

Report to Creditors 3 May 2017

Animal Supplies (Wholesale) Pty Ltd
ACN 058 258 870

AS Consolidated Pty Limited
ACN 167 361 604

ACN 094 221 913 Pty Ltd (formerly known as Pet Brands Connect Pty Ltd)
ACN 094 221 913

Australian Supply and Distribution Solutions Pty Ltd
ACN 167 361 775

(All In Liquidation)

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Contents

1	Executive summary	3
2	Investigations	4
3	Returns to creditors	7
4	Remuneration	8
5	Completion	11
6	Receipts and payments	11
7	Meeting of creditors	11

Appendix A – Form 529 Notice of Meeting

Appendix B – Remuneration Report dated 26 April 2017

Appendix C – Summary of receipts and payments

Appendix D – Form 532 Appointment of Proxy

Appendix E – Form 535 Formal Proof of Debt of Claim

About Deloitte

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1 Executive summary

1.1 Appointment

On 14 April 2016, we, David Lombe and Vaughan Strawbridge, were appointed Joint and Several Administrators of Animal Supplies (Wholesale) Pty Ltd (**ASW**), AS Consolidated Pty Ltd (**ASC**), Australian Supply and Distribution Solutions Pty Ltd (**ASDS**) and ACN 094 221 913 Pty Ltd (formerly known as Pet Brands Connect Pty Ltd) (**PBC**) pursuant to section 436A of the Corporations Act 2001 (**Act**) (collectively the **Group**, or the **Companies**). We were subsequently appointed Joint and Several Liquidators of the Companies on 20 May 2016.

1.2 Purpose of this report

This report has been prepared to provide an update to creditors in relation to the liquidation of the respective companies, which includes the following:

- The investigations undertaken by the Liquidators;
- The estimated returns to each class of creditor in each company;
- The matters which remain outstanding in each liquidation;
- Details of current and prospective remuneration of the Liquidators (approval of the remuneration will be sought at the meeting); and
- The estimated timeframe for completion of the respective liquidations.

This report should be read in conjunction with our report under section 439A of the Act dated 13 May 2016 (**439A Report**). A copy of this report and the 439A Report is available on our website at the following address: www.deloitte.com/au/animal-supplies.

1.3 Investigations, offences and voidable transactions

The Liquidators have lodged reports with the Australian Securities & Investments Commission (**ASIC**) pursuant to Section 533(1) of the Act.

The Liquidators are pursuing the recovery of several unfair preference payments to creditors under section 588FA of the Act. Some of these claims have been settled, with the majority to be finalised in the coming months.

The Liquidators have finalised their assessment of the potential insolvent trading claim against the directors, and further information on this is provided in section 2.4 below.

1.4 Estimated returns to creditors

The Liquidators estimate that distributions will be made to the following classes of creditors in the Group:

Estimated returns (cents in the dollar)	ASW	ASC	ASDS	PBC
Priority (employee) creditors				
Wages and Superannuation	100	N/A	100	100
Leave entitlements	100	N/A	100	100
Redundancy and PILN	100	N/A	64	100
Unsecured creditors	11	-	nil	35

Please note the amounts shown in the above tables are only estimates, and may be subject to change. The Liquidators intend to declare a dividend for PBC and ASW in the coming months, following the resolution of the potential insolvent trading claim against the directors.

1.5 Liquidators' remuneration

At the forthcoming meeting of creditors, resolutions will be proposed for the approval of the Liquidators' current and future professional fees in the winding up of ASDS and PBC. The Liquidators will not seek fee approval in the winding up of ASW or ASC at this time (refer section 4).

1.6 Meeting of creditors

A concurrent meeting of creditors of the Companies has been convened to be held:

Date and Time: Thursday, 25 May 2017 at 11:00am (AEST)

Location: The offices of Deloitte Touche Tohmatsu
Level 9, Grosvenor Place, 225 George Street, Sydney NSW 2000

1.7 Completion

The winding up of the Group is expected to be completed by December 2017. The remaining key tasks to be completed include the finalisation of unfair preference claims, potential insolvent trading claims, payment of priority distributions (ASW, ASDS, PBC only) and payment of unsecured creditor distributions (ASW and PBC only).

2 Investigations

2.1 Reports to ASIC

The Liquidators have lodged their initial report to ASIC pursuant to Section 533(1) of the Act on 25 October 2016 in relation to each of the Companies. ASIC subsequently responded on 26 October 2016 stating that they had decided not to commence investigations into the matters raised by the Liquidators in ASC, ASDS and PBC. However, ASIC has requested the Liquidators submit a supplementary report pursuant to section 533(2) of the Act in respect to ASW. The Liquidators are continuing to prepare this report, and intend to lodge the same with ASIC in the coming months.

2.2 Unfair preference claims

The Liquidators are continuing to progress claims in respect to unfair preference payments. The table below summarises the current status of the claims:

	ASW	ASDS	PBC
Unfair preference claims	4,640,410	486,420	223,775
Settlements negotiated	650,426	-	150,000
Remaining unfair preference claims being pursued	3,989,984	486,420	73,775
Estimated future unfair preference recoveries	747,298	97,284	44,755

2.3 Unreasonable director-related transactions

The Liquidators are continuing to progress claims against the former director of the ASW, Mr Barry Garforth for repayment of \$40,000 in loans, and Zanplea Pty Ltd for repayment of \$58,000 in loans. It is the Liquidators' opinion that repayment of these loans constitutes an unreasonable director-relates transaction under section 588FDA of the Act. Any settlement of these claims may be made in relation to the settlement of insolvent trading claims against the directors detailed below.

2.4 Insolvent trading

In our 439A Report, we advised it appeared the Companies were trading whilst insolvent from at least October 2015. The Liquidators have undertaken further investigations into insolvent trading, and no circumstances have arisen to materially alter this position. We undertook further investigations into the solvency ASW in respect to unfair preference recoveries, and we have concluded that entity may have been insolvent from as early as July 2015.

2.4.1 Directors' position

We have undertaken an assessment of the commerciality of pursuing an insolvent trading claim against the directors of the Group, being Mr Brad Moore, Mr Richard Garforth, Mrs Christine Garforth and Mrs Susan McNamara (**Directors**). The Directors have provided the Liquidators with a statement of their personal asset and liability positions. Based on our assessment of these circumstances, it appears the only key assets for each of the Directors is equity in their personal homes, which are all mortgaged. We are also aware that the Directors may be subject to several personal guarantees in relation to the failure of the Group.

The Directors may also be able to rely on defences under section 588H the Act. In particular, the Liquidators understand the Directors would likely rely on the following defences:

- a) "The person had reasonable grounds to expect, and did expect, that the company was solvent" (section 588H(2)). The Directors traded the Companies whilst negotiating the provision of working capital funding from various funding sources, and may reasonably believe that the insolvency of the Group did not occur until such time as the working capital funding was no longer available.
- b) "The person took all reasonable steps to prevent the company from incurring the debt" (section 588H(5)). It may be proved that the Directors, in seeking the working capital funding and restructuring activities, took reasonable steps to prevent the Companies from trading whilst insolvent.
- c) "That a competent and reliable person (the other person) was responsible for providing to the first-mentioned person adequate information about whether the company was solvent" (section 588H(3)(a)(i)). In this respect, we note the Directors had engaged a Chartered Accountant with experience in restructuring and insolvency to advise on the restructuring and sale of the Group's business. It could be assumed that this individual had sufficient grounding in determining the solvency of the Group, and the Directors may rely on the fact that no advice was received from this advisor indicating the Group was solvent.

2.4.2 Analysis of insolvent trading scenarios

Our analysis of the potential insolvent trading claim against the Directors includes a financial cost-benefit scenario analysis of the potential insolvent trading claim. This analysis is provided below, and each scenario explained in detail:

Scenario 1: Current expected outcome without pursuing a claim against the Directors for insolvent trading.

Scenario 2: Illustrates the risks of pursuing insolvent trading claims against the Directors which are unsuccessful. This would result in a increase in Liquidators' fees (\$400,000 across the Group) and legal fees (\$500,000 for the Group). This would result in:

- a) Related party creditor claims remain payable in the event of a dividend

- b) Priority creditors in ASDS, and unsecured creditors in ASW and PBC will be disadvantaged
- c) Final unsecured dividend in ASW and PBC is expected to be delayed and not paid until the end of 2018.

Scenario 3: A commercial agreement sought to resolve all insolvent trading claims which a liquidator may be able to bring against the Directors (by way of a deed of settlement). This could include:

- a) Agreement for related parties not to participate in any dividend in the winding up of ASW and PBC
- b) A cash contribution.

This would mean we do not need to incur the costs of pursuing formal action against the Directors and a dividend would be paid to priority and unsecured creditors by the end of 2017. **This is the scenario proposed by the Liquidators.**

Estimated returns (cents in the dollar)	ASW	ASC	ASDS	PBC
Scenario 1				
Priority (employee) creditors				
Wages and Superannuation	100	N/A	100	100
Leave entitlements	100	N/A	100	100
Redundancy and PILN	100	N/A	64	100
Unsecured creditors	11	nil	nil	35
Scenario 2				
Priority (employee) creditors				
Wages and Superannuation	100	N/A	nil	100
Leave entitlements	100	N/A	nil	100
Redundancy and PILN	100	N/A	nil	100
Unsecured creditors	8	nil	nil	23
Scenario 3*				
Priority (employee) creditors				
Wages and Superannuation	100	N/A	100	100
Leave entitlements	100	N/A	100	100
Redundancy and PILN	100	N/A	64	100
Unsecured creditors	18	nil	nil	44
*Liquidators' proposed course of action				

The Liquidators intend to negotiate an agreement with the Directors as set out in Scenario 3 above for the following reasons:

- The extensive costs of bringing insolvent trading proceedings against the Directors are mitigated, and so too are any risks involved with the failure of the proceedings;
- The Directors may be able to rely on defences available under the Act (discussed in section 2.4.1 above);

- Priority creditors and unsecured creditors of ASDS are not disadvantaged;
- Unsecured creditors in ASW and PBC are expected to receive a higher dividend return; and
- The respective unsecured dividends in ASW and PBC can be paid earlier than in Scenario 2, with the winding up of the Group completed earlier.

2.4.3 Creditor objections

The Liquidators request that any creditors objecting to the above course of action (Scenario 3) raise their objection either prior to the forthcoming meeting of creditors on 25 May 2017, or at the meeting. Furthermore, if any creditors object on the grounds that a course of action similar to that described in Scenario 2 should be pursued by the Liquidators, they should contact Andrew Whittingham of the Liquidators' office on (02) 8260 4390 or at anwhittingham@deloitte.com.au. Creditors who are objecting on these ground are requested to advise if they are willing to fund an action or provide initial funding to seek legal advice in respect to the merits of an insolvent trading claim. We anticipate this cost including our cost of collating the information would be approximately \$75,000.

Creditors are reminded that they will not be able to take action against the Directors for insolvent trading if the Liquidators execute a deed of settlement releasing the Directors from any claim.

3 Returns to creditors

3.1 Distributions to date

The Liquidators have distributed funds to the ATO in satisfaction of the pre-appointment Superannuation Guarantee Charge of the respective employing entities (ASW, ASDS and PBC). No further distributions have been made to date. However, the Liquidators expect to make full and final priority distributions in PBC and ASW prior to the upcoming meeting of creditors on 25 May 2017.

