

1 March 2022



Geraldton Investments Pty Ltd ACN 130 640 603 (In Liquidation) (“the Company”)

LIQUIDATORS’ FINAL REPORT TO CREDITORS

1 Introduction

I refer to my appointment as Liquidator of the Company and my previous reports to creditors.

The purpose of this report is to provide creditors with:

- an update on the progress of the liquidation and sale of the Company's properties; located in Geraldton WA;
- details of the work undertaken to date and further work required to complete the liquidation; and
- to seek approval of my remuneration for the period 1 April 2021 to completion of the liquidation.

This report should be read in conjunction to previously issued reports.

2 Update on the progress of the liquidation

I provide herein the following update on the progress of the liquidation.

2.1 Company Assets

As you are aware, the principal asset of the Company is the property situated at Lots 150 to 153 in Geraldton, Western Australia ("the Properties"), details of which are:

Lot Number	Property Address	Property name	Tenant status
150	9-11 Fitzgerald St	Units above Lemongrass	Not tenanted
	205 Marine Tce	Old Bella Vesta Café	Not tenanted
	205A Marine Tce	Lemongrass Restaurant	Tenanted
151	185 Marine Tce	Victoria Hotel (Ex Blue Heelers)	Not tenanted
	189 Marine Tce	Yamaji Arts	Tenanted
	193 Marine Tce	Headspace (Youth Focus)	Tenanted
152	236-238 Lester Ave	Retail Shops	Not tenanted
	15 Fitzgerald St	Geraldton Beach Hotel (GBH)	Tenanted
153	222 Lester Ave	Ex Furniture Shop	Not tenanted
	228 Lester Ave	House	Not tenanted

I am not aware of any further assets owned by the Company.

2.2 Marketing Campaign

During the course of the liquidation:

- I engaged CBRE and Activewest to market the Properties for sale. The Properties have been marketed (in one line or individually) over the past two years across major commercial property websites, local, state and national print media, on-site signage and through the networks of the appointed selling agents.
- Interest and offers were generally at very low values and not capable of acceptance.
- The delay is attributed to the following factors:
 - poor market performance in the financial year 2020/21, as the property market in general was facing a downward trend;
 - soft market conditions for commercial and rural property with minimal sales activity and subdued business confidence;
 - the disruptions of COVID-19 in early 2020/21 triggered lack of consumer confidence, reduced levels of demand from retail, commercial and tourism property users and as a result no substantial offers were received;
 - significant reductions in commercial and rural property values over the past 10-15 years contributing to difficulty in locating 'in one line' offers (to sell as a whole);
 - high rates of mortgagee repossession activity and commercial tenancy defaults increasing;
 - financiers reluctant to finance the purchase of large commercial or residential development sites, or sites earmarked for the development of accommodation projects as such, potential buyers are facing challenges to access funding options;
 - the general poor condition of the existing buildings, i.e. considerable capital expenditure required in order to increase rental return from existing buildings; and
 - general shortage of skilled labour and supply chain disruptions contributing to sharp increases in construction costs (particularly in regional locations) affecting the viability of residential and commercial developments (and ultimately the value of development sites).

2.3 Sale of the Properties

After substantial and ongoing negotiations with a prospective buyer and following advice from the selling agents and valuer, I am pleased to report that on 18 November 2021, I accepted an offer for the Properties for \$2.35m (plus GST), from Margland Pty Ltd ATF Margland Unit Trust ("the Buyer"). On 31 January 2022, settlement was completed and I received a net sum of \$2,010,208.89.

The sale transaction is summarised as follows (including costs paid at settlement):

Description	Amount (\$) (Incl. GST)
Sale Price (Incl. GST)	2,408,800.67
Land Tax FY22 – Buyers’ Portion	15,261.03
Land Tax FY22 – Buyer’s Portion with GST for Lot 153	4,509.17
Less Settlement Costs:	
Land Tax FY20,21,22	(148,574.70)
Council Rates FY20,21,22	(85,370.48)
Water Rates	(39,173.78)
Agents’ Commission	(77,550.00)
Settlement Fees	(25,000.00)
Legal Fees	(22,693.02)
Security Bond	(20,000.00)
Net Proceeds at settlement of the Properties	2,010,208.89

Following settlement, I attended to payment of outstanding costs and distributed the sum of \$1,755,062.76 to the secured creditor, nab.

Accordingly, there are no funds available to pay a dividend to unsecured creditors of the Company and I intend to finalise the liquidation shortly.

2.4 Fire incidents

As previously reported, despite mitigation measures in place, two fire incidents occurred in January and February 2021. Since then, there has been substantial time spent by my staff including inspecting the site, meeting with the City of Greater Geraldton, liaising with the insurer and managing the demolition of the Blue Heelers site. This work has now been completed and all costs were covered by insurance.

3 Investigations and Recovery Actions

As previously report, I have not identified any potential recoveries or offences committed by the Director. I have reported my findings to ASIC and my investigations into the affairs of the Company are now complete.

