issued to all Eligible Employee creditors explaining how the proposed DOCA impacts their entitlements and ongoing employment, and how the DOCA compares to a liquidation scenario.
- The Meeting of Eligible Employee creditors will be held on **Thursday, 8 October 2020 at 1:00PM (AEST)** using virtual meeting facilities.
- Should Eligible Employees wish to attend the Meeting of Eligible Employee creditors, please complete and return the relevant forms to our office by no later than **1:00PM (AEST) Wednesday, 7 October 2020.**
- Forms for the Eligible Employee Meeting are available to download from the FTI Consulting Creditor Portal: [www.fticonsulting-asia.com/creditors/all-trades-queensland-pty-ltd](http://www.fticonsulting-asia.com/creditors/all-trades-queensland-pty-ltd)



## 3. Administration update

## 3. Administration update

### Trading

- The Administrators continue to operate the ATQ business including:
  - Employing staff and apprentices
  - Invoicing and collection of debtors
  - Processing of payroll and claiming of JobKeeper
  - Liaising with landlords with respect to ongoing occupation of premises

### RTO – Closure and transition of students

- On 17 September 2020 the Administrators addressed all ATQ RTO staff to inform them of the decision to transition all ATQ students to alternate RTO providers.
- The decision was made following an inability to secure DESBT funding for new students post 1 July 2020.
- The ATQ RTO workforce was provided notice of their termination of employment and have graciously agreed to continue working during their notice periods to assist in the transition of students to alternate RTOs.
- All training, save for some minor exceptions, ceased as of 18 September 2020.
- All RTO students will be transitioned to alternate RTOs by early October 2020.
- Impacted parties have been separately notified of the transition. The ATQ RTO staff are working with the students, schools and hosts to facilitate the transition as quickly and seamlessly as possible to avoid training disruption.

### Sale of business

- The Administrators are liaising with two (2) interested parties to reach final terms.
- Should the sales proceed, it is anticipated all placed apprentices, a small number of unplaced apprentices and approx. five (5) corporate staff, will be offered positions in a new GTO. This would allow the apprentices to continue their qualifications with minimal disruption.
- The sale would only proceed in the event ATQ is placed into Liquidation.

### Premises

- Following the cessation of training on 18 September 2020, the Administrators have closed the premises located at 17 Armada Place, Banyo.
- The Administrators are taking steps to vacate the site. Plant and equipment, which is subject to Westpac's security, have been removed by GraysOnline and will likely be sold via online auction.
- The premises located at 37/43 Commercial Drive, Shailer Park continues to be occupied by ATQ.

### Back Pay

- The Administrators have obtained legal advice with respect to the complexities of the Back Pay quarantined funds and payments made from that fund prior to appointment.
- Once the future of ATQ is determined, whether that be execution of a DOCA or the Liquidation of ATQ, the Deed Administrators/Liquidators will be managing the Back Pay quarantined fund.
- Following the Reconvened Second Meeting of Creditors, we will enter into an agreement with the Commonwealth which sets the process of how the quarantined fund will be managed.
- Once the agreement with the Commonwealth has been executed, the Deed Administrators/Liquidators will correspond with the Back Pay creditors on the process in further detail.
- Please note the Back Pay creditors are not considered in the analysis provided in **Sections 4 and 5** of this report as their claims will be dealt with separately from the quarantined fund.



## 4. Proposal for a deed of company arrangement

## 4. Proposal for a deed of company arrangement

### What is a DOCA?

- A DOCA is a formal agreement between a company, its creditors and the proponents of the DOCA.
- The proponents are interested parties who wish the creditors to consider their proposal – usually involving a compromise of creditors’ claims as opposed to either winding up the company (liquidation) or returning the company to its directors.
- A DOCA may involve:
  - Maximising the chance of the company continuing in existence and/or
  - Result in a better return for the company’s creditors than in a winding up.

### Proposal for a DOCA

- A DOCA is proposed by RUI Management Pty Ltd (the Proponent) and sponsored by Helmsman Funds Management Ltd as trustee for the Helmsman Capital Fund IIB (HCFT).
- The DOCA Proposal is attached at **Appendix 1**. Creditors should read the DOCA Proposal and ask us before the meeting if they have any specific queries that are not addressed in this report.
- The DOCA Proposal has not yet been drafted into DOCA format. As a result, to help creditors, we have highlighted the key features and provided our comments on the operational aspects of the DOCA Proposal, based on our understanding as presented and from discussions with the Proponent.
- We will report to creditors as soon as possible if additional material information is received on the DOCA Proposal prior to the Reconvened Second Meeting of Creditors.

### Overview

The key features of the DOCA Proposal are as follows:

- The Administrators will become the Deed Administrators.
- Unsecured creditor pool to be paid \$50,000 at commencement of the DOCA.
- Helmsman atf HCFT will agree not to participate in any dividend paid to unsecured creditors.
- The ATO will separately be paid up to \$400,000 (in addition to its pro-rata share of the unsecured creditors pool), subject to the ATO providing a deed of release to SAG, ATQ and its directors.
- The Back Pay quarantined fund secured to the Commonwealth will continue to operate under the terms of the existing deed between the Company and the Commonwealth (or a new agreement on similar terms) and Back Pay claimants will continue to be paid in accordance with that deed.
- Upon execution of the DOCA all remaining employees will continue their employment and their claim for entitlements will be preserved and paid by the Company in the ordinary course of its business.
- Control of the Company will revert to the Proponent upon commencement of the DOCA.
- Helmsman atf HCFT will provide support to the Proponent to fund the DOCA and ensure payments can be distributed to Westpac, the ATO and the unsecured creditor pool.
- All secured, priority and unsecured creditors of the Company with claims against the Company will be bound by the DOCA.
- The DOCA is to include payments on the appropriate date to creditors, greater than that which they would receive in a liquidation.
- DOCA funds will be distributed in accordance with the priorities set out in the DOCA Proposal.

## 4. Proposal for a deed of company arrangement

### Conditions precedent

The DOCA Proposal includes the following condition precedent that must be satisfied prior to it becoming effective:

- Westpac to extinguish all claims against SAG and its related entities in return for the proceeds of:
  - fixed charge asset realisations (net of realisation costs), estimated by the Proponent to be in the range of \$248,000 to \$463,000 (per estimate in Second Report to Creditors); and
  - a one-off payment of \$250,000 to be paid at commencement of the DOCA.
  - Fixed charge asset realisations to be managed by the Deed Administrator, the Company or a third party at Westpac's discretion.

### Conditions of the DOCA Proposal

The DOCA Proposal includes conditions not specifically defined as conditions precedent. Non-satisfaction of these conditions would however seriously impact the continued trade of the Company:

- Ongoing licensing and registration of the Company through support of DESBT
- The Administrators to disclaim the lease of the Shailer Park premises and one or more software and IT contracts.

In addition to the above conditions outlined by the Proponent in the DOCA Proposal, as the proposal does not include the usual priority provision in relation to employee claims, one of the following must occur before the DOCA can become effective:

- An Eligible Employee Meeting where Eligible Employees must pass a resolution agreeing to the non-inclusion of such a provision; or
- The Court makes an order approving the exclusion of such a provision.

As these conditions have not been stipulated as conditions precedent to the DOCA can be effected without their satisfaction.

### Deed Administrators

- The Administrators would be appointed the Deed Administrators of the DOCA.

### Moratorium on creditors' claims

- During and after the period of the DOCA, the moratorium in Sections 440A, 440D and 440F of the Act will apply to bind all creditors and members of ATQ in relation to claims arising on or before the appointment of the Administrators.
- The DOCA will not affect the liability of ATQ to Helmsman atf HCFT or any debt or claim of Helmsman atf HCFT, including any security held.
- Unless the secured creditor or landlords vote in favour of the DOCA, the DOCA will not affect their rights as owners or lessors of property or prevent secured creditors from realising or otherwise dealing with their security.

### Termination of the DOCA

- The DOCA may be terminated by:
  - fulfilling its purpose;
  - order of the Court;
  - resolution of creditors of the Company at a meeting; or
  - by notice of the Deed Administrators where they form the view the Company is unlikely to be able to comply with the terms of the DOCA.

### Treatment of related party claims

- All intercompany and related creditors, including SAG and ATLS will agree not to participate in the dividend process to ensure all available funds can be distributed to unsecured creditors.

### Excluded creditor claims

- Claims of related parties would not be extinguished by the operation of the DOCA however they have agreed not to participate in the dividend.

### Control

- Upon execution of the DOCA, and subject to satisfaction of the condition precedent, the control and operations of ATQ will return to the Director.

## 4. Proposal for a deed of company arrangement

### Effect of DOCA Proposal on employees' ability to access the FEG scheme

- Continuing and non-continuing employees and apprentices should note execution of the DOCA will prohibit their ability to access the FEG scheme for any outstanding entitlements, in particular leave and retrenchment, as the FEG scheme is only available if a company goes into liquidation.
- Through the DOCA, a return is anticipated for outstanding superannuation, which is not covered by the FEG scheme. Superannuation is also expected to be paid in full in a liquidation scenario.
- Leave and retrenchment entitlements of continuing employees and apprentices will be preserved with ATQ through the DOCA. Further commentary regarding the future of ATQ is contained in **Pages 23 to 27** and employees are encouraged to review those pages in detail.
- An information sheet for employees on FEG is contained as **Appendix 2**.

### Effect of DOCA Proposal on employee priority provision

- The Act stipulates that a DOCA must contain a provision whereby eligible employee and apprentice creditors are entitled to the same priority they would have if ATQ were placed into liquidation (**Priority Provision**).
- The Act also stipulates that the above section does not apply if the eligible employee creditors agree to the non-inclusion of such a provision, or the Court makes an order accordingly.
- The DOCA Proposal does not include a Priority Provision. Instead, the DOCA Proposal provides for payment of all outstanding superannuation and for the payment of all entitlements of non-continuing employees and apprentices prior to execution of the DOCA.
- The leave entitlements of continuing employees and apprentices will be preserved and they will be able to take leave as and when they require it (subject to usual business requirements). Similarly, continuing employees and apprentices will not be able to make claims for redundancy or other termination entitlements in the DOCA as they will remain employed by ATQ.

### Monitoring and reporting

- The DOCA Proposal is silent on the provision of future financial information and reporting to the Deed Administrators.
- We have suggested the DOCA contain monitoring and reporting clauses with the following effect:
  - Until the DOCA has been fully effectuated, ATQ cannot pay, repay or transfer any funds or assets to related parties including HCFT and the Director (other than reasonable wages to the Director); and
  - ATQ must provide detailed financial and compliance reports to the Deed Administrators within five (5) business days after the end of each calendar month.

### Effect of DOCA on employees and apprentices owed Back Pay

- Once the future of ATQ is determined, whether that be execution of a DOCA or the Liquidation of ATQ, the Deed Administrators/Liquidators will be managing the Back Pay quarantined fund.
- Following the Reconvened Second Meeting of Creditors we will enter into an agreement with the Commonwealth which sets the process of how the quarantined fund will be managed.
- Once the agreement with the Commonwealth has been executed, the Deed Administrators/Liquidators will correspond with the Back Pay creditors on the process in further detail.
- Please note the Back Pay creditors are not considered in the analysis provided in **Sections 4 and 5** of this report as their claims will be dealt with separately from the quarantined fund.

## 4. Proposal for a deed of company arrangement

**A number of sections of the DOCA Proposal contain ambiguities or errors. These are detailed below with the Administrators' comments regarding the impact on the DOCA's operation.**

### Details of the DOCA Proposal

### Administrators' comments

#### Objectives of the DOCA

- The DOCA's objectives are for the priority creditors of ATQ to be paid in full and the ordinary unsecured creditors to receive a higher dividend than would be the case under a liquidation.
- The business will be recapitalised by the Proponent and is supported and sponsored by Helmsman atf HCFT.
- The DOCA will allow for ATQ to continue trading, and employee entitlements otherwise totalling up to c. \$4.0m in liquidation to be assumed, thereby ensuring that FEG is not required to fund any shortfall.

- In forming their own views as to whether the DOCA Proposal is in their interests, creditors should consider the following items in particular when comparing the DOCA Proposal to liquidation:
  - The DOCA Proposal is stated to provide a full return to priority creditors which we consider also likely in a liquidation. It provides the possibility of a return to unsecured creditors which is only anticipated in the liquidation in certain circumstances.
  - Details of the financial support to be provided by Helmsman atf HCFT is not defined, however based on the Administrators' current estimates no additional funds will be contributed to ATQ from external sources.
  - After conducting preliminary investigations into the business and affairs of ATQ, we have identified transactions that have the potential to be voidable and therefore be of value to a liquidator. Accordingly, there is the potential of additional assets becoming available to creditors from the appointment of a liquidator. Please refer to **Section 5** for more detailed commentary.
- For the reasons discussed in **Section 6** we hold considerable doubts regarding the ongoing viability of ATQ in a DOCA. If ATQ cannot continue to trade or solvently conduct a managed wind down, not only do employees lose their job but there is a risk to the full payment of entitlements.

#### All creditors bound

- All secured, priority, unsecured and ordinary unsecured creditors of ATQ with claims against ATQ as at the date of voluntary administration will be bound by the DOCA.

- Secured creditors cannot be bound to a DOCA unless they vote in favour of the proposal.
- If employees do not vote to accept the change to their priority status, the DOCA can still be executed, however Court approval must be obtained for the DOCA to operate as proposed. Without the Court approval, the DOCA cannot operate in practice.

## 4. Proposal for a deed of company arrangement

### Details of the DOCA Proposal

#### Unsecured Creditors

- Unsecured creditor pool will be paid \$50,000 at commencement of the DOCA.
- Helmsman atf HCFT will not participate in this pool.

#### Conditions of the DOCA Proposal

##### GTO

- The DOCA is dependent on the ongoing licensing and registration of ATQ through support of DESBT, with ATQ retaining the status as a GTO and in receipt of the usual funding from DESBT.

##### RTO

- It is also assumed that ATQ will continue to operate the RTO on the terms and conditions advised by DESBT and ASQA, but may seek to windup or dispose of the business if the licence to operate that business cannot be obtained post the DOCA and it is therefore not viable.

