

**R T Wallace Pty Ltd (“the Company”)
ACN 623 169 728 (In Liquidation)**

Circular to Creditors 23 August 2024

We refer to our appointment as Joint and Several Liquidators on 13 February 2023, Initial Circular of 13 March 2023 and Statutory Report of 12 May 2023. This report should be read in conjunction with our previous reports which are available on our website (www.wexted.com), and the same defined terms have been adopted for this report.

The purpose of this report is to:

- Provide you with an update on the progress of the liquidation; and further tasks to be undertaken prior to finalisation;
- Advise you of the likelihood of a dividend being paid in the respective liquidation; and
- To consider and if thought fit, approve the remuneration of the Joint and Several Liquidators for the period 13 February 2023 to the finalisation of the Liquidator.

1. Update on the progress of the liquidation

Since our statutory report, we have undertaken further investigations into the Company’s affairs and realisable assets. We have corresponded with various representatives of both the Company and the Director; including but not limited to, the Company’s pre-appointment accountant and Bankruptcy trustee to obtain further information and the location of assets. Following these actions, we have recovered some of the books and records of the Company and had the Directors Report on Company Activities and Property submitted to our office, which has allowed our office to understand the Company’s affairs and conduct our investigations.

We are pleased to report to creditors that during the course of our recovery actions, we have identified, located, and realised an asset of the Company, which is discussed in detail in Section 2.1 of this report. This report aims to provide creditors with an update on the Liquidation of the Company and further tasks to be undertaken prior to finalisation.

2. Realisation of assets

2.1 Vehicles

Further to our Statutory Report to creditors on 12 May 2023, recovery actions were undertaken to locate, value, and realise the Company’s assets. Due to the initial lack of support provided by the Director, we were unable to validate the existence or whereabouts of the assets of the Company.

Motor vehicle ownership searches with Transport NSW indicated that the following vehicles may be in possession of the former Director or an affiliate of the Company.

Make	Model	Registration expiry	Owned to
Mack	Superliner	13 Feb 2024	29 Jan 2024
Lusty	Tandem	21 Jul 2022	27 Sep 2022
Case	MX270	5 Apr 2021	Nov 2022

BOQ had a registered security interest over the Mack Superliner and were owed \$209K. We obtained a valuation of the Mack Superliner and made the decision there may be equity available. Despite several offers from the Director, over a delayed period and with the consent of BOQ we engaged a mercantile agent to locate and reposes the Mack Superliner. Our auctioneer sold the Mack Superliner



for \$252K on 7 March 2024. From the net sale proceeds received from our auctioneers, less a provision for costs in securing, preserving and realizing the asset, a secured creditor distribution of \$195K was made to BOQ.

We currently hold \$28.5K, pursuant to Section 556, the priority of distributions subject to creditor approval of liquidation fees, we now propose to apply these funds as follows:

- Petitioning creditor costs of \$7.8K; and
- The balance of liquidation fees incurred in preserving, securing, and realizing the asset, we note these costs, and general liquidation fees to date are \$59.2K.

As outlined in our Statutory Report at Section 8, we sought creditor funding to undertake further investigations and to locate any Company assets.

Further discussions were had with the Mercantile agents regarding the recovery of additional assets. These discussions ceased when it became apparent that the costs involved in recovering the assets would exceed the estimated recovery value in a liquidation scenario. Despite our requests, no supporting documentation has been provided by the Director.

We have received correspondence from the Director stating that both trailers were sold more than 12 months prior to our appointment; with the amount owed to the secured creditor being disbursed. We offer creditors the opportunity to fund these investigations if they believe there is commercial merit in pursuing the recovery and realisation of these assets.

Should creditors wish to provide information or funding to support these investigations please contact our office by **13 September 2024**.

2.2 Debtors

As mentioned within our Statutory Report to creditors, our preliminary investigations indicated a potential total debtor balance of \$276K as reported on 30 June 2021 (We note that this was ~ 19 months prior to our appointment on 13 February 2023). My office was supplied with the books and records of the Company on 21 September 2023, the Company failed to maintain financial accounts for FY22 or YTD accounts for FY23.