4 Receipts and Payments to Date

The receipts and payments for the period 13 December 2019, being the date of the Liquidation, to 23 February 2022 are as follows:

Description	Note	Amount \$
Receipts		
Sale Gross Proceeds	1	2,408,800.67
Funding from nab	2	306,050.79
Rental Income	3	217,869.26
Outgoing Recoveries	4	59,002.12
Land Tax Buyer's Portion	5	19,770.20
GST Refund		18,394.16
Transfer from Administrators		10,076.23
Option to purchase property		10,000.00
Refunds and other miscellaneous receipts		8,101.08
Geraldton Property Management receipts		2,297.47
Total Receipts		3,060,361.98
Payments		
Distribution to NAB from sale proceeds	6	(1,755,062.76)
Settlement Costs:	7	
Land Tax		(148,574.70)
Council Rates		(85,370.48)
Selling Agent Commission		(77,550.00)
Water Rates		(39,173.78)
Settlement Agent Fees		(25,000.00)
Security Bond		(20,000.00)
Landgate Fees		(2,887.61)
FTI Appointees' Fees (approved)	8	(346,548.40)
Insurance Premiums	9	(267,784.62)
Water rates (tenanted properties)		(64,909.81)
Repairs & Maintenance		(44,259.76)
Valuation Fees		(25,960.00)

Marketing Costs		(17,699.69)
Property Management Fees		(17,556.00)
Security & Monitoring		(14,577.10)
Legal Fees & disbursements		(31,078.72)
FTI Appointees' Disbursements		(5,662.29)
Safety Review		(4,400.00)
GST Paid		(1,999.00)
Other Expenses		(1,033.13)
Total Payments		(2,997,087.85)
Net Receipts	10	63,274.13

The notes below should be read in conjunction with the above table.

Notes:

1. Gross realisation of sale of property before all costs (inclusive GST).
2. Funds provided by nab (secured creditor) to pay the following property costs:

Costs paid from funding received from NAB	Amount (\$)
Valuation costs	25,960.00
Insurance for the period 4 November 2019 to 8 February 2022	267,784.62
Repairs and Maintenance	12,306.17
Total costs paid	306,050.79

3. Rental income received from the four tenanted properties for the period 4 November 2019 to 31 January 2022.
4. Recoveries from tenants of their portion of outgoings costs for water rates, council rates and land tax (including GST).
5. Buyer's contribution and portion of land tax paid at settlement.
6. Distribution paid to nab from sale of property at settlement.
7. Costs paid at settlement. Refer to section 2.3 for a breakdown of these costs.
8. Creditors previously provided approval me to draw my remuneration in the sum of \$51,544.00 (excluding GST) for the voluntary administration period and \$263,500.00 (excluding GST) for the liquidation period. Following settlement, I have drawn the approved remuneration in full. I am seeking further fee approval of \$45,000 (plus GST).
9. Insurance premiums paid for the period 4 November 2019 to 8 February 2022. This balance includes \$5,000 paid as an excess for the fire claims lodged with the insurer.
10. The net receipt balance includes the GST liability payable to the Australia Taxation Office for the GST collected on the sale of the property. The GST liability payable to the ATO is approximately \$30,000. Following payment of my final fees and monies to the ATO, there will be no funds available to unsecured creditors.

5 Likelihood of a dividend

The likelihood of a dividend being paid to creditors is impacted by several factors, including the:

- size and complexity of the administration;
- value of the assets realisable (property), less costs of realising the assets;
- statutory priority of certain claims and costs; and
- value of various classes of claims including secured, priority and unsecured creditor claims.

Based on my inquiries to date and given the quantum of balance owed to secured creditor, there will be no dividend paid to unsecured creditors.

6 Costs of the liquidation

FTI Consulting charges professional fees based on time spent by the Liquidator and their staff at rates reflecting their level of experience. I attach at **Annexure A** my detailed Remuneration Approval Report which sets out the cost of the Liquidation and the tasks I have undertaken which supports my claim for the approval being sought from creditors. I am unable to pay my remuneration and disbursements without the approval of creditors or the court.

In respect of this winding up FTI Consulting has not charged its standard hourly rate. The hourly rate charged is a minimum of 10% discount to our standard rate.

To date, I have incurred the following fees:

Description	Amount Incurred to 20 February 2022 \$	Amount paid to 20 February 2022 \$
Voluntary Administrators' Fees	55,126.00	51,544.00
Liquidators' Fees	380,520.54	263,500.00
Non-Insolvency Fees	2,118.75	2,118.75
Total Fees	437,765.29	317,162.75

I am seeking a further \$45,000 (plus GST) in fees for the liquidation period and will write off the remaining sum of \$75,602.54 (excluding GST) and future fees incurred to finalise the liquidation.