3.2 Estimated statement of position – estimated future distributions (under Scenario 1)

The table below sets out the expected future realisations, costs and distributions in the winding up of ASW, ASDS and PBC. ASC does not have any assets, and has not been included in this analysis.

Estimated statement of position as at 31 March 2017 (\$)	ASW	ASDS	PBC
Cash at bank at 31 March 2017 (net recoveries to date)	1,522,219	641,926	1,066,699
Estimated future recoveries - unfair preferences	747,298	97,284	194,755
Estimated future costs			
Liquidators' fees	(249,485)	(147,147)	(152,779)
Other costs of winding up (including legal fees)	(80,000)	(40,000)	(40,000)
Total estimated future costs	(329,485)	(187,147)	(192,779)
Estimated realisations available to priority creditors	1,940,032	552,063	1,068,676
Priority creditors			
Wages and Superannuation	-	-	PBC priority
Leave entitlements	(46,677)	(292,488)	creditors paid in
Redundancy and PILN	(123,295)	(407,240)	full
Total priority creditors	(169,973)	(699,728)	
Surplus/shortfall to priority creditors	1,770,060	(147,665)	1,068,676
Estimated priority dividend (cents in the dollar)	100	79	100
Unsecured creditors			
Estimated unsecured creditors	(9,791,638)	(2,897,321)	(2,436,753)
Related party creditors	(6,263,094)	-	(600,000)
Total	(16,054,732)	(2,897,321)	(3,036,753)
Surplus/shortfall to unsecured creditors	(14,284,672)	(3,044,986)	(1,968,078)
Estimated unsecured dividend (cents in the dollar)	11	nil	35

Creditors are reminded that the above table is, for the most part an estimate. The returns to specific classes of creditors are subject to change as matters arise in the respective liquidations. The above table has been prepared based on Scenario 1 described in section 2.4.2 above.

We note that the recoveries for unfair preference claims against creditors have been estimated generally. The actual recoveries from unfair preference payments will be determined by the facts of each claim, the financial capacity of the relevant creditor to meet the claim and the legal reasoning for any settlement the Liquidators may enter into.

4 Remuneration

The Liquidators are seeking creditor approval for outstanding fees incurred for current and future professional fees for the winding up of PBC and ASDS. The future fees for ASDS and PBC have been estimated based on Scenario 3, however, the Liquidators estimate the fees incurred in Scenario 1 would not be materially different to the future fee approval being sought. At the Second Meeting of Creditors held on 20 May 2016, the Liquidators did not seek creditor approval for their professional fees to be incurred in the winding up of the Companies.

Enclosed for creditors' perusal is the Remuneration Report dated 26 April 2017 which is attached at **Appendix B** to this report. The Remuneration Report includes details of our remuneration which is calculated based on the firm's hourly rates; details of disbursements and expenses incurred which remain unpaid and the *ASIC Information Sheet 85 – Approving Fees: a Guide for Creditors*, a copy of which is enclosed at **Appendix B**.

4.1 ASW - liquidators' remuneration

At the meeting of creditors convened under section 439A of the Act, and held on 20 May 2016, creditors of ASW resolved to form a Committee of Inspection (**Committee**). At a Committee meeting held on 29 September 2016, the following resolutions were passed in respect to the Liquidators' remuneration:

Fee resolutions passed at ASW Committee meeting on 29 September 2016 (excluding GST)			
Period	Amount (\$)	Drawn (\$)	Remaining approval (\$)
21 May 2016 to 26 August 2016	107,379	107,379	-
27 August 2016 to completion	149,485	-	149,485
Total	256,864	107,379	149,485

Accordingly, the Liquidators will not be seeking fee approval in the winding up of ASW. However, the Liquidators intend to draw an amount of \$69,854.50 + GST for fees incurred, prior to the date of creditors meeting.

4.2 ASC – liquidators' remuneration

There are currently no funds in the winding up of ASC, and the Liquidators do not expect funding in this winding up. Accordingly, despite fees being incurred in the liquidation of ASC, the Liquidators will not seek to have these fees approved by creditors.

4.3 ASDS – liquidators remuneration and disbursements

4.3.1 Liquidators' remuneration for the period 21 May 2016 to 14 April 2017 (inclusive)

Creditors are advised the Liquidators' professional fees in the winding up of ASDS for the period 20 May 2016 to 14 April 2017 (inclusive) totalled **\$76,609.50 plus GST**. The following resolution will be proposed to the creditors of ASDS:

*"That the remuneration of the Liquidators, their partners and staff, for the period of the Liquidation from 21 May 2016 to 14 March 2017 is fixed at a sum equal to the additional cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017 of fees equalling **\$76,609.50 plus GST**, and that the Liquidators can draw the remuneration as required."*

4.3.2 Liquidators remuneration for the period 15 April 2017 to completion

The Liquidators are seeking creditor approval for their prospective remuneration for the period 15 April 2017 to the completion of the winding up of ASDS of **\$70,537.50 plus GST**. The following resolution will be proposed to the creditors of ASDS:

*"That the prospective remuneration of the Liquidators, their partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017, for the period from 15 April 2017 to finalisation, is fixed and approved to a maximum cap of **\$70,537.50 plus GST and disbursements**, to be drawn only when incurred. Should a lesser amount be actually incurred, only the lesser amount will be drawn. Should a greater amount be actually incurred, further approval from the creditors of the company will be sought"*

4.3.3 Liquidators disbursements for the period 21 May 2016 to 14 April 2017 (inclusive)

The following resolution in relation to the Liquidators' disbursements for the period 20 May 2016 to 14 April 2017 (inclusive) will be proposed to the creditors of ASDS:

*"That the **disbursements** of the Liquidators for the period of the Liquidation from 21 May 2016 to 14 March 2017, as detailed in the Remuneration Report of 26 April 2017, are approved in the sum of **\$2,901.25 plus GST.**"*

Creditors are referred to the Remuneration Report dated 26 April 2017 (**Appendix B**) for further information.

4.4 PBC – liquidators' remuneration and disbursements

4.4.1 Liquidators' remuneration for the period 21 May 2016 to 14 April 2017 (inclusive)

Creditors are advised the Liquidators' professional fees in the winding up of PBC for the period 20 May 2016 to 14 April 2017 (inclusive) totalled **\$92,206.50 plus GST**. The following resolution will be proposed to the creditors of PBC:

*"That the remuneration of the Liquidators, their partners and staff, for the period of the Liquidation from 21 May 2016 to 14 April 2017 is fixed at a sum equal to the additional cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017 of fees equalling **\$92,206.50 plus GST**, and that the Liquidators can draw the remuneration as required."*

4.4.2 Liquidators remuneration for the period 15 April 2017 to completion

The Liquidators are seeking creditor approval for their prospective remuneration for the period 15 April 2017 to the completion of the winding up of PBC of **\$79,985.00 plus GST**. The following resolution will be proposed to the creditors of PBC:

*"That the prospective remuneration of the Liquidators, their partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017, for the period from 15 April 2017 to finalisation, is fixed and approved to a maximum cap of **\$79,985.00 plus GST and disbursements**, to be drawn only when incurred. Should a lesser amount be actually incurred, only the lesser amount will be drawn. Should a greater amount be actually incurred, further approval from the creditors of the company will be sought"*

4.4.3 Liquidators disbursements for the period 21 May 2016 to 14 April 2017 (inclusive)

The following resolution in relation to the Liquidators' disbursements for the period 20 May 2016 to 14 March 2017 (inclusive) will be proposed to the creditors of PBC:

*"That the **disbursements** of the Liquidators for the period of the Liquidation from 21 May 2016 to 14 April 2017, as detailed in the Remuneration Report of 26 April 2017, are approved in the sum of **\$3,527.38 plus GST.**"*

Creditors are referred to the Remuneration Report dated 26 April 2017 (**Appendix B**) for further information.

5 Completion

Below is a summary of the acts and dealings that remain to be carried out by the Liquidators in order to complete the winding up process:

- Finalisation of unfair preference claims;
- Finalisation and settlement of potential insolvent trading claim against Directors;
- Declaration and payment of dividend to priority (employee) creditors;
- Declaration and payment of dividends to unsecured creditors (PBC and ASDS).

6 Receipts and payments

Pursuant to Section 539(1) of the Act, a liquidator must, within 1 month after the end of the period of 6 months from the date of his or her appointment and of every subsequent period of 6 months during which he or she acts as liquidator lodge with ASIC an account of the receipts and payments. The latest lodgement of receipts and payments with ASIC occurred on 14 December 2016.

A copy of these accounts may be inspected at the Liquidators' office during normal business hours by contacting Kevin Thay on (02) 8260 4438 or kthay@deloitte.com.au.

Attached to this report as **Appendix C** is a summary of the receipts and payments for the period 14 April 2014 to 28 February 2017 (inclusive).

7 Meeting of creditors

Enclosed as **Appendix A** is a Form 529 - Notice of Meeting of the Companies to be held on Thursday, 25 May 2017 at 11:00am (AEST) at the offices of Deloitte, Level 9, Grosvenor Place, 225 George Street, Sydney NSW 2000.

Attendance at this meeting is not compulsory. Creditors may attend and vote in person, by proxy or by attorney. The appointment of a proxy must be made in accordance with Form 532 – Appointment of Proxy (enclosed as **Appendix D**).

Proxy forms or facsimiles thereof must be lodged with the Liquidators prior to the commencement of the meeting. Where a facsimile copy of a proxy is sent, the original must be lodged with the Liquidators within 72 hours after the receipt of the facsimile. An attorney of the creditor must show the instrument by which he or she is appointed to the Chairperson of the meeting prior to the commencement of the meeting.

Please note that a creditor is required to lodge a Form 535 - Proof of Debt or Claim (enclosed as **Appendix E**) to be entitled to vote at the meeting of creditors. A creditor will not be able to vote at the meeting unless a Proof of Debt or Claim is lodged with the Liquidators prior to the commencement of the meeting.


Creditors should provide proxies and Proofs of Debt to the Liquidators prior to the meeting by one of the following methods:

Post	Attention: Kevin Thay c/- Deloitte PO Box N250 Grosvenor Place Sydney NSW 1220
Email	kthay@deloitte.com.au
Fax	(02) 9322 7001

If a creditor wishes to rely upon a Proof of Debt or Claim (formal or informal) that they have previously lodged with the Liquidators office, they must make reference to that Proof of Debt or Claim when submitting a proxy or when attending the upcoming meeting.

I trust that creditors find this report informative and useful. In the event that you have any queries regarding the contents of this report, or the liquidation in general, please do not hesitate to contact Kevin Thay of this office on (02) 8260 4438 or kthay@deloitte.com.au.

Yours faithfully,



Vaughan Strawbridge
Joint and Several Liquidator

FORM 529
CORPORATIONS ACT 2001

Subregulation 5.6.12(6)

NOTICE OF MEETING OF CREDITORS

**ANIMAL SUPPLIES (WHOLESALE) PTY LTD ACN 058 258 870 (ASW)
AS CONSOLIDATED PTY LTD ACN 167 361 604 (ASC)
AUSTRALIAN SUPPLY AND DISTRIBUTION SOLUTIONS PTY LTD ACN 167 361 775 (ASDS)
ACN 094 221 913 PTY LTD (FORMERLY PET BRANDS CONNECT PTY LTD) ACN 094 221 913
(PBC)
(ALL IN LIQUIDATION)
(COLLECTIVELY THE COMPANIES)**

NOTICE IS GIVEN that a meeting of the creditors of the Companies will be held at the offices of Deloitte, **Level 9, 225 George Street, Sydney NSW 2000** at **11:00 AM (AEST) on Thursday, 25 May 2017**.