Further records received and reviewed by my office including the Director's ROCAP there was no apparent of any evidence of a debtor balance. Company records did not provide a detailed breakdown by debtor as at FY21, rather a total per balance sheet figure was produced.

Due to financial records not being generated for two years prior to our appointment, we are unable to identify the existence of debtors or assess the quantum of funds owed to the Company. As we are unaware of any current debtors, we have not commenced any debtor recovery actions.

3. Investigations undertaken

3.1 Insolvent trading

Consistent with our findings in the Statutory Report we suspect that the Company may have been insolvent from as early as November 2017.

On 18 May 2023, we were informed by the Bankruptcy Trustee that the Director of the Company was made bankrupt on 17 May 2023. Noting this, we have been advised that the likelihood of a dividend being made in the Bankruptcy estate is unlikely, and there is no commercial benefit for creditors to pursue this claim.

Whilst a dividend is unlikely, we have submitted a Proof of Debt in the Bankruptcy for \$1,108,914.



3.2 Unfair preferences

We have reviewed the books and records available, including:

- Review of Bank statements for the six months prior to the relation-back day (9 June 2022 to 13 February 2023), noting any significant sums and/or round payments to creditors;
- Assess Proof of Debts received and supporting documentation including creditor statements, to determine if any creditors received preferential treatment to the detriment to other creditors; and
- Analysed records to identify the existence of payment arrangements with specific creditors.

Our investigations are ongoing to identify any transactions that may constitute unfair preference payments; to date we have identified potential preference payments within the six-month relation back period (being 9 June 2022 to 13 February 2023) detailed below.

Date	Narration	Amount (\$)
10/06/22	WITHDRAWAL MOBILE 1373274 TFR Westpac Bus Repayments	7,000.00
17/06/22	WITHDRAWAL MOBILE 1108546 TFR Westpac Bus	10,000.00
15/08/22	WITHDRAWAL MOBILE 1676724 TFR Westpac Bus	24,000.00
16/08/22	WITHDRAWAL-OSKO PAYMENT 1849390 Sooner Transport WLM	10,000.00
16/08/22	WITHDRAWAL MOBILE 1844091 TFR Westpac Bus	10,000.00
17/08/22	WITHDRAWAL MOBILE 1872042 TFR Westpac Bus	10,000.00
23/08/22	WITHDRAWAL-OSKO PAYMENT 1858352 Sooner Transport Wallace Logistics	5,000.00
24/08/22	WITHDRAWAL MOBILE 1097614 TFR Westpac Bus	6,000.00
2/09/22	WITHDRAWAL ONLINE 1320770 TFR Westpac Bus	5,000.00
16/09/22	WITHDRAWAL MOBILE 1185383 TFR Westpac Bus	5,000.00
11/10/22	WITHDRAWAL ONLINE 1312752 TFR Westpac Bus	11,000.00
10/11/22	WITHDRAWAL MOBILE 1274802 TFR Westpac Bus	13,000.00
	Total	116,000.00

Source: Company Bank statements, for the period 9 June 2022 to 13 February 2023.

Investigations indicate that preference payments totalling \$101.0K were potentially made to a related party of the Director. My office has been notified that the transactions were made to a Westpac account ending in xx7490.

We encourage creditors to contact our office if they are aware of the recipient of the outlined transactions.

We have issued letters of demand to recoup the payment to Sooner Transport Pty Ltd, and the related party.

If any creditor is interested in funding our office to conduct further investigations into potential unfair preference payments, please contact us.

4. Likelihood of a Dividend

A dividend to unsecured creditors is unlikely. Any potential dividend remains contingent on recoveries of vehicles (trailers), debtors and unfair preferences.



5. Receipts and Payments to date

Enclosed in **Appendix A** are the details of all receipts and payments in the liquidation to date.

In accordance with our statutory requirements under Schedule 2 of the Insolvency Practice Schedule 70-5(6), we provide notice to creditors of the lodgement of our latest annual accounts on 5 March 2024 with ASIC for the period 13 February 2023 to 12 February 2024. A copy is available on the ASIC website, or on request from our office.