The following major tasks have been performed since my last update report to creditors dated 25 May 2021:

- liaise with the selling agent in relation to the ongoing sale process and the interest/offers received;
- extensive negotiations with the purchaser in relation to their offer for the Properties;
- liaised with HWL Ebsworth (Lawyers) in relation to the negotiations and sale contract;
- liaised with the property manager in relation to maintenance;
- sold the property and attend to realisation of the proceeds;

- liaised with the tenants in relation to the collection of rental income and outgoings;
- attended to external enquiries concerning the status of the liquidation;
- liaised with the insurer in relation to claims made and work to be undertaken;
- prepared this final update report to creditors; and
- attended to all necessary statutory lodgements and reporting, accounting and administrative matters;

I propose that my remuneration and disbursements be approved by way of a proposal without meeting process. I have kept the Company's secured creditor fully informed in relation to the conduct of the sale of properties, repairs and maintenance of the properties, my remuneration fees and other holdings costs.

7 Participating in the Proposal Without Meeting Process

To participate in the proposal without a meeting, please complete and return the following by no later than **4pm (AWST) on Tuesday, 22 March 2022**:

- the two Proposal Forms which are included at **Annexure B**; and
- the Form 535 Formal Proof of Debt or Claim form included at **Annexure C** which provides information about what the Company owes you, along with supporting documents for your claim (only if you have not previously provided it).

The documents can be scanned and emailed to lo.taderera@fticonsulting.com or returned via post to my firm's address, attention Lo Taderera. If you choose to return these documents via post, please ensure that you allow enough time for me to receive them by the due date.

8 Way forward

I am required to undertake the following actions, to finalise the liquidation:

- realise the Properties and distribute the funds to the secured creditor of the Company; and
- conduct finalisation tasks and statutory lodgements.

I do not anticipate providing a further update on the progress of the Liquidation as I intend to finalise and close the liquidation. As such, I expect to have completed this liquidation within the next 3 to 6 months.

I enclose at **Annexure D** an information sheet regarding your rights as a creditor in the Liquidation called "Creditors Rights in Liquidation."

Should you have any queries or require any further information, please contact Loice Taderera on (08) 9321 8533 or by email at lo.taderera@fticonsulting.com.

Dated this 1st day of March 2022

A handwritten signature in blue ink, appearing to be 'Ian Francis', with a stylized flourish at the end.

Ian Francis

Joint and Several Liquidator

1 March 2022



Remuneration Approval Report

Geraldton Investments Pty Ltd ACN 130 640 603 (in Liquidation)
("the Company")

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Summary

This remuneration approval report provides you with the information that the Corporations Act 2001 (Act) and the Code of Professional Practice published by the Australian Restructuring Insolvency and Turnaround Association (ARITA) requires creditors to receive to make an informed decision regarding the approval of our remuneration for undertaking the liquidation of Geraldton Investments Pty Ltd (In Liquidation) ACN 130 630 603 (“the Company”).

We are asking creditors to approve the following remuneration:

Liquidation	Remuneration (excl GST) (\$)
Remuneration for the period 1 April 2021 to 31 December 2021	15,000.00
Remuneration for the period 1 January 2022 to completion of the liquidation	20,000.00

Creditors have previously approved our remuneration and disbursements as follows:

Appointment type/Period	Remuneration (excl GST) (\$)
Voluntary Administration	
Remuneration for the period 8 November 2019 to 30 November 2019 (inclusive)	31,544.00
Remuneration for the period 1 December 2019 to 13 December 2019 (inclusive)*	20,000.00
Liquidation	
Remuneration for the period 14 December 2019 to 30 June 2020 (inclusive)	83,500.00
Remuneration for the period 1 July 2020 to 31 March 2021	105,000.00
Non-Insolvency Fees incurred for the period 22 February 2021 to 26 February 2021	2,118.75
Remuneration for the period 1 April 2021 to 31 December 2021	75,000.00

Total remuneration incurred to date totals \$382,639.23(excl GST), for both voluntary administration and liquidation. Creditors have previously approved our fees for the liquidation period in the amount of \$265,618.75 (excl GST) which have been paid in full. We are proposing to cap additional fees in the amount of \$35,000, for the period 1 April 2021 to completion of the liquidation, which will bring the total remuneration costs claimed in this liquidation to a sum of \$310,618.75. We will write down the amount of \$75,602.54 (excluding GST) and future fees incurred to finalise the liquidation.

Our remuneration has increased from our previous estimate due to the extended time to market the property and the challenges encountered with obtaining acceptable offers, as a result of:

- challenging negotiations to secure a contract and matters raised during the due diligence period by the potential buyer
- extensive reporting to secured creditor and regular review and maintenance of the estimated financial outcome

- the general poor condition of the existing buildings, i.e considerable capital expenditure required in order to increase rental return from existing buildings;
- general shortage of skilled labour and supply chain disruptions contributing to sharp increases in construction costs (particularly in regional locations) affecting the viability of residential and commercial developments (and ultimately the value of development sites).

In respect to this liquidation, we have not charged our standard hourly rate. The hourly rate charged is a minimum of 10% discount to our standard rate. Further we have written-off time recorded in this liquidation, and we will further write-off future time incurred to finalise the liquidation. This will be the final remuneration approval and we intend to finalise the matter within the next 4 months.

Declaration

We, Daniel Woodhouse and I, Ian Francis, of FTI Consulting, have undertaken a proper assessment of the claims for remuneration for the appointment as Liquidators of the Company in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of this appointment and further, that the disbursements that have been incurred in the conduct of the external administration are necessary and proper.