The purpose of the meeting is:

1. To provide a general update to creditors regarding the Liquidation of the Companies
2. To consider and if thought fit, pass resolutions to approve the Liquidators' current remuneration
3. To consider and if thought fit, pass resolutions to approve the Liquidators' prospective remuneration
4. To consider any other business that may be lawfully brought forward.

Attendance at this meeting is not compulsory. Creditors may attend and vote in person, by proxy or by attorney. The appointment of a proxy must be made in accordance with Form 532.

A specific proxy can be lodged showing approval or rejection of each resolution. Proxy forms or facsimiles thereof must be lodged with our office by 4.00pm on the business day prior to the meeting. Where a facsimile copy of a proxy is sent, the original must be lodged with our office within 72 hours after receipt of the facsimile. An attorney of the creditor must show the instrument by which he or she is appointed to the Chairman of the meeting, prior to the commencement of the meeting.

Telephone conference facilities will be available at the meeting. The telephone number to call is:

[+61 1800 762 325](tel:+611800762325) (Australia)

[+61 2 9308 3700](tel:+61293083700) (Australia)

[+61 3 8519 8600](tel:+61385198600) (Australia)

Conference ID: 25896908

In accordance with Regulation 5.6.23(1) of the Corporations Regulations, creditors will not be entitled to vote at this meeting unless they have lodged particulars of their claim against the company with us prior to the commencement of the meeting.

DATED this 3rd day of May 2017.



Vaughan Neil Strawbridge
Joint and Several Liquidator

Deloitte Financial Advisory Pty Ltd
Grosvenor Place
225 George Street
SYDNEY NSW 2000

Remuneration Report – 26 April 2017

Advice to creditors – remuneration

ACN 094 221 913 Pty Ltd (formerly Pet Brands Connect Pty Ltd) (In Liquidation) ACN 094 221 913 ("PBC")
Australian Supply and Distribution Solutions Pty Ltd (In Liquidation)
ACN 167 361 775 ("ASDS")
(collectively "the Companies")

Remuneration Methods

There are four basic methods that can be used to calculate the remuneration charged by an insolvency practitioner. They are:

Time based / hourly rates

This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

Fixed Fee

The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a practitioner will finalise an administration for a fixed fee.

Percentage

The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.

Contingency

The practitioner's fee is structured to be contingent on a particular outcome being achieved.

Method chosen

Given the nature of these Liquidations we propose that our remuneration be calculated on time based / hourly rates. This is because:

- We will only be paid for work done, subject to sufficient realisations of the respective company's assets and other recoveries.

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- It ensures creditors are only charged for work that is performed. Our time is recorded and charged in six minute increments and staff are allocated to duties according to their relevant experience and qualifications.
- We are required to perform a number of tasks which do not relate to the realisation of assets, e.g. responding to creditor enquiries, reporting to the ASIC, distributing funds in accordance with the provisions of the Corporations Act 2001.
- We are unable to estimate with certainty the total amount of fees necessary to complete all tasks required in these Liquidations.

Explanation of Hourly Rates

The rates for our remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the Liquidations and the role they take in the Liquidations. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

Title	Description	Hourly Rate (excl GST)
Appointee / Partner	Registered liquidator. Brings his or her specialist skills to the administration or insolvency task.	\$ 615.00
Principal/ Director/ Consultant	Typically CA or CPA qualified with in excess of 8 years' experience on insolvency matters with a number of years at manager level. Answerable to the appointee but otherwise responsible for all aspects of an administration. Capable of controlling all aspects of an administration. May be appropriately qualified to take appointments in his/her own right.	\$ 510.00
Manager	Typically CA or CPA qualified with 6 to 8 years experience working on insolvency matters. Will have experience conducting administrations and directing a number of staff.	\$ 440.00
Senior Analyst	Typically completed or near completion of CA or CPA qualifications with 4 to 6 years insolvency experience. Assists in planning and control of smaller matters as well as performing some more difficult tasks on larger matters.	\$ 330.00
Analyst	Typically studying towards CA or CPA qualification with 2 to 4 years insolvency experience. Works under supervision of more senior staff in performing day-to-day fieldwork.	\$ 220.00
Graduate	Junior staff member who has completed a university degree with less than one year's experience working on insolvency matters. Works under supervision of more senior staff in performing day-to-day fieldwork.	\$ 115.00
Secretary	Advanced secretarial skills	\$ 170.00

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 such as travel, accommodation and search fees - these are recovered at cost.
- Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the Liquidation, 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.

We are not required to seek creditor approval for disbursements, but must account to creditors. Details of the basis of recovering internal disbursements in these Liquidations are provided below. Full details of any actual costs incurred are provided in Part 6 of this Report.

Basis of disbursement claim

Internal disbursements	Rate (Excl. GST)
Advertising	At cost - based on commercial rates charged by ASIC and state and national newspapers
Courier	At cost - based on commercial rates charged by major external courier firms
Postage	Australia Post rates
Photocopying - external	At cost - based on commercial rates as offered by commonly used external providers
Search and filing fees	At cost
Stationery, printing, photocopying, telephone and faxes	2.5% of incurred insolvency fees
Travel – taxi, train, tolls, parking, mileage	At cost, mileage at \$0.70 per km

Scale applicable for financial year ending 30 June 2016.

Remuneration Request Approval Report

Part 1: Declaration

We, Vaughan Strawbridge and David Lombe of Deloitte Financial Advisory Pty Ltd have undertaken a proper assessment of this remuneration claim for our appointment as Joint and Several Liquidators of the Companies 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 the Liquidation.

Part 2: Executive Summary

Period	Ref	PBC (excl. GST) (\$)	Ref	ASDS (excl. GST) (\$)
Past remuneration approved (Voluntary Administration):				
14 April 2016 to 6 May 2016 (<i>actual</i>)		69,406.50		91,686.50
7 May 2016 to 20 May 2016 (<i>estimate</i>)		32,337.50*		32,001.00**
<i>Total past remuneration approved</i>		101,774.00		123,687.50
Current remuneration approval sought: (Liquidation):				
21 May 2016 to 14 April 2017 (<i>actual</i>)	3.1	92,206.50	3.2	76,609.50
15 April 2017 to completion (<i>estimate</i>)	3.3	79,985.00	3.4	70,537.50
<i>Total remuneration being sought</i>		172,171.50		147,147.00
Estimated total remuneration (Voluntary Administration & Liquidation)		273,945.50		270,834.50

*PBC 7 May 2016 - 20 May 2016 (inclusive) actual amount drawn was \$30,871.00 (excl. GST)

**ASDS 7 May 2016 - 20 May 2016 (inclusive) actual amount drawn was \$26,589.50 (excl. GST)

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

Part 3: Description of work completed

3.1 PBC Actual work completed– 21 May 2016 to 14 April 2017 (inclusive)

Task Area	General Description	Includes
Assets 73.7 hours \$21,101.00 (Average Hourly Rate \$286.31)	Debtors	<ul style="list-style-type: none"> • Liaise with debt collector • Reviewing and assessing debtors ledgers and receipt reports • Correspondence with GE Capital regarding debtor collections • Preparation of debtor journal entries to reconcile bank accounts • Review and cross-checking of debtor accounting journals for upload to accounting system
	Stock	<ul style="list-style-type: none"> • Deal with stock excluded from asset sale • Sale of retention-of-title (ROT) stock (invalid PPSR registrations)
Creditors 108.9 hours \$29,394.00 (Average Hourly Rate \$269.92)	Creditor Enquiries	<ul style="list-style-type: none"> • Receive and follow up creditor enquiries via telephone • Review and prepare correspondence to creditors and their representatives via facsimile, email and post
	Creditors Report	<ul style="list-style-type: none"> • Preparation and review of creditors report prior to meeting • Preparation and review of remuneration report and other annexures to creditors report including proxy forms, proof of debt forms, and notices of meeting
	Retention of Title Claims	<ul style="list-style-type: none"> • Maintain retention of title file • Discussions with lawyers regarding the validity of various claims • Follow up information requests with creditors • Adjudicate retention of title claim • Forward correspondence to claimant notifying outcome of adjudication • Arrange collection of goods by creditors with a perfected registration • Negotiation of retention of title settlements
	Secured creditor reporting	<ul style="list-style-type: none"> • Responding to secured creditor's queries
	Dealing with proofs of debt	<ul style="list-style-type: none"> • Receipting and filing proofs of debt (PODs) when not related to a dividend
Employees 75.1 hours \$12,384.00 (Average Hourly Rate \$164.90)	Employees enquiries	<ul style="list-style-type: none"> • Receive and follow up ad hoc employee enquiries via telephone and email • Review and prepare correspondence to employee creditors and their representatives via email and post
	Calculation of entitlements	<ul style="list-style-type: none"> • Liaising with payroll staff and HR Manager regarding employee details, documentation and calculation of entitlements • Reviewing employee files and company's books and records • Reviewing awards and contracts • Calculate employee entitlements • Preparation and distribution of correspondence with employees regarding entitlements position • Reconciling superannuation accounts

Task Area	General Description	Includes
	FEG	<ul style="list-style-type: none"> Correspondence with FEG regarding employee entitlement discrepancies Correspondence with former employees regarding method of claiming entitlements through FEG Liaising with FEG regarding verification of employee entitlements for FEG distribution purposes
	Employee Dividend	<ul style="list-style-type: none"> Receiving proofs of debt from employees regarding entitlements not paid by FEG Adjudicating on proofs of debt and paying a priority dividend to employees Declaration of priority dividend to FEG and former employees (excluding directors), advertising notice regarding the same Payment of a priority dividend to the ATO regarding a Superannuation Guarantee Charge
	Other employee issues	<ul style="list-style-type: none"> Reconciliation and payment of all employee related expenses related to the Administration including wages, payroll tax, superannuation, PAYG Completing PAYG Payment Summaries and issuing to respective employees
Investigations 34.3 hours \$8,954.00 (Average Hourly Rate \$261.05)	Conducting investigations	<ul style="list-style-type: none"> Liaising with company staff for backup of company servers Review of server backup to ascertain effectiveness of data capture Review of evidence including emails from creditors demanding payments, issuing letters of demand, demanding cash on delivery (COD) terms and threatening further legal action Engaging with our solicitors where appropriate to negotiate a commercial settlement of unfair preference claims Calculating potential insolvent trading liability claim against former directors Issuing letters to former directors requesting a summary of their personal assets and liabilities
	ASIC Reporting	<ul style="list-style-type: none"> Obtaining books and records from the company Inspection of company financial statements to determine any potential breach of Section 286 of the Act (obligation to keep financial records which enable fair and true financial statements to be prepared and audited) Investigation of company's causes of failure Investigation of any potential criminal and civil offences under the Act Investigations of former directors' insolvent trading Determining assets and liabilities of company Preparing estimated statement of financial position (ESOP) of company Reporting on position regarding secured creditor, employee entitlements and unsecured creditors Providing advice on Liquidators' remuneration and estimated time until completion Preparing File Note for Section 533 Report to ASIC