6. Proposals without a meeting

6.1 Cost of the liquidation

Attached at **Appendix B** is a detailed report on our remuneration, called a Remuneration Approval Report. We are unable to pay our remuneration without the approval of creditors or the court.

We note that our office is willing to reduce our incurred fees as at 16 August 2024 from \$59.2K to \$40.0K to increase the likelihood of a return to creditors.

We are seeking a further \$10.0K in future remuneration to complete the liquidation of the Company.

We are seeking creditor approval of our remuneration by a proposal without a meeting (discussed below).

6.2 Voting on the proposal

The Liquidators intend to seek creditor approval for the remuneration request via circular resolution, pursuant to sections 75-40(1) and 75-40(4) of Schedule 2 to the Corporations Act 2001 (Cth) and section 75-130 of the Insolvency Practice Rules (Corporations) 2016 (Cth).

Attached as **Appendix E** is a copy of the resolution which the Liquidators are requesting creditors consider and vote upon in relation to remuneration incurred, which states:

“That the remuneration of the Joint and Several Liquidators of RT Wallace Pty Ltd (In Liquidation) for the period 13 February 2023 to the 16 August 2024, calculated at the hourly rates as detailed in the Initial Remuneration Notice provided to creditors be approved in the sum of \$40,000.00 exclusive of GST, and that the Joint and Several Liquidators can draw the remuneration immediately or as required.”

Attached as Appendix E is a copy of the resolution which the Deed Administrators are requesting creditors consider and vote upon in relation to future remuneration, which states:

“That the future remuneration of the Joint and Several Liquidators of RT Wallace Pty Ltd (In Liquidation) for the period of 17 August 2024 to finalisation, calculated at the hourly rates as detailed in the Remuneration Report and Initial Remuneration Notice provided to creditors be approved up to the capped amount of \$10,000.00 exclusive of GST, and that the Joint and Several Liquidators can draw the remuneration as incurred.”

Creditors are invited to vote ‘yes’ or ‘no’ on the proposed resolution. Any objections to the resolution must be made in writing.

The due date for votes to be received is 4:00PM on **16 September 2024**.

Should creditors wish to vote on the resolution, it is necessary that you have already submitted a Proof of Debt. A form of Proof of Debt is attached as **Appendix D**, only to be completed in circumstances where creditors have not submitted details of their claim.

Should you require any additional information to consider the above resolution please contact the Deed Administrators’ office by **13 September 2024**.



The documents can be scanned and emailed to mflorian@wexted.com and original returned via post to our firm's address, attention to Max Florian.

An information sheet on "proposals without a meeting" is included at **Appendix C**.

7. Request for Funding

In consideration of the matters outlined in this report, should any creditor wish to provide funding, we again invite all creditors to express any interest as soon as possible or by **13 September 2024**.

8. What happens next and how long will the liquidation take?

Unless additional information or funding is received from creditors, we intend to commence steps to finalise the liquidation on or around **30 September 2024**.

If we receive a request for a meeting that complies with the guidelines set out in the initial information provided to you, we will hold a meeting of creditors.

We may write to you again with further information on the progress of the liquidations. We currently expect to have completed this liquidation within six months.

9. Contact

Should creditors have any further information that may assist us in our investigation or require further information in regard to this matter, please contact Max Florian of this office on telephone number (02) 9210 1723 or via email at mflorian@wexted.com. Relevant information may increase the likelihood of the liquidators making sufficient recoveries to pay a dividend to creditors.

