

3 April 2023



Packapigs Pty Ltd (In Liquidation) ACN 107 817 827 ("the Company")

Formerly trading as Hog's Breath Café Cleveland, Hog's Breath Café Joondalup, Hog's Breath Café Airlie Beach, Hog's Breath Café Shellharbour and Hog's Express Burpengary

REPORT TO CREDITORS

I refer to my appointment as Liquidator of the Company on 20 February 2020.

This is the third and final report issued by the Liquidator to:

- provide creditors with an update on the conduct of the liquidation since the last report; and
- seek approval of the Liquidators' remuneration.

Attached at Appendix A is my detailed Remuneration Approval Report on the cost of the liquidation and the tasks I have undertaken which supports my claims for which approval is sought from creditors. I propose that my remuneration and disbursements be approved by way of a proposal without meeting process, which will save time and costs of convening a meeting of creditors. Further information regarding proposals is detailed below. I am unable to pay my remuneration and disbursements without the approval of creditors or the court.

I provide an update in relation to the Liquidation as follows:

1. Investigations and recovery actions

1.1 Unfair Preference Claim

As previously reported, I identified a potential unfair preference claim against the Australian Taxation Office ("ATO") and have pursued recovery of same. The initial offer made by the ATO to settle the claim of \$50,000 was rejected. However, based on further evidence provided by the liquidator, the ATO subsequently offered \$75,000 in full and final settlement of claim of which I have accepted and received the payment in full.

1.2 Insolvent Trading – Director and Holding Company

Since the last report, I have corresponded with the Director and Holding Company (House of Hogs Pty Ltd) with respect to the insolvent trading claim in the vicinity of \$150,000 with respect to the debt incurred and unpaid after the alleged date of insolvency, being 1 July 2019.

Based on enquiries undertaken, it appears unlikely that either the Director or the Holding Company has the capacity to satisfy a demand for insolvent trading.

The merits of any potential insolvent trading claim by a liquidator would need to be considered in light of the financial position of the Director and Holding Company. I also note that the legal costs to undertake an insolvent trading can be substantial, particularly if the claim is defended.

Notwithstanding my comments made above, creditors are invited to contact Starli Smith of my office on Starli.Smith@fticonsulting.com by no later than Friday, 30 April 2023 if you are interested in funding the recovery action or further investigations in the claim.

Additionally, pursuant to Section 588R of the *Corporations Act 2001* ("Act"), creditors are entitled to commence proceedings for an insolvent trading claim in their own right, subject to the consent of the Liquidator.

In the absence of funding, I do not intend to initiate any further action to pursue this claim further and will proceed to pay a dividend to priority creditors of the Company.

1.3 Report to Australian Securities and Investments Commission ("ASIC")

I have submitted my report to ASIC pursuant to Section 533 of the Act. ASIC has previously advised its decision not to commence an investigation into the matters raised and provided the necessary clearance to finalise the liquidation.

2. Dividend to creditors

Priority Creditors

All asset recoveries have been finalised and I am now in a position to pay a first and final dividend to priority creditors. Based on the claims received to date, I anticipate that a dividend to priority creditors at 74 cents in the dollar will be declared and paid, subject to adjudication of claims.

Please find enclosed at Appendix B the Form 548 Notice of Intention to Declare a First and Final Dividend in this regard.

Ordinary Unsecured Creditors

Based on the extent of recoveries in the liquidation, there will be no dividend to ordinary unsecured creditors.

3. Liquidators' remuneration

I advise that FTI Consulting charges professional fees based on time spent by the Liquidator and staff at rates reflecting their level of experience. To date, creditors have approved the Liquidators' fees in the amount of \$89,909.50 (plus GST and disbursements) which has been invoiced and paid in full.

I am now seeking further approval for:

- remuneration of \$53,923.50 in excess of prior approval for the period 16 May 2020 to 31 December 2022 as outlined in my Remuneration Approval Report in Appendix A.
- future remuneration to the conclusion of the liquidation to a capped amount of \$15,000.

