



The Western Australian Club (Inc.) (In Liquidation)

ABN 52 785 072 589

Update Report to Creditors

Liquidators' Update Report

Liquidators:

Daniel Woodhouse and Ian Francis

Contacts for general queries about this report:

Name: Andrew Clowes
Position: Director
Phone: +61 8 9321 8533
E-mail: andrew.clowes@fticonsulting.com

FTI Consulting (Australia) Pty Limited
ABN 49 160 397 811

Level 47, Central Park
152-158 St Georges Terrace
Perth WA 6000

www.fticonsulting.com

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Purpose of this Report

- The purpose of this report is to provide creditors with an update on the liquidation.
- On 26 July 2018, Ian Francis and I were appointed joint and several Administrators of The Western Australian Club (Inc.) (In Liquidation) (“**Club**”). Subsequently, at a meeting of creditors held pursuant to Section 439A of the Corporations Act 2001 (“**Act**”), we were appointed Liquidators of the Club on 31 August 2018.
- This report contains details about the conduct of the liquidation, the estimated return to creditors and details of the Liquidators’ remuneration.
- We are seeking approval of our remuneration from creditors by way of proposal without a meeting in the amount of \$45,000 (excluding GST). The total cost of the liquidation will exceed this amount. However, the Liquidators do not anticipate seeking any further remuneration in the liquidation.

Details and Forms for the resolution via proposal

- The Liquidators remuneration approval request report is provided in **Appendix A**. The Liquidators are seeking approval for their remuneration via a proposal without a meeting. An information sheet for creditors together with the proposal form is enclosed as **Appendix B and C** respectively.

Questions and Help

- If you have any questions, please contact Andrew Clowes on +61 8 9321 8533 or via email at andrew.clowes@fticonsulting.com.



Daniel Woodhouse

Joint and Several Liquidator

Update on the Progress of the Liquidation

1. Administrators' and Liquidators' Reports

- I refer to the following reports issued by the Administrators and Liquidators:
 - Administrators' report pursuant to 75-225 of the Insolvency Practice Rules (Corporations) 2016 ("IPR"), dated 24 August 2018 ("Administrators' Report"); and
 - Liquidators' Statutory Report pursuant to 70-40(2) of the IPR, dated 30 November 2018 ("Statutory Report").
 (collectively "our Previous Reports")
- This report should be read in conjunction with our Previous Reports.

2. Club's Operations

2.1 Operations

- The Club was incorporated in 1895 and at the date of appointment, operated from the leased premises at Level 11, 12 St Georges Terrace, Perth WA 6000. The Club operated a full bar and restaurant open to men and women for the primary purpose of providing exclusive interaction, enjoyment and comfort of members and their guests.

2.2 Trading during the Administration

- As previously advised, the Administrators continued to trade during the Voluntary Administration, as restructuring options were explored: these restructuring alternatives included membership donations and a third party operating the Club's restaurant and bar under license.
- Ultimately, the Club continued to make losses and, with no viable restructuring alternative, we had no choice but to cease operations on 29 August 2018.
- Please refer to the Statutory Report for further details on the outcome from trading.

3. Realisation of Assets

3.1 Equipment, Stock and Other Assets

- The Liquidators engaged Pickles Auctions to hold an orderly sale of the Club's remaining equipment, stock and other assets at its premises.
- Given liquor licence restrictions and historical significance of some of the Club's assets, a silent auction, exclusive to members of the Club, was conducted on site generating proceeds of \$17,031.02 net of auction costs (including GST).

3.2 Historical Items

- A number of historical documents were identified during the course of the liquidation. While these documents had no commercial value, the Liquidators were aware of the historical significance to Western Australia.
- As a result, and in the interests of preserving these historically significant documents, we contacted the Battye Library of Western Australia ("Battye Library"). Representatives of the Battye Library attend the Club and took custody of these historically significant records.