Dated this day of Friday 23rd August 2024

R T Wallace Pty Ltd (In Liquidation)

Andrew McCabe
Joint and Several Liquidator

List of attachments

Appendix A – Receipts and payments between 13 February 2023 and 23 August 2024

Appendix B – Remuneration Report

Appendix C – Proposals without a meeting and information sheet

Appendix D – Proof of Debt form

Appendix E – Resolution 1 for voting purpose

Appendix F – Resolution 2 for voting purpose

Account of Receipts & Payments for All Bank Accounts

Annexure A

R T Wallace Pty Ltd

(In Liquidation)

Transactions from 13 February 2023 To 23 August 2024

Date	Ref	Narrative	A/C-Sub AC	GST Code	Net	GST	Receipt	Payment	Balance
Balance brought forward:									0.00
30/03/2023		RT Wallace	74	G3O	3,228.10	0.00	3,228.10		3,228.10
06/04/2023		R T Wallace	74	G3O	9,925.03	0.00	9,925.03		13,153.13
06/04/2023		R T Wallace	74	G3O	49.25	0.00	49.25		13,202.38
05/02/2024		AJG & CO Insurance	53	EXC	103.68	0.00		103.68	13,098.70
05/02/2024		AJG & CO Insurance	163	G11	200.00	20.00		220.00	12,878.70
05/02/2024		AJG & CO Insurance	138	G11	1,885.13	188.51		2,073.64	10,805.06
12/03/2024		Pickles	82-1	G1	229,545.45	22,954.55	252,500.00		263,305.06
12/03/2024		Pickles Auctions	30	G11	12,625.00	1,262.50		13,887.50	249,417.56
12/03/2024		Pickles Auctions	41	G11	250.00	25.00		275.00	249,142.56
12/03/2024		Pickles Auctions	40	G11	45.00	4.50		49.50	249,093.06
18/03/2024		BOQ Equipment Finance Ltd	165-1	EXC	195,000.00	0.00		195,000.00	54,093.06
13/05/2024		ATO	211	EXC	21,454.00	0.00		21,454.00	32,639.06
12/06/2024	INV-0033	Assure GP Pty Ltd	6-1	G14	880.00	0.00		880.00	31,759.06
12/06/2024	INV-0033	Assure GP Pty Ltd	165-1	G11	3,000.00	300.00		3,300.00	28,459.06
Total Net & GST - Receipts					\$242,747.83	\$22,954.55			
Total Net & GST - Payments					\$235,442.81	\$1,800.51			
Total					\$7,305.02	\$21,154.04	\$265,702.38	\$237,243.32	\$28,459.06



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**Remuneration Approval Report
R T Wallace Pty Limited In Liquidation
ACN 623 169 728
23 August 2024**

Liability limited by a scheme approved under Professional Standards
Legislation Wexted Unit Trust trading as Wexted Advisors ABN 46 346 904 995
Level 17, 68 Pitt Street Sydney NSW 2000 | GPO Box 7091 Sydney NSW 2001
t (02) 9210 1700 | www.wexted.com | enquiries@wexted.com



This remuneration approval report provides you with information to assist you to make an informed decision regarding the approval of our proposed remuneration for undertaking the Liquidation of R T Wallace Pty Ltd (In Liquidation).

1. Declaration

We, Joseph Hayes and Andrew McCabe of Wexted Advisors, have undertaken a proper assessment of this remuneration claim for our appointment as Joint and Several Liquidators of R T Wallace Pty Ltd (In Liquidation) in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of this matter.

We have reviewed the work in progress report for the Liquidation to ensure that remuneration is only being claimed for necessary and properly performed work.

2. Executive Summary

To date, no remuneration or internal disbursements have been approved and paid in this Liquidation.

This remuneration approval report details approval sought for the following remuneration and internal disbursements.

Approvals Sought	Report Reference	Amount (ex GST)
Remuneration		
Retrospective Resolution 1: 13 February 2023 to 16 August 2024	3.1	\$40,000.00
Prospective Resolution 2: 17 August 2024 to the Finalisation of the Liquidation	3.2	\$10,000.00
Total Remuneration		\$50,000.00
*Approval sought for future remuneration and internal disbursements is based on an estimate of the work necessary to the completion of the Liquidation. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.		

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



3. Remuneration

3.1 Retrospective remuneration

We will request that the following resolution be passed to approve our retrospective remuneration. Details to support this resolution are included further below.

Retrospective remuneration resolution(s)	Appointment Type	Amount (ex GST)
Resolution 1: 13 February 2023 to 16 August 2024	Liquidation	\$59,150.50
Less: Discounted Remuneration		\$19,150.50
Total retrospective remuneration resolution		\$40,000.00

Resolution 1: from 13 February 2023 to 16 August 2024.