#### Excluded Creditors' Claims

- All intercompany and related creditors will agree not to participate in the dividend process to ensure all available funds can be distributed to unsecured creditors.
- Helmsman atf HCFT will not participate in the unsecured creditor pool of the DOCA.

#### ATO

- The ATO will be paid up to \$400,000 in addition to its pro-rata share of the unsecured creditor pool on the basis it discharges any claims against SAG and its directors. Amounts will be paid as follows:
  - \$100,000 upon execution of an appropriate deed of release;
  - Up to an additional \$300,000, paid by equal monthly instalments for the three (3) months following execution of the deed of release. This payment is dependent upon the Administrator returning surplus cash to ATQ in excess of \$500,000.

### Administrators' comments

- Although not clear, we understand this payment will be made into the DOCA fund upon execution of the DOCA and is intended to be distributed to unsecured creditors subject to adjudication of claims in the usual course. This is likely to result in an insignificant return to unsecured creditors of 0.75 cents in the dollar.

#### GTO

- We are not party to any discussions between the Proponent and DESBT.
- In the event ATQ's GTO licence and registration is revoked, ATQ will have limited ability to earn revenue and is unlikely to be able to continue to trade.

#### RTO

- As discussed in **Section 3** the Administrators commenced the transition of ATQ students to alternative RTO providers on 17 September 2020 in accordance with instructions from DESBT.
- Accordingly, the RTO part of the ATQ is no longer operational.

- Confirmation of related creditors intention not to participate in a dividend process is required.

- Based on our analysis, in a liquidation Helmsman atf HCFT could receive up to 6 cents in the dollar, subject to a legal review to confirm the validity of its secured position.

- We are not party to any discussions between the Proponent and the ATO and cannot comment as to whether the ATO would agree to this term.
- Further, it appears these funds, or at least the additional \$300,000 are funds sourced from money that would otherwise be available in a liquidation.

## 4. Proposal for a deed of company arrangement

### Details of the DOCA Proposal

#### Westpac

- Westpac's agreement to the terms of the DOCA is a condition precedent to its operation.
- The DOCA Proposal provides Westpac receives the proceeds of fixed charge asset realisations (net of realisation costs), estimated by the Proponent to be in the range of \$248,000 to \$463,000.
- In addition Westpac would receive a one-off payment of \$250,000 at the commencement of the DOCA in return for extinguishing all claims against ATQ and related entities.

### Administrators' comments

- In a liquidation Westpac **could** receive up to 100 cents in the dollar.
- If Westpac does not vote for the DOCA, or otherwise agree to be bound, ATQ's debt to Westpac will not be extinguished and must be repaid. We consider if Westpac does not agree to be bound by the DOCA, ATQ would be insolvent upon commencement of the DOCA.

**After consideration of all aspects of the DOCA, the underlying business plan and cash flows, together with the alternative of liquidation, we cannot recommend creditors vote for the DOCA Proposal.**

## 4. Proposal for a deed of company arrangement

### DOCA fund

- The DOCA Proposal does not make it clear regarding the components of a DOCA fund or the order of priority of payments from a DOCA Fund.
- The DOCA Proposal requires the cash at bank at the date of execution of the DOCA to be retained by the Deed Administrators for the purposes of extinguishing the following liabilities incurred during the Administration:
  - employee wages;
  - trade creditors;
  - taxation amounts;
  - legal costs; and
  - Administrators' remuneration.
- Subject to withholding any reasonable contingency for liabilities incurred but not yet paid, the DOCA Proposal requires the Administrators to remit the balance of the cash at bank account to ATQ within 30 days of DOCA payments being made by the Proponent.
- Although not specifically stated in the DOCA Proposal, it is our understanding trade debtors as at the date of execution of the DOCA will also be returned to the control of ATQ.
- The DOCA Proposal states that the following funds will be made available, but does not state from where the funds will be made available or exactly how they will be distributed:
  - Unsecured creditors pool of \$50,000;
  - Westpac to receive:
    - Total proceeds of sale of their fixed charge assets; and
    - A one-off payment of \$250,000 as consideration for discharging its security and extinguishing all claims against all entities of SAG; and
  - The ATO to receive an additional amount between \$100,000 and \$400,000, subject to execution of a deed of release against ATQ, SAG and its directors.
- It should be noted both cash at bank and trade debtors are assets available to a liquidator in a liquidation.

### Order of priority

- The DOCA Proposal does not clearly articulate the order of priority of payments. It is our understanding the intention of the DOCA Proponent is for funds to be distributed as follows:

<b>Priority</b>	<b>Recipient</b>
1.	<i>Administration trade liabilities (employee wages, trade creditors and taxation amounts), Administrators' remuneration and disbursements, Deed Administrators' remuneration and disbursements.</i>
2.	<i>Participating priority claims: 1) Outstanding superannuation 2) Unpaid annual leave and long service leave of employees terminated prior to the date of execution of the DOCA; and 3) Redundancy and payment in lieu (if any) for employees terminated prior to the date of execution of the DOCA.</i>
3.	<i>Total payment of \$50,000 to unsecured creditors (excluding HCFT)</i>

- It is our understanding that the payments to be made to Westpac and ATO (if any) will be made by the Proponent from surplus funds transferred back by the Administrators' to ATQ.

### Extinguishment of claims

- On effectuation of the DOCA, all claims other than related party claims and claims of secured creditors that have not voted in favour of the DOCA or otherwise agreed, will be released, discharged and extinguished.
- Any claims will be deemed to be abandoned if, prior to the declaration of the final dividend, a creditor has failed to submit a formal proof of debt in accordance with the terms of the DOCA, or having submitted one which is rejected, fails to appeal against the rejection within the relevant timeframe set out in the DOCA.

## 4. Proposal for a deed of company arrangement

### Business plan supporting DOCA Proposal

- The business plan underlying the DOCA Proposal is based on the proposition that the GTO business in its current structure, with current trading conditions, is viable whilst the JobKeeper program exists (currently up to 28 March 2021).
- The Proponent intends to pursue the following three alternative strategies between the DOCA being implemented and the cessation of JobKeeper:

**If insufficient traction occurs on options one and two by the end of 2020, an orderly wind-down of the business will occur (Option 3)**

### Option 1. Sale of the business or transfer of apprentices

#### DOCA Proposal assumption

#### Administrators' comments

- GTO business can be sold as a going concern to a competitor.

- ATQ unsuccessfully attempted to sell the business for at least 12 months prior to the Administration. In addition, the Administrators conducted a sale campaign and did not receive any interest for the GTO business as a going concern.
- It is highly unlikely ATQ in DOCA will be successful in selling the GTO business as a going concern, in a timely manner.

- Apprentices (and the liability for their entitlements) can be transferred to third parties.

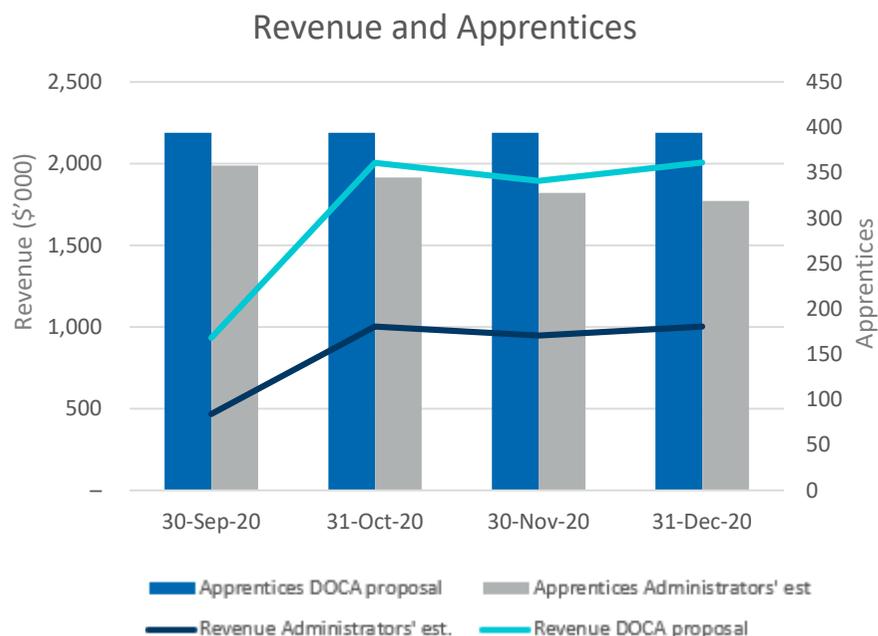
- The Administrators have held detailed discussions with a number of third parties regarding the transfer of apprentices. In general, there is a very limited number of third parties willing to accept the transfer of apprentices without consideration to cover the liability for entitlements presumed, due in part to the short-term nature of host agreements.
- There may be host parties willing to assume the employment of apprentices, however we do not consider this would apply to the majority of hosts as they use a GTO for the specific purpose of outsourcing the employment relationship.

- Accordingly, the Administrators do not consider this a viable option and if pursued, will further deteriorate the state of the business.

## 4. Proposal for a deed of company arrangement

The business plan supporting the DOCA Proposal contains two profit and loss forecasts, the first assumes ATQ continues to trade as a going concern. This forecast is discussed below.

### Option 2 – Restructure



- The above chart illustrates the apprentice numbers and resultant revenue included in the DOCA Proposal restructure forecast and compares those numbers to estimates prepared by the Administrators' based on current trading results.

### Key assumptions

- The following table illustrates the optimism of the assumptions underlying the DOCA Proposal restructure forecast:

Assumption	DOCA Proposal	Administrators' opinion
Apprentices	Start with 394	Start with 358 (current figure mid-September)
Retention rates	Steady, any turnover in apprentices are replaced	Decline of 10% over forecast (current trend)
Productivity	Approx. 89% are income producing	Approx. 75% are income producing (current rate)
Direct costs	% of revenue	Increased % of revenue due to lower productivity

## 4. Proposal for a deed of company arrangement

**The Administrators have not been provided with sufficient information to demonstrate ATQ is capable of being restructured to a viable operation. If this option is pursued, there is substantial risk of future insolvency.**

### Option 2 – Restructure (cont.)

#### DOCA Proposal assumption

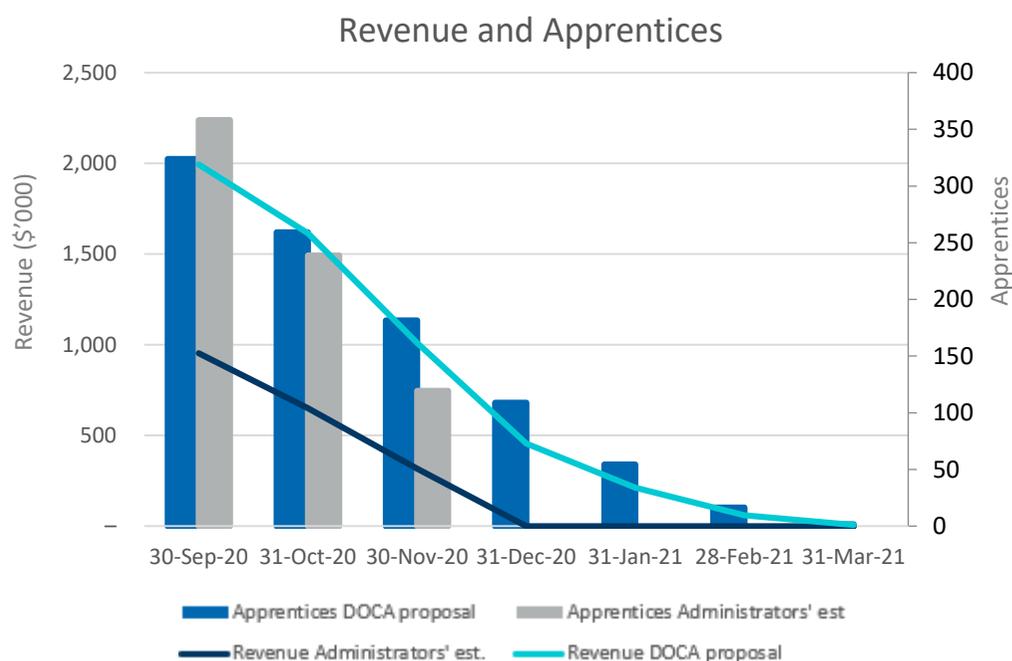
#### Administrators' comments

<ul style="list-style-type: none"> <li>The business will be restructured with a very lean operating model that would be profitable post cessation of JobKeeper.</li> </ul>	<ul style="list-style-type: none"> <li>We have not been provided with a forecast for any period post cessation of JobKeeper. The forecast provided is for the period September to December 2020 and it does not demonstrate the business can operate profitably without JobKeeper.</li> <li>The forecast results in negative EBITDA of approximately \$964,000.</li> </ul>
<ul style="list-style-type: none"> <li>Although not included in the forecast, the DOCA Proposal assumes ATQ will be able to improve revenue by approx. 10%, increase gross margin by 3% and decrease operational costs by 40%, thereby converting the negative EBITDA into a profit.</li> </ul>	<ul style="list-style-type: none"> <li>Other than stating generally that revenue improvements will occur and specifying cost categories to reduce, no evidence of the prospect of restructure has been provided, nor has the ability to conduct the restructure been demonstrated.</li> <li>The Administrators consider the following will make a restructure of this business difficult:               <ul style="list-style-type: none"> <li>current trading conditions;</li> <li>ongoing loss of field and operational staff; and</li> <li>uncertainty surrounding government incentive and support programs.</li> </ul> </li> </ul>

## 4. Proposal for a deed of company arrangement

In the event the previous two options are not demonstrating sufficient traction by December 2020, the business plan supporting the DOCA Proposal assumes ATQ conducts a managed wind down prior to the cessation of JobKeeper in March 2021. The profit and loss forecast supporting this option is discussed below.

### Option 3 – Managed wind down (MWD)



- The above chart illustrates the apprentice numbers and resultant revenue included in the DOCA Proposal MWD forecast and compares those numbers to estimates of the Administrators' based on current trading results and the practical implications of conducting a MWD.