This will bring the total cost of the liquidation to \$158,833.00 (plus GST). I note this is higher than my previous estimate of \$89,909.50 (plus GST) due to additional time required in the dividend process and liaising with the ATO and its solicitor with respect to the offer in full and final settlement of claim.

I am seeking approval for my remuneration for undertaking the liquidation by way of proposal, which will save time and costs of convening a creditors' meeting.

There will be no further requests for the approval of remuneration from creditors. Further time costs incurred beyond this amount and to the finalisation of the liquidation will be written off.

4. Participating in the proposal

Under the Act, the Liquidator is able to obtain resolutions of creditors without holding a meeting of creditors, known as a proposal without meeting. An information sheet on "proposals without a meeting" is included at Appendix C.

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, as long as not more than 25% in value objected to the proposal being resolved without a meeting.

To participate in the proposals, please complete and return the following by no later than **Wednesday, 3 May 2023**:

- The “proposal without a meeting” forms included at Appendix D.
- The “proof of debt” form included at Appendix E 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 Starli.Smith@fticonsulting.com or returned via post to my firm’s address, attention to Starli Smith. 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.

5. Summary of receipts and Payments

A summary of the receipts and payments for the Liquidation as at 28 February 2023 is **enclosed** Appendix F.

6. Way forward

I will proceed to finalisation of the liquidation on completion of the following:

- receipt of the required fee approval from creditors and payment of all remuneration incurred; and
- declaration of first and final dividend to priority creditors.

Please note that if I receive a request for a meeting that complies with the guidelines set out in the information provided to you, I will hold a meeting of creditors.

I expect to have completed this liquidation within 3 months.

Should you have any queries, please contact Starli Smith of this office on 08 9321 8533 or by email at Starli.Smith@fticonsulting.com.



Ian Francis

Liquidator


Ian Francis

Liquidator
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Jacquie Sinclair

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EXPERTS WITH IMPACT™





Appendix A

Remuneration Report Approval

3 April 2023



Remuneration Approval Report

Packapigs Pty Ltd
(In Liquidation)
ACN 107 817 827

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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 Packapigs Pty Ltd (In Liquidation) ACN 107 817 827 (the Company).

We are asking creditors to approve the following remuneration:

Liquidation	Remuneration (excl GST) \$
Remuneration in excess of approval for the period 16 May 2020 to 31 December 2022	53,923.50
Remuneration for the period of 1 January 2023 to finalisation of Liquidation	15,000.00
Total remuneration being sought	68,923.50

Creditors have previously approved our remuneration as follows:

Liquidation	Remuneration (excl GST) \$
Remuneration for the period 20 February 2020 to finalisation of Liquidation	50,000.00
Remuneration in excess of approval for the period to 15 May 2020	9,909.50
Remuneration for the period 16 May 2020 to finalisation of Liquidation	30,000.00
Total remuneration previously approved	89,909.50

We estimate that the total cost of this Liquidation will be \$158,833.00. This is our final remuneration approval request. This has increased from our previous estimate because of:

- the additional time undertaken adjudicating on proof of debts for priority claims for the purposes of paying a dividend including review of claim against Company records and writing to creditor in relation to findings.
- pursuing a preference claim against the Australian Taxation Office ("ATO"), reviewing Company books and records, seeking legal advice and settling claim with the ATO.
- additional time spent in dealing with third parties and statutory requirements.

Declaration

We, Ian Charles Francis and Nathan Thomas Kirkham Stubing 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
Work already completed	16 May 2020 to 31 December 2022	53,923.50	As per the attached hourly rates	Immediately
Future work	1 January 2023 to finalisation of Liquidation	15,000.00	As per the attached hourly rates	Immediately
Total remuneration being sought		68,923.50		

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	For	Approving body	Approved amount \$	Amount paid \$
20 February 2020 to Finalisation of Liquidation	Future Work	Creditors	50,000.00	50,000.00
In excess of approval for the period to 15 May 2020	Work Already Completed	Creditors	9,909.50	9,909.50
16 May 2020 to Finalisation of Liquidation	Future Work	Creditors	30,000.00	30,000.00
Total remuneration previously approved			89,909.50	89,909.50

We are now seeking approval of a further \$68,923.50 in remuneration which will bring total remuneration claimed in this Liquidation to \$158,833.00.