“That the remuneration of the Joint and Several Liquidators of RT Wallace Pty Ltd (In Liquidation) for the period 13 February 2023 to 16 August 2024, calculated at the hourly rates as detailed in the Initial Remuneration Notice provided to creditors be approved in the sum of \$40,000.00 exclusive of GST, and that the Joint and Several Liquidators can draw the remuneration immediately or as required.”

We will withdraw funds from the Liquidation account in respect of the Liquidators’ remuneration immediately upon approval if funds are available. If funds are not available, we will withdraw funds progressively over time as funds become available.

The below table sets out the time charged to each major task area by staff members working on the Liquidation for the period 13 February 2023 to 16 August 2024, which is the basis of Resolution 1.

We have taken a significant discount on our fees.

More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained further below.

RT Wallace Pty Ltd (In Liquidation) - Remuneration for the period 13 February 2023 to 16 August 2024																
Employee	Position	\$/hour (exc GST)	Total hours	Total (\$)	Assets		Creditors		Employees		Investigations		Dividend		Admin	
					hrs	\$	hrs	\$	hrs	\$	hrs	\$	hrs	\$	hrs	\$
Andrew McCabe	Partner	700	6.6	4,620.00	1.4	980.0	3.3	2,310.0	-	-	0.8	560.0	-	-	1.1	770.0
James LeMessurier	Senior Manager	545	0.8	436.00	-	-	0.3	163.5	-	-	-	-	-	-	0.5	272.5
Angus Malouf	Manager	500	0.2	100.00	-	-	-	-	-	-	-	-	-	-	0.2	100.0
Max Florian	Manager	500	14.3	7,150.00	-	-	9.4	4,700.0	-	-	1.1	550.0	-	-	3.8	1,900.0
Angus Malouf	Assistant Manager	450	17.5	7,875.00	0.2	90.0	2.4	1,080.0	0.2	90.0	14.2	6,390.0	-	-	0.5	225.0
Max Florian	Assistant Manager	450	25.3	11,385.00	0.9	405.0	21.8	9,810.0	-	-	1.1	495.0	-	-	1.5	675.0
Max Florian	Senior Accountant	375	12.0	4,500.00	4.8	1,800.0	0.9	337.5	-	-	-	-	3.8	1,425.0	2.5	937.5
Kaiyan Wu	Senior Accountant	375	1.8	675.00	-	-	1.8	675.0	-	-	-	-	-	-	-	-
Max Florian	Senior Analyst	315	52.0	16,380.00	24.3	7,654.5	-	-	-	-	21.3	6,709.5	-	-	6.4	2,016.0
Tom MacDonnell	Accountant	250	8.7	2,175.00	-	-	6.7	1,675.0	-	-	-	-	-	-	2.0	500.0
Campbell Thompson	Accountant	250	2.7	675.00	-	-	0.8	200.0	-	-	-	-	-	-	1.9	475.0
Finnbar Stenmark	Accountant	250	3.4	850.00	-	-	1.4	350.0	-	-	-	-	-	-	2.0	500.0
Kapil Kumar	Accountant	250	1.5	375.00	-	-	1.5	375.0	-	-	-	-	-	-	-	-
Isha Yadav	Accountant	250	1.5	375.00	-	-	-	-	-	-	-	-	-	-	1.5	375.0
Tom Silk	Undergraduate	180	4.3	774.00	-	-	3.4	612.0	-	-	-	-	-	-	0.9	162.0
Tom MacDonnell	Undergraduate	180	3.6	648.00	-	-	-	-	-	-	-	-	-	-	3.6	648.0
Tristan Kelleher	Undergraduate	175	0.9	157.50	-	-	0.3	52.5	-	-	-	-	-	-	0.6	105.0
Subtotal (exc GST)			156.2	59,150.50	31.6	10,929.50	54.0	22,340.50	0.2	90.00	38.5	14,704.50	3.8	1,425.00	29.0	9,661.00
GST				5,915.05												
Total remuneration (inc GST)				65,065.55												
Average hourly rate (exc GST)				378.68		345.87		413.71		450.00		381.94		375.00		333.14

The below table sets out a detailed description of work undertaken on the Liquidation for the period 13 February 2023 to 16 August 2024, which is the basis of Resolution 1.