### Key assumptions

- The following table outlines the key assumptions of the MWD forecast and the Administrators' opinion regarding the practicality of the assumption.

Assumption	DOCA Proposal	Administrators' opinion
Commencement	The business plan states the MWD only commences in 2021 if the other two options are unsuccessful, however the forecast commences the MWD in September 2020	Due to the current trading conditions, the ongoing loss of staff and apprentices, practically, the MWD will need to commence as soon as possible.
Reduction rate (No. of Apprentices)	Approx. 20% each month for six months	100% over no greater than three months
Productivity	Approx. 89% are income producing	Approx. 75% are income producing (current rate)
Direct costs	% of revenue	Increased % of revenue due to lower productivity

- The significant aspect of the Administrators' estimate is the period over which the MWD will occur. From a practical perspective, a MWD is unlikely to occur over a period of six months. Unless the majority of host employers accept transfer of apprentices, other GTOs will be required to take on apprentices. It is our experience that interested parties prefer to accept apprentices all at once, and there is a limited number willing to accept incoming entitlements unless compensated.

## 4. Proposal for a deed of company arrangement

### Option 3 – Managed wind down (MWD) (cont.)

#### DOCA Proposal assumption

#### Administrators' comments

<ul style="list-style-type: none"> <li>• Staff work down their annual leave balance.</li> </ul>	<ul style="list-style-type: none"> <li>• By law, employees can only be required to take annual leave in certain circumstances amounting to “lawful directions”. From a practical perspective, if staff numbers are steadily decreasing, the business is unlikely to be able to allow staff to take considerable leave. Consequently, it is likely there will be considerable leave entitlements owing to staff upon termination.</li> </ul>
<ul style="list-style-type: none"> <li>• Staff to work out notice periods to decrease entitlements payable.</li> </ul>	<ul style="list-style-type: none"> <li>• Generally this is a valid strategy.</li> </ul>
<ul style="list-style-type: none"> <li>• Corporate staff are assumed to gradually decrease over the period of the MWD.</li> </ul>	<ul style="list-style-type: none"> <li>• A gradual decrease of corporate staff is unlikely to be practical. For such an assumption to work, you must have a fully cross-skilled, trained and dynamic staffing capability. There is a considerable risk of the loss of key staff that results in the business ceasing to operate at a very basic level (e.g. payroll or accounts receivable).</li> <li>• The impact on staff morale must also be considered when structuring a MWD.</li> </ul>
<ul style="list-style-type: none"> <li>• Positive cash flow is assumed whilst JobKeeper exists.</li> </ul>	<ul style="list-style-type: none"> <li>• The positive cash flow the DOCA Proposal forecasts whilst JobKeeper exists is assumed to be used to assist with the payment of employee entitlements.</li> <li>• As we do not consider the MWD will continue for greater than three (3) months, there is unlikely to be positive cash flow to assist with the payment of employee entitlements.</li> </ul>
<ul style="list-style-type: none"> <li>• A number of apprenticeships will be completed over the term of the MWD.</li> </ul>	<ul style="list-style-type: none"> <li>• The DOCA Proposal assumes a number of apprenticeships will be completed over the period of the MWD thereby decreasing potential redundancy liabilities.</li> <li>• As we do not consider the MWD will continue for greater than three (3) months, there is unlikely to be a notable reduction in redundancy liabilities from completion of apprenticeships.</li> </ul>
<ul style="list-style-type: none"> <li>• Where possible, transfer apprentices to alternative GTO/hosts.</li> </ul>	<ul style="list-style-type: none"> <li>• As stated on the previous slide, this assumption is troublesome from a practical perspective. It is unlikely a significant number of hosts would take advantage of this offer as they are using a GTO for the specific purpose of not directly employing apprentices.</li> <li>• Further, there is a limited number of GTOs willing to accept apprentices without being compensated for entitlements presumed.</li> </ul>



## 5. Estimated return to creditors

## 5. Estimated return to creditors

### Estimated return to creditors

- Below is a summary of estimated returns to creditors in a Liquidation and DOCA scenario. Further detail of how the estimated returns are calculated are shown on the following pages.
- Please note there is always a measure of imprecision associated with the forecasting of returns in an external administration. The estimates are prepared in good faith but must not be construed as an assurance as to the actual return or timing of return to creditors.
- Estimated returns are presented on a cents in the dollar basis.

Class of Creditor	Liquidation		DOCA	
	Low Return	High Return	Low Return	High Return
Wages & Superannuation	100 cents/\$	100 cents/\$	100 cents/\$	100 cents/\$
Leave Entitlements	100 cents/\$	100 cents/\$	100 cents/\$	100 cents/\$
Redundancy & PILN	82 cents/\$	100 cents/\$	100 cents/\$	100 cents/\$
First Ranking Secured Creditor	9.3 cents/\$	100 cents/\$	18.6 cents/\$	26.7 cents/\$
Second Ranking Secured Creditor	Nil	6.0 cents/\$	Nil	Nil
Unsecured Creditors	Nil	Nil	0.75 cents/\$	0.75 cents/\$
Unsecured Creditor, ATO only	n/a	n/a	0.75 cents/\$	0.82 cents/\$

### Estimated timing of payments to creditors

- An indicative range of the estimated timing of dividends under each option (and to each class of creditor) is set out below:

#### Liquidation

- Employee priority creditors <sup>1</sup> 12 – 18 months
- Secured creditors <sup>2</sup> 3 – 18 months
- Unsecured creditors <sup>2</sup> 12 – 18 months

- Employees may be eligible to lodge a claim for their unpaid entitlements under the Federal Government's FEG Scheme, which would significantly shorten timing of payment. Please refer to details on the next page.
- A dividend to the second ranking secured creditor is subject to a security review. In the event the security of the second ranking secured creditor is deemed invalid, a return may be available to unsecured creditors.

#### DOCA

The timing of payments to creditors in a DOCA scenario

- Employee priority creditors Within 2 – 4 months of execution of the DOCA
- Secured creditors Within 1 – 4 months of execution of the DOCA
- Unsecured creditors Within 2 – 4 months of execution of the DOCA

Payment of a dividend to the above creditor classes is subject to the terms of the DOCA. Please refer to **Section 4** for further details.

## 5. Estimated return to creditors

### Effect on employees - Liquidation

- Employees are afforded a priority in the winding up of a company compared to ordinary unsecured creditors. The order of priority for typical employee claims is as follows:
  - Amounts due in respect of wages, superannuation and superannuation guarantee charge outstanding as at the date of the appointment of Administrators, followed by;
  - Amounts due in respect of leave of absence and other amounts due under the terms of an industrial instrument, followed by;
  - Retrenchment payments.

### Effect on employees - DOCA

- The effects on the returns to employees in a DOCA scenario are discussed in **Section 4** - employees are encouraged to review this section in detail.
- In a DOCA scenario, we consider there are three categories of employee creditors. Outlined below is the effect on each category:

#### 1. Continuing employees and apprentices

Entitlements will be preserved and met in the normal course of business. Continuing employees will not be able to claim for redundancy or any other termination entitlement as their employment with the Company will continue.

#### 2. Non-continuing employees and apprentices

This includes any employee or apprentice whose employment does not continue after the commencement of the DOCA. The entitlements of these employees would be paid from the DOCA fund.

#### 3. Back Pay creditors

Apprentices owed Back Pay will be paid from the quarantined fund, managed by the Deed Administrators.

- Continuing and non-continuing employees and apprentices should note that commencement of the DOCA will prohibit their ability to access the FEG scheme for any outstanding entitlements, in particular leave and retrenchment, as the FEG scheme is only available if a company goes into liquidation.

### Fair Entitlement Guarantee Scheme available if Company is wound up

- If there are insufficient funds available to employees from a company's property, eligible employees may be entitled to lodge a claim for their unpaid entitlements under the Federal Government's FEG Scheme.
- It must be noted the FEG scheme does not cover any unpaid superannuation.
- Details about FEG can be found at [www.ag.gov.au/industrial-relations/fair-entitlements-guarantee-feg](http://www.ag.gov.au/industrial-relations/fair-entitlements-guarantee-feg)
- General information concerning the FEG Scheme is included at **Appendix 2**.
- **The FEG scheme is not available to employees in a DOCA scenario.**

### Impact of related entity claims on dividend prospects

- We are aware of the following related party claims:
  - The Director has claimed for various travel related expenses totalling \$13,005.86.
  - Helmsman ATF HCFT has submitted a POD for \$31,918,832 pursuant to ATQ's guarantee of convertible notes issued by SAG.
  - The Director may have a claim for employee entitlements including redundancy however, all claims related to his employment have a capped priority under Section 556 of the Act.
- The DOCA Proposal specifies a payment of \$50,000 to be available to all unsecured creditors, excluding Helmsman ATF HCFT (owed approx. \$32m) as it has agreed not to participate in this dividend.
- The DOCA also states all intercompany and related party creditors, including SAG and ATLS, agree not to participate in a dividend to unsecured creditors.

## 5. Estimated return to creditors

A\$	Notes	Liquidation	
		Low Return	High Return
<b>Non-Circulating Assets</b>			
Plant and Equipment	L1	248,003	463,559
Less: First Ranking Secured Claim	L2	(2,671,663)	(2,671,663)
<b>Shortfall from Non-Circulating Assets</b>		<b>(2,423,660)</b>	<b>(2,208,104)</b>
<b>Circulating Assets</b>			
Cash at Bank at Appointment		3,319,873	3,319,873
Pre-Appointment Debtors	L3	937,964	947,964
<b>Liquidator Claims</b>			
Voidable Recoveries	L4	476,000	833,000
Insolvent Trading Actions	L5	Nil	1,000,000
<b>Available Funds Before Costs</b>		<b>4,733,837</b>	<b>6,100,837</b>
<b>Costs</b>			
Projected Trading Position	L6	659,879	1,591,756
Legal Fees		(130,000)	(100,000)
Approved Administrators' costs	L7	(950,000)	(950,000)
Unapproved Administrators' costs	L8	(660,000)	(560,000)
Liquidators' estimated costs	L9	(500,000)	(300,000)
<b>Estimated Costs</b>		<b>(1,580,121)</b>	<b>(318,244)</b>
<b>Available to Priority Creditors</b>		<b>3,153,716</b>	<b>5,782,593</b>
<b>Priority Creditors</b>			
Wages & Superannuation	L10	(54,672)	(54,672)
Leave Entitlements	L11	(1,038,525)	(681,775)
Redundancy & Payment in Lieu (PILN)	L11	(2,513,834)	(913,697)
<b>Total Priority Claims</b>		<b>(3,607,031)</b>	<b>(1,650,144)</b>
<b>Surplus of Circulating Assets Available</b>	L12	<b>Nil</b>	<b>4,132,449</b>
<b>Available to Second Ranking Secured Creditor</b>	L13	<b>Nil</b>	<b>1,924,345</b>
<b>Available to Unsecured Creditors</b>	L14	<b>Nil</b>	<b>Nil</b>
<b>Creditor Claims</b>			
Shortfall to First Ranking Secured Creditor		(2,423,660)	Nil
Shortfall to Second Ranking Secured Creditor		(31,918,832)	(29,994,486)
Unsecured Claims		(6,634,422)	(6,634,422)
<b>Total Unsecured Claims</b>		<b>(40,976,913)</b>	<b>(36,628,908)</b>

### Notes

- L1.** Low return represents assets sold at auction value less costs. High return represents assets sold at market value less costs.
- L2.** Proceeds from sale of plant and equipment would be distributed to the First Ranking Secured Creditor, being Westpac, who has lodged a POD in the amount shown. Any shortfall will be paid to Westpac from the net circulating assets, after priority claims.
- L3.** Estimated recovery of pre-appointment debtors.
- L4.** Estimated preferential payment recoveries, net of legal costs.
- L5.** Recovery of potential insolvent trading claim, net of legal costs.
- L6.** The projected trading position from commencement of the Administration to an estimated date of liquidation of 9 October 2020, and a short wind down of operations thereafter. A high return accounts for best case recovery of debtors, receipt of JobKeeper funding for October 2020, potential upside from reduced trading liabilities and benefits resulting from successful apprentice transfers.
- L7.** Administrators' approved remuneration and disbursements to 27 August 2020.
- L8.** Administrators' unapproved remuneration and disbursements from 27 August 2020. This includes current and projected remuneration up to the date ATQ is placed into Liquidation.
- L9.** Liquidators' estimated remuneration and disbursements. Refer to **Appendix 3** for further details.
- L10.** Unpaid superannuation including Superannuation Guarantee Charges claimed by the ATO.
- L11.** Low return represents employee entitlements owed at the date of appointment of Administrators and estimated retrenchment entitlements as at the date of Liquidation. High return accounts for reductions in leave and retrenchment as a result of proposed arrangements to transfer apprentices to alternative providers.
- L12.** Any surplus circulating asset recoveries will be available to the First Ranking Secured Creditor.
- L13.** If the First Ranking Secured Creditors' debts are paid in full, funds are available for distribution to the Second Ranking Secured Creditor. Any distribution to the Second Ranking Secured Creditor is subject to a security review to confirm the validity of the PPSR registration.
- L14.** In the event the Second Ranking Secured Creditor's security is found to be invalid, the funds listed at L13 will be available to unsecured creditors.