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
- estimated future realisations
- estimated remuneration to complete the liquidation
- the estimated total of creditor claims based on the Company's records and claims lodged

We estimate that a dividend of approximately 74 cents in the dollar will be paid to priority creditors in the Liquidation. Please note that this estimate is subject to a range of variables, particularly the future realisations and creditor claims.

Summary of receipts and payments

A summary of the receipts and payments for the Liquidation as at 28 February 2023 is **enclosed** in the accompanying Liquidators' report.

An annual administration return was lodged with ASIC on 12 May 2022 which also provides information on the conduct of the administration.

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 Starli Smith of this office on 08 9321 8533 or by email at starli.smith@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 – FTI Consulting schedule of rates effective 1 April 2019

Schedule E – Explanation where remuneration previously approved

Schedule A – Details of work

Task area/General description	Work already done	Future work
Period	16 May 2020 to 31 December 2022	1 January 2023 to Finalisation of Liquidation
Amount \$ (excl GST)	\$53,923.50	\$15,000.00
Creditors	19.10 hours \$9,245.00	\$5,000.00
Creditor Enquiries, Requests & Directions	■ Responding to creditor enquiries regarding the status of the liquidation and associated potential unfair preference claim	■ Receive and respond to creditor enquiries ■ Compiling information requested by creditors
Creditor reports	■ Preparing Statutory Report by Liquidator ■ Preparing update reports to creditors	■ Finalisation and distribution of Report by Liquidator to all known creditors
Dealing with proofs of debt	■ Receipting and filing creditor Proofs of Debt	■ Receipting and filing POD when not related to a dividend ■ Corresponding with OSR and ATO regarding POD when not related to a dividend
Proposals to Creditors	■ Preparing 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
Employees	18.4 hours \$9,232.50	\$1,000.00
Calculation of entitlements	■ Calculating employee entitlements ■ Reviewing default assessment of SGC ■ Drafting and sending letters to the ATO regarding incorrect assessments ■ Reconciling superannuation accounts	

Remuneration Approval Report

Task area/General description	Work already done	Future work
Employee dividend	■ Reviewing default assessment of SGC ■ Drafting and sending letters to the ATO regarding incorrect assessments ■ Recording and adjudicating ATO POD	■ Calculating dividend rate ■ Preparing dividend file ■ Advertising dividend notice ■ Preparing distribution ■ Receipting POD ■ Adjudicating POD
Investigations	23.5 hours \$11,469.50	\$4,000.00
Conducting investigation	■ Correspondence with ATO regarding the status of a relevant unfair preference claim ■ Review of specific transactions and liaising with directors regarding certain transactions ■ Review and consider ATO preference claim settlement offer ■ Liaise with solicitors regarding preference claim and settlement offer ■ Liaise with solicitors and Director regarding settlement offer of insolvent trading claim ■ Correspondence with ATO and solicitors requesting further information	■ Preparation and distribution of Liquidators' final statutory report
ASIC reporting	■ Preparing statutory investigation reports	■ Preparation and lodgement of s533 report to ASIC
Dividend		\$3,000.00
Processing proofs of debt (POD)		■ Receipt of any further POD's ■ Adjudicating any further POD's
Dividend procedures		■ Preparation of correspondence to creditors advising of intention to declare dividend ■ Advertisement of intention to declare dividend