4. Liabilities

4.1 Employees (Priority Creditors)

- Employees were made redundant on 29 August 2018, when the Club's operations closed.
- Employees were referred to the Fair Entitlements Guarantee Scheme ("FEG") administered by the Federal Government in order to lodge a claim for their outstanding entitlements. FEG has paid the following amounts to employees:

Entitlement	(\$)
Wages	15,065.99
Annual Leave	16,005.67
Long Service Leave	9,111.68
Payment In Lieu of Notice	4,519.06
Total	44,702.40

Update on the Progress of the Liquidation

4. Liabilities

4.1 Employees (Priority Creditors)

- Employees' superannuation is not covered by FEG and remains outstanding in the amount of \$19,417 (excluding statutory interest and administrative charges).

4.2 Secured Creditors

- The Club had provided security over specific assets to the following two secured creditors:
 - Suncorp Metway Advances Corporation Pty Ltd: Purchase Money Security Interest ("PMSI") over the Club's kitchen equipment. Pickles valued the kitchen equipment and advised that there was no equity in the equipment. As a result, it was disclaimed.
 - Liquid Mix (WA) Pty Ltd: PMSI over certain beverage stock supplied to the Club. The stock subject to the PMSI was returned to Liquid Mix.

4.3 Unsecured Creditors

- The Club's records show there are approximately 50 unsecured creditors with claims totalling \$882,552.
- We note that some members may have an unsecured claim against the Club for pre-paid membership fees and unused minimum monthly spend entitlements. However, as there will not be a dividend paid to any class of creditor (section 6), we have not adjudicated any unsecured creditor claims.

5. Investigations

- The Liquidators are required to investigate and specify whether there may be any voidable transactions with respect to which money, property or other benefits may be recoverable by the Liquidators.

5.1 Unfair Preference Payments

- The Liquidators identified unfair preferential payments totalling \$36,125, which were paid to the ATO. The Liquidators recovered these payments. No further preference payment claims were identified.

5.2 Insolvent Trading

- Based on our investigations, the Club may have been insolvent from 1 July 2017: this is the date that the formal rent relief period came to an end.
- However, we believe the Executive Committee has a reasonable defence to insolvent trading, as the Landlord continued to provide informal forbearance for FY18, whilst reserving its rights to enforce in respect to the rental arrears.
- After continued non-payment of rent, the Landlord issued a final demand for all outstanding rent on 22 June 2018. As a result, the Executive Committee immediately appointed Voluntary Administrators.
- If a Court ruled that the Club was insolvent from 1 July 2017, we estimate an insolvent trading claim would be approximately \$185,000. However, as stated above, we believe the Executive Committee has a reasonable defence given the Landlord's ongoing support. Accordingly, we think any claim would be unlikely to succeed and do not consider a claim would result in a return to creditors.

5.3 Report pursuant to Section 533 of the Act

- The Liquidators have lodged their report pursuant to Section 533 of the Act to the Department of Mines, Industry Regulation and Safety ("DMIRS"). The report details our investigations into the affairs of the Club with respect to reasons for its failure, assets and liabilities, and potential contraventions of the Act committed by the Executive Committee of the Club.
- Our report concluded that the Executive Committee did not appear to have breached any sections of the Act, with the exception of potentially trading⁴ whilst insolvent pursuant to Section 588G of the Act. We have not identified any additional potential claims requiring further investigation.

Estimated Return to Creditors

6. Estimated Return to Creditors

- Given the limited realisations and voidable transactions identified in the liquidation, no return is anticipated to any class of creditor.

7. Receipts and Payments

- Adjacent is a summary of the Liquidators' receipts and payments since their appointment.
- As shown adjacent, there is remaining cash at bank of \$38,017.66 in the liquidation. The Liquidators are seeking approval from creditors to apply these funds to their time costs incurred during the conduct of the liquidation (please refer overleaf for further details).