## 5. Estimated return to creditors

A\$	Notes	DOCA	
		Low Return	High Return
<b>Circulating Assets</b>			
Cash at Bank at Appointment		3,319,873	3,319,873
Pre-Appointment Debtors	D1	937,964	947,964
<b>Available Funds Before Costs</b>		<b>4,257,837</b>	<b>4,267,837</b>
<b>Costs</b>			
Trading Position	D2	(416,593)	581,555
Legal Fees		(200,000)	(100,000)
Approved Administrators' costs	D3	(950,000)	(950,000)
Unapproved Administrators' costs	D4	(910,000)	(710,000)
Deed Administrators' costs	D5	(200,000)	(150,000)
<b>Estimated Costs</b>		<b>(2,676,593)</b>	<b>(1,328,445)</b>
<b>Available to Priority Creditors</b>		<b>1,581,244</b>	<b>2,939,392</b>
<b>Priority Creditors</b>			
	D6		
Wages & Superannuation		(54,672)	(54,672)
Leave Entitlements		(262,760)	(262,760)
Redundancy & Payment in Lieu (PILN)		(238,112)	(238,112)
<b>Total Priority Claims</b>		<b>(555,544)</b>	<b>(555,544)</b>
<b>Available to Unsecured Creditors</b>		<b>50,000</b>	<b>50,000</b>
<b>Creditor Claims</b>			
	D7		
ATO Unsecured claim		(6,062,413)	(6,062,413)
Other Unsecured claims		(572,010)	(572,010)
<b>Total Unsecured Claims</b>		<b>(6,634,422)</b>	<b>(6,634,422)</b>
<b>ATO Secondary Fund</b>	D8	<b>Nil</b>	<b>400,000</b>
<b>Westpac Return</b>			
Plant and Equipment	D9	248,003	463,559
DOCA Payment	D10	250,000	250,000
<b>Available to Westpac</b>		<b>498,003</b>	<b>713,559</b>
<b>Westpac Claim</b>		<b>(2,671,663)</b>	<b>(2,671,663)</b>

### Notes

- D1.** Estimated recovery of pre-appointment debtors.
- D2.** The projected trading position from commencement of the Administration to cessation of trade. The low return is based on a DOCA execution (i.e. return of control to the director) on 30 October 2020 and the high return is based on DOCA execution on 16 October 2020.
- D3.** Administrators' approved remuneration and disbursements.
- D4.** Administrators' unapproved remuneration and disbursements from 27 August 2020. This includes current and projected remuneration up to the date ATQ is subject to a DOCA. Refer to **Appendix 3** for further details.
- D5.** Estimated Deed Administrators' remuneration and disbursements for duration of DOCA. Refer to **Appendix 3** for further details.
- D6.** In accordance with the DOCA Proposal, these amounts represent employee entitlements that are anticipated to have crystallised prior to DOCA execution.
- D7.** In accordance with the DOCA Proposal, a total of \$50,000 will be paid to unsecured creditors. Helmsman atf HCFT has agreed not to participate in the dividend to unsecured creditors, reducing the total unsecured claims by approx. \$32m.
- D8.** In accordance with the DOCA Proposal, the ATO will receive a payment in addition to the unsecured dividend mentioned above. The ATO is entitled to a maximum additional payment of \$400,000, subject to certain conditions as outlined in the DOCA and only if the ATO provides a deed of release to the Director and certain related entities.
- D9.** Low return represents assets sold at auction value less costs. High return represents assets sold at market value less costs.
- D10.** The DOCA outlines a further \$250,000 payment to be made to Westpac at the commencement of the DOCA on the proviso Westpac provides a full release of its' security against SAG and its related entities.



## 6. Administrators' recommendation

## 6. Administrators' recommendation

### What creditors can decide at the meeting

- At the Reconvened Second Meeting of Creditors, creditors are required to decide whether:
  - The Company should execute a DOCA; or
  - The administration of the Company should end; or
  - The Company should be wound up.
- In accordance with the requirements of Section 75-225 of the *Insolvency Practice Rules (Corporations) 2016*, the Administrators must provide an opinion on each of the above options, and whether the option is in the creditors' interests.

### Administrators' opinions on the options available to creditors

- The Administrators have an obligation to make a recommendation to creditors on which alternative is in the best interests of creditors of ATQ.
- The Administrators make the following comments in respect to each option:

#### Execution of a DOCA

- In the Administrators' opinion, the DOCA Proposal received is unlikely to be capable of execution due to the uncertainty regarding the condition precedent of Westpac's approval. Further, in the unlikely event the DOCA is commenced, it provides an insignificant return to unsecured creditors and will result in a wind down of the business and termination of all staff. Therefore, we do not consider it would be in the creditors' interests for ATQ to execute a DOCA. However, creditors do have the option to vote for the DOCA if they choose.

#### The Administration of the Company ends

- If the creditors vote for this alternative, control of ATQ would revert to the directors following the forthcoming meeting of creditors.
- ATQ is insolvent with no cash to pay its debts. Therefore we do not consider that it would be in the creditors' interests for the administration to end.

### The Company is wound up

- At the Reconvened Second Meeting of Creditors, creditors may resolve the Company be wound up. Should they do so, ATQ will be placed into Liquidation and the Administrators will become appointed Liquidators (unless creditors resolve otherwise).
- The Liquidators are required to realise and distribute the assets in accordance with Section 556 of the Act and will also be required to complete a thorough investigation into ATQ's past dealings and affairs, and the past actions of the Director.
- The effects of the Liquidation of ATQ include:
  - The moratorium available under the Voluntary Administration process will cease.
  - Whilst it will be unfortunate for all remaining staff to have their employment terminated, it is evident from the information available, the ultimate outcome of the DOCA proposal is for the business to be wound down. Accordingly, the ongoing employment of staff by ATQ has a very limited lifespan regardless of whether a DOCA is executed.
  - An assurance to employees of the safety net provided by FEG which is unavailable to employees if a DOCA is executed.
  - The Administrators will immediately finalise sale transactions with two (2) interested parties which will result in minimal disruption to the training contracts of the majority of apprentices and the transfer of employment for a small number of corporate staff.
  - The Liquidators will be empowered to recover potential voidable transactions, as outlined in our previous report dated 19 August 2020. However it is unknown if any actions would likely result in property being recovered for the benefit of creditors.
  - The Liquidators would conduct further investigations into the affairs of ATQ and its officers and may be required to lodge a report with ASIC in respect of same.
  - Absent the other options being viable alternatives we consider that it would be in the creditors' interests for ATQ to be wound up as ATQ is insolvent.

## 6. Administrators' recommendation

### Administrators' Recommendation

- The Administrators' consider that it would be in the creditors' interests for the Company to be wound up. The Company is insolvent. We have not been provided with a DOCA capable of being recommended to creditors, and it is not appropriate that the administration ends for the reasons noted above.

### Administrators' Receipts and Payments

- Included as **Appendix 4** is a summary of the Administrators' receipts and payments for the period 22 July 2020 to 22 September 2020.

### Remuneration

- Creditors should refer to the Remuneration Approval Report in **Appendix 3** for details of proposed remuneration.

### Reconvened Second Meeting of Creditors

- Pursuant to Section 439A of the Act, the Second Meeting of Creditors will be reconvened at 10:00AM AEST on Friday, 9 October 2020 by virtual means.
- At the Reconvened Second Meeting of Creditors, creditors will determine ATQ's future by voting on the following options:
  - The Company should execute a DOCA; or
  - The administration of the Company should end; or
  - The Company should be wound up.
- All details, forms and instructions relating to the Reconvened Second Meeting of Creditors can be downloaded from the creditors portal by following this link: [www.fticonsulting-asia.com/creditors/all-trades-queensland-pty-ltd](http://www.fticonsulting-asia.com/creditors/all-trades-queensland-pty-ltd)

### Next Steps

- If creditors vote for ATQ to be wound up at the Reconvened Second Meeting of Creditors, ATQ will immediately be placed in liquidation and the Liquidators will commence comprehensive investigations into the conduct of ATQ.
  - An information sheet regarding the rights of creditors in a liquidation is attached at **Appendix 5** for your information.
  - Creditors will receive a statutory report by the Liquidators pursuant to Section 70-40 of the Insolvency Practice Rules within three months of the commencement of the liquidation.
- If creditors vote to support the DOCA Proposal at the Reconvened Second Meeting of Creditors, the Administrators will attend to execution of the DOCA, subject to the condition precedent being met and Eligible Employee vote in support.

Dated 25 September 2020



Joanne Dunn  
Joint and Several Administrator



# Appendix 1 – DOCA Proposal

27<sup>th</sup> August 2020

Attn: John Park & Joanne Dunn

Voluntary Administrators

c/- FTI Consulting

GPO BOX 3127

Brisbane QLD 4001

To the Administrators,

RE: All Trades Queensland Pty Ltd ("ATQ") ("The Company ") ACN 115 379 461

(Administrators Appointed)

Proposal for a Deed of Company Arrangement

Presented hereunder are details of the proposed Deed of Company Arrangement ("Deed") for the Company:

1. A Deed is being proposed by RUI Management Pty Ltd ("Proponent") to recapitalize All Trades Qld Pty Ltd (ATQ), representing the senior management of ATQ and is supported and sponsored by Helmsman Funds Management Ltd (HFML) as trustee for Helmsman Capital Fund (HCF) IIB.
2. The objectives of the Deed are for the priority creditors of ATQ to be paid in full and the ordinary unsecured creditors of ATQ to receive a higher dividend than would be the case under a liquidation. The business will be recapitalized by the Proponent and the Deed will allow for ATQ to continue trading, and employee entitlements otherwise ~~to~~ totaling up to c. \$4.0m in Liquidation would be assumed, thereby ensuring that FEG is not required to fund any shortfall.
3. The Deed Administrators are John Park and Joanne Dunn of FTI Consulting ("Deed Administrators or DA").
4. All secured, priority unsecured and ordinary unsecured creditors of the Company with claims against the Company as at the date of Voluntary Administration ("VA"), will be bound by the Deed.

5. The Deed is to include payments on the appropriate date to creditors, greater than that which they would likely receive in a liquidation as below:

	Liquidation (excluding unfair preferences & any insolvent trading claim)				Proposed DOCA		
	Low Return(\$)	Mid Return(\$)	High Return (\$)		Low Return(\$)	Mid Return(\$)	High Return (\$)
Wages & Superannuation	35,097	35,097	35,097	Wages & Superannuation	35,097	35,097	35,097
Leave entitlements	1,043,798	1,043,798	1,043,798	Leave entitlements	1,043,798	1,043,798	1,043,798
Redundancy & PILN	1,330,260	1,771,436	2,212,611	Redundancy & PILN	2,905,807	2,905,807	2,905,807
<b>Total Employee entitlements (paid)</b>	<b>2,409,155</b>	<b>2,850,331</b>	<b>3,291,506</b>	<b>Total Employee entitlements (retained)</b>	<b>3,984,702</b>	<b>3,984,702</b>	<b>3,984,702</b>
<b>Circulating assets surplus</b>	-	-	-	<b>DOCA Payment</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>
Plant & Equipment Liquidation	248,000	355,500	463,000	Plant & Equipment Liquidation	248,000	355,500	463,000
<b>Westpac</b>	<b>248,000</b>	<b>355,500</b>	<b>463,000</b>	<b>Westpac</b>	<b>498,000</b>	<b>605,500</b>	<b>713,000</b>
<b>Unsecured Creditor Pool</b>	-	-	-	<b>Unsecured Creditor Pool (including ATO)</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
	-	-	-	<b>ATO additional payments (up to)</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>
<b>TOTAL</b>	<b>2,657,155</b>	<b>3,205,831</b>	<b>3,754,506</b>	<b>TOTAL</b>	<b>4,932,702</b>	<b>5,040,202</b>	<b>5,147,702</b>

6. Westpac to receive the proceeds:
- Total proceeds of their fixed charge asset realisations (net of realisation costs) as per a liquidation process (to be managed by the DA, the Company or a 3<sup>rd</sup> party at Westpac's discretion) estimated by the liquidator at \$248,000-\$463,000. It is anticipated that ATQ will separately seek to acquire certain assets via mutual agreement with Westpac on a case-by-case basis post the administration process.
  - In addition, a one-off payment of \$250,000 to be paid at commencement of the Deed is proposed by the Proponent as a premium to liquidation proceeds to discharge their security and extinguish all claims against all entities of the Skill Australia Group Pty Ltd (other than that required to realise the fixed assets).
7. Unsecured Creditor Pool will be paid \$50,000 at commencement of the Deed. HFML as Trustee for HCFIIB which is owed \$32m will agree to not participate in this pool if this proposal is accepted.
8. The Australian Taxation Office will separately be paid up to \$400,000 (over and above their pro-rata share of the Unsecured Creditor Pool) to discharge any claims against Skills Australia Group Pty Ltd and its directors. This amount will be paid as follows:
- \$100,000 subject to execution of a Deed of Release to the company and its Director.
  - The ATO will in addition receive any amount that the surplus funds returned to the company at the end of the period of Administration exceed \$500,000, up to a cap of \$300,000. For example, if the cash returned to the company is \$800,000 the ATO will receive an additional \$300,000. This amount will be paid to the ATO in three equal payments over the 3 months following execution of the Deed of Release.

For the avoidance of doubt these additional payments are not a condition of the DOCA.

9. On the execution date of the Deed, historical backpay liabilities and Act of Grace monies will continue to operate under terms of the existing deed, between the Company and Attorney General's department, including the retention of the existing separate bank account structure, or any other agreed variation that does not materially disadvantage the Company.

We understand that the administration of the Trust and payment of backpay settlements will become the responsibility of the Deed Administrators, assisted by ATQ staff who retain full corporate knowledge of the history and processes. The remaining administration funding allocated is approximately 50% of the original Act of Grace payment to ATQ, with settlement

offers sent to all of the c.1,500 (45%) remaining unpaid apprentices, out of the original total of c.3,300.

10. The cash at bank/s as at the date of execution of the DOCA, will be retained by FTI for the purposes of extinguishing their liabilities incurred during the VA period, including but not limited to the payment of employee wages, trade creditors, taxation amounts, legal costs and Administrators' remuneration relating to their period of operational control of the company.
11. In addition, and subject to separate creditor approval, FTI will be entitled to be paid their professional fees and expenses accrued in conduct of the VA from the cash at bank held at execution of the DOCA assuming this occurs no later than 12 September 2020 . Any surplus of cash held by FTI will be paid to the Company within 30 days of the Deed payments being made by the Proponent, under the terms of the Deed (First Payment from Fund) subject to any reasonable contingency for liabilities incurred and not yet paid as well as any unpaid professional costs of the DA.