Remuneration Approval Report

Task area/General description	Work already done	Future work
		■ Obtain clearance from ATO to allow distribution of company's assets ■ Update dividend calculation ■ Preparation of correspondence to creditors announcing declaration of dividend ■ Advertise announcement of dividend ■ Preparation of distribution ■ Preparation of dividend file ■ Preparation of payment vouchers to pay dividend ■ Preparation of correspondence to creditors enclosing payment of dividend
Administration	65 hours \$23,976.50	\$2,000
Correspondence	■ General correspondence with various parties	■ General correspondence with various parties
Document maintenance/file review/checklist	■ Completing periodic liquidation reviews at 6 month intervals ■ Filing of documents ■ File reviews ■ Updating matter checklist	■ Filing of documents ■ File reviews ■ Updating checklists
Funds handling	■ Preparing payment vouchers for disbursements ■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations	■ Entering receipts and payments into accounting system ■ Requesting bank statements ■ Bank account reconciliations ■ Closing accounts
ASIC Forms and lodgements	■ Preparing and lodging ASIC form 5602s. ■ Preparing and lodging proposals and passed resolutions with ASIC.	■ Preparing and lodging ASIC forms including 505, 5602/5603.
ATO and other statutory reporting	■ Preparing quarterly BAS and associated GST receipt vouchers	■ Notification of appointment ■ Preparing BAS ■ Completing STP reporting obligations

Remuneration Approval Report

Task area/General description	Work already done	Future work
Finalisation		■ Notifying ATO of finalisation ■ Cancelling ABN and GST registration ■ Completing checklists ■ Finalising WIP
Planning / Review	■ Discussions regarding status of administration	■ Discussions regarding status of administration
Books and records / storage	■ Dealing with records in storage ■ Sending job files to storage	■ Dealing with records in storage ■ Sending job files to storage

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

Employee	Position	\$ /hour (excl GST)	Total actual hours	Total \$ (excl GST)	Task Area											
					Assets		Creditors		Employees		Investigation		Dividend		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Nathan Stubing	Managing Director	\$ 625	5.60	\$ 3,500.00	0.00	\$ -	0.20	\$ 125.00	0.80	\$ 500.00	2.80	\$ 1,750.00	0.00	\$ -	1.80	\$ 1,125.00
Jacqueline Sinclair	Senior Director	\$ 575	9.40	\$ 5,405.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	1.30	\$ 747.50	0.00	\$ -	8.10	\$ 4,657.50
Jiin Heng Choong	Senior Consultant II	\$ 465	13.80	\$ 6,417.00	0.00	\$ -	3.30	\$ 1,534.50	0.00	\$ -	6.10	\$ 2,836.50	0.00	\$ -	4.40	\$ 2,046.00
Jiin Heng Choong	Director	\$ 515	44.00	\$ 22,660.00	0.00	\$ -	13.30	\$ 6,849.50	15.90	\$ 8,188.50	8.20	\$ 4,223.00	0.00	\$ -	6.60	\$ 3,399.00
Minyoung Park	Consultant I	\$ 335	4.80	\$ 1,608.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	4.80	\$ 1,608.00
Minyoung Park	Consultant II	\$ 375	9.70	\$ 3,637.50	0.00	\$ -	0.00	\$ -	0.00	\$ -	5.10	\$ 1,912.50	0.00	\$ -	4.60	\$ 1,725.00
Andrew Vacca	Consultant I	\$ 335	0.30	\$ 100.50	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.30	\$ 100.50
Georgina Wright	Associate II	\$ 320	0.70	\$ 224.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.70	\$ 224.00
Georgina Wright	Consultant I	\$ 335	1.70	\$ 569.50	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	1.70	\$ 569.50
Michael OSullivan	Associate I	\$ 300	0.10	\$ 30.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.10	\$ 30.00
Olivia Cookson	Associate I	\$ 300	0.40	\$ 120.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.40	\$ 120.00
Starli Smith	Associate I	\$ 300	10.00	\$ 3,000.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	10.00	\$ 3,000.00
Starli Smith	Associate II	\$ 320	7.60	\$ 2,432.00	0.00	\$ -	2.30	\$ 736.00	1.70	\$ 544.00	0.00	\$ -	0.00	\$ -	3.60	\$ 1,152.00
Benjamin Van Heurck	Associate I	\$ 300	1.70	\$ 510.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	1.70	\$ 510.00
Parin Desai	Associate I	\$ 300	7.00	\$ 2,100.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	7.00	\$ 2,100.00
Administration II	Administration II	\$ 205	2.30	\$ 471.50	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	2.30	\$ 471.50
Administration I	Administration I	\$ 165	6.90	\$ 1,138.50	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	6.90	\$ 1,138.50
Total (ex GST)				\$ 53,923.50		\$ -		\$ 9,245.00		\$ 9,232.50		\$ 11,469.50		\$ -		\$ 23,976.50
GST				\$ 5,392.35												
Total (Incl GST)				\$ 59,315.85												
Total hours			126.00		0.00		19.10		18.40		23.50		0.00		65.00	
Avg hourly rate (ex GST)				\$ 427.96		\$ -		\$ 484.03		\$ 501.77		\$ 488.06		\$ -		\$ 368.87