Remuneration sought

The remuneration we are asking creditors to approved is summarised as follows:

For	Period	Amount \$ (excl GST)	Applicable rates	Timing of payment
Liquidation				
Work already completed	1 April 2021 to 31 December 2021	15,000.00	As per the attached hourly rates	Immediately
Future work	1 January 2022 to completion of the liquidation	30,000.00	As per the attached hourly rates	Immediately
Total		\$45,000.00		

Details of the work already done and future work that we intend to do are enclosed at **Schedule A**.

Schedule B includes a breakdown of time spent by staff members on each major task for work we have already done. Actual resolutions to be put to the meeting are included at **Schedule C** for your information. These resolutions also appear in the proposal form provided to you.

Disbursements

We are not required to seek creditor approval for costs paid to third parties or where we are recovering a cost incurred on behalf of the administration, but we must provide details to creditors. Details of these amounts are included in the attached Receipts and Payments.

We are not currently seeking approval for disbursements.

Previous remuneration approvals

The following remuneration approvals have previously been provided by creditors:

Period	Appointment	For	Approving body	Approved amount \$	Amount paid \$
8 November 2019 to 30 November 2019	Voluntary Administration	work already approved	Creditors	31,544.00	31,544.00
1 December 2019 to 13 December 2019	Voluntary Administration	work already approved	Creditors	20,000.00	20,000.00
Total Voluntary Administration remuneration previously approved and paid				51,544.00	51,544.00
14 December 2019 to 30 June 2020	Liquidation	work already approved	Creditors	83,500.00	83,500.00
1 July 2020 to 31 March 2021	Liquidation	work already approved	Creditors	105,000.00	105,000.00
1 April 2021 to 31 December 2021	Liquidation	work already approved	Creditors	75,000.00	75,000.00
Total Non – Insolvency services remuneration previously approved and paid				263,500.00	263,500.00
22 February 2021 to 26 February 2021	Non – Insolvency Services	work already approved	Creditors	2,118.75	2,118.75
Total Liquidation remuneration previously approved and paid				265,618.75	265,618.75
Total remuneration previously approved (VA and Liquidation)				317,162.75	317,162.75

We are now seeking a further approval capped in the amount of \$45,000.00 (excl GST) in remuneration (for the liquidation) which will bring the total remuneration claimed in this liquidation to \$310,618.75 (excl GST) and including non-insolvency services.

Likely impact on dividends

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

Based on:

- realisations to date
- remuneration to complete the liquidation
- quantum of the secured creditor claim
- total of creditor claims based on the Company's records and claims lodged

Based on our inquiries to date and given the quantum of balance owed to the secured creditor, it is not expected that there will be sufficient funds to pay a dividend to unsecured creditors. If we do declare a dividend, any creditor whose claim has not yet been admitted will be contacted and asked to submit a proof of debt.

Funding received for remuneration and disbursements

We have received funding from the secured creditor of \$306,050.80 to pay the following costs in respect to the property:

Funding received from NAB	Amount (\$)
Receipts	
Funding received from NAB	306,050.79
Total funding	306,050.80
Less Costs	
Valuation (Initial)	(17,710.00)
Valuation (Second)	(8,250.00)
Insurance Excess Fee	(5,000.00)
Insurance for the period 8 November 2019 to 8 May 2020	(68,880.77)
Insurance for the period 8 May 2020 to 8 November 2020	(40,642.82)
Insurance for the period of 8 November 2020 to 8 May 2021	(42,612.09)
Insurance for the period of 8 May 2021 to 8 August 2021	(36,882.98)
Insurance for the period of 8 August 2021 to 8 November 2021	(36,882.98)
Insurance for the period of 8 November 2021 to 8 February 2022	(36,882.98)
Repairs and Maintenance	(12,306.17)
Total costs paid	(306,050.79)

We have received no further indemnities or funding from external parties.

Summary of receipts and payments

A summary of the receipts and payments for the liquidation as at 23 February 2022 is **enclosed** at Schedule D to this report. An annual administration return was lodged with ASIC on 11 March 2021 which also provides information on the conduct of the administration and a return for the current year is due to be lodged shortly.

Queries

Further supporting documentation for our remuneration claim can be provided to creditors on request. You can also access information which may assist you on the following websites:

- ARITA at www.arita.com.au/creditors
- ASIC at www.asic.gov.au (search for INFO 85).

If you have any queries in relation to the information in this report, please contact Lo Taderera of this office on (08) 9321 8533 or by email at lo.taderera@fticonsulting.com.