The Deed is dependent on the ongoing licensing and registration of ATQ through support of the QLD Dept Employment, Small Business & Training (DESBT), with the company retaining the status as a GTO and in receipt of the usual funding from DESBT and Busy at Work. It is also assumed that ATQ will continue to operate the RTO on the terms and condition advised by DESBT & ASQA, but may seek to windup or dispose of the business if the license to operate that business cannot be obtained post the DOCA and it is therefore is not viable.

12. On the execution date of the Deed, all remaining employees of the Company will continue their employment and retain their associated entitlements on the same terms other than as listed below which will remain a priority claim of the Deed Administrators (DA):
  - (a) Outstanding Superannuation pre-appointment and during the VA period;
  - (b) Unpaid annual and long service leave of employees terminated prior to the date of execution of the DOCA; and
  - (c) Redundancy and Payment in Lieu of Notice for employees terminated prior to to the date of execution of the DOCA.

We are reviewing the staff requirement and may require a limited number of staff to be made redundant (not expected to be more than 10staff) across GTO & RTO. Any staff to be made redundant will be confirmed 7 days prior to the proposed target DOCA handover date. If there is insufficient funds at the Company to pay the redundancies then the DA will be released from any obligation to terminate these roles.

13. The Proponent requires the VA to disclaim the lease of the existing Shailer Park premises immediately prior to the execution date of the Deed. The Proponent offers to enter a month to month tenancy agreement paying \$13,000 a month rent plus outgoings, which is cancellable on 3 months' notice by either the landlord or tenant. This month-to-month tenancy arrangement is not a condition of the DOCA.

Separately the Proponent may require the VA to disclaim one or more software and IT contracts. The specific contracts will be clarified 7 days prior to the proposed target DOCA handover date.

14. Control of the Company will revert to the Proponent upon commencement of the Deed.

15. HFML as trustee for HCFIIB will provide support to the Proponent, to fund the DOCA and ensure payments can be distributed to Westpac the ATO and the creditor pool. HFML as trustee of HCFIIB will not participate in the creditor pool under the Deed following approval of the Deed at the 2<sup>nd</sup> Creditors' Meeting to enable the flow of value of unsecured creditors.
16. The Proponent remains engaged with Scottish Pacific regarding a \$500,000 receivables finance facility to assist in the working capital requirements for the business post DOCA, noting that an existing facility remains in place. This facility is not a condition of the DOCA.
17. All intercompany and related creditors, including Skill Australia Group Pty Ltd and All Trades Labour Solutions Pty Ltd, will agree not to participate in the dividend process to ensure all available funds can be distributed to the unsecured creditors.
18. Participating creditors of the Company will be entitled to make a claim against the Deed, and in accordance with the Deed must accept their entitlement under the Deed in full satisfaction of their claims against the Company as at the date of the Voluntary Administrator were appointed.
19. The target date of 12 September 2020 is proposed for the transition from Voluntary Administration to ATQ or as otherwise agreed between the Proponent and the DA.
20. Additional to any power of the Deed Administrators at law, if the Company is unable to comply with any of the fundamental provisions of the Deed including payment of monies due, pursuant to the Deed , and or the DA form the view that the Company is unlikely to be able to comply with the terms of the Deed, then the DA are entitled to use their discretion to:
  - (1) convene a meeting of the Company's creditors at which the creditors may resolve to vary the Deed; or
  - (2) terminate the Deed and wind up the Company/s appointing John Park and Joanne Dunn will be appointed as Liquidators of the Company.
21. If the Company fails to execute a Formal Deed document to the satisfaction of the Voluntary Administrator within 15 days of creditors accepting this Deed Proposal, then the Company will be wound up and the Administrators will be appointed as Liquidators of the Company.
22. Any other term which is necessary to give effect to the above proposal that that is agreed to be the parties to the Deed.

For and on Behalf of behalf and the Proponent



.....  
356 Stannix Park Road  
Ebenezer NSW 2756

[REDACTED]

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**Subject:** FW: ATQ DOCA wording

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**From:** Ian Johnson [REDACTED]  
**Sent:** Wednesday, 23 September 2020 4:22 PM  
**To:** Dunn, Joanne [REDACTED]  
**Subject:** [EXTERNAL] ATQ DOCA wording

Hi Joanne,

Thanks for advising of the ambiguity around the Westpac releasing its security as part of the DOCA.

To clarify, a condition present of the DOCA is obtaining written confirmation from Westpac that they will discharge their security and extinguish all claims against SAG (other than that required to realise their fixed assets). It is anticipated that this will be in the form of a formal Deed between Westpac and SAG. As a result Westpac will receive the \$250k in both the low and high cases of the DOCA if it proceeds.

Please be in contact if you require me to clarify the proposal further.

Regards

Ian Johnson  
CEO  
All Trades Queensland Pty Ltd  
37 Commercial Drive  
Shailer Park QLD

[REDACTED]  
Email [REDACTED]





## Appendix 2 – FEG information sheet



# General Information for Claimants

## What is the Fair Entitlements Guarantee?

The Fair Entitlements Guarantee (FEG) is a scheme of last resort that provides financial assistance for unpaid employee entitlements in insolvency. FEG assistance is only available where there is no other source of funds to pay employment entitlements to eligible employees retrenched due to liquidation of bankruptcy of the employer.

FEG is administered by the Attorney-General's Department (the department). Decisions about eligibility for FEG assistance are made in accordance with the *Fair Entitlements Guarantee Act 2012* (FEG Act).

## What can I claim?

The department can pay what is owed to you under your terms and conditions of employment for the five basic entitlements below. Some caps apply.

- **wages** – capped at 13 weeks
- **annual leave**
- **long service leave**
- **payment in lieu of notice** – capped at 5 weeks
- **redundancy pay** – capped at 4 weeks per full year of service.

Note: FEG does not cover unpaid Superannuation Guarantee Contributions owed by the employer. If you have unremitted employer superannuation contributions you should:

- contact the insolvency practitioner managing your former employer's affairs to discuss your rights as an employee creditor
- visit the [ATO website](http://www.ato.gov.au/super) (www.ato.gov.au/super)

For further information please refer to the [What assistance can FEG provide?](#) fact sheet available at the [FEG website](http://www.ag.gov.au/FEG) (www.ag.gov.au/FEG).

## Am I eligible for FEG assistance?

You may be eligible for FEG assistance if:

- you have lodged an effective claim within 12 months of either you losing your job or the liquidation/bankruptcy of your former employer (whichever is later), and
- you have lost your job due to, or less than six months before, your employer's liquidation or bankruptcy, and
- you are owed one or more of the entitlements mentioned above, and
- you were an Australian citizen or the holder of a permanent visa or special category visa that allows you to stay and work in Australia at the time your employment ended.

You will not be eligible if, for example:

- you were a contractor (Textile, clothing and footwear (TCF) contract outworkers may be eligible—see the [FEG website](http://www.ag.gov.au/FEG) (www.ag.gov.au/FEG) for further information)
- you are (or were within 12 months before liquidation/bankruptcy) a director of the company, or a spouse or relative (as defined by the *Corporations Act 2001*) of an employee director of the company.

For further information please refer to the [Eligibility for FEG assistance](#) fact sheet available at the [FEG website](http://www.ag.gov.au/FEG) (www.ag.gov.au/FEG).

## How do I make a claim?

You must make an effective claim to be eligible for FEG assistance. It is important that you submit your claim as soon as possible because FEG has strict time limits.

To make an effective claim, you must:

- lodge a FEG claim form (online lodgement is preferred)
- include all mandatory information and documentation requested on the form
- lodge your claim no more than 12 months after the end of your employment or the date your employer entered liquidation or bankruptcy (whichever is later) and
- lodge your claim before the discharge of your former employer's bankruptcy (if your employer was a bankrupt sole trader or partnership).

**If your claim is not made within this timeframe, or does not include all required information and documentation, it will not be effective and you will not be eligible for FEG assistance.**

For further information please refer to the [How do I apply for FEG assistance](#) and [How do I access FEG Online Services](#) fact sheets available at the [FEG website](#) ([www.ag.gov.au/FEG](http://www.ag.gov.au/FEG)).

## What if I can't make a claim online?

You can print and complete the [FEG Claim Form](#) and send it to department by email or post. Alternatively, you can call the FEG Hotline and we will post the claim form to you. If submitting a paper form, you should include a copy of your identity documents, **not** originals.

## How does the department assess claims?

Once we have received your FEG claim, we take a number of steps to assess it in accordance with the requirements of the FEG Act. A number of investigations need to be undertaken to confirm eligibility, the financial affairs of your former employer, and the terms and conditions of your employment from the records of your employer.

For further information please refer to the [How we assess FEG claims Fact Sheet](#) and the FEG Service Charter available at the [FEG website](#) ([www.ag.gov.au/FEG](http://www.ag.gov.au/FEG)).

## Privacy and protecting your personal information

Your personal information is protected by law, including the *Privacy Act 1988* (Cth) (Privacy Act). Your personal information is collected by the department for the purposes of administering the FEG program. The department may also collect your personal information from third parties including other Commonwealth agencies, your former employer, insolvency practitioners, or contracted service providers, for the purposes of administering the FEG program.

The department's Privacy Policy contains more information about the way in which we will manage your personal information, including information about how you may access your personal information held by the department and seek correction of such information. A copy of the department's Privacy Policy can be found at [www.ag.gov.au/Pages/Privacystatement.aspx](http://www.ag.gov.au/Pages/Privacystatement.aspx) or by requesting a copy from the department via email at [privacy@ag.gov.au](mailto:privacy@ag.gov.au).

For further information about steps you should take to protect your personal information during your FEG claim please refer to the [Protecting your information](#) fact sheet available at the [FEG website](#) ([www.ag.gov.au/FEG](http://www.ag.gov.au/FEG)).

## Where can I find more information or contact FEG?

- Visit [FEG website](#) ([www.ag.gov.au/FEG](http://www.ag.gov.au/FEG)).
- Call the FEG Hotline on 1300 135 040, Mon - Fri, 9 am - 5 pm (AEST/ADST)
- Email us at [feg@jobs.gov.au](mailto:feg@jobs.gov.au)
- Post documents to us at:

Fair Entitlements Guarantee Branch  
Attorney-General's Department  
3-5 National Circuit  
BARTON ACT 2600

The information contained in this fact sheet is of a general nature and explains, in summary form, the intended operation of the *Fair Entitlements Guarantee Act 2012* - it is not legal advice. Where necessary, you should seek your own independent legal advice relevant to your particular circumstances. The Commonwealth does not make any representation or warranty about the accuracy, reliability, currency or completeness of the information contained in this fact sheet and is not liable for any loss resulting from any action taken or reliance made by you on the information contained in this fact sheet.



# Appendix 3 – Remuneration Approval Report

25 SEPTEMBER 2020

# REMUNERATION APPROVAL REPORT

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ALL TRADES QUEENSLAND  
(ADMINISTRATORS APPOINTED)  
ACN 115 379 461

# Introduction

## Information included in report

This remuneration approval report provides you with the information that you need to make an informed decision regarding the approval of our remuneration for undertaking the voluntary administration of All Trades Queensland (Administrators Appointed) ACN 115 379 461.

This report has the following information included:

Introduction.....	1
Part 1: Declaration.....	2
Part 2: Executive Summary.....	2
Part 3: Remuneration.....	3
Part 4: Disbursements.....	8
Part 5: Summary of Receipts and Payments.....	9
Part 6: Queries.....	9
Schedule 1: Description of work undertaken with respect to Resolution 1.....	11
Schedule 2: Description of work to be undertaken with respect to Resolution 2.....	15
Schedule 3: Description of work to be undertaken with respect to Resolution 3.....	19
Schedule 4: FTI Consulting Schedule of Rates.....	22

## Part 1: Declaration

John Park and I, Joanne Dunn, of FTI Consulting have undertaken a proper assessment of the claims for remuneration for the appointment as Voluntary Administrators of All Trades Queensland (Administrators Appointed) ACN 115 379 461 in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of this appointment.

## Part 2: Executive Summary

The total remuneration for this appointment for the period to the end of the Voluntary Administration is estimated to be \$1,852,915.50 (exclusive of GST).

This has increased compared to my previous estimate because of:

- Significant communication with key stakeholders including DESBT, ASQA, Unions, the Commonwealth, and secured creditors.
- Volume of enquiry received with respect to apprentice Back Pay and subsequent investigations into Back Pay dealings by Company.
- Extensive work required with respect to JobKeeper Court application.
- Detailed review of Director's numerous DOCA proposal versions submitted, and subsequent meetings and correspondence with him to discuss those DOCA proposals.
- Sale campaign and considerable liaison meetings and attendance to queries from multiple interested parties.
- Transition of ATQ employed apprentices and students to alternate RTOs. Wind down of RTO arm of the ATQ business.
- Liaising with multiple parties concerning the transition of employees and apprentices

Remuneration currently claimed and previously approved is summarised below in **Table 1**.

**Table 1: Remuneration currently claimed and previously approved**

Period	Report Reference	Amount (excl GST) \$
<b>CURRENT REMUNERATION CLAIM</b>		
<b>Voluntary Administration</b>		
Resolution 1: Remuneration from 27 August 2020 to 20 September 2020 (inclusive)	Tables 2 & 3 Schedule 1	\$324,449.50
Resolution 2: Remuneration from 21 September 2020 to 8 October 2020 (inclusive)*	Table 4 Schedule 2	\$330,000.00
Resolution 3: Remuneration from 9 October 2020 to the execution of the deed of company arrangement (inclusive) *	Table 5 Schedule 3	\$255,000.00
<b>Total - Voluntary Administration</b>		<b>\$909,449.50</b>

Period	Report Reference	Amount (excl GST) \$
<b>PAST REMUNERATION APPROVED</b>		
Remuneration from 22 July 2020 to 14 August 2020 (Inclusive)		\$740,466.00
Remuneration from 15 August 2020 to 26 August 2020 (Inclusive)		\$253,000.00
Less: \$50,000 remuneration discount		(\$50,000.00)
<b>Total past remuneration approved</b>		<b>\$943,466.00</b>
<b>TOTAL remuneration claimed and approved</b>		<b>\$1,852,915.50</b>

- Approval for the future remuneration sought is based on an estimate of the work necessary to complete the administration. Should additional work beyond what is contemplated be necessary, further approval may be sought from creditors. If a lesser amount is incurred, we will limit our remuneration to that lesser amount.