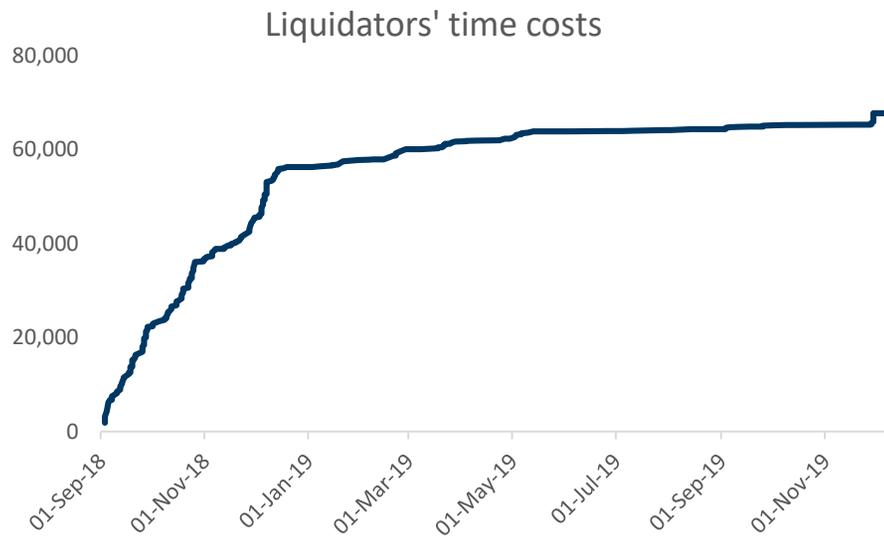
Statement of Receipts and Payments for the liquidation period	
To 28 June 2020	(\$) (inc GST)
Receipts	
Transfer from Administrator	56,163.93
Trading Receipts	33,213.52
PP&E and Stock Proceeds	20,371.93
Unfair Preference Recovery	36,125.00
Member Donations	10,000.00
Total Receipts	155,874.38
Payments	
Bank Charges	(418.00)
Administration/Liquidator fees	(76,978.82)
Liquidator disbursements	(2,619.73)
Employee Wages, Entitlements and Superannuation	(9,166.11)
Trade Suppliers & Subscription fees	(8,536.93)
GST and PAYGW	(10,478.10)
Insurance	(2,879.60)
Legal Fees	(3,438.52)
Auctioneer Costs & Disbursements	(3,340.91)
Total Payments	(117,856.72)
Cash at bank held by Liquidator	38,017.66

Liquidators' Remuneration

8. Liquidators' Remuneration

8.1 Liquidators' Time Costs

- Below I provide the total costs incurred in the liquidation on a time basis. A total of \$75,638.50 (excluding GST) has been incurred up to 28 June 2020, with the majority (\$56,214.50) being incurred up to 31 December 2018 (1 month after the Liquidators issued their statutory report to creditors on the progress of the liquidation).



8.2 Remuneration Approval Sought

- The Liquidators have been paid remuneration capped at \$20,000 (excluding GST) to date, approved by creditors at the conclusion of the Voluntary Administration. This amount was an interim capped amount only and the ability to draw further remuneration would be subject to further realisations being made in the liquidation and creditor approval.

8.2 Remuneration Approval Sought

- The Liquidators are seeking remuneration additional approval of \$45,000: that is, \$65,000 for the liquidation in total. Our initial remuneration request has increased, as we were required to spend additional time:
 - dealing with the Batty Library in relation to the historical artefacts. This involved a number of meetings and other correspondence with Batty Library representatives and arranging collection.
 - undertaking the asset sale program, given the liquor licencing restrictions and the sensitive nature of the assets.
 - finalising the ATO preference recovery, including quantifying and negotiating the ultimate claim.
 - attending to additional member and creditor questions: a volume that was not anticipated.
- The total costs incurred to finalise this matter will exceed this amount, however, we propose to cap the remuneration at this amount.
- Enclosed in **Appendix A** is a remuneration approval request. Approval for the Liquidators' remuneration is sought by way of resolution via a proposal meeting. The proposal form is enclosed as **Appendix C**. If you have any questions in relation to completing the proposal form, please contact Andrew Clowes on +61 8 6430 1342, or andrew.clowes@fticonsulting.com.

9. Finalisation

9.1 Conduct of the Liquidation

- We have now completed all work in relation to the Club's liquidation. Subject to receiving final remuneration approval, we will proceed to the finalise the liquidation.
- This will include, among other things, notifying the relevant statutory bodies, closing the Club's accounts and requesting that the Department of Mines, Industry Regulation and Safety deregister the Club.