Ian Francis

Joint and Several Liquidator

Attachments:

Schedule A – Details of work

Schedule B – Time spent by staff on each major task (work already done)

Schedule C – Resolutions

Schedule D – Summary of receipts and payments

Schedule E – FTI Consulting schedule of rates effective 1 March 2017

Schedule A – Details of work

Task area/General description	Work already done	Future work
Period	1 April 2021 to 31 December 2021	1 January 2022 to completion of the liquidation
Amount \$ (excl GST)	\$124,193.50 incurred, previously approved for a capped amount of \$75,000.00, but additional fee approval sought capped at \$15,000.00	\$30,000.00
Assets	201.90 hours \$79,851.00	\$10,000.00
Sale of real property	■ Ongoing discussions generally regarding current market conditions generally and the impact of covid to secure a contract ■ Ongoing discussions with appointed selling agents in relation to the marketing campaign, interest received in the Property, negotiations and strategy ■ Attendance at site to inspect properties ■ Liaising with lawyers regarding sale contract and special conditions, consider leases and amendment of sale contract ■ Negotiating with potential purchasers in relation to interest and offers received for the properties. ■ Execution of sale contract ■ Actioning matters raised during the due diligence period	■ Preparing settlement plan and tasks to complete ■ Realisation of Property after sale transaction ■ Distribution to secured creditor from sale proceeds ■ Negotiations to the sale contract including the enquiries regarding the bond paid by the tenant ■ Final negotiations with the Buyer regarding any issued raised leading to settlement ■ Tasks associated with settlement of Property
Leased property	■ Correspondence with lessees and property manager regarding monthly invoicing and realisation of rent and outgoings. ■ Liaising with lessees in relation to essential works required to secure the properties and mitigating risks.	■ Correspondence with lessees and Property Manager regarding finalising accounts for rent and outgoings ■ Liaising with lessees in relation to settlement

Task area/General description	Work already done	Future work
Property repairs and maintenance	■ Review of the regular monthly inspections reports conducted by the property agents and review of the effectiveness of the current control (barriers) that prevent access and egress to vacant properties. ■ Ongoing discussions and correspondence with property manager in relation to required property repairs and maintenance to ensure effectiveness of the current control (barriers) as above. Reviewing quotes and engaging contractors to perform works. ■ Ongoing repairs and maintenance of the property and engage contractors to perform works ■ Continue securing and reducing hazardous concerns at and around the buildings ■ Continue to manage and mitigate risks of vandalism ■ Attending to payment of costs and outgoings	■ Attend to finalisation of outstanding repairs and maintenance (including dust nuisance) ■ Processed payments of final invoices issued for works completed or service rendered leading to settlement
Creditors	48.20 hours \$17,421.50	\$12,500.00
Creditor Enquiries, Requests & Directions	■ Receive and respond to creditor enquiries ■ Compiling information requested by creditors	■ Receive and respond to creditor enquiries regarding the finalisation of the liquidation
Secured creditor reporting	■ Preparing regular reports to secured creditor and providing necessary updates ■ Responding to secured creditor's queries	■ Provide a final update of account to secured creditor ■ Distribution of sale proceeds
Creditor reports		■ Preparing final report to creditors (including this report)
Dealing with proofs of debt	■ Corresponding with OSR and ATO regarding POD when not related to a dividend	
Proposals to Creditors		■ Preparing final proposal notices and voting forms ■ Forward notice of proposal to all known creditors ■ Reviewing votes and determining outcome of proposal ■ Preparation and lodgement of proposal outcome with ASIC

Task area/General description	Work already done	Future work
Administration	107.80 hours \$26,504.50	\$7,500.00
Correspondence	■ General correspondence with various parties	■ General correspondence with various parties
Document maintenance/file review/checklist	■ First month, then six-monthly administration reviews ■ Filing of documents ■ File reviews ■ Updating checklists	■ Final administration review to ensure all required works are completed ■ Attend to filing books and records and required checklists
Insurance	■ Reviewing insurance policies ■ Identification of potential issues requiring attention of insurance specialists ■ Correspondence with insurer regarding ongoing insurance requirements and renewal of cover every 3 months ■ Lodging insurance claims due to various incidents including two fires	■ Correspondence with insurer to finalise any pending claims ■ Request to cancel insurance cover (after settlement)
Funds handling	■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Correspondence with bank regarding specific transfers	■ Correspondence closing accounts ■ Entering final receipts and payments into accounting system ■ Requesting bank statements to finalise accounts ■ Bank account final reconciliations ■ Correspondence with bank regarding specific transfers
ASIC Forms and lodgements	■ Preparing and lodging ASIC forms including 505, 5602, 911 etc. ■ Correspondence with ASIC regarding statutory forms	■ Preparing and lodging ASIC forms including 505, 5602/5603, 911 etc. ■ Correspondence with ASIC regarding statutory forms
ATO and other statutory reporting	■ Preparing quarterly BAS reporting	■ Preparing final BAS
Finalisation	■ Review of pending tasks and enquiries to prepare for finalisation	■ Notifying ATO of finalisation and cessation of appointment ■ Cancelling ABN / GST / PAYG registration ■ Completing checklists

Task area/General description	Work already done	Future work
		■ Finalising WIP
Planning / Review	■ Discussions regarding status of administration	■ Discussions regarding finalisation of administration
Books and records / storage		■ Dealing with records in storage ■ Sending job files to storage

Schedule B – Time spent by staff on each major task (work already done)

The below table sets out work performed by Liquidator, their partners and staff for professional services rendered for the period 1 April 2021 to 31 December 2021. The balance being sought shown in the table below is contained in Resolution 1.