Please refer to report section references detailed in **Table 1** for full details of the calculation and composition of the remuneration approval sought.

## Part 3: Remuneration

### Remuneration claim resolutions

We will be seeking approval of the following resolutions to approve our remuneration. Details to support these resolutions are shown immediately below the resolutions and in the schedules to this report.

#### **Resolution 1: Remuneration from 27 August 2020 to 20 September 2020 (inclusive)**

The remuneration of the Voluntary Administrators of All Trades Queensland (Administrators Appointed) ACN 115 379 461 from 27 August 2020 to 20 September 2020 (inclusive) be calculated on a time basis at the hourly rates set out in the Schedule of FTI Consulting Standard Rates (Corporate Finance and Restructuring rates effective 1 April 2020 and Strategic Communications rates effective 1 April 2019) and is determined and approved for payment in the amount of \$324,449.50 (exclusive of GST) and the Voluntary Administrators can draw the remuneration.

#### **Resolution 2: Remuneration from 21 September 2020 to 8 October 2020 (inclusive)**

The future remuneration of the Voluntary Administrators of All Trades Queensland (Administrators Appointed) ACN 115 379 461 from 21 September 2020 to 8 October 2020 (inclusive) is determined and approved for payment at a sum equal to the cost of time incurred by the Voluntary Administrators and staff of FTI Consulting, calculated at the hourly rates set out in the Schedule of FTI Consulting Standard Rates (Corporate Finance and Restructuring rates effective 1 April 2020 and Strategic Communications rates effective 1 April 2019), up to a capped amount \$330,000 (exclusive of GST), and the Voluntary Administrators can draw the remuneration as required.

### **Resolution 3: Remuneration from 9 October 2020 to the execution of the Deed of Company Arrangement (inclusive) under a Deed of Company Arrangement scenario**

The future remuneration of the Voluntary Administrators of All Trades Queensland (Administrators Appointed) ACN 115 379 461 from 9 October 2020 to the execution of the Deed of Company Arrangement (inclusive) is determined and approved for payment at a sum equal to the cost of time incurred by the Voluntary Administrators and staff of FTI Consulting, calculated at the hourly rates set out in the schedule of FTI Consulting Standard Rates (Corporate Finance and Restructuring rates effective 1 April 2020 and Strategic Communications rates effective 1 April 2019), up to an initial capped amount of \$255,000, and the Voluntary Administrators can draw the remuneration as required.

Remuneration is calculated in accordance with the hourly rates applicable to the grades or classifications set out in the FTI Consulting Schedule of Standard Rates which appear at **Schedule 4** to this report.

At this stage, based on the information presently available to us, we consider that it may be necessary to convene a further meeting of creditors to seek further approval from creditors. However, the position may change depending on the progress of the external administration and the issues that may arise.

## **Details to support resolutions**

The basis of calculating the remuneration claims are summarised below and the details of the major tasks performed, and the costs associated with each of those major tasks are contained in **Schedule 1 to Schedule 3** to this report.

### **Resolution 1: Remuneration from 27 August 2020 to 20 September 2020 (inclusive)**

**Table 2** overleaf sets out time charged to each major task area by staff members working on the Voluntary Administration from 27 August 2020 to 20 September 2020 (inclusive) which is the basis of the Resolution 1 claim. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained in **Schedule 1**.

**Table 2: Time charged to each major task area for the Voluntary Administration for the period 27 August 2020 to 20 September 2020 (Inclusive)**

Employee	Position	Rate/hour excl GST \$	Total actual hours	Total (excl GST) \$	Task Area											
					Assets		Creditors		Employees		Trade On		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Joanne Dunn	Senior Managing Director	720.00	77.30	55,656.00	4.00	2,880.00	14.20	10,224.00	0.60	432.00	51.10	36,792.00	-	-	7.40	5,328.00
John Park	Senior Managing Director	720.00	10.50	7,560.00	-	-	-	-	-	-	-	-	-	-	10.50	7,560.00
Carla Fairweather	Managing Director	660.00	53.80	35,508.00	21.30	14,058.00	32.50	21,450.00	-	-	-	-	-	-	-	-
Matthew Glennon	Managing Director	660.00	34.60	22,836.00	11.90	7,854.00	4.50	2,970.00	-	-	17.90	11,814.00	-	-	0.30	198.00
Renee Lobb	Managing Director	660.00	69.40	45,804.00	1.90	1,254.00	14.00	9,240.00	0.20	132.00	51.50	33,990.00	1.60	1,056.00	0.20	132.00
Mark Hellwege	Senior Director	580.00	1.70	986.00	-	-	-	-	-	-	-	-	1.70	986.00	-	-
Neil Dempster	Director	520.00	88.90	46,228.00	1.60	832.00	1.00	520.00	-	-	86.30	44,876.00	-	-	-	-
Jeremy Dalais	Senior Consultant I	430.00	13.00	5,590.00	0.30	129.00	4.10	1,763.00	-	-	-	-	2.60	1,118.00	6.00	2,580.00
Marco Bozzetto	Senior Consultant I	430.00	43.60	18,748.00	8.10	3,483.00	17.30	7,439.00	14.30	6,149.00	-	-	-	-	3.90	1,677.00
Alexa Sutherland	Consultant II	390.00	24.00	9,360.00	1.50	585.00	22.50	8,775.00	-	-	-	-	-	-	-	-
Carly Young	Consultant II	390.00	1.30	507.00	-	-	-	-	1.30	507.00	-	-	-	-	-	-
Kathleen O'Connor	Consultant I	360.00	68.60	24,696.00	0.60	216.00	39.90	14,364.00	13.30	4,788.00	8.30	2,988.00	1.20	432.00	5.30	1,908.00
Brooke Petersen	Associate II	335.00	61.70	20,669.50	-	-	-	-	1.50	502.50	60.20	20,167.00	-	-	-	-
Matthew Burns	Associate II	335.00	67.50	22,612.50	58.00	19,430.00	7.20	2,412.00	-	-	0.80	268.00	-	-	1.50	502.50
Various Staff	Administration II	220.00	15.60	3,432.00	-	-	0.70	154.00	-	-	-	-	-	-	14.90	3,278.00
Various Staff	Administration I	185.00	4.70	869.50	-	-	-	-	-	-	-	-	-	-	4.70	869.50
<b>Total</b>			<b>636.20</b>	<b>321,062.50</b>	<b>109.20</b>	<b>50,721.00</b>	<b>157.90</b>	<b>79,311.00</b>	<b>31.20</b>	<b>12,510.50</b>	<b>276.10</b>	<b>150,895.00</b>	<b>7.10</b>	<b>3,592.00</b>	<b>54.70</b>	<b>24,033.00</b>
GST				32,106.25												
<b>Total (including GST)</b>				<b>353,168.75</b>												
Average hourly rate (excluding GST)				504.66		464.48		502.29		400.98		546.52		505.92		439.36

The below **Table 3** sets out work performed by other professional services provided by FTI Consulting from 27 August 2020 to 20 September 2020 (inclusive).

**Table 3: Work performed by other professional services provided by the firm for period 27 August 2020 to 20 September 2020**

Employee	Position	Rate/hr (excl GST) \$	Total Hours	Total (excl GST) \$	Task Area	
					Strategic Communications	
					Hours	\$
Stuart Carson	Managing Director	660.00	1.50	990.00	1.50	990.00
Georgia Dillon	Senior Consultant	470.00	5.10	2,397.00	5.10	2,397.00
<b>Total</b>			<b>6.60</b>	<b>3,387.00</b>	<b>6.60</b>	<b>3,387.00</b>
GST				338.70		
<b>Total (including GST)</b>				<b>3,725.70</b>		
Average hourly rate (excluding GST)				513.18		513.18

**Resolution 2: Remuneration from 21 September 2020 to 8 October 2020 (inclusive)**

The below **Table 4** sets out the expected costs for the major tasks likely to be performed by the Voluntary Administrators and their staff from 21 September 2020 to 8 October 2020 (inclusive) which is the basis of the Resolution 2 claim. More detailed descriptions of the tasks likely to be performed within each task area, matching the amounts below, are contained in **Schedule 2**.

**Table 4: Expected costs for the major tasks from 21 September 2020 to 8 October 2020 (inclusive)**

\$	Total	Task Area					
		Assets	Creditors	Employees	Trade on	Administration	Strategic Communications
Total (est)	\$300,000	\$20,000	\$110,000	\$55,000	\$80,000	\$30,000	\$5,000
GST	\$30,000	\$2,000	\$11,000	\$5,500	\$8,000	\$3,000	\$500
Total (incl GST)	\$330,000	\$22,000	\$121,000	\$60,500	\$88,000	\$33,000	\$5,500

**Resolution 3: Remuneration from 9 October 2020 to the execution of the Deed of Company Arrangement (inclusive) under a Deed of Company Arrangement scenario**

The below **Table** sets out the expected costs for the major tasks likely to be performed by the Voluntary Administrators and their staff from 9 October 2020 to the execution of the Deed of Company Arrangement (inclusive) which is the basis of the Resolution 3 claim. More detailed descriptions of the tasks likely to be performed within each task area, matching the amounts below, are contained in **Schedule 3**.

**Table 5: Expected costs for the major tasks from 9 October 2020 to the execution of the Deed of Company Arrangement (inclusive)**

\$	Total	Task Area					
		Assets	Creditors	Employees	Trade on	Administration	Strategic Communications
Total (est)	\$255,000	\$30,000	\$30,000	\$40,000	\$100,000	\$50,000	\$5,000
GST	\$25,500	\$3,000	\$3,000	\$4,000	\$10,000	\$5,000	\$500
Total (incl GST)	\$280,500	\$33,000	\$33,000	\$44,000	\$110,000	\$55,000	\$5,500

### Total remuneration reconciliation

At this point in time, I estimate that the total remuneration for this Voluntary Administration will be \$1,852,915.50 (exclusive of GST). This includes the current approval amount being sought of \$909,449.50 (exclusive of GST).

This estimate differs to the estimate of the costs provided in the Initial Remuneration Notice dated 24 July 2020, which estimated a cost of the administration of \$500,000.00 (exclusive of GST), for the following reasons:

- Significant communication with key stakeholders including DESBT, ASQA, Unions, the Commonwealth, and secured creditors.
- Volume of enquiry received with respect to apprentice Back Pay and subsequent investigations into Back Pay dealings by Company.
- Extensive work required with respect to JobKeeper Court application.
- Detailed review of Director’s numerous DOCA proposal versions submitted, and subsequent meetings and correspondence with him to discuss those DOCA proposals.
- Sale campaign and considerable liaison meetings and attendance to queries from multiple interested parties.
- Transition of ATQ employed apprentices and students to alternate RTOs. Wind down of RTO arm of the ATQ business.
- Liaising with multiple parties concerning the transition of employees and apprentices

### Likely impact on dividends

The Act sets the order for payment of claims against the company and it provides for remuneration of the Voluntary Administrators to be paid in priority to other claims. This ensures that when there are sufficient funds, the Voluntary 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 remuneration, this does not guarantee that we will be paid, as we are only paid if sufficient assets are recovered.

Any dividend to creditors will also be impacted by the amount of assets that we are able to recover and the amount of creditor claims that are admitted to participate in any dividend, including any claims by priority creditors such as employees.

An estimate of the dividend payable to creditors is detailed in **Section 5** of the Report to Creditors. The amount and timing of the dividend is subject to a range of variables, particularly:

- Realisations to date
- Estimated future realisations
- My estimated remuneration to completed to Voluntary Administration
- The estimated total creditor claims based on Company records and claims currently lodged

The estimated dividend is subject to the outcome of the Reconvened Second Meeting of Creditors and the quantum of claims admissible. Please refer to **Section 5** of the Report to Creditors for further details.

## Part 4: Disbursements

### Explanatory note on disbursements

Disbursements are divided into three types:

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

Creditor approval is not required in relation to externally provided professional and non-professional costs or disbursements charged at cost. Where payments to third parties have been made from the bank account of the external administration, those payments are disclosed in the summary of receipts and payments. Creditors have the right to question the incurring of the disbursements and can challenge disbursements in Court.

### Basis on which future disbursements will be charged

Future disbursements will be charged to the administration on the basis of the Schedule of FTI Consulting Internal Disbursement Rates as shown in **Table 6** below.

**Table 6: Schedule of FTI Consulting Disbursement Rates**

Disbursement type	Charge Type	Charge Rate (excl GST)
Advertising	External, non-professional	At cost
ASIC Industry Funding Levy – registered liquidator metric events*	External, non-professional	At cost (at prescribed ASIC rates)
Couriers and deliveries	External, non-professional	At cost
Data Room Charges	External, professional	At cost
Facsimile	Internal (FTI)	Not charged
Legal Fees	External, professional	At cost
Postage	External, non-professional	At cost
Photocopying – internal	Internal (FTI)	Not charged
Photocopying – outsourced	External, non-professional	At cost
Printing – internal	Internal (FTI)	Not charged
Printing – outsourced	External, non-professional	At cost

Disbursement type	Charge Type	Charge Rate (excl GST)
Records costs – storage, destruction, boxes	External, non-professional	At cost
Search fees	External, non-professional	At cost
Staff motor vehicle use - mileage	Cents per km	At prescribed ATO rates
Staff travel – accommodation, meals etc	External, non-professional	At cost
Stationery and other incidental disbursements	External, non-professional	At cost
Telephone	Internal (FTI)	Not charged
Valuation Fees	External, professional	At cost
Other externally provided professional services		At cost
Other externally provided non-professional services		At cost

The below **Table 7** outlines disbursements which have been incurred by the external administration to FTI Consulting during the period 22 July 2020 to 20 September 2020.