Resolution 1: 13 February 2023 to 16 August 2024 (actual past remuneration)

Task Area	General Description	Includes
Assets 31.60 hours \$10,929.50	Sale of Assets	Preparing an information memorandum Contacting valuers and sales agent for Truck and other assets identified
	Plant and Equipment	Liaising with valuers, auctioneers and interested parties Reviewing asset listings
	Assets subject to specific charges	All tasks associated with realising a charged asset
	Debtors	Correspondence with debtors Reviewing and assessing debtors' ledgers Liaising with debt collectors and solicitors
	Other Assets	Tasks associated with realising other assets
Creditors 55.10 hours \$23,340.50	Creditor Enquiries	Receive and respond to creditor enquiries Review and prepare initial correspondence to creditors and their representatives
	Retention of Title Claims	Search to the PPSR register
	Secured creditor reporting	Notifying PPSR registered creditors of appointment Responding to secured creditor's queries
	Creditor reports	Preparing section 439A report, investigation, and general reports to creditors
Employees 0.20 hours \$90.00	Employees enquiries	Receive and follow up employee enquiries via telephone/email
Trade On 0.60 Hours \$129.00	Processing receipts and payments	Entering receipts and payments into accounting system
Investigation 38.50 hours \$14,704.50	Conducting investigation	Collection of company books and records Reviewing company's books and records Preparation of investigation file Writing to stakeholders requesting further information Review and preparation of company nature and history Conducting and summarising statutory searches Preparation of comparative financial statements Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with directors regarding certain transactions
	ASIC reporting	Preparing statutory investigation reports Liaising with ASIC
Dividend 3.80 hours \$1,425.00	Dividend procedures	Preparation of correspondence to creditors advising of intention to declare dividend



Task Area	General Description	Includes
Administration 28.40 hours \$9,532.00	Correspondence	Directors/ Corporate Officer Letter preparation Corresponding with Lawyers regarding Director Following up enquiries from employees and other stakeholders
	Document maintenance/file review/checklist	Updating checklists Filing documents provided
	Insurance	Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies
	Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements
	ASIC Form 524, 5602, 5603 and other forms	Preparing and lodging ASIC forms including 505, 524, 911, 5602, 5603 etc

3.2 Estimated future remuneration

Prospective remuneration resolution(s)	Appointment Type	Amount (ex GST)
Resolution 2: 17 August 2024 to finalisation of the Liquidation	Liquidation	\$10,000.00
Total prospective remuneration resolution		\$10,000.00

In preparing this report, our prospective remuneration approval is our best estimate of what we believe the liquidation will cost to complete and we do not anticipate that we will have to ask creditors to approve any further remuneration. However, should the liquidation not proceed as expected, we will advise creditors, and we may seek approval of further remuneration. Matters that may affect the progress and the cost of the liquidation, include:

- Additional asset realisations;
- Complexity surrounding voidable transaction claims; and
- Finalisation the liquidation of the Company.

3.3 Total remuneration reconciliation

At this point in time, we estimate that the total remuneration for the liquidation will be \$50,000.00 (GST exclusive), as shown in the table below.

Approvals Sought	Report Reference	Amount (ex GST)
Remuneration		
Retrospective* Resolution 1: 13 February 2023 to 16 August 2024	3.1	\$40,000.00



Prospective*	3.2	\$10,000.00
Resolution 2: 17 August 2024 to the finalisation of the Liquidation		
Total Remuneration		\$50,000.00

This differs to the estimate provided in our Initial Remuneration Notice dated 13 March 2023, which estimated remuneration of \$20,000.00 (excluding GST), as the liquidators have discovered some potential voidable transactions which may be available to creditors but require further investigation and may incur additional fees in to realise.