Task Area	General Description	Includes
Administration 77.6 hours \$18,796.50 (Average Hourly Rate \$242.22)	Insurance	<ul style="list-style-type: none"> Correspondence with insurer regarding ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers Cancellation of insurance policies due to cessation of cover
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> Filing of documents File reviews Updating checklists
	Bank account administration	<ul style="list-style-type: none"> Requesting bank statements Bank account reconciliations in accounting software Correspondence with bank regarding specific transfers Closure of PBC pre-appointment bank account, transfer of balance of funds to post-appointment account Correspondence with bank regarding various matters
	Processing receipts and payments	<ul style="list-style-type: none"> Entering receipts and payments into accounting system Making payments out of ANZ bank account Reconciling accounting system transactions to ANZ bank statement
	ASIC Form 533	<ul style="list-style-type: none"> Lodging report to ASIC pursuant to Section 533 of the Corporations Act 2001
	ATO and other statutory reporting	<ul style="list-style-type: none"> Preparing monthly Business Activity Statements (BAS) Payment of GST-payable where applicable, collection of GST-refundable where applicable Completing PAYG Payment Summaries and issuing data to the ATO
	ASIC reporting	<ul style="list-style-type: none"> Preparing a report pursuant to Section 533 of the Corporations Act
Dividend 5.3 hours \$1,577.00 (Average Hourly Rate \$297.55)	Processing proofs of debt	<ul style="list-style-type: none"> Receiving formal and informal proofs of debts from creditors Entering proofs of debt into accounting software Filing proofs of debt
	Dividend procedures	<ul style="list-style-type: none"> Preparation of unsecured dividend timeline Preparation of unsecured dividend calculations Updating and confirming postal details of creditors
TOTAL 374.9 hours \$92,206.50 (Average Hourly Rate \$245.95)		

3.2 ASDS Actual work completed – 21 May 2016 to 14 April 2017 (inclusive)

Task Area	General Description	Includes
Assets 47.1 hours \$12,813.50 (Average Hourly rate \$272.05)	Assets subject to specific charges	<ul style="list-style-type: none"> • All tasks associated with realising a charged asset • Consideration of validity of specific charges, including correspondence with solicitors
	Debtors	<ul style="list-style-type: none"> • Liaise with debt collector • Reviewing and assessing debtors ledgers and receipt reports • Correspondence with GE Capital regarding debtor collections • Drafting and reviewing debtor accounting journal entries to reconcile cash book with ANZ bank account • Cross-referencing debtor accounting entries with debtor ledger from debtor collector
	Leasing	<ul style="list-style-type: none"> • Liaising with owners/lessors • Tasks associated with disclaiming leases • Liaise with landlord to finalise outstanding rent during the Administration period
	Sale of Business	<ul style="list-style-type: none"> • Assisting with the transition of business to Petbarn Pty Ltd • Liaise with lawyers regarding completion tasks in relation to deeds of sale and settlement • Finalisation of all handover matters regarding sale of the business
Creditors 43.6 hours \$12,080.50 (Average Hourly Rate \$277.08)	Creditor Enquiries	<ul style="list-style-type: none"> • Receive and follow up creditor enquiries via telephone • Review and prepare correspondence to creditors and their representatives via facsimile, email and post
	Creditors Report	<ul style="list-style-type: none"> • Preparation and review of creditors report prior to meeting • Preparation and review of remuneration report and other annexures to creditors report including proxy forms, proof of debt forms, and notices of meeting
	Secured creditor reporting	<ul style="list-style-type: none"> • Responding to secured creditor's queries
	Dealing with proofs of debt	<ul style="list-style-type: none"> • Receipting and filing proofs of debt (PODs) when not related to a dividend
Employees 109.4 hours \$18,383.50 (Average Hourly rate \$168.04)	Employees enquiries	<ul style="list-style-type: none"> • Receive and follow up employee enquiries via telephone • Review and prepare correspondence to employees and their representatives via facsimile, email and post • Preparation of letters to employees advising of their entitlements and options available • Receive and prepare correspondence in response to employees objections to leave entitlements • Respond to employee queries regarding PAYG payment summaries
	FEG	<ul style="list-style-type: none"> • Initial correspondence with FEG • Preparing verification spreadsheet of employee entitlements • Preparing FEG quotations • Preparing FEG distributions • Liaising with FEG regarding specific queries in relation to employee entitlements and contracts

Task Area	General Description	Includes
		<ul style="list-style-type: none"> Receiving FEG verification spreadsheets on the online FEG portal Verifying employee data report and cross-referencing with employee entitlements data
	Employee dividend	<ul style="list-style-type: none"> Correspondence with ATO regarding SGC proof of debt Receive proof of debt from the ATO regarding a Superannuation Guarantee Charge (SGC) Payment of SGC to ATO in form of a priority dividend Preparing File Note regarding ATO SGC priority dividend
Investigations 41.5 hours \$13,772.00 (Average Hourly rate \$331.86)	Conducting investigations	<ul style="list-style-type: none"> Collection of company books and records Reviewing company's books and records Calculation of potential insolvent trading claim Preparing letters to directors regarding potential insolvent trading claim Preparation of investigation file Restoring company server backup Upload of company server backup to Relativity Pursuing potential insolvent trading liability claim against former directors Issuing letters to former directors requesting a summary of their assets and liabilities
	ASIC Reporting	<ul style="list-style-type: none"> Inspection of company financial statements to determine any potential breach of Section 286 of the Act (obligation to keep financial records which enable fair and true financial statements to be prepared and audited) Investigation of company's causes of failure Investigation of any potential criminal and civil offences under the Act Investigations of former directors' insolvent trading Determining assets and liabilities of company Preparing estimated statement of financial position (ESOP) of company Reporting on position regarding secured creditor, employee entitlements and unsecured creditors Providing advice on Liquidators' remuneration and estimated time until completion Preparing File Note for Section 533 Report to ASIC
Administration 77.0 hours \$19,560.00 (Average Hourly Rate \$254.03)	Books and records / storage	<ul style="list-style-type: none"> Collecting books and records from company's former premises Preparing books and records listings Dealing with records in storage Sending job files to storage
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> Filing of documents Regular management reviews of status of the Liquidation File reviews Updating checklists
	Insurance	<ul style="list-style-type: none"> Correspondence with insurer regarding ongoing insurance requirements Reviewing insurance policies

Task Area	General Description	Includes
		<ul style="list-style-type: none"> Correspondence with previous brokers Cancellation of insurance policies due to cessation of trading
	Bank account administration	<ul style="list-style-type: none"> Requesting bank statements Bank account reconciliations in accounting software Correspondence with bank regarding specific transfers
	ASIC Form 533	<ul style="list-style-type: none"> Submitting report to ASIC pursuant to Section 533 of the Corporations Act 2001
	ASIC Form 524 and other forms	<ul style="list-style-type: none"> Preparing and lodging ASIC forms including 505, 5011 and 524
	ATO and other statutory reporting	<ul style="list-style-type: none"> Notification of appointment of Liquidators to ATO Correspondence with ATO regarding incorrect GST and PAYG registrations Completing PAYG payment summaries Preparing monthly Business Activity Statements (BAS) Payment of GST-payable where applicable, collection of GST-refundable where applicable Completing PAYG Payment Summaries and issuing data to the ATO
	Planning / Review	<ul style="list-style-type: none"> Discussions regarding status of administration
	Finalisation	<ul style="list-style-type: none"> Notifying ATO and other relevant parties of finalisation Cancelling ABN / GST / PAYG registration Completing checklists
TOTAL 318.6 hours \$76,609.50 (Average Hourly Rate \$240.46)		

3.3 PBC Estimated work to be completed – 15 April 2017 to completion

Task Area	General Description	Includes
Creditors 70.0 hours \$20,600.00 (Average Hourly Rate \$294.29)	Creditor Enquiries	<ul style="list-style-type: none"> Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post
	Creditors Report	<ul style="list-style-type: none"> Finalisation of creditors report prior to meeting Finalisation of remuneration report and other annexures to creditors report including proxy forms, proof of debt forms, and notices of meeting
	Meeting of Creditors	<ul style="list-style-type: none"> Preparation of meeting notices, proxies and advertisements for meetings of creditors Forward notice of meetings to all known creditors Preparation of meeting files, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meetings and draft minutes of meetings Finalisation of meeting minutes and lodgement of minutes with ASIC Responding to stakeholder queries and questions immediately following meetings
	Dealing with proofs of debt	<ul style="list-style-type: none"> Receipting and filing proofs of debt (PODs) when not related to a dividend
Employees 19.5 hours \$5,037.50 (Average Hourly Rate \$258.33)	Employees enquiries	<ul style="list-style-type: none"> Receive and follow up employee enquiries via telephone Review and prepare correspondence to employee creditors and their representatives via email and post Maintain employee enquiry register
	Employee dividend	<ul style="list-style-type: none"> Payment of a priority dividend to FEG and former employees Issuing PAYG payment summaries to employees regarding priority dividend Remitting PAYG tax withhold to ATO regarding priority dividend
Investigations 82.5 hours \$25,612.50 (Average Hourly Rate \$310.45)	Conducting investigations	<ul style="list-style-type: none"> Engaging with our solicitors where appropriate to reach a commercial settlement of unfair preferences Negotiating settlement of potential insolvent trading liability claim against former directors Engaging with our lawyers where appropriate to negotiate a commercial settlement of potential insolvent trading claim Finalisation of unfair preference and insolvent trading liability matters Potential litigation on unfair preference claims where commercial settlement has been unable to be reached
Administration 27.0 hours \$8,630.00 (Average Hourly Rate \$319.63)	Bank account administration	<ul style="list-style-type: none"> Preparation of closing bank account forms for ANZ Requesting bank statements Bank account reconciliations in accounting software Correspondence with bank regarding specific transfers Correspondence with bank regarding various matters
	ATO and other statutory reporting	<ul style="list-style-type: none"> Preparing monthly Business Activity Statements (BAS) Payment of GST-payable where applicable, collection of GST-refundable where applicable Completing PAYG Payment Summaries and issuing data to the ATO
	ASIC Form 524	<ul style="list-style-type: none"> Submitting 524 Receipts and Payments Reports to ASIC

Task Area	General Description	Includes
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> • Filing of documents • File reviews • Updating checklists
	Finalisation	<ul style="list-style-type: none"> • Notifying ATO and other relevant parties of finalisation • Cancelling ABN / GST / PAYG registration • Completing checklists
Dividends 64.0 hours \$20,105.00 (Average Hourly Rate \$314.14)	Processing proofs of debt	<ul style="list-style-type: none"> • Receipt of informal and formal PODs • Updating accounting system with POD details
	Dividend procedures	<ul style="list-style-type: none"> • Updating and confirming postal details of creditors • Finalising unsecured dividend timeline • Finalising unsecured dividend calculations • Drafting notices regarding first interim dividend • Posting notices on Deloitte website and published Insolvency Notices • Preparing circular to creditors regarding intention to declare first interim dividend • Preparing circular to creditors calling for formal proofs of debt • Adjudicating on proofs of debt, liaising with creditors and requesting more information where required • Advising creditors of outcome of adjudication whether admitted or rejected • Payment of first interim distribution to admitted creditors • Rejection of proofs of debt, sending out formal rejection letters outlining reasons for adjudication
TOTAL 263.0 hours \$79,985.00 (Average Hourly Rate \$304.13)		