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Task Area					
					Assets		Creditors		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$
Ian Francis	Senior Managing Director	550	18.2	10,010.00	15.1	8,305.00	3.1	1,705.00	0.0	0.00
Nathan Stubing	Managing Director	550	0.2	110.00	0.0	0.00	0.2	110.00	0.0	0.00
Jacqueline Sinclair	Senior Director	465	31.0	14,415.00	3.1	1,441.50	17.5	8,137.50	0.0	0.00
Greg Tomlin	Senior Director	465	119.9	55,753.50	116.1	53,986.50	3.8	1,767.00	0.0	0.00
Minyoung Park	Consultant I	290	0.1	29.00	0.0	0.00	0.0	0.00	0.0	0.00
Loice Taderera	Consultant I	245	139.9	34,275.50	56.5	13,842.50	21.6	5,292.00	0.0	0.00
Jaie Lilburne	Associate II	205	0.6	123.00	0.0	0.00	0.0	0.00	0.0	0.00
Zin Thaya Khin	Associate II	205	3.3	676.50	0.0	0.00	0.0	0.00	0.0	0.00
Starli Smith	Associate I	205	32.2	6,601.00	11.1	2,275.50	2.0	410.00	0.0	0.00
Ho Lam Trinh	Junior Accountant	185	4.9	909.50	0.0	0.00	0.0	0.00	0.0	0.00
Claire Rees	Administration II	170	1.0	170.00	0.0	0.00	0.0	0.00	0.0	0.00
Selina Naylor	Administration I	135	6.3	850.50	0.0	0.00	0.0	0.00	0.0	0.00
Alyse Kent	Junior Accountant	135	0.2	27.00	0.0	0.00	0.0	0.00	0.0	0.00
Yuet Yeng Yee	Junior Associate	135	1.8	243.00	0.0	0.00	0.0	0.00	0.0	0.00
Total (ex GST)				124,193.50		80,267.50		17,421.50		26,504.50
Approval previously approved (ex GST)				(75,000.00)						
Approval being sought (ex GST)				(15,000.00)						
Total Approval being sought (inc. GST))				(16,500.00)						
Total hours			359.62		203.6		48.2		107.8	
Avg hourly rate (ex GST)				345.35		394.24		361.44		245.83

Schedule C – Resolutions

Resolution 1 – Remuneration from 1 April 2021 to 31 December 2021

“That the remuneration of the Liquidators of Geraldton Investments Pty Ltd (In Liquidation), their partners and staff, for the period from 1 April 2021 to 31 December 2021, calculated at the hours spent at the rates detailed in in the Schedules of FTI Consulting Non-standard Rates (Corporate Finance & Restructuring), effective 1 March 2017, is approved for payment in the amount capped to \$15,000 exclusive of GST, to be drawn from available funds immediately or as funds become available.”

Resolution 2- Remuneration from 1 January 2022 to completion of the liquidation

“That the future remuneration of the Liquidators of Geraldton Investments Pty Ltd (In Liquidation), their partners and staff, for the period from 1 January 2022 to completion of the liquidation, calculated at the hours spent at the rates detailed in in the Schedules of FTI Consulting Non-standard Rates effective 1 March 2017, is approved for payment in the amount capped to \$30,000 exclusive of GST, to be drawn from available funds when required.”

Schedule D – Summary of receipts and payments

The receipts and payments for the period 13 December 2019 to 23 February 2022, are as follows:

Geraldton Investments Pty Ltd (In Liquidation)	
Receipts and Payments for the period 13 December 2019 to 23 February 2022	
Description	Amount \$
Receipts	
Sale Net Proceeds	2,408,800.67
Funding from nab	306,050.79
Rental Income	217,869.26
Outgoing Recoveries	59,002.12
Land Tax Buyer's Portion	19,770.20
GST Refund	18,394.16
Transfer from Administrators	10,076.23
Option to purchase property	10,000.00
Refunds and other miscellaneous receipts	8,101.08
Geraldton Property Management receipts	2,297.47
Total Receipts	3,060,361.98
Payments	
Distribution to NAB from sale proceeds	(1,755,062.76)
Settlement Costs:	
Land Tax	(148,574.70)
Council Rates	(85,370.48)
Selling Agent Commission	(77,550.00)
Water Rates	(39,173.78)
Settlement Agent Fees	(25,000.00)
Security Bond	(20,000.00)
Landgate Fees	(2,887.61)
FTI Appointee Fees	(346,548.40)
Insurance Premiums	(267,784.62)
Water rates (tenanted properties)	(64,909.81)
Repairs & Maintenance	(44,259.76)
Valuation Fees	(25,960.00)
Marketing Costs	(17,699.69)
Property Management Fees	(17,556.00)
Security & Monitoring	(14,577.10)
Legal Fees & disbursements	(31,078.72)
FTI Appointee Disbursements	(5,662.29)
Safety Review	(4,400.00)
GST Paid	(1,999.00)
Other Expenses	(1,033.13)
Total Payments	(2,997,087.85)
Net Receipts	63,274.13

Schedule E – FTI Consulting schedule of rates effective 1 March 2017

Classification	Non-Standard rates \$/hour*	General guide to classifications
Senior Managing Director/Appointee	550	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	550	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	465	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	420	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	375	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	320	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	290	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	245	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	205	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	205	Typically a university graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Junior Associate	170	Undergraduate in the latter stage of their university degree.