Appendix A

Remuneration Approval Report

2 JULY 2020

REMUNERATION APPROVAL REPORT

THE WESTERN AUSTRALIAN CLUB (INC)
(IN LIQUIDATION)

Introduction

Information included in report

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 and the cost of our internal disbursements for undertaking the liquidation of The Western Australian Club (Inc) (In Liquidation) ABN 52 785 072 589.

This report has the following information included:

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Part 1: Declaration

Ian Francis and I, Daniel Woodhouse, of FTI Consulting have undertaken a proper assessment of the claims for remuneration and for the appointment as Liquidators of The Western Australian Club (Inc) (In Liquidation) ABN 52 785 072 589 in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of this appointment.

Part 2: Executive Summary

Remuneration

I currently estimate the total remuneration for this appointment for the period 31 August 2018 to the finalisation of the liquidation to be \$65,000 plus GST. Creditors have previously approved remuneration of \$20,000 (excluding GST) which was an interim approval cap only. Further remuneration approval would be subject to final costs of the liquidation and adequate realisations to pay that remuneration.

Remuneration claimed is summarised below in Table 1 below:

Table 1: Current claim for remuneration

Period	Report Reference	Amount (excl GST) \$
Previously Approved		
1 September 2018 to 27 September 2018 (inclusive)		20,000.00
Remuneration Approval Sought		
28 September 2018 to finalisation of the Liquidation (inclusive)		45,000.00
Total		65,000.00

Part 3: Remuneration

Remuneration claim resolutions

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

Resolution 1: Remuneration from 28 September 2018 to finalisation of the liquidation (inclusive)

The remuneration of the Liquidators of The Western Australian Club (Inc) ABN 52 785 072 589 (In Liquidation) for the period 28 September 2018 to finalisation of the liquidation (inclusive) be calculated on a time basis at the hourly rates set out in the Schedules of FTI Consulting Standard Rates effective 1 March 2017, and is determined and approved for payment in the amount of \$45,000.00 plus GST and disbursements and the Liquidators can draw the remuneration.

Total Liquidation Remuneration: Time costs

The table over leaf sets out time charged to each major task area by staff members for the duration of the liquidation for the commencement of the liquidation to 28 June 2020 (inclusive). The total time costs are \$75,638.50 and will exceed this to the conclusion of the liquidation. More detailed descriptions of the tasks performed within each task area are contained in Schedule 1.

The Liquidators propose to cap their remuneration up to the completion of the liquidation to \$65,000 which incorporates previously approved and paid remuneration of \$20,000, plus Resolution 1 claim of \$45,000.

Time charged to each major task area

Employee	Position	Rate/hour excl GST \$	Total actual hours	Total (excl GST) \$	Task Area											
					Assets		Creditors		Employees		Trade On		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Daniel Woodhouse	Managing Director	580.00	8.1	4,698.00	0.8	464.00	3.1	1,798.00	0.0	-	0.0	-	0.0	-	4.2	2,436.00
Jacqueline Sinclair	Senior Director	570.00	0.3	171.00	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	0.3	171.00
Andrew Clowes	Director	510.00	8.8	4,488.00	0.0	-	7.6	3,876.00	0.0	-	0.0	-	0.0	-	1.2	612.00
Andrew Clowes	Director	440.00	50.8	22,352.00	17.7	7,788.00	10.4	4,576.00	0.6	264.00	0.0	-	13.3	5,852.00	8.8	3,872.00
Damon Brankstone	Consultant II	315.00	5.0	1,575.00	1.0	315.00	1.5	472.50	0.0	-	0.0	-	0.0	-	2.5	787.50
Damon Brankstone	Consultant I	280.00	130.6	36,568.00	20.1	5,628.00	27.6	7,728.00	22.8	6,384.00	5.5	1,540.00	1.6	448.00	53.0	14,840.00
Minyoung Park	Associate II	280.00	2.8	784.00	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	2.8	784.00
Georgina Wright	Associate I	260.00	5.3	1,378.00	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	5.3	1,378.00
Loice Taderera	Associate I	260.00	4.5	1,170.00	0.0	-	0.5	130.00	0.0	-	0.5	130.00	3.0	780.00	0.5	130.00
Claire Rees	Administration II	185.00	0.7	129.50	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	0.7	129.50
Abbie Kozlowska	Junior Accountant	155.00	3.2	496.00	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	3.2	496.00
Selina Naylor	Administration I	155.00	11.2	1,736.00	0.0	-	0.0	-	0.3	46.50	0.0	-	0.0	-	10.9	1,689.50
Talia Glover	Executive Assistant	155.00	0.6	93.00	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	0.6	93.00
Total Remuneration (excluding GST)			231.9	75,638.50	39.6	14,195.00	50.7	18,580.50	23.7	6,694.50	6.0	1,670.00	17.9	7,080.00	94.0	27,418.50
Less Approved and Drawn Remuneration (excluding GST)				(20,000.00)												
Total Unpaid Remuneration (excluding GST)				55,638.50												
Average hourly rate (excluding GST)				326.17		358.46		366.48		282.47		278.33		395.53		291.69