3.4 ASDS Estimated work to be completed – 15 April 2017 to completion

Task Area	General Description	Includes
Creditors 80.0 hours \$20,020.00 (Average Hourly Rate \$250.25)	Creditor Enquiries	<ul style="list-style-type: none"> Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post
	Creditors Report	<ul style="list-style-type: none"> Finalisation of creditors report prior to meeting Finalisation of remuneration report and other annexures to creditors report including proxy forms, proof of debt forms, and notices of meeting
	Dealing with proofs of debt	<ul style="list-style-type: none"> Receipting and filing proofs of debt (POD's) when not related to a dividend
	Meeting of Creditors	<ul style="list-style-type: none"> Preparation of meeting notices, proxies and advertisements for the meetings of creditors Forward notice of meetings to all known creditors Preparation of meeting files, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meetings and draft minutes of meetings Finalisation of meeting minutes and lodgement of minutes with ASIC Responding to stakeholder queries and questions immediately following meetings
Employees 53.0 hours \$15,025.00 (Average Hourly Rate \$283.49)	Employees enquiries	<ul style="list-style-type: none"> Receive and follow up employee enquiries via telephone Review and prepare correspondence to employee creditors and their representatives via email and post Issue letters to former employees regarding employee entitlements unpaid by FEG
	FEG	<ul style="list-style-type: none"> Correspondence with FEG regarding final employee entitlement discrepancies Correspondence with former employees regarding method of claiming entitlements through FEG
	Employee Dividend	<ul style="list-style-type: none"> Receiving proofs of debt from employees regarding entitlements not paid by FEG Adjudicating on proofs of debt and paying a priority dividend to employees Remittance of PAYG tax withheld to the ATO regarding employee priority dividend Declaration of priority dividend to FEG and former employees (excluding directors), advertising notice regarding the same Payment of a priority dividend to FEG and former employees Issuing PAYG payment summaries to employees regarding priority dividend

Task Area	General Description	Includes
Investigations 76.0 hours \$20,530.00 (Average Hourly Rate \$270.13)	Conducting investigations	<ul style="list-style-type: none"> Settlement of potential insolvent trading liability claim against former directors Engaging with our lawyers where appropriate to reach a commercial settlement regarding insolvent trading liability claim Finalisation of insolvent trading claim Reviewing evidence including emails from creditors demanding payments, letters of demand, threat of legal action for unfair preference claim investigations Preparing and reviewing unfair preference claim letters to creditors including the ATO Engaging with solicitors where appropriate to negotiate commercial settlement regarding unfair preference claims
Administration 50.5 hours \$14,962.50 (Average Hourly Rate \$296.29)	Bank account administration	<ul style="list-style-type: none"> Closing bank account forms for ANZ Requesting bank statements Bank account reconciliations in accounting software Correspondence with bank regarding specific transfers Liaising with bank regarding bank account closure upon finalization of liquidation
	Processing receipts and payments	<ul style="list-style-type: none"> Preparing accounting journals for upload to accounting system Review accounting journals for upload to accounting system Entering receipts and payments into accounting system
	ASIC Form 524	<ul style="list-style-type: none"> Submitting 524 Receipts and Payments Report to ASIC
	ATO and other statutory reporting	<ul style="list-style-type: none"> Preparing monthly Business Activity Statements (BAS) Payment of GST-payable where applicable, collection of GST-refundable where applicable Completing PAYG Payment Summaries and issuing data to the ATO
	Finalisation	<ul style="list-style-type: none"> Notifying ATO and other relevant parties of finalisation Cancelling ABN / GST / PAYG registration Completing checklists
TOTAL 259.5 hours \$70,537.50 (Average Hourly Rate \$271.82)		

Part 4: Calculation of Remuneration

See *Attachment A*

Part 5: Statement of remuneration claim

5.1 Statement of remuneration claim – PBC current remuneration 21 May 2016 to 14 April 2017

At the Second Meeting of Creditors held on 20 May 2016 pursuant to Section 439A of the Act, the Liquidators did not seek creditor approval of estimated future fees for the Liquidation of the Companies.

The following resolution in relation to the Liquidators' remuneration for the period 21 May 2016 to 15 April 2017 will be proposed to the creditors of PBC:

"That the remuneration of the Liquidators, their partners and staff, for the period of the Liquidation from 21 May 2016 to 14 April 2017 is fixed at a sum equal to the additional cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017 of fees equalling \$92,206.50 plus GST, and that the Liquidators can draw the remuneration as required."

5.2 Statement of remuneration claim – ASDS current remuneration 21 May 2016 to 14 April 2017

At the Second Meeting of Creditors held on 20 May 2016 pursuant to Section 439A of the Act, the Liquidators did not seek creditor approval of estimated future fees for the Liquidation of the Companies.

The following resolution in relation to the Liquidators' remuneration for the period 21 May 2016 to 15 April 2017 will be proposed to the creditors of ASDS:

"That the remuneration of the Liquidators, their partners and staff, for the period of the Liquidation from 21 May 2016 to 14 April 2017 is fixed at a sum equal to the additional cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017 of fees equalling \$76,609.50 plus GST, and that the Liquidators can draw the remuneration as required."

5.3 Statement of remuneration claim – PBC future remuneration 15 April 2017 to completion

The following resolution in relation to the Liquidators' future remuneration for the period 15 April 2017 to completion of the Liquidation will be proposed to the creditors of PBC:

"That the prospective remuneration of the Liquidators, their partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017, for the period from 15 April 2017 to finalisation, is fixed and approved to a maximum cap of \$79,985.00 plus GST and disbursements, to be drawn only when incurred. Should a lesser amount be actually incurred, only the lesser amount will be drawn. Should a greater amount be actually incurred, further approval from the creditors of the company will be sought"

5.4 Statement of remuneration claim – ASDS future remuneration 15 April 2017 to completion

The following resolution in relation to the Liquidators' future remuneration for the period 15 April 2017 to completion of the Liquidation will be proposed to the creditors of PBC:

"That the prospective remuneration of the Liquidators, their partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017, for the period from 15 April 2017 to finalisation, is fixed and approved to a maximum cap of \$70,537.50 plus GST and disbursements, to be drawn only when incurred. Should a lesser amount be actually incurred, only the lesser amount will be drawn. Should a greater amount be actually incurred, further approval from the creditors of the company will be sought"

Part 6: 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 such as travel, accommodation and search fees - these are recovered at cost.
- Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally 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.

We have undertaken a proper assessment of disbursements claimed for the Companies, in accordance with the law and applicable professional standards. I am satisfied that the disbursements claimed are necessary and proper.

The following disbursements have been incurred by the Liquidators' firm for the period from 21 May 2016 to 14 April 2017. Where amounts have been paid to my firm for externally provided services and costs, that is in reimbursement of a cost previously paid by my firm either due to a lack of funds in the Liquidation at the time the payment was due or the direct invoicing of my firm by the supplier.

6.1 PBC Disbursements – 21 May 2016 to 14 April 2017 (inclusive)

PBC - disbursements for the period 21 May 2016 to 14 April 2017 (inclusive)		
Disbursement	Basis	Total (\$)
Stationery, printing, photocopying, telephone and faxes	2.5% of incurred insolvency fees	2,133.11
Travel- taxi/train/tolls/parking/mileage	At cost, mileage at \$0.70 per km	959.94
Search and filing fees	At Cost	164.33
Total (excluding GST)		3,527.38

The following resolution in relation to the Liquidators' disbursements for the period 21 May 2016 to 14 April 2017 will be proposed to the creditors of PBC:

"That the disbursements of the Liquidators for the period of the Liquidation from 21 May 2016 to 14 April 2017, as detailed in the Remuneration Report of 26 April 2017, are approved in the sum of \$3,527.38 plus GST."

6.2 ASDS Disbursements – 21 May 2016 to 14 April 2017 (inclusive)

ASDS - disbursements for the period 21 May 2016 to 14 April 2017 (inclusive)		
Disbursement	Basis	Total (\$)
Stationery, printing, photocopying, telephone and faxes	2.5% of incurred insolvency fees	1,776.98
Travel- taxi/train/tolls/parking/mileage	At cost, mileage at \$0.70 per km	959.94
Search and filing fees	At Cost	164.33
Total (excluding GST)		2,901.25

The following resolution in relation to the Liquidators' disbursements for the period 21 May 2016 to 14 April 2017 will be proposed to the creditors of ASDS:

"That the disbursements of the Liquidators for the period of the Liquidation from 21 May 2016 to 14 April 2017, as detailed in the Remuneration Report of 26 April 2017, are approved in the sum of \$2,901.25 plus GST."

Part 7: Queries

Should you have any queries regarding this remuneration report, please contact Mr Kevin Thay by telephone at (02) 8260 4438 or by email at kthay@deloitte.com.au.

Part 8: Information Sheet

Refer to *Attachment B* for ASIC Information Sheet 85 *Approving fees: a guide to creditors*.

Attachment A

A.C.N. 094 221 913 Pty Ltd (formerly Pet Brands Connect Pty Ltd) (In Liquidation)

Actual remuneration for the period 21 May 2016 to 14 April 2017 (inclusive)

Employee	Position	\$ /hour (ex GST)	Total hours	Total	Assets		Creditors		Employees		Investigations		Administration		Dividend	
				(\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)
Strawbridge, Vaughan	Partner	615.00	10.1	6,211.50	3.1	1,906.50	1.3	799.50	0.4	246.00	-	-	5.3	3,259.50	-	-
Hollinshead, Phil	Director	510.00	15.4	7,854.00	-	-	14.4	7,344.00	1.0	510.00	-	-	-	-	-	-
Bennett, Paul	Manager	440.00	40.9	17,996.00	20.5	9,020.00	17.8	7,832.00	2.6	1,144.00	-	-	-	-	-	-
George, Tanya	Manager	440.00	7.3	3,212.00	-	-	-	-	-	-	-	-	7.3	3,212.00	-	-
Clark, Carol	Senior Analyst	330.00	9.1	3,003.00	-	-	-	-	-	-	-	-	9.1	3,003.00	-	-
Spowart, Naty	Senior Analyst	330.00	0.7	231.00	-	-	-	-	-	-	-	-	0.7	231.00	-	-
Henderson, Emma	Senior Analyst	330.00	1.1	363.00	0.4	132.00	-	-	-	-	-	-	0.7	231.00	-	-
Whittingham, Andrew	Senior Analyst	330.00	50.7	16,731.00	6.5	2,145.00	4.5	1,485.00	5.8	1,914.00	23.3	7,689.00	6.1	2,013.00	4.5	1,485.00
Henderson, Emma	Analyst	220.00	30.6	6,732.00	9.4	2,068.00	1.4	308.00	10.1	2,222.00	-	-	9.7	2,134.00	-	-
Whittingham, Andrew	Analyst	220.00	55.5	12,210.00	18.5	4,070.00	34.5	7,590.00	-	-	-	-	2.5	550.00	-	-
Rodrigues, Dale	Analyst	220.00	0.1	22.00	-	-	0.1	22.00	-	-	-	-	-	-	-	-
Au, Lyn	Graduate	115.00	2.2	253.00	-	-	-	-	-	-	-	-	2.2	253.00	-	-
Thay, Kevin	Graduate	115.00	151.2	17,388.00	15.3	1,759.50	34.9	4,013.50	55.2	6,348.00	11.0	1,265.00	34.0	3,910.00	0.8	92.00
TOTAL			374.9	92,206.50	73.7	21,101.00	108.9	29,394.00	75.1	12,384.00	34.3	8,954.00	77.6	18,796.50	5.3	1,577.00
GST				9,220.65		2,110.10		2,939.40		1,238.40		895.40		1,879.65		157.70
TOTAL (including GST)				101,427.15		23,211.10		32,333.40		13,622.40		9,849.40		20,676.15		1,734.70
Average hourly rate (\$/hour ex. GST)				245.95		286.31		269.92		164.90		261.05		242.22		297.55