Classification	Non-Standard rates \$/hour*	General guide to classifications
Administration 2	170	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	135	Undergraduate in the early stage of their university degree.
Administration 1	135	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.

01 March 2022

NOTICE OF PROPOSAL TO CREDITORS #1

GERALDTON INVESTMENTS PTY LTD (IN LIQUIDATION) ACN 130 640 603 ("THE COMPANY")

Please complete this document and return with any supporting documents by no later than **4:00 PM (AWST)** on **Tuesday, 22 March 2022** for your vote to be counted, by email to Lo Taderera at lo.taderera@fticonsulting.com. If you have any questions, please call Lo Taderera of this office on (08) 9321 8533.

Completed forms may also be sent by post attention to Lo Taderera at FTI Consulting, PO Box Z5486, St Georges Terrace, PERTH WA 6831. You should ensure this is sent with sufficient time to arrive by the date the vote closes.

Proposal for creditor approval

"That the remuneration of the Liquidators of Geraldton Investments Pty Ltd (In Liquidation), their partners and staff, for the period from 1 April 2021 to 31 December 2021, calculated at the hours spent at the rates detailed in in the Schedules of FTI Consulting Non-standard Rates (Corporate Finance & Restructuring), effective 1 March 2017, is approved for payment in the amount capped to \$15,000 exclusive of GST, to be drawn from available funds immediately or as funds become available."

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

The proposal is being put to creditors to approve remuneration as allowed under law.

The proposal if passed will minimise the cost of approving remuneration to the Liquidation which would otherwise require a meeting of creditors or court application to be approved – which can be costly.

Remuneration of the Liquidator is to be paid in priority to other claims under the Corporations Act. This ensures that when there are sufficient funds, the Liquidator 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 my remuneration, this does not guarantee that I will be paid, as I am only paid if sufficient assets are recovered.

If sufficient assets are recovered, there may be funds available to pay a dividend to creditors, however this is affected by many variables including the value of assets and complexity of realising those assets, the level of creditor enquiries, the priority of claims (including employee claims) and the total value of creditor claims to be admitted to participate in a dividend.

At this stage in the Liquidation, it is unlikely that a dividend will be available to unsecured creditors as there are insufficient funds available to distribute.

My remuneration approval report, which has been provided with this notice provides more detailed information on the remuneration I am seeking to be approved.

Vote on proposal

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. Please select the appropriate Yes, No or Object box referred to below:

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

Your claim against the Company must be admitted for the purposes of voting by the Liquidator for your vote to count. Please select the option that applies:

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

Creditor details

Name of creditor: _____ ACN / ABN (if applicable): _____

- ☐ I am not a related creditor of the Company.
- ☐ I am a related creditor of the Company, relationship: _____

Address: _____

Name of creditor / authorised person: _____

Signature: _____ Date: _____

01 March 2022

NOTICE OF PROPOSAL TO CREDITORS #2

GERALDTON INVESTMENTS PTY LTD (IN LIQUIDATION) ACN 130 640 603 ("THE COMPANY")

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Completed forms may also be sent by post attention to Lo Taderera at FTI Consulting, PO Box Z5486, St Georges Terrace, PERTH WA 6831. You should ensure this is sent with sufficient time to arrive by the date the vote closes.

Proposal for creditor approval

"That the future remuneration of the Liquidators of Geraldton Investments Pty Ltd (In Liquidation), their partners and staff, for the period from 1 January 2022 to Completion of the liquidation, calculated at the hours spent at the rates detailed in in the Schedules of FTI Consulting Non-standard Rates effective 1 March 2017, is approved for payment in the amount capped to \$30,000 exclusive of GST, to be drawn from available funds when required."

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If sufficient assets are recovered, there may be funds available to pay a dividend to creditors, however this is affected by many variables including the value of assets and complexity of realising those assets, the level of creditor enquiries, the priority of claims (including employee claims) and the total value of creditor claims to be admitted to participate in a dividend.

At this stage in the Liquidation, it is unlikely that a dividend will be available to unsecured creditors as there are insufficient funds available to distribute.

My remuneration approval report, which has been provided with this notice provides more detailed information on the remuneration I am seeking to be approved.