Total remuneration reconciliation

At this point in time, the total time costs incurred for the liquidation is \$75,638.50 plus GST and will likely exceed this amount to the conclusion of the liquidation. However, the Liquidators' propose to cap their remuneration to the conclusion of the liquidation in the amount of \$65,000.00 plus GST.

Likely impact on dividends

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

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

There are not expected to be sufficient funds to pay a dividend to any class of creditors.

Part 4: Disbursements

Explanatory note on disbursements

Disbursements are divided into three types:

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

Internal disbursements not charged at cost must be approved by creditors before we can draw the cost of those disbursements from this external administration. No approval for internal disbursements are sought from creditors in this remuneration claim.

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

Remuneration recovered from external sources

No remuneration has been recovered from external sources during the liquidation.

Part 5: Summary of Receipts and Payments

A summary of receipts and payments to and from the bank account for the liquidation from 1 September 2018 to 28 June 2020 is included in the Liquidators' update report enclosed with this remuneration report.

Part 6: Queries

If you have any queries or require any further information concerning our claim for remuneration please contact Loice Taderera on +61.8 9321 8533 or via email on lo.taderera@fticonsulting.com.

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 "insolvency information sheets").



Daniel Woodhouse

Joint & Several Liquidator



Loice Taderera
(08) 9321 8533
Lo.Taderera@fticonsulting.com

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EXPERTS WITH IMPACT™

About FTI Consulting

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

Schedule 1: Table of major tasks for resolution 1 remuneration approval

The table below provides a description of the work undertaken in each major task area for the commencement of the liquidation to 28 June 2020 (inclusive) which is the basis for resolution 1 remuneration approval sought.

Work undertaken for the period 31 August 2018 to 28 June 2020 (inclusive)

Task Area	General Description	Includes
Assets 39.6 Hours \$14,195.00	Inventory, Stock and PP&E	<ul style="list-style-type: none"> ▪ Secure assets and premises post ceasing to trade ▪ Engaging valuers and auctioneers to provide options as to the realisation of stock ▪ Liaising with interest parties regarding the sale of all or large majority of stock on hand ▪ Engage with interested parties and auctioneers regarding sale of the Club's equipment ▪ Assess Liquid Mix stock subject to Purchase Money Security Interest and facilitate return of stock
	Accounts Receivable	<ul style="list-style-type: none"> ▪ Seek to realise the outstanding accounts receivable ▪ Invoice and recover payment of outstanding membership fees
	Historical Items	<ul style="list-style-type: none"> ▪ Identify and review historical artefacts with no commercial value ▪ Review Club's storage unit for additional assets and artefacts ▪ Take control of Club's time capsule ▪ Liaise with the Batty Library in relation to items of historical significance
	Cash and bank accounts	<ul style="list-style-type: none"> ▪ Reconciliation and realisation of cash on hand from pre-appointment bank account
Creditors 50.7 Hours \$18,580.50	Creditor enquiries	<ul style="list-style-type: none"> ▪ Receiving creditor enquiries ▪ Maintaining register of creditor enquiries ▪ Responding to creditor enquiries by telephone and email
	Second Creditor Meetings	<ul style="list-style-type: none"> ▪ Preparing minutes for the second meeting of creditors ▪ Finalising minutes of the meeting ▪ Corresponding with creditors regarding any queries raised at the second meeting of creditors
	Creditor reports & circulars	<ul style="list-style-type: none"> ▪ Statutory report to creditors ▪ Liaise with creditors regarding substantiation of claims