**Table 7: Schedule of FTI Consulting Disbursement Rates**

Disbursements claimed	Basis of charge excl GST \$	Amount excl GST \$
Advertising	At cost	2,703.42
Data Room Charges	At cost	627.00
Meal Expenses	At cost	254.23
Postage	At cost	224.43
Search Fees	At cost	523.19
Staff Travel - Mileage	Cents per km (ATO Rates)	3,163.75
Staff Travel - Parking	At cost	375.39
Staff Travel - Taxi	At cost	280.80
Stationery and other incidental disbursements	At cost	267.09
Virtual Meeting Facility	At cost	2,558.16
<b>Total (excluding GST)</b>		<b>10,977.46</b>
GST		1,097.75
<b>Total (Including GST)</b>		<b>12,075.21</b>

## Part 5: Summary of Receipts and Payments

A summary of receipts and payments to and from the bank account for the voluntary administration for 22 July 2020 to 22 September 2020 appears as **Appendix 4** of the Report to Creditors which accompanies this report.

## Part 6: Queries

If you have any queries or require any further information concerning our claim for remuneration please contact our office on +61 7 3225 4900 or via email at [ATQ@fticonsulting.com](mailto:ATQ@fticonsulting.com).

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

- ARITA at [www.arita.com.au/creditors](http://www.arita.com.au/creditors)
- ASIC at [www.asic.gov.au](http://www.asic.gov.au) (search for “insolvency information sheets”).

Yours faithfully



Joanne Dunn  
Administrator

Our Ref: MSB\_478044.0001-9-6-3



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#### **About FTI Consulting**

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organisations protect and enhance enterprise value in an increasingly complex legal, regulatory and economic environment. FTI Consulting professionals, who are located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges in areas such as investigations, litigation, mergers and acquisitions, regulatory issues, reputation management and restructuring. More information can be found at [www.fticonsulting.com](http://www.fticonsulting.com).

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## Schedule 1: Description of work undertaken with respect to Resolution 1

**Table 8** below provides a description of the work undertaken in each major task area from 27 August 2020 to 13 September 2020 (inclusive).

**Table 8: Work undertaken from 27 August 2020 to 20 September 2020 (inclusive)**

Task Area	General Description	Includes
<b>Assets</b> 109.20 hours \$50,721.00	Cash and Bank Accounts	<ul style="list-style-type: none"> <li>• Communication with banks regarding transfer of funds</li> <li>• Receipting and reconciling administration and pre-appointment bank accounts</li> <li>• Liaising with Bank of Queensland regarding Back Pay monies</li> </ul>
	Debtors	<ul style="list-style-type: none"> <li>• Liaising with Company staff and debtor finance provider regarding amounts outstanding from debtors</li> <li>• Reviewing and assessing debtor ledgers</li> <li>• Receipting debtor payments</li> <li>• Quantification of debtors outstanding for insertion into section report to creditors.</li> <li>• Contacting debtors with significantly overdue accounts</li> <li>• Ongoing discussions with accounts receivable department concerning future invoicing and collections</li> <li>• Forecasting of future collections</li> </ul>
	Deed of Company Arrangement	<ul style="list-style-type: none"> <li>• Consideration of multiple DOCA proposals received</li> <li>• Liaising with DOCA proponent and his supporters</li> <li>• Drafting of DOCA specific information for Voluntary Administrators report to creditors</li> <li>• Internal meetings regarding DOCA proposal</li> </ul>
	Other Assets	<ul style="list-style-type: none"> <li>• Tasks associate with realising assets including liaising with interested parties, review of purchase agreements, receipting funds, transfer of proceeds to secured parties and obtaining security releases</li> </ul>
<b>Creditors</b> 157.90 hours \$79,311.00	Second meeting of creditors & Reconvened Second Meeting of Creditors	<ul style="list-style-type: none"> <li>• Preparation for Reconvened Second Meeting of Creditors</li> <li>• Drafting meeting minutes from adjourned second meeting of creditors</li> <li>• Responding to stakeholder queries and questions following meeting and leading up to the Reconvened Second Meeting of Creditors.</li> </ul>
	Creditor Reports and Circulars	<ul style="list-style-type: none"> <li>• Preparation of supplementary Section 75-225 Report to creditors</li> </ul>

Task Area	General Description	Includes
		<ul style="list-style-type: none"> <li>Internal meetings concerning contents of report to creditors</li> <li>Issuing correspondence to creditors notifying them of the adjournment of the second meeting of creditors</li> </ul>
	Creditor Enquiries	<ul style="list-style-type: none"> <li>Responding to creditors and their representative’s enquiries via telephone, email and post</li> <li>Maintaining call and email register for enquiries</li> </ul>
	Secured Creditors	<ul style="list-style-type: none"> <li>Liaising with secured creditors regarding property subject to their security, including issuing update report to creditors</li> <li>Following with secured parties regarding security documents</li> <li>Responding to secured party enquiries</li> </ul>
<p><b>Employees</b> 31.20 hours \$12,510.50</p>	Employee & Apprentice Enquires	<ul style="list-style-type: none"> <li>Receive and follow up employee enquiries via telephone</li> <li>Review and prepare correspondence to creditors and their representatives via facsimile, email and post</li> <li>Maintain email and call enquiry register</li> <li>Address RTO employees regarding RTO arm closure</li> <li>Meeting with ATQ staff regarding the transition of ATQ employed apprentices to new RTOs</li> <li>Considerable queries from staff regarding transition and RTO business arm closure</li> </ul>
	Back Pay	<ul style="list-style-type: none"> <li>Corresponding with Company staff regarding outstanding Back Pay</li> <li>Meetings, email and telephone correspondence with the Commonwealth to discuss claims and queries</li> <li>Corresponding with apprentices, Fair Work and Unions on outstanding claims and offers</li> <li>Review of, and preliminary investigations into, the Company’s calculations and process in dealing with these claims</li> <li>Reconciliation of funds received from Commonwealth and payments made to date</li> <li>Answering email and phone enquiries of Back Pay recipients</li> <li>Maintain register of enquiries</li> <li>Obtaining legal advice with respect to intricacies of the Back Pay claims and payments made</li> </ul>
	Other Employee Issues	<ul style="list-style-type: none"> <li>Liaising with Company staff and WorkCover regarding pre and post appointment claims</li> <li>Liaising with Company staff to complete information request from WorkCover</li> <li>Providing separation certificates where required</li> </ul>

Task Area	General Description	Includes
		<ul style="list-style-type: none"> <li>• Dealing with Fair Work issues and representatives</li> <li>• Dealing with employee resignations and return of ATQ assets</li> </ul>
<p><b>Trade On</b> 276.10 hours \$150,895.00</p>	<p>Trade on Management</p>	<ul style="list-style-type: none"> <li>• Liaising with suppliers</li> <li>• Liaising with management and staff</li> <li>• Attendance on site</li> <li>• Authorising purchase orders</li> <li>• Maintaining purchase order registry</li> <li>• Preparing and authorising receipt vouchers</li> <li>• Preparing and authorising payment vouchers</li> <li>• Finalise landlord negotiations with respect to Shailer Park occupation</li> <li>• Ongoing cash flow monitoring</li> <li>• Provision of trading position to enable completion of estimated return to creditors</li> <li>• Liaising with management to process payroll</li> <li>• Preparing for reporting Single Touch Payroll</li> <li>• Liaising within internal finance department regarding JobKeeper application</li> <li>• Discussions with parties concerning the transition of apprentices and students to other RTO organisations</li> <li>• Discussions with DESBT in relation to funding</li> </ul>
<p><b>Investigation</b> 7.10 hours \$3,592.00</p>	<p>Investigations Conducted</p>	<ul style="list-style-type: none"> <li>• Ongoing requests for access to Company books and records</li> <li>• Reviewing Company books and records</li> <li>• Reviewing specific transactions</li> <li>• Preparation of investigation file</li> <li>• Communications with directors and/or officers concerning Company information</li> </ul>
<p><b>Administration</b> 54.70 hours \$24,033.00</p>	<p>Bank Account Administration</p>	<ul style="list-style-type: none"> <li>• Bank Account reconciliations</li> <li>• Requesting bank statements</li> <li>• Corresponding with bank regarding specific transfers and funds release</li> </ul>
	<p>Insurance</p>	<ul style="list-style-type: none"> <li>• Correspondence with insurer regarding initial and ongoing insurance requirements</li> <li>• Correspondence with insurer and Company staff regarding pre-appointment insurance policies</li> <li>• Liaising with Work Health and Safety risk consultant regarding WH&amp;S review and audit</li> </ul>

Task Area	General Description	Includes
		<ul style="list-style-type: none"> <li>• Review of Work Health and Safety quotes</li> <li>• Preparation of Purchase orders in relation to insurance policy</li> <li>• Organising training for relevant staff</li> </ul>
	General Administration	<ul style="list-style-type: none"> <li>• Planning and review of the Administration</li> <li>• Word processing including correspondence, file notes, etc.</li> <li>• Care and maintenance of the file</li> <li>• Scanning and filing of documents</li> </ul>
	ATO and other statutory reporting	<ul style="list-style-type: none"> <li>• Lodgement of monthly Business Activity Statement</li> </ul>
	ASIC Lodgements	<ul style="list-style-type: none"> <li>• Lodging minutes from Second Meeting of Creditors with ASIC</li> </ul>
	Planning/Review	<ul style="list-style-type: none"> <li>• Internal meetings to discuss the status of the Administration</li> </ul>
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> <li>• Document filing and maintenance</li> <li>• Updating checklists</li> </ul>
<b>Other Professional Services</b>  6.6 hours \$3,387.00	Strategic Communications	<ul style="list-style-type: none"> <li>• Responding to enquiries from local and national media</li> <li>• Preparing messaging and briefing materials for media</li> <li>• Media monitoring</li> </ul>

## Schedule 2: Description of work to be undertaken with respect to Resolution 2

Table 9 below provides a description of the work to be undertaken in each major task area from 21 September 2020 to 8 October 2020 (inclusive).

**Table 9: Work to be undertaken from 21 September 2020 to 8 October 2020 (inclusive)**

Task Area	General Description	Includes
<b>Assets</b> \$35,000	Debtors	<ul style="list-style-type: none"> <li>• Liaising with Company staff and debtor finance provider regarding amounts outstanding from debtors</li> <li>• Reviewing and assessing debtor ledgers</li> <li>• Receipting debtor payments</li> <li>• Quantification of debtors outstanding for insertion into section report to creditors.</li> <li>• Contacting debtors with significantly overdue accounts</li> <li>• Ongoing discussions with accounts receivable department concerning future invoicing and collections</li> <li>• Forecasting of future collections</li> </ul>
	Deed of Company Arrangement	<ul style="list-style-type: none"> <li>• Queries to DOCA Proposal concerning its' contents to enable recommendation to creditors</li> <li>• Liaising with DOCA Proponent concerning report recommendation</li> <li>• Confirmation with DOCA Proponent and Westpac concerning conditions precedents</li> <li>• Analysis of DOCA Proposal</li> <li>• Drafting of recommendation to creditors for the report to creditors for the Reconvened Second Meeting of Creditors</li> </ul>
	Cash and Bank Accounts	<ul style="list-style-type: none"> <li>• Communication with banks regarding transfer of funds</li> <li>• Receipting and reconciling administration and pre-appointment bank accounts</li> </ul>
<b>Creditors</b> \$110,000	Reconvened Second Meeting of Creditors	<ul style="list-style-type: none"> <li>• Preparation of meeting notices, proxies and advertisements</li> <li>• Providing notice of meeting to all known creditors</li> <li>• Separate email to employees and apprentices with key meeting information</li> <li>• Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting</li> <li>• Review of registration forms, proxies, PODs submitted by creditors</li> </ul>

Task Area	General Description	Includes
		<ul style="list-style-type: none"> <li>• Contacting creditors who were missing required documents to attend the meeting, or who had not completed the secondary Zoom registration</li> <li>• Corresponding with creditors regarding the registration and attendance at virtual meeting due to COVID-19 restrictions</li> <li>• Responding to stakeholder queries and questions immediately following meeting</li> </ul>
	Supplementary Report to Creditors	<ul style="list-style-type: none"> <li>• Preparation of Section 75-225 Report to creditors</li> <li>• Uploading report to creditors portal</li> <li>• Issuing of reports via email and post</li> </ul>
	Eligible Employee Meeting and Circular	<ul style="list-style-type: none"> <li>• Preparation of circular to Eligible Employees concerning the Eligible Employee Meeting to be held prior to the Reconvened Second Meeting of Creditors.</li> <li>• Draft and issue notices of meeting and associated meeting documents.</li> </ul>
	Dealing with Proofs of Debt (PODs)	<ul style="list-style-type: none"> <li>• Receipting and filing PODs for second Meeting of Creditors</li> <li>• Maintaining POD register</li> </ul>
	Creditor Enquiries, Requests & Directions	<ul style="list-style-type: none"> <li>• Receive and respond to creditor enquiries</li> <li>• Maintain enquiry register for calls and emails</li> <li>• Review and prepare initial correspondence to creditors and their representatives</li> </ul>
<b>Employees</b> \$60,000	Employee Enquiries	<ul style="list-style-type: none"> <li>• Receive and follow up employee enquiries via telephone</li> <li>• Review and prepare correspondence to creditors and their representatives via facsimile, email and post</li> </ul>
	Back Pay	<ul style="list-style-type: none"> <li>• Corresponding with Company staff regarding outstanding Back Pay claims and issues</li> <li>• Meetings, phone and email correspondence with Commonwealth to discuss claims and impact of potential sale or DOCA</li> <li>• Corresponding with apprentices</li> </ul>
	Other Employee Issues	<ul style="list-style-type: none"> <li>• Liaising with Company staff and WorkCover regarding pre and post appointment claims</li> <li>• Liaising with Company staff to complete information request from WorkCover</li> <li>• Providing separation certificates where required</li> <li>• Dealing with employee resignations and those finishing up with ATQ from the RTO arm concerning any queries they may have and to arrange return of ATQ assets</li> </ul>