Vote on proposal

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. Please select the appropriate Yes, No or Object box referred to below:

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

Your claim against the Company must be admitted for the purposes of voting by the Liquidator for your vote to count. Please select the option that applies:

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

Creditor details

Name of creditor: _____ ACN / ABN (if applicable): _____

- ☐ I am not a related creditor of the Company.
- ☐ I am a related creditor of the Company, relationship: _____

Address: _____

Name of creditor / authorised person: _____

Signature: _____ Date: _____

FORM 535 – FORMAL PROOF OF DEBT OR CLAIM

Subregulation 5.6.49(2)

Corporations Act 2001

GERALDTON INVESTMENTS PTY LTD (IN LIQUIDATION) ACN 130 640 603

To the liquidators of Geraldton Investments Pty Ltd ACN 130 640 603 (the "Company")

1. This is to state that the Company was on 8 November 2019 and still is, justly and truly indebted to: _____

(full name, ABN and address of the creditor and, if applicable, the creditor's partners) for _____ dollars and _____ cents

Particulars of the debt are:

Date	Consideration (state how the debt arose)	Amount (\$/c)	Remarks (include details of voucher substantiating payment)
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2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: _____

(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).

Date	Drawer	Acceptor	Amount (\$/c)	Due Date
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3. Signed by (select correct option):

- ☐ I am the creditor personally.
- ☐ I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.
- ☐ I am the creditor's agent authorised in writing to make this statement in writing. I know the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature: _____ Dated: _____

Name: _____ Occupation*: _____

Address: _____

* If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor

RECEIVE REPORTS BY EMAIL	Yes	No
Do you wish to receive all future reports and correspondence from our office via email?	☐	☐
Email:.....		

Information sheet: Proposals without meetings

You may be a creditor in a liquidation, voluntary administration or deed of company arrangement (collectively referred to as an external administration).

You have been asked by the liquidator, voluntary administrator or deed administrator (collectively referred to as an external administrator) to consider passing a proposal without a meeting.

This information sheet is to assist you with understanding what a proposal without a meeting is and what your rights as a creditor are.

What is a proposal without a meeting?

Meetings of creditors were previously the only way that external administrators could obtain the views of the body of creditors. However, meetings can be very expensive to hold.

A proposal without a meeting is a cost effective way for the external administrator to obtain the consent of creditors to a particular course of action.

What types of proposals can be put to creditors?

The external administrator is able to put a range of proposals to creditors by giving notice in writing to the creditors. There is a restriction under the law that each notice can only contain a single proposal. However, the external administrator can send more than one notice at any single time.

What information must the notice contain?

The notice must:

- include a statement of the reasons for the proposal and the likely impact it will have on creditors if it is passed
- invite the creditor to either:
 - vote yes or no to the proposal, or
 - object to the proposal being resolved without a meeting, and
- specify a period of at least 15 business days for replies to be received by the external administrator.

If you wish to vote or object, you will also need to lodge a Proof of Debt (POD) to substantiate your claim in the external administration. The external administrator will provide you with a POD to complete. You should ensure that you also provide documentation to support your claim.

If you have already lodged a POD in this external administration, you do not need to lodge another one.

The external administrator must also provide you with enough information for you to be able to make an informed decision on how to cast your vote on the proposal. With some types of proposals, the law or ARITA's Code of Professional Practice sets requirements for the information that you must be provided.

For example, if the external administrator is asking you to approve remuneration, you will be provided with a Remuneration Approval Report, which will provide you with detailed information about how the external administrator's remuneration for undertaking the external administration has been calculated.

What are your options if you are asked to vote on a proposal without a meeting?

You can choose to vote yes, no or object to the proposal being resolved without a meeting. If the administration is a simplified creditors' voluntary liquidation (SCVL), you cannot object to the proposal being resolved without a meeting as meetings cannot be held in a SCVL.

How is a resolution passed?

A resolution will be passed if more than 50% in number and 50% in value (of those creditors who did vote) voted in favour of the proposal, but only so long as not more than 25% in value objected to the proposal being resolved without a meeting.

What happens if the proposal doesn't pass?

If the proposal doesn't pass and an objection is not received, the external administrator can choose to amend the proposal and ask creditors to consider it again or the external administrator can choose to hold a meeting of creditors to consider the proposal.

The external administrator may also be able to go to Court to seek approval.

What happens if I object to the proposal being resolved without a meeting?

If more than 25% in value of creditors responding to the proposal object to the proposal being resolved without a meeting, the proposal will not pass even if the required majority vote yes. The external administrator will also be unable to put the proposal to creditors again without a meeting. You should be aware that if you choose to object, there will be additional costs associated with convening a meeting of creditors or the external administrator seeking the approval of the Court. This cost will normally be paid from the available assets in the external administration.

This is an important power and you should ensure that it is used appropriately.

Where can I get more information?

The Australian Restructuring Insolvency and Turnaround Association (ARITA) provides information to assist creditors with understanding external administrations and insolvency.

This information is available from ARITA's website at arita.com.au/creditors.

ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at asic.gov.au (search for "insolvency information sheets").

**For more information, go to www.arita.com.au/creditors.
Specific queries should be directed to the external administrator's office.**

[Home](#)[> Regulatory resources](#)[> Insolvency](#)[> Insolvency information for directors, employees, creditors and shareholders](#)

Insolvency information for directors, employees, creditors and shareholders

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

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

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

List of information sheets

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

Where can I get more information?

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

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

Last updated: 01/09/2017 10:57