Task Area	General Description	Includes
		<ul style="list-style-type: none"> ▪ Preparing update report to creditors
	Processing proofs of debt (PODs) not relating to a dividend	<ul style="list-style-type: none"> ▪ Issuing, receiving and filing PODs ▪ Adjudication on PODs ▪ Maintaining POD register
Employees 23.7 Hours \$6,694.50	Employee enquiries	<ul style="list-style-type: none"> ▪ Receiving employee enquiries ▪ Providing information about the liquidation process to employees ▪ Responding to employee enquiries by telephone, and email ▪ Communications with employees concerning the liquidation
	Fair Entitlements Guarantee	<ul style="list-style-type: none"> ▪ Corresponding with employees regarding submitting FEG claims ▪ Communicating with the Department of Employment regarding calculation of FEG claims ▪ Liaising with employees regarding any supporting documentation required for FEG claims ▪ Investigating discrepancies
Trade On 6 Hours \$1,670.00	Trade On Management	<ul style="list-style-type: none"> ▪ Finalisation of trading of the Club's activities ▪ Preparation and authorisation of payment of final wage run, superannuation and leave entitlements accrued during the administration ▪ Securing and cleaning Club's premises of all perishable items ▪ Finalise trading outcome during the administration
	Processing receipts and payments	<ul style="list-style-type: none"> ▪ Accounting procedures including entry of payments and receipts
Investigations 17.9 Hours \$7,080.00	Conducting investigation	<ul style="list-style-type: none"> ▪ Finalising review of company books and records; ▪ Preparing comparative financial statements, review specific transaction ▪ Analysis on the estimated date of insolvency and estimated quantum of insolvent trading claim ▪ Investigating liquidator recoveries (e.g. preference payments) ▪ Collate supporting documentation in respect to claims ▪ Ongoing review of bank account transactions

Task Area	General Description	Includes
	Unfair Preference Claim	<ul style="list-style-type: none"> ▪ Review of information supplied from the ATO under the freedom of information act ▪ Prepare demand for unfair preference claim including all relevant annexures ▪ Compile evidence of date of insolvency for the purposes of the claim ▪ Pursue and negotiate settlement of unfair preference claim with the ATO
	DMIRS reporting	<ul style="list-style-type: none"> ▪ Preparing report to DMIRS pursuant to Section 533 of the Act
Administration 94 Hours \$27,418.50	Bank accounts	<ul style="list-style-type: none"> ▪ Procuring and reviewing bank account statements ▪ Ongoing bank account reconciliations
	Planning review	<ul style="list-style-type: none"> ▪ Internal meetings concerning the status of the administration and ongoing strategic direction
	General correspondence & word processing	<ul style="list-style-type: none"> ▪ Word processing including correspondence and file notes ▪ Preparing of file notes on internal updates /strategy planning
	File review/checklist/document maintenance	<ul style="list-style-type: none"> ▪ Updating matter checklist ▪ Administration review ▪ Document filing and maintenance
	ATO lodgements	<ul style="list-style-type: none"> ▪ Preparing and submitting BAS statements ▪ Preparing and submitting annual PAYG report to the ATO ▪ Preparing any income tax returns required by the ATO
	Finalisation	<ul style="list-style-type: none"> ▪ Preparing a final report to creditors ▪ Cancelling ABN/GST/PAYG registrations ▪ Completing finalisation statutory lodgements ▪ Completing checklists
	Storage of books and records	<ul style="list-style-type: none"> ▪ Organising and storage of book and records ▪ Storage of remaining historical artefacts