Task Area	General Description	Includes
<b>Trade On</b> \$80,000	Trade on Management	<ul style="list-style-type: none"> <li>• Liaising with suppliers</li> <li>• Liaising with management and staff</li> <li>• Attendance on site</li> <li>• Authorising purchase orders</li> <li>• Maintaining purchase order registry</li> <li>• Preparing and authorising receipt vouchers</li> <li>• Preparing and authorising payment vouchers</li> <li>• Finalise landlord negotiations with respect to Shailer Park occupation</li> <li>• Ongoing cash flow monitoring</li> <li>• Provision of trading position to enable completion of estimated return to creditors</li> <li>• Liaising with management to process payroll</li> <li>• Preparing for reporting Single Touch Payroll</li> </ul>
<b>Administration</b> \$40,000	Bank Account Administration	<ul style="list-style-type: none"> <li>• Bank Account reconciliations</li> <li>• Requesting bank statements</li> <li>• Corresponding with bank regarding specific transfers and funds release</li> </ul>
	Insurance	<ul style="list-style-type: none"> <li>• Arranging training for employees where required</li> <li>• Finalising insurance placement</li> <li>• Dealing with any ad hoc WorkCover and other insurance issues</li> </ul>
	General Administration	<ul style="list-style-type: none"> <li>• Planning and review of the Administration</li> <li>• Word processing including correspondence, file notes, etc.</li> <li>• Care and maintenance of the file</li> <li>• Scanning and filing of documents</li> </ul>
	ATO and other statutory reporting	<ul style="list-style-type: none"> <li>• Lodgement of monthly Business Activity Statement</li> </ul>
	ASIC Lodgements	<ul style="list-style-type: none"> <li>• Lodge Voluntary Administrators supplementary report to creditors with ASIC</li> </ul>
	Planning/Review	<ul style="list-style-type: none"> <li>• Internal meetings to discuss the status of the Administration</li> <li>• Adhoc Internal meetings</li> </ul>
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> <li>• Document filing and maintenance</li> <li>• Updating checklists</li> </ul>

Task Area	General Description	Includes
<p><b>Other Professional Services</b></p> <p>\$5,000</p>	<p>Strategic Communications</p>	<ul style="list-style-type: none"> <li>• Responding to enquiries from local and national media</li> <li>• Preparing messaging and briefing materials for media</li> <li>• Media monitoring</li> </ul>

## Schedule 3: Description of work to be undertaken with respect to Resolution 3

Table 10 below provides a description of the work to be undertaken in each major task area from 9 October to the execution of the Deed of Company Arrangement (inclusive) under a Deed of Company Arrangement Scenario.

**Table 10: Work to be undertaken from 9 October 2020 to the execution of the Deed of Company Arrangement (inclusive)**

Task Area	General Description	Includes
<b>Assets</b> \$30,000	Debtors	<ul style="list-style-type: none"> <li>• Liaising with Company staff and debtor finance provider regarding amounts outstanding from debtors</li> <li>• Reviewing and assessing debtor ledgers</li> <li>• Receipting debtor payments</li> <li>• Quantification of debtors outstanding for insertion into section report to creditors.</li> <li>• Contacting debtors with significantly overdue accounts</li> <li>• Ongoing discussions with accounts receivable department concerning future invoicing and collections</li> <li>• Forecasting of future collections</li> </ul>
	Cash and Bank Accounts	<ul style="list-style-type: none"> <li>• Communication with banks regarding transfer of funds</li> <li>• Receipting and reconciling administration and pre-appointment bank accounts</li> </ul>
	Deed of Company Arrangement	<ul style="list-style-type: none"> <li>• Tasks associated with preparing for the execution of the Deed of Company Arrangement including, but not limited to liaising with Westpac concerning release conditions precedent, termination non-continuing employees and apprentices and conducting an orderly handover of operations</li> </ul>
<b>Creditors</b> \$30,000	Creditor Enquiries, Requests and Directions	<ul style="list-style-type: none"> <li>• Receive and respond to creditor enquiries</li> <li>• Maintain enquiry register for calls and emails</li> <li>• Review and prepare initial correspondence to creditors and their representatives</li> </ul>
	Reconvened Second Meeting of Creditors	<ul style="list-style-type: none"> <li>• Preparation of electronic facilities for meeting of creditors</li> <li>• Preparing meeting minutes and lodging with ASIC</li> <li>• Attending meeting of creditors</li> <li>• Corresponding with creditors regarding the registration and attendance at virtual meeting due to COVID-19 restrictions</li> <li>• Responding to stakeholder queries and questions immediately following meeting</li> </ul>

Task Area	General Description	Includes
<b>Employees</b> \$40,000	Employee Enquiries	<ul style="list-style-type: none"> <li>• Receive and follow up employee enquiries via telephone</li> <li>• Review and prepare correspondence to creditors and their representatives via facsimile, email and post</li> </ul>
	Back Pay	<ul style="list-style-type: none"> <li>• Corresponding with Company staff regarding outstanding Back Pay claims and issues</li> <li>• Meetings, phone and email correspondence with Commonwealth to discuss claims and impact of potential sale or DOCA</li> <li>• Corresponding with apprentices, Fair Work and Unions on outstanding claims and offers</li> </ul>
	Other Employee Issues	<ul style="list-style-type: none"> <li>• Liaising with Company staff and WorkCover regarding pre and post appointment claims</li> <li>• Termination of non-continuing employees under the DOCA</li> <li>• Issuing of termination correspondence and assisting non-continuing employees with queries with respect to making a claim for their entitlements via the FEG scheme</li> <li>• Providing separation certificates where required</li> </ul>
<b>Trade On</b> \$100,000	Trade On Management	<ul style="list-style-type: none"> <li>• Liaising with suppliers</li> <li>• Liaising with management and staff</li> <li>• Attendance on site</li> <li>• Authorising purchase orders</li> <li>• Maintaining purchase order registry</li> <li>• Preparing and authorising receipt vouchers</li> <li>• Preparing and authorising payment vouchers</li> <li>• Landlord negotiations with respect to Shailer Park occupation</li> <li>• Ongoing cash flow monitoring</li> <li>• Provision of trading position to enable completion of estimated return to creditors</li> <li>• Liaising with management to process payroll</li> <li>• Preparing for reporting Single Touch Payroll</li> <li>• Discussions with parties concerning the transition of apprentices and students to other RTO organisations</li> <li>• Meetings with DESBT regarding funding</li> </ul>
<b>Administration</b> \$50,000	Bank Account Administration	<ul style="list-style-type: none"> <li>• Requesting bank statements</li> <li>• Bank account reconciliations</li> <li>• Correspondence with bank regarding specific transfers</li> </ul>

Task Area	General Description	Includes
	General Administration	<ul style="list-style-type: none"> <li>• Word processing including correspondence, file notes, etc.</li> <li>• Care and maintenance of the file</li> <li>• Scanning and filing of documents</li> </ul>
	ATO and other statutory reporting	<ul style="list-style-type: none"> <li>• Lodgement of monthly Business Activity Statement</li> </ul>
	ASIC Lodgements	<ul style="list-style-type: none"> <li>• Lodging minutes from adjourned second meeting of creditors with ASIC</li> <li>• Preparation statutory lodgements for transition to Deed of Company Arrangement</li> </ul>
	Planning/Review	<ul style="list-style-type: none"> <li>• Internal meetings to discuss the status of the Administration</li> </ul>
	Document maintenance/file review	<ul style="list-style-type: none"> <li>• Filing of documents</li> <li>• File reviews</li> <li>• Updating checklists</li> </ul>
<b>Other Professional Services</b> \$5,000	Strategic Communications	<ul style="list-style-type: none"> <li>• Responding to enquiries from local and national media</li> <li>• Preparing messaging and briefing materials for media</li> <li>• Media monitoring</li> </ul>

## Schedule 4: FTI Consulting Schedule of Rates

FTI Consulting CF&R Standard Rates effective 1 April 2020 (excluding GST)		
Typical classification	Standard Rates \$/hour	General guide to classifications
Senior Managing Director/Appointee	720	Registered Liquidator and/or Trustee, with specialist skills and extensive experience in all forms of insolvency administrations. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to the administration.
Managing Director	660	Specialist skills brought to the administration. Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee. May also be a Registered Liquidator and/or Trustee. Alternatively, has extensive leadership/senior management experience in business or industry.
Senior Director	580	Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee, where required. May also be a Registered Liquidator and/or Trustee or have experience sufficient to support an application to become registered. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	520	Significant experience across all types of administrations. Strong technical and commercial skills. Has primary conduct of small to large administrations, controlling a team of professionals. Answerable to the appointee, but otherwise responsible for all aspects of the administration. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant 2	470	Typically an Australian Restructuring Insolvency & Turnaround Association professional member. Well developed technical and commercial skills. Has experience in complex matters and has conduct of small to medium administrations, supervising a small team of professionals. Assists planning and control of medium to larger administrations.
Senior Consultant 1	430	Assists with the planning and control of small to medium-sized administrations. May have the conduct of simpler administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	390	Typically Institute of Chartered Accountants in Australia qualified chartered accountant (or similar). Required to control the tasks on small administrations and is responsible for assisting with tasks on medium to large-sized administrations.
Consultant 1	360	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	335	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	300	Typically a university graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Junior Associate	220	Undergraduate in the latter stage of their university degree.
Administration 2	220	Well developed administrative skills with significant experience supporting professional staff, including superior knowledge of software packages, personal assistance work and/or office management. May also have appropriate bookkeeping, accounting support services or similar skills.
Junior Accountant	170	Undergraduate in the early stage of their university degree.
Administration 1	185	Has appropriate skills and experience to support professional staff in an administrative capacity. May also have appropriate bookkeeping, accounting support services or similar skills.

The FTI Consulting Standard Rates above apply to the Corporate Finance & Restructuring practice and are subject to periodical review.

FTI Consulting Standard Rates effective 1 April 2019 (excluding GST)		
Strategic Communications		
Typical classification	\$/hour	General guide to classifications
Senior Managing Director	675	Specialist skills and extensive experience in all forms of strategic communications. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to corporate communications.
Managing Director/ Senior Advisor	625	Extensive experience in managing large, complex engagements at a very senior level over many years. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to corporate communications.
Senior Director	575	Extensive experience in managing large, complex engagements at a very senior level over many years. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	510	Significant experience across all types of communications. Strong technical and commercial skills. Has primary conduct of small to large projects, controlling a team of professionals. Answerable to the senior director, but otherwise responsible for all aspects of the project. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant	425	Assists with the planning and control of small to medium projects. May have the conduct of minor projects. Can supervise staff. Has experience performing more difficult tasks on larger projects.
Consultant	350	Qualified consultant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate	250	Typically a university undergraduate or graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Administration	150	Has appropriate skills and experience to support professional staff in an administrative capacity.



## Appendix 4 – Receipts and payments

## Receipts and Payments

<b>All Trades Queensland Pty Ltd (Administrators Appointed)</b>	
<b>Period: 22 July 2020 to 22 September 2020</b>	<b>\$</b>
<b>Receipts</b>	
Cash at Appointment	3,319,873.70
Debtor Recoveries	3,183,767.59
JobKeeper Funding	2,853,000.00
Proceeds from Sale of Plant and Equipment	19,525.00
<b>Total Receipts</b>	<b>9,376,166.29</b>
<b>Payments</b>	
Wages and Salaries	2,735,954.64
PAYG Withholding	476,766.00
Creditor Trading Expenses	310,909.01
Rent & Rates	160,145.72
Legal Fees	158,508.94
Sale Campaign Expense	94,263.73
Insurance Expense	58,169.75
GST Paid	38,711.00
Bank Fees & Charges	13,667.05
Secured Creditor Distribution	17,750.00
Valuation Expense	7,150.00
Data Room Expense	627.00
<b>Total Payments</b>	<b>4,072,622.84</b>
<b>Net Receipts (Payments)</b>	<b>5,303,543.45</b>



# Appendix 5 – ASIC information sheet



**ASIC**  
Australian Securities &  
Investments Commission

## Insolvency

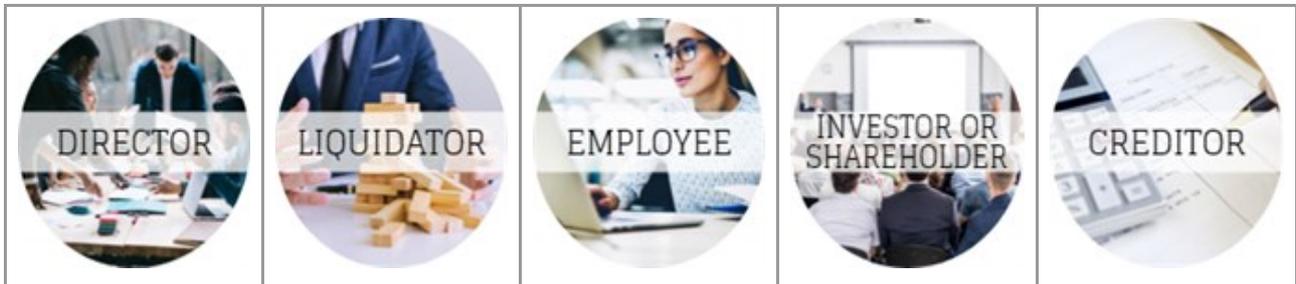
Insolvency is when a company or person can't pay debts when they are due

There are several options available to an insolvent company or person:

- the most common corporate insolvency procedures for an **insolvent company** are [liquidation](#), [voluntary administration](#) and [receivership](#)
- the available personal insolvency procedures for an **insolvent person** are [bankruptcy and personal insolvency agreements](#).

ASIC regulates insolvent companies, it does not manage personal insolvency procedures. For more information about bankruptcy and personal insolvency agreements, [visit the Australian Financial Security Authority website](#).

Find out how a corporate insolvency affects you. I am a...



If you are owed money by an insolvent company, you are a creditor.

[Search our notices to find out if a company is insolvent](#) 🔍

ASIC also tracks corporate insolvency trends in Australia and reports on them monthly. [Find out more](#).

On 23 March 2020, Government passed temporary laws to help businesses in financial distress because of the COVID 19 pandemic. [Find out more](#).

ASIC has also begun publishing weekly statistics of companies entering external administration. [Find out more](#).



# Experts with Impact™

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