3.4 Likely impact on dividends

It is both reasonable and appropriate for a professional service provider to be remunerated for their services. A Liquidator is entitled to be remunerated for necessary work that is properly performed. That work generates the funds that may be recovered for the benefit of creditors and other stakeholders.

The impact of the approval of the Liquidator's remuneration is that the remuneration will then be paid provided sufficient funds are generated to enable it to be paid. The remuneration will be paid from those funds that are generated prior to the payment of most creditors in the Liquidation.

It is noted that funds would only be available to any stakeholder as a consequence of the work necessarily undertaken by the Liquidator.

In order to preserve further assets for returns to creditors, we have capped our remuneration and anticipate making no further requests for remuneration approval.

3.5 Remuneration recovered from external sources

Liquidators presently hold \$28,459.06 Cash at Bank, this amount is made up of pre-Appointment bank accounts held by the Company. Further funds were made available to Liquidators from the realisation of Motor Vehicles held by the Company. These funds are held in the Liquidation bank account until creditors, a committee of creditors or the court approve the Liquidators' remuneration for this Liquidation. No additional funding has been received from external sources to date.

4. Disbursements

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

We are required to obtain creditor's consent for the payment of a disbursement where we, or a related entity of us, may directly or indirectly obtain or derive a profit.

For more information about disbursements, please refer to the Initial Remuneration Notice previously provided to creditors.

5. Summary of Receipts and Payments

A Report on the Full and Summarised Receipts and Payments is enclosed at **Annexure A**.

6. Queries

If you require any further information, please contact Max Florian on (02) 9210 1708, or mflorian@wexted.com.

7. Further information

The Australian Securities and Investments Commission (**ASIC**) and the Australian Restructuring Insolvency and Turnaround Association (**ARITA**) have released several guides to assist directors,



shareholders, creditors and employees of companies in external administration. In particular ASIC has released a remuneration information guide for creditors - *INFO 85 Approving fees: a guide for creditors*.

Creditors can obtain a copy of this information sheet from ASIC's website at **www.asic.gov.au/insolvencyinfosheets**.

You can also access ARITA's information sheets which may assist you from **www.arita.com.au/creditors**.

Further supporting documentation for our remuneration claim can be provided to creditors on request, provided sufficient notice is given.

Dated this 23 August 2024

A handwritten signature in black ink, appearing to read 'Andrew McCabe', with a long horizontal flourish extending to the right.

Andrew McCabe
Joint and Several Liquidator



Information sheet: Proposals without meetings

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

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

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

What is a proposal without a meeting?

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

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

What types of proposals can be put to creditors?

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

What information must the notice contain?

The notice must:

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

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

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

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

Specific queries should be directed to the external administrator's office.

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

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

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

How is a resolution passed?

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

What happens if the proposal doesn't pass?

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

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

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

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

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

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

Where can I get more information?

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

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

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

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

CX

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Liquidators of R T Wallace Pty Ltd (In Liquidation)

1. This is to state that the company was, on 13 February 2023⁽¹⁾ and still is, justly and truly indebted to⁽²⁾ (full name):

.....
(‘Creditor’)

.....
of (full address)

for \$ dollars and cents.

Particulars of the debt are:

Date	Consideration ⁽³⁾ state how the debt arose	Amount \$	GST included \$	Remarks ⁽⁴⁾ include details of voucher substantiating payment

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:

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 \$ c	Due Date

I am **not** a related creditor of the Company ⁽⁵⁾

I am a related creditor of the Company ⁽⁵⁾

relationship: _____

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

Is the debt you are claiming assigned to you?

No Yes

If yes, attach written evidence of the debt, the assignment and consideration given.

Attached

If yes, what value of consideration did you give for the assignment (eg, what amount did you pay \$ for the debt?) _____

3A.^{(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.

3B.^{(6)*} I am the creditor's agent authorised 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 2023

Signature of Signatory.....

NAME IN BLOCK LETTERS

Occupation

Address

See Directions overleaf for the completion of this form

OFFICE USE ONLY

POD No:		ADMIT (Voting / Dividend) - Ordinary	\$
Date Received:	/