Schedule 2: FTI Consulting Schedule of Rates

FTI Consulting Standard Rates effective 1 March 2017 (excluding GST)		
Typical classification	All Offices \$/hour	General guide to classifications
Senior Managing Director	625	Registered/Official 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	580	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/Official Liquidator and/or Trustee. Alternatively, has extensive leadership/senior management experience in business or industry.
Senior Director	570	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/Official 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	510	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	440	Typically an ARITA 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	380	Assists with the planning and control of small to medium administrations. May have the conduct of minor administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	360	Typically ICAA qualified (or similar). Required to control the tasks on small administrations and is responsible for assisting with tasks on medium to large administrations.
Consultant 1	315	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	280	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	260	Typically a university undergraduate or graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Junior Associate	185	Undergraduate in the latter stage of their university degree.
Administration 2	185	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	155	Has appropriate skills and experience to support professional staff in an administrative capacity.



Appendix B Information Sheet: Proposals without Meetings

Information sheet: Proposals without meetings

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

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

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

What is a proposal without a meeting?

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

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

What types of proposals can be put to creditors?

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

What information must the notice contain?

The notice must:

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

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

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

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

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

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

You can choose to vote yes, no or object to the proposal being resolved without a meeting.

How is a resolution passed?

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

What happens if the proposal doesn't pass?

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

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

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

If more than 25% in value of creditors responding to the proposal object to the proposal being resolved without a meeting, the proposal will not pass even if the required majority vote yes. The external administrator will also be unable to put the proposal to creditors again without a meeting.

You should be aware that if you choose to object, there will be additional costs associated with convening a meeting of creditors or the external administrator seeking the approval of the Court. This cost will normally be paid from the available assets in the external administration.

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

Where can I get more information?

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

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

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



Appendix C

Notice of Proposal to Creditors

2 July 2020

**NOTICE OF PROPOSAL TO CREDITORS
THE WESTERN AUSTRALIAN CLUB (INC.)
(IN LIQUIDATION) ("THE CLUB")
ABN 52 785 072 589**

For your vote to be counted, please complete this document and return with any supporting documents by no later than **5:00 PM WST on Friday, 24 July 2020** to Loice Taderera at lo.taderera@fticonsulting.com. If you have any questions, please call Loice Taderera on (08) 9321 8533.

Completed forms may also be sent by post attention to Loice 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

"The remuneration of the Liquidators of The Western Australian Club (Inc) (In Liquidation) ABN 52 785 072 589 for the period from 28 September 2018 to the conclusion of the Liquidation (inclusive) be calculated on a time basis at the hourly rates set out in the schedule of FTI Consulting Standard Rates effective 1 March 2017, and is determined and approved for payment in the amount of \$45,000 plus GST, and the Liquidators can draw the remuneration."

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 Liquidators are to be paid in priority to other claims under the Corporations Act. This ensures that when there are sufficient funds, the Liquidators receive payment for the work done to recover assets, investigate the Club'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.

The remuneration sought is the final matter regarding the liquidation, after which the Liquidators will proceed with the finalisation of the Club. Insufficient funds were realised in the liquidation in order to enable a dividend to any class of creditor.

My remuneration approval report, which has been provided with my final report to creditors, 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 Club must be admitted for the purposes of voting by the Liquidators 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 Club.
- I am a related creditor of the Club, relationship: _____

Address: _____

Name of creditor / authorised person: _____

Signature: _____ Date: _____



Appendix D

Formal Proof of Debt or Claim

FORM 535 – FORMAL PROOF OF DEBT OR CLAIM

Subregulation 5.6.49(2)
Corporations Act 2001

THE WESTERN AUSTRALIAN CLUB (INC) ABN 52 785 072 589

To the Liquidator of The Western Australian Club (Inc) **ABN 52 785 072 589 (In Liquidation) ("Club")**

1. This is to state that the Company was on 31 August 2018, 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 <i>(state how the debt arose)</i>	Amount (\$/c)	Remarks <i>(include details of voucher substantiating payment)</i>
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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?	<input type="checkbox"/>	<input type="checkbox"/>
Email:.....		