Schedule C – Resolutions

Resolution 1 – Remuneration from 16 May 2020 to 31 December 2022

“That the remuneration of the Liquidators and their staff, for the period from 16 May 2020 to 31 December 2022, calculated at the hours spent at the rates detailed in the Initial Remuneration Notice provided to creditors, is approved for payment in the amount of \$53,923.50, exclusive of GST, to be drawn from available funds immediately or as funds become available.”

Resolution 2 – Remuneration for 1 January 2023 to finalisation of Liquidation

“That the future remuneration of the Liquidators for the period from 1 January 2023 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice provided to creditors, up to a capped amount of \$15,000, exclusive of GST, and that the Liquidators can draw the remuneration from available funds as time is incurred on a monthly basis or as funds become available”.

Schedule D – FTI Consulting schedule of rates effective 1 May 2019

FTI Consulting Standard Rates effective 1 May 2019 (excluding GST)		
Typical classification	All Offices \$/hour	General guide to classifications
Senior Managing Director	695	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	625	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	575	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	515	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	465	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	400	Assists with the planning and control of small to medium administrations. May have the conduct of simpler administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	375	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	335	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	320	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	300	Typically a university undergraduate or graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Junior Associate	195	Undergraduate in the latter stage of their university degree.

FTI Consulting Standard Rates effective 1 May 2019 (excluding GST)		
Typical classification	All Offices \$/hour	General guide to classifications
Administration 2	205	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 or similar skills.
Junior Accountant	155	Undergraduate in the early stage of their university degree.
Administration 1	165	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.

Schedule E - Explanation where remuneration previously approved

Via proposal dated 20 May 2020, creditors approved our prospective remuneration of \$30,000. To date, we have drawn \$30,000 and applied it in payment of our remuneration. Our remuneration has exceeded this cap and in this report we are now seeking approval of a further capped amount of \$68,553.50 to enable us to complete the Liquidation.

Task	Fees already approved as at 12 June 2020 \$	Approval sought for work already done \$	Approval sought for future work \$	Total fees sought per task \$
Creditors	\$ 19,913.00	\$ 9,245.00	\$ 5,000.00	\$ 34,158.00
Employees	\$ 9,793.50	\$ 9,232.50	\$ 1,000.00	\$ 20,026.00
Investigation	\$ 24,557.50	\$ 11,469.50	\$ 4,000.00	\$ 40,027.00
Dividend	\$ 5,000.00	\$ -	\$ 3,000.00	\$ 8,000.00
Administration	\$ 20,083.50	\$ 23,976.50	\$ 2,000.00	\$ 46,060.00
Assets	\$ 7,965.00	\$ -	\$ -	\$ 7,965.00
Trade On	\$ 2,597.00	\$ -	\$ -	\$ 2,597.00
Total (ex GST)	\$ 89,909.50	\$ 53,923.50	\$ 15,000.00	\$ 158,833.00
Total Remuneration previously approved				\$ 89,909.50
Difference (see below table for further breakdown)				\$ 68,923.50

Payment reconciliation

Total remuneration claimed	\$ 158,833.00
Amount paid to date	\$ 89,909.50
Amount Outstanding	\$ 68,923.50

In the below table we compare, on a task basis, the difference between our previous remuneration report and this report, together with explanations for the difference.