Attachment A

Australian Supply and Distribution Solutions Pty Ltd (In Liquidation)														
Actual remuneration for the period 21 May 2016 to 14 April 2017 (Inclusive)														
Employee	Position	\$ /hour (ex GST)	Total hours	Total	Assets		Creditors		Employees		Investigations		Administration	
				(\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)
Strawbridge, Vaughan	Partner	615.00	9.2	5,658.00	1.4	861.00	0.9	553.50	0.7	430.50	-	-	6.2	3,813.00
Hollinshead, Phil	Director	510.00	4.0	2,040.00	-	-	4.0	2,040.00	-	-	-	-	-	-
Pilgram, Chris	Director	510.00	5.0	2,550.00	-	-	-	-	-	-	5.0	2,550.00	-	-
Bennett, Paul	Manager	440.00	25.0	11,000.00	7.9	3,476.00	7.9	3,476.00	5.2	2,288.00	-	-	4.0	1,760.00
George, Tanya	Manager	440.00	3.9	1,716.00	2.0	880.00	-	-	-	-	-	-	1.9	836.00
Luck, Michael	Manager	440.00	10.5	4,620.00	-	-	-	-	-	-	10.5	4,620.00	-	-
Clark, Carol	Senior Analyst	330.00	7.8	2,574.00	0.4	132.00	-	-	-	-	-	-	7.4	2,442.00
Spowart, Naty	Senior Analyst	330.00	1.8	594.00	0.3	99.00	0.8	264.00	0.5	165.00	-	-	0.2	66.00
Henderson, Emma	Senior Analyst	330.00	8.7	2,871.00	0.7	231.00	-	-	5.4	1,782.00	-	-	2.6	858.00
Whittingham, Andrew	Senior Analyst	330.00	43.7	14,421.00	3.6	1,188.00	10.0	3,300.00	3.2	1,056.00	16.8	5,544.00	10.1	3,333.00
Henderson, Emma	Analyst	220.00	33.3	7,326.00	4.2	924.00	1.3	286.00	16.2	3,564.00	-	-	11.6	2,552.00
Whittingham, Andrew	Analyst	220.00	20.7	4,554.00	18.7	4,114.00	-	-	1.0	220.00	-	-	1.0	220.00
Rodrigues, Dale	Analyst	220.00	0.1	22.00	-	-	0.1	22.00	-	-	-	-	-	-
Au, Lyn	Graduate	115.00	2.2	253.00	-	-	-	-	-	-	-	-	2.2	253.00
Thay, Kevin	Graduate	115.00	142.7	16,410.50	7.9	908.50	18.6	2,139.00	77.2	8,878.00	9.2	1,058.00	29.8	3,427.00
TOTAL			318.6	76,609.50	47.1	12,813.50	43.6	12,080.50	109.4	18,383.50	41.5	13,772.00	77.0	19,560.00
GST				7,660.95		1,281.35		1,208.05		1,838.35		1,377.20		1,956.00
TOTAL (including GST)				84,270.45		14,094.85		13,288.55		20,221.85		15,149.20		21,516.00
Average hourly rate (\$/hour ex. GST)				240.46		272.05		277.08		168.04		331.86		254.03

Attachment A

A.C.N. 094 221 913 Pty Ltd (formerly Pet Brands Connect Pty Ltd) (In Liquidation)

Estimated remuneration for the period 15 April 2017 - completion

Employee	Position	\$ /hour (ex GST)	Total hours	Total	Creditors		Employees		Investigations		Administration		Dividends	
				(\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)
Strawbridge, Vaughan	Partner	615.00	18.0	11,070.00	5.0	3,075.00	0.5	307.50	7.5	4,612.50	2.0	1,230.00	3.0	1,845.00
Hollinshead, Phil	Director	510.00	29.0	14,790.00	5.0	2,550.00	1.0	510.00	15.0	7,650.00	3.0	1,530.00	5.0	2,550.00
George, Tanya	Manager	440.00	18.0	7,920.00	5.0	2,200.00	-	-	-	-	3.0	1,320.00	10.0	4,400.00
Clark, Carol	Senior Analyst	330.00	30.0	9,900.00	10.0	3,300.00	5.0	1,650.00	-	-	5.0	1,650.00	10.0	3,300.00
Whittingham, Andrew	Senior Analyst	330.00	79.0	26,070.00	20.0	6,600.00	5.0	1,650.00	30.0	9,900.00	6.0	1,980.00	18.0	5,940.00
Thay, Kevin	Graduate	115.00	89.0	10,235.00	25.0	2,875.00	8.0	920.00	30.0	3,450.00	8.0	920.00	18.0	2,070.00
TOTAL			263.0	79,985.00	70.0	20,600.00	19.5	5,037.50	82.5	25,612.50	27.0	8,630.00	64.0	20,105.00
GST				7,998.50		2,060.00		503.75		2,561.25		863.00		2,010.50
TOTAL (including GST)				87,983.50		22,660.00		5,541.25		28,173.75		9,493.00		22,115.50
Average hourly rate (\$/hour ex. GST)				304.13		294.29		258.33		310.45		319.63		314.14

Attachment A

Australian Supply and Distribution Solutions Pty Ltd (In Liquidation)

Estimated remuneration for the period 15 April 2017 - completion

Employee	Position	\$ /hour (ex GST)	Total hours	Total	Creditors		Employees		Investigations		Administration	
				(\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)	Hours	Total (\$)
Strawbridge, Vaughan	Partner	615.00	12.5	7,687.50	4.0	2,460.00	3.0	1,845.00	4.0	2,460.00	1.5	922.50
Hollinshead, Phil	Director	510.00	16.5	8,415.00	6.0	3,060.00	3.0	1,530.00	6.0	3,060.00	1.5	765.00
George, Tanya	Manager	440.00	12.5	5,500.00	-	-	4.0	1,760.00	1.0	440.00	7.5	3,300.00
Clark, Carol	Senior Analyst	330.00	19.0	6,270.00	-	-	8.0	2,640.00	1.0	330.00	10.0	3,300.00
Whittingham, Andrew	Senior Analyst	330.00	92.0	30,360.00	30.0	9,900.00	15.0	4,950.00	32.0	10,560.00	15.0	4,950.00
Thay, Kevin	Graduate	115.00	107.0	12,305.00	40.0	4,600.00	20.0	2,300.00	32.0	3,680.00	15.0	1,725.00
TOTAL			259.5	70,537.50	80.0	20,020.00	53.0	15,025.00	76.0	20,530.00	50.5	14,962.50
GST				7,053.75		2,002.00		1,502.50		2,053.00		1,496.25
TOTAL (including GST)				77,591.25		22,022.00		16,527.50		22,583.00		16,458.75
Average hourly rate (\$/hour ex. GST)				271.82		250.25		283.49		270.13		296.29



ASIC

Australian Securities & Investments Commission

INFORMATION SHEET 85

Approving fees: a guide for creditors

If a company is in financial difficulty, it can be put under the control of an independent external administrator.

This information sheet gives general information for creditors on the approval of an external administrator's fees in a liquidation of an insolvent company, voluntary administration or deed of company arrangement (other forms of external administration are not discussed in this information sheet). It outlines the rights that creditors have in the approval process.

Entitlement to fees and costs

A liquidator, voluntary administrator or deed administrator (i.e. an 'external administrator') is entitled to be:

- paid reasonable *fees*, or remuneration, for the work they perform, once these fees have been approved by a creditors' committee, creditors or a court, and
- reimbursed for out-of-pocket *costs* incurred in performing their role (these costs do not need creditors' committee, creditor or court approval).

External administrators are only entitled to an amount of fees that is reasonable for the work that they and their staff properly perform in the external administration. What is reasonable will depend on the type of external administration and the issues that need to be resolved. Some are straightforward, while others are more complex.

External administrators must undertake some tasks that may not directly benefit creditors. These include reporting potential breaches of the law and lodging a detailed listing of receipts and payments with ASIC every six months. The external administrator is entitled to be paid for completing these statutory tasks.

For more on the tasks involved, see ASIC's information sheets INFO 45 *Liquidation: a guide for creditors* and INFO 74 *Voluntary administration: a guide for creditors*.

Out-of-pocket costs that are commonly reimbursed include:

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances. You will need a qualified professional adviser to take into account your particular circumstances and to tell you how the law applies to you.

- legal fees
- valuer's, real estate agent's and auctioneer's fees
- stationery, photocopying, telephone and postage costs
- retrieval costs for recovering the company's computer records, and
- storage costs for the company's books and records.

Creditors have a direct interest in the level of fees and costs, as the external administrator will, generally, be paid from the company's available assets before any payments to creditors. If there are not enough assets, the external administrator may have arranged for a third party to pay any shortfall. As a creditor, you should receive details of such an arrangement. If there are not enough assets to pay the fees and costs, and there is no third party payment arrangement, any shortfall is not paid.

Who may approve fees

Who may approve fees depends on the type of external administration: see Table 1. The external administrator must provide sufficient information to enable the relevant decision-making body to assess whether the fees are reasonable.

Table 1: Who may approve fees

	Creditors' committee	Creditors	Court
Administrator in a voluntary administration	✓ ¹	✓	✓
Administrator of a deed of company arrangement	✓ ¹	✓	✓
Creditors' voluntary liquidator	✓ ¹	✓ ⁵	✗ ³
Court-appointed liquidator	✓ ¹	✓ ^{4, 5}	✓ ²

¹ If there is one.

² If there is no approval by the committee or the creditors.

³ Unless an application is made for a fee review.

⁴ If there is no creditors' committee or the committee fails to approve the fees.

⁵ If insufficient creditors turn up to the meeting called by the liquidator to approve fees, the liquidator is entitled to be paid up to a maximum of \$5000, or more if specified in the Corporations Regulations 2001.

Creditors' committee approval

If there is a creditors' committee, members are chosen by a vote of creditors as a whole. In approving the fees, the members represent the interests of all the creditors, not just their own individual interests.

There is not a creditors' committee in every external administration. A creditors' committee makes its decision by a majority in number of its members present at a meeting, but it can only act if a majority of its members attend.

To find out more about creditors' committees and how they are formed, see ASIC's information sheets INFO 45 *Liquidation: a guide for creditors*, INFO 74 *Voluntary administration: a guide for creditors* and INFO 41 *Insolvency: a glossary of terms*.

Creditors' approval

Creditors approve fees by passing a resolution at a creditors' meeting. Unless creditors call for a poll, the resolution is passed if a simple majority of creditors present and voting, in person or by proxy,

indicate that they agree to the resolution. Unlike where acting as committee members, creditors may vote according to their individual interests.

If a poll is taken, rather than a vote being decided on the voices or by a show of hands, a majority in *number* and *value* of creditors present and voting must agree. A poll requires the votes of each creditor to be recorded.

A separate resolution of creditors is required for approving fees for an administrator in a voluntary administration and an administrator of a deed of company arrangement, even if the administrator is the same person in both administrations.

A proxy is where a creditor appoints someone else to represent them at a creditors' meeting and to vote on their behalf. A proxy can be either a *general* proxy or a *special* proxy. A general proxy allows the person holding the proxy to vote as they wish on a resolution, while a special proxy directs the proxy holder to vote in a particular way.

A creditor will sometimes appoint the external administrator as a proxy to vote on the creditor's behalf. An external administrator, their partners or staff must not use a general proxy to vote on approval of their fees; they must hold a special proxy in order to do this. They must vote all special proxies as directed, even those against approval of their fees.

Calculation of fees

Fees may be calculated using one of a number of different methods, such as:

- on the basis of *time spent* by the external administrator and their staff
- a quoted *fixed fee*, based on an upfront estimate, or
- a percentage of asset realisations.

Charging on a time basis is the most common method. External administrators have a scale of hourly rates, with different rates for each category of staff working on the external administration, including the external administrator.

If the external administrator intends to charge on a time basis, you should receive a copy of these hourly rates soon after their appointment and before you are asked to approve the fees.

The external administrator and their staff will record the time taken for the various tasks involved, and a record will be kept of the nature of the work performed.

It is important to note that the hourly rates do not represent an hourly wage for the external administrator and their staff. The external administrator is running a business—an insolvency practice—and the hourly rates will be based on the cost of running the business, including overheads such as rent for business premises, utilities, wages and superannuation for staff who are not charged out at an hourly rate (such as personal assistants), information technology support, office equipment and supplies, insurances, taxes, and a profit.

External administrators are professionals who are required to have qualifications and experience, be independent and maintain up-to-date skills. Many of the costs of running an insolvency practice are fixed costs that must be paid, even if there are insufficient assets available to pay the external administrator for their services. External administrators compete for work and their rates should reflect this.

These are all matters that committee members or creditors should be aware of when considering the fees presented. However, regardless of these matters, creditors have a right to question the external administrator about the fees and whether the rates are negotiable.

It is up to the external administrator to justify why the method chosen for calculating fees is an appropriate method for the particular external administration. As a creditor, you also have a right to question the external administrator about the calculation method used and how the calculation was made.

Report on proposed fees

When seeking approval of fees, the external administrator must send committee members/creditors a report with the notice of meeting setting out:

- information that will enable the committee members/creditors to make an informed assessment of whether the proposed fees are reasonable
- a summary description of the major tasks performed, or to be performed, and
- the costs associated with each of these tasks.

Committee members/creditors may be asked to approve fees for work already performed or based on an estimate of work yet to be carried out.

If the work is yet to be carried out, it is advisable to set a maximum limit ('cap') on the amount that the external administrator may receive. For example, future fees calculated according to time spent may be approved on the basis of the number of hours worked at the rates charged (as set out in the provided rate scale) up to a cap of \$X. If the work involved then exceeds this figure, the external administrator will have to ask the creditors' committee/creditors to approve a further amount of fees, after accounting for the fees already incurred.

Deciding if fees are reasonable

If asked to approve an amount of fees either as a committee member or by resolution at a creditors' meeting, your task is to decide if that amount of fees is reasonable, given the work carried out in the external administration and the results of that work.

You may find the following information from the external administrator useful in deciding if the fees claimed are reasonable:

- the method used to calculate fees
- the major tasks that have been performed, or are likely to be performed, for the fees
- the fees/estimated fees (as applicable) for each of the major tasks
- the size and complexity (or otherwise) of the external administration
- the amount of fees (if any) that have previously been approved
- if the fees are calculated, in whole or in part, on a time basis:
 - the period over which the work was, or is likely to be performed
 - if the fees are for work that has already been carried out, the time spent by each level of staff on each of the major tasks
 - if the fees are for work that is yet to be carried out, whether the fees are capped.

If you need more information about fees than is provided in the external administrator's report, you should let them know before the meeting at which fees will be voted on.

What can you do if you think the fees are not reasonable?

If you do not think the fees being claimed are reasonable, you should raise your concerns with the external administrator. It is your decision whether to vote in favour of, or against, a resolution to approve fees.

Generally, if fees are approved by a creditors' committee/creditors and you wish to challenge this decision, you may apply to the court and ask the court to review the fees. Special rules apply to court liquidations.

You may wish to seek your own legal advice if you are considering applying for a court review of the fees.

Reimbursement of out-of-pocket costs

An external administrator should be very careful incurring costs that must be paid from the external administration—as careful as if they were dealing with their own money. Their report on fees should also include information on the out-of-pocket costs of the external administration.

If you have questions about any of these costs, you should ask the external administrator and, if necessary, bring it up at a creditors' committee/creditors' meeting. If you are still concerned, you have the right to ask the court to review the costs.

Queries and complaints

You should first raise any queries or complaints with the external administrator. If this fails to resolve your concerns, including any concerns about their conduct, you can lodge a complaint with ASIC at www.asic.gov.au/complain, or write to:

ASIC Complaints
PO Box 9149
TRARALGON VIC 3844

ASIC will usually not become involved in matters of commercial judgement by an external administrator. Complaints against companies and their officers can also be made to ASIC. For other enquiries, email ASIC through infoline@asic.gov.au, or call ASIC's Infoline on 1300 300 630 for the cost of a local call.

To find out more

For an explanation of terms used in this information sheet, see ASIC's information sheet INFO 41 *Insolvency: a glossary of terms*. For more on external administration, see ASIC's related information sheets at www.asic.gov.au/insolvencyinfosheets:

- INFO 74 *Voluntary administration: a guide for creditors*
- INFO 75 *Voluntary administration: a guide for employees*
- 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 43 *Insolvency: a guide for shareholders*
- INFO 42 *Insolvency: a guide for directors*
- INFO 84 *Independence of external administrators: a guide for creditors*

These are also available from the Insolvency Practitioners Association (IPA) website at www.ipaa.com.au. The IPA website also contains the IPA's Code of Professional Practice for Insolvency Professionals, which applies to IPA members.

Animal Supplies (Wholesale) Pty Ltd (In Liquidation)

ACN 058 258 870

Receipts and payments for the period 14 April 2016 to 31 March 2017

Amount (\$)

RECEIPTS

Bank Interest	339.21
Cash at Bank (subject to ANZ security)	557,811.95
Credit Card Merchant Fee	97.15
Debtors	2,301,572.76
FEG Advance	97,127.96
Funds held in trust transfer	17,877.99
GST Received/Withheld	9,272.11
Refunds	10,231.43
Sale of Inventory (going concern)	500,837.00
Sale of Plant & Equipment	39,772.73
Sale of Plant & Equipment (going concern)	30,000.00
Sale of Stock	63,984.88
Sales (trading)	132,908.15
Settlement of Preferences	650,426.00
Settlement of Retention-of-title Claim	119,189.47
Total	<u>4,531,448.79</u>

PAYMENTS

Agents' Fees & Commission	(5,022.28)
Bank Charges	(11,867.68)
Electricity	(3,895.83)
Employee Expense Reimbursements	(61.45)
FEG Distribution	(97,127.96)
GST Paid/Payable	(6,120.41)
Insurance	(1,910.10)
Legal Fees & Disbursements	(173,404.97)
Liquidators Fees & Disbursements	(254,005.39)
Secured Creditor Distribution (specific assets)	(30,017.50)
Payroll Tax	(429.87)
Preferential Creditors - Superannuation Paid	(4,142.35)
Debt Collection Fees	(64,512.05)
Purchases	(300.00)
Rent & Outgoings	(10,483.51)
Stamp Duty	(131.33)
Stationery/Printing/Postage	(2,285.87)
Sundry Expenses	(1,487.95)
Superannuation	(2,202.93)
ANZ Offset of Cash at Bank	(557,811.95)
Payments to GE (debtor factoring)	(1,763,283.47)
Transport / Courier	(4,957.42)
Wages & Salaries	(24,644.83)
Total	<u>(3,020,107.10)</u>
Total cash at bank 31 March 2017	<u>1,511,341.69</u>

Australian Supply & Distribution Solutions Pty Ltd (In Liquidation)

ACN 167 361 775

Receipts and payments for the period 14 April 2016 to 31 March 2017

Amount (\$)

RECEIPTS

Cash at bank (subject to ANZ security)	130,265.44
Debtors	207,777.19
Sales (trading)	116,830.86
Reimbursement for Trading Costs (no GST)	65,000.00
Reimbursement for Trading Costs (GST)	65,895.12
Sale of plant & equipment	515,670.00
Bank Interest	739.78
Salary Sacrifice	315.00
Settlement of Preferences	211,347.60
Total	<u>1,313,840.99</u>

PAYMENTS

ANZ Offset of Cash at bank	(130,265.44)
Bank Charges	(1,099.00)
Debt Collection Fees	(2,950.00)
Employee Expense Reimbursements	(36.82)
Equipment Hire	(20,239.64)
Insurance	(4,110.76)
Legal Fees & Disbursements	(95,104.87)
Liquidators' Fees & Disbursements	(123,110.07)
Payroll Tax	(3,097.66)
Preferential Creditors - superannuation paid	(31,978.28)
Purchases	(7,111.87)
Rent & Outgoings	(39,560.45)
Stamp Duty	(324.86)
Stationery/Printing/Postage	(1,832.48)
Sundry Expenses	(132.00)
Superannuation	(15,714.83)
Wages & Salaries	(168,754.20)
GST/PAYG paid/payable	(26,491.81)
Total	<u>(671,915.04)</u>
Total cash at bank 31 March 2017	<u>641,925.95</u>

ACN 094 221 913 Pty Ltd (formerly known as Pet Brands Connect Pty Ltd) (In Liquidation)

ACN 094 221 913

Receipts and payments for the period 14 April 2016 to 31 March 2017

Amount (\$)

RECEIPTS

Cash at Bank (subject to ANZ security)	164,363.59
Bank Interest	174.41
Debtors	1,088,374.84
GST received/withheld	37,460.50
Sale of Stock	306,470.33
Sales (trading)	41,102.57
PAYG withheld	305.54
Total	<u>1,638,251.78</u>

PAYMENTS

ASIC Fees	(38.00)
Bank Charges	(260.05)
Debt Collection Fees	(6,547.50)
Employee Expense Reimbursements	(462.81)
GST Paid/Payable	(53,195.70)
Insurance	(1,986.85)
Legal Fees & Disbursements	(77,491.73)
Liquidators Fees & Disbursements	(104,299.26)
Payment to Secured Creditor	(164,363.59)
Payroll Tax	(248.57)
Preferential Creditors - superannuation paid	(3,003.26)
Preferential Creditors - FEG and former employees	(108,403.38)
Purchases	(300.00)
Refunds	(21,866.62)
Rent & Outgoings	(9,296.71)
Stamp Duty	(153.42)
Stationery/Printing/Postage	(698.99)
Sundry Expenses	(2,000.00)
Superannuation	(1,393.03)
Wages & Salaries	(15,548.97)
Total	<u>(571,558.44)</u>

Total cash at bank 31 March 2017

1,066,693.34

FORM 532

Regulation 5.6.29

CORPORATIONS ACT 2001

APPOINTMENT OF PROXY
CREDITORS MEETING

**ANIMAL SUPPLIES (WHOLESALE) PTY LTD
(IN LIQUIDATION)
ACN 058 258 870
("THE COMPANY")**

*I/*We
(1)

.....
of

.....
a creditor of the Company, appoint (2)

.....
or in his or her absence

.....
as *my/our *general/special proxy to vote at the meeting of creditors to be held at 11:00 AM (AEST) on
Thursday, 25 May 2017 at the offices of Deloitte Financial Advisory Pty Ltd, Level 9, 225 George Street, Sydney
NSW 2000, or at any adjournment of that meeting.(3)

DATED this day of 2017.

Signature

CERTIFICATE OF WITNESS

This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.