Task	Fees already approved as at 12 June 2020 \$	Approval sought for work already done \$	Approval sought for future work \$	Total fees sought per task \$
Creditors	\$ 19,913.00	\$ 9,245.00	\$ 5,000.00	\$ 34,158.00
Employees	\$ 9,793.50	\$ 9,232.50	\$ 1,000.00	\$ 20,026.00
Investigation	\$ 24,557.50	\$ 11,469.50	\$ 4,000.00	\$ 40,027.00
Dividend	\$ 5,000.00	\$ -	\$ 3,000.00	\$ 8,000.00
Administration	\$ 20,083.50	\$ 23,976.50	\$ 2,000.00	\$ 46,060.00
Assets	\$ 7,965.00	\$ -	\$ -	\$ 7,965.00
Trade On	\$ 2,597.00	\$ -	\$ -	\$ 2,597.00
Total (ex GST)	\$ 89,909.50	\$ 53,923.50	\$ 15,000.00	\$ 158,833.00
Total Remuneration previously approved				\$ 89,909.50
Difference (see below table for further breakdown)				\$ 68,923.50

Payment reconciliation

Total remuneration claimed	\$ 158,833.00
Amount paid to date	\$ 89,909.50
Amount Outstanding	\$ 68,923.50

We have provided an explanation of tasks remaining to be completed, including our estimated costs to complete those tasks, to support our current remuneration approval request, in this report and in Schedule A.



Appendix B

Form 548 - Notice of Intention to Declare Dividend

FORM 548

**NOTICE TO CREDITOR OR PERSON CLAIMING TO BE A CREDITOR
OF INTENTION TO DECLARE A FINAL DIVIDEND**

**PACKAPIGS PTY LTD (IN LIQUIDATION) ACN 107 817 827
("THE COMPANY")**

A final dividend is to be declared for priority creditors on 2 June 2023 for the Company.

You are required formally to prove your debt or claim on or before 26 April 2023.

If you do not, I will exclude your claim from participation, and I will proceed to make a final dividend without having regard to it.

Dated this 3rd day of April 2023

A handwritten signature in blue ink, appearing to read 'Ian Francis', with a long horizontal stroke extending to the right.

Ian Francis

Joint and Several Liquidator



Appendix C

ARITA Information Sheet

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.**



Appendix D

Notice of Proposal to Creditors

3 April 2023

NOTICE OF PROPOSAL TO CREDITORS

PACKAPIGS PTY LTD (IN LIQUIDATION)

ACN 107 817 827

("THE COMPANY")

Please complete this document and return with any supporting documents by no later than **Wednesday, 3 May 2023** for your vote to be counted, by email to Starli Smith at starli.smith@fticonsulting.com. If you have any questions, please call Starli Smith of this office on (08) 9321 8533.

Completed forms may also be sent by post attention to Starli Smith at FTI Consulting, PO Box Z5486, St Georges Terrace, PERTH WA 6831, although 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 and their staff, for the period from 16 May 2020 to 31 December 2022, calculated at the hours spent at the rates detailed in the Initial Remuneration Notice provided to creditors, is approved for payment in the amount of \$53,923.50, 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, a dividend will be paid to priority creditors. It is unlikely that a dividend will be paid to unsecured creditors. If I do declare a dividend, any creditor whose claim has not yet been admitted will be contacted and asked to submit a proof of debt.

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:

3 April 2023

NOTICE OF PROPOSAL TO CREDITORS

PACKAPIGS PTY LTD (IN LIQUIDATION)

ACN 107 817 827

("THE COMPANY")

Please complete this document and return with any supporting documents by no later than **Wednesday, 3 May 2023** for your vote to be counted, by email to Starli Smith at starli.smith@fticonsulting.com. If you have any questions, please call Starli Smith of this office on (08) 9321 8533.