I,
of

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated:

Signature of Witness:

Description:

Place of Residence:

* Strike out if inapplicable

- (1) If a firm, strike out "I" and set out the full name of the firm.
- (2) Insert the name, address and description of the person appointed.
- (3) If a special proxy add the words "to vote for" or the words "to vote against" and specify the particular resolution.

FORM 532

Regulation 5.6.29

CORPORATIONS ACT 2001

APPOINTMENT OF PROXY
CREDITORS MEETING

AUSTRALIAN SUPPLY & DISTRIBUTION SOLUTIONS PTY LTD (IN LIQUIDATION)
ACN 37 167 361 775
("THE COMPANY")

*I/*We
(1)

.....
of

.....
a creditor of the Company, appoint (2)

.....
or in his or her absence

.....
as *my/our *general/special proxy to vote at the meeting of creditors to be held at 11:00 AM (AEST) on Thursday, 25 May 2017 at the offices of Deloitte Financial Advisory Pty Ltd, Level 9, 225 George Street, Sydney NSW 2000, or at any adjournment of that meeting.(3)

ONLY COMPLETE THE FOLLOWING IF YOU HAVE APPOINTED A SPECIAL PROXY ABOVE

(Please circle your preferred voting option)

1. To consider and if thought fit, approve the Joint and Several Liquidators' current remuneration for the period 21 May 2016 to 14 April 2017 (inclusive):

"That the remuneration of the Liquidators, their partners and staff, for the period of the Liquidation from 21 May 2016 to 14 April 2017 is fixed at a sum equal to the additional cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017 of fees equalling \$76,609.50 plus GST, and that the Liquidators can draw the remuneration as required."

FOR / AGAINST / ABSTAIN

2. To consider and if thought fit, approve the Joint and Several Liquidators' prospective remuneration for the period 15 April 2017 to completion:

"That the prospective remuneration of the Liquidators, their partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017, for the period from 15 April 2017 to finalisation, is fixed and approved to a maximum cap of \$70,537.50 plus GST and disbursements, to be drawn only when incurred. Should a lesser amount be actually incurred, only the lesser amount will be drawn. Should a greater amount be actually incurred, further approval from the creditors of the company will be sought"

FOR / AGAINST / ABSTAIN

3. To consider and if thought fit, approve the Joint and Several Liquidators' current disbursements for the period 21 May 2016 to 14 April 2017 (inclusive):

"That the disbursements of the Liquidators for the period of the Liquidation from 21 May 2016 to 14 April 2017, as detailed in the Remuneration Report of 26 April 2017, are approved in the sum of \$2,901.25 plus GST."

FOR / AGAINST / ABSTAIN

DATED this day of 2017.

Signature

CERTIFICATE OF WITNESS

This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.

I,
of

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated:

Signature of Witness:

Description:

Place of Residence:

* Strike out if inapplicable

(1) If a firm, strike out "I" and set out the full name of the firm.

(2) Insert the name, address and description of the person appointed.

(3) If a special proxy add the words "to vote for" or the words "to vote against" and specify the particular resolution.

FORM 532

Regulation 5.6.29

CORPORATIONS ACT 2001

APPOINTMENT OF PROXY
CREDITORS MEETING

**ACN 094 221 913 PTY LTD (FORMERLY KNOWN AS PET BRANDS CONNECT PTY LTD)
(IN LIQUIDATION)
ACN 094 221 913
("THE COMPANY")**

*I/*We
(1)

.....
of

.....
a creditor of the Company, appoint (2)

.....
or in his or her absence

.....
as *my/our *general/special proxy to vote at the meeting of creditors to be held at 11:00 AM (AEST) on
Thursday, 25 May 2017 at the offices of Deloitte Financial Advisory Pty Ltd, Level 9, 225 George Street,
Sydney NSW 2000, or at any adjournment of that meeting.(3)

ONLY COMPLETE THE FOLLOWING IF YOU HAVE APPOINTED A SPECIAL PROXY ABOVE

(Please circle your preferred voting option)

1. To consider and if thought fit, approve the Joint and Several Liquidators' current remuneration for the period 21 May 2016 to 14 April 2017 (inclusive):

"That the remuneration of the Liquidators, their partners and staff, for the period of the Liquidation from 21 May 2016 to 14 April 2017 is fixed at a sum equal to the additional cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017 of fees equalling \$92,206.50 plus GST, and that the Liquidators can draw the remuneration as required."

FOR / AGAINST / ABSTAIN

2. To consider and if thought fit, approve the Joint and Several Liquidators' prospective remuneration for the period 15 April 2017 to completion:

"That the prospective remuneration of the Liquidators, their partners and staff, calculated at the hourly rates as detailed in the Remuneration Report of 26 April 2017, for the period from 15 April 2017 to finalisation, is fixed and approved to a maximum cap of \$79,985.00 plus GST and disbursements, to be drawn only when incurred. Should a lesser amount be actually incurred, only the lesser amount will be drawn. Should a greater amount be actually incurred, further approval from the creditors of the company will be sought"

FOR / AGAINST / ABSTAIN

3. To consider and if thought fit, approve the Joint and Several Liquidators' current disbursements for the period 21 May 2016 to 14 April 2017 (inclusive):

"That the disbursements of the Liquidators for the period of the Liquidation from 21 May 2016 to 14 April 2017, as detailed in the Remuneration Report of 26 April 2017, are approved in the sum of \$3,527.38 plus GST."

FOR / AGAINST / ABSTAIN

DATED this day of 2017.

Signature

CERTIFICATE OF WITNESS

This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.

I,
of

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated:

Signature of Witness:

Description:

Place of Residence:

* Strike out if inapplicable

- (1) If a firm, strike out "I" and set out the full name of the firm.
- (2) Insert the name, address and description of the person appointed.
- (3) If a special proxy add the words "to vote for" or the words "to vote against" and specify the particular resolution.

FORM 532

Regulation 5.6.29

CORPORATIONS ACT 2001

APPOINTMENT OF PROXY
CREDITORS MEETING

**AS CONSOLIDATED PTY LTD
(IN LIQUIDATION)
ACN 167 361 604
("THE COMPANY")**

*I/*We
(1)

.....
of

.....
a creditor of the Company, appoint (2)

.....
or in his or her absence

.....
as *my/our *general/special proxy to vote at the meeting of creditors to be held at 11:00 AM (AEST) on
Thursday, 25 May 2017 at the offices of Deloitte Financial Advisory Pty Ltd, Level 9, 225 George Street, Sydney
NSW 2000, or at any adjournment of that meeting.(3)

DATED this day of 2017.

Signature

CERTIFICATE OF WITNESS

This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.

I,
of

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated:

Signature of Witness:

Description:

Place of Residence:

* Strike out if inapplicable

- (1) If a firm, strike out "I" and set out the full name of the firm.
- (2) Insert the name, address and description of the person appointed.
- (3) If a special proxy add the words "to vote for" or the words "to vote against" and specify the particular resolution.

FORM 535
CORPORATIONS ACT 2001

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

ACN 058 258 870

To the Liquidator of Animal Supplies (Wholesale) Pty Ltd (In Liquidation)

1. This is to state that the company was, on 20 May 2016 ⁽¹⁾ and still is, justly and truly indebted to ⁽²⁾
.....
..... for
..... dollars and cents.

Particulars of the debt are:

Date	Consideration ⁽³⁾	Amount \$	GST included \$	Remarks ⁽⁴⁾
------	------------------------------	--------------	-----------------------	------------------------

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:⁽⁵⁾
- 3.^{(6)*} I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.
- 3.^{(6)*} I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this day of 2017

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation

Address

See Directions overleaf for the completion of this form

OFFICE USE ONLY

POD No:		ADMIT - Ordinary	\$
Date Received:	/ /	ADMIT - Preferential	\$
Entered into IPS/Computer:		Reject	\$
Amount per RATA	\$	H/Over for Consideration	\$
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED / /			

Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount	Date Due
	\$	¢		

-
- (6) If proof is made by the creditor personally, strike the two (2) paragraphs numbered 3.
-

Annexures

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

FORM 535
CORPORATIONS ACT 2001

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

ACN 167 361 775

To the Liquidator of Australian Supply & Distribution Solutions Pty Ltd (In Liquidation)

1. This is to state that the company was, on 20 May 2016 ⁽¹⁾ and still is, justly and truly indebted to⁽²⁾
.....
..... for
..... dollars and cents.

Particulars of the debt are:

Date	Consideration ⁽³⁾	Amount \$	GST included \$	Remarks ⁽⁴⁾
------	------------------------------	--------------	-----------------------	------------------------

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:⁽⁵⁾
- 3.^{(6)*} I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.
- 3.^{(6)*} I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this day of 2017

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation

Address

See Directions overleaf for the completion of this form

OFFICE USE ONLY

POD No:		ADMIT - Ordinary	\$
Date Received:	/ /	ADMIT - Preferential	\$
Entered into IPS/Computer:		Reject	\$
Amount per RATA	\$	H/Over for Consideration	\$
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED	/ /		

Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount	Date Due
	\$	¢		

-
- (6) If proof is made by the creditor personally, strike the two (2) paragraphs numbered 3.
-

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
- (a) have an identifying mark;
 - (b) and be endorsed with the words:

"This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
- (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.

FORM 535
CORPORATIONS ACT 2001

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

ACN 094 221 913

To the Liquidator of ACN 094 221 913 Pty Ltd (formerly Pet Brands Connect Pty Ltd) (In Liquidation)

1. This is to state that the company was, on 20 May 2016 ⁽¹⁾ and still is, justly and truly indebted to ⁽²⁾
.....
..... for
..... dollars and cents.

Particulars of the debt are:

Date	Consideration ⁽³⁾	Amount \$	GST included \$	Remarks ⁽⁴⁾

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:⁽⁵⁾
- 3.^{(6)*} I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.
- 3.^{(6)*} I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this day of 2017

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation

Address

See Directions overleaf for the completion of this form

OFFICE USE ONLY

POD No:		ADMIT - Ordinary	\$
Date Received:	/ /	ADMIT - Preferential	\$
Entered into IPS/Computer:		Reject	\$
Amount per RATA	\$	H/Over for Consideration	\$
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED	/ /		

Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount	Date Due
	\$	¢		

-
- (6) If proof is made by the creditor personally, strike the two (2) paragraphs numbered 3.
-

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
- (a) have an identifying mark;
 - (b) and be endorsed with the words:

"This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
- (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.

FORM 535
CORPORATIONS ACT 2001

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

ACN 167 361 604

To the Liquidator of AS Consolidated Pty Ltd (In Liquidation)

1. This is to state that the company was, on 20 May 2016 ⁽¹⁾ and still is, justly and truly indebted to ⁽²⁾
.....
..... for
..... dollars and cents.

Particulars of the debt are:

Date	Consideration ⁽³⁾	Amount \$	GST included \$	Remarks ⁽⁴⁾

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:⁽⁵⁾
- 3.^{(6)*} I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.
- 3.^{(6)*} I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this day of 2017

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation

Address

See Directions overleaf for the completion of this form

OFFICE USE ONLY

POD No:		ADMIT - Ordinary	\$
Date Received:	/ /	ADMIT - Preferential	\$
Entered into IPS/Computer:		Reject	\$
Amount per RATA	\$	H/Over for Consideration	\$
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED	/ /		

Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount	Date Due
	\$	¢		

-
- (6) If proof is made by the creditor personally, strike the two (2) paragraphs numbered 3.
-

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
- (a) have an identifying mark;
 - (b) and be endorsed with the words:

"This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
- (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.