Completed forms may also be sent by post attention to Starli Smith at FTI Consulting, PO Box Z5486, St Georges Terrace, PERTH WA 6831, although 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 for the period from 1 January 2023 to finalisation of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and their staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice provided to creditors, up to a capped amount of \$15,000, exclusive of GST, and that the Liquidators can draw the remuneration from available funds as time is incurred on a monthly basis 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, a dividend will be paid to priority creditors. It is unlikely that a dividend will be paid to unsecured creditors. If I do declare a dividend, any creditor whose claim has not yet been admitted will be contacted and asked to submit a proof of debt.

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:

3 April 2023

NOTICE OF PROPOSAL TO CREDITORS

PACKAPIGS PTY LTD (IN LIQUIDATION)

ACN 107 817 827

("THE COMPANY")

Please complete this document and return with any supporting documents by no later than **Wednesday, 3 May 2023** for your vote to be counted, by email to Starli Smith at starli.smith@fticonsulting.com. If you have any questions, please call Starli Smith of this office on (08) 9321 8533.

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

Proposal for creditor approval

"That the creditors direct the Liquidator to apply to ASIC when appropriate or upon finalisation of the liquidation for consent to destroy books within the retention period in accordance with IPS 70-35."

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 allow records to be destroyed upon finalisation of the liquidation, with ASIC consent. Liquidators are otherwise required to maintain all books for 5 years which represents a significant cost to the liquidation. By passing the proposal, and subject to ASIC's consent, much of this cost can be avoided. The Liquidator will still retain information, and notably financial information, required to be retained for certain periods under other laws, e.g. taxation laws.

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:



Appendix E

Form 535 - Formal Proof of Debt

FORM 535 – FORMAL PROOF OF DEBT OR CLAIM

PACKAPIGS PTY LTD ACN 107 817 827

(IN LIQUIDATION)

("THE COMPANY")

To the Joint and Several Liquidators of Packapigs Pty Ltd ACN 107 817 827 (in Liquidation) ("the Company")

1. This is to state that the Company was on 20 February 2020 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	Amount (\$/c)	Remarks
	(state how the debt arose)		(include details of voucher substantiating payment)

2. To my knowledge or belief, the creditor has not, nor has any person by the creditor's order, had or received any 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
------	--------	----------	---------------	----------

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:		

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

- a) Is the debt you are claiming assigned to you? ☐ Yes ☐ No
- b) If yes, attach written evidence of the debt, the assignment and consideration given. ☐ Attached
- c) If yes, what value of consideration did you give for the assignment (e.g., what amount did you pay for the debt?) \$
- d) If yes, are you a related party creditor of the Company? ☐ Yes ☐ No
(If you are unsure contact the Liquidators)



Appendix F

Receipts and Payments Summary

Packapigs Pty Ltd (in Liquidation)

Summary of receipts and payments for the period 20 February 2020 to 28 February 2023

Receipts	\$
Sales	4,536.78
Pre-Appointment Accounts Receivable	10,000.00
Cash on Hand	478.76
GST Received	7,804.02
Insurance Refund	10,071.37
Plant and Equipment	25,100.00
Legal Recoveries	75,000.00
Sale of Business	72,000.00
Stock on Hand	24,502.27
Subsidy	20,000.00
Total Receipts	\$249,493.20
Payments	
Insurance	1,653.98
Payroll Tax	174.71
Sundry Expenses	715.00
Wages and Salaries	3,678.23
Disbursements	1,078.10
Bank Charges	148.00
Liquidators Fees	96,718.60
Legal Fees	15,447.63
Priority Creditor Claims	1,750.00
Petitioning Creditor Costs	7,478.00
Secured Creditor Claims	25,073.54
Total Payments	\$153,915.79
Net Receipts	\$95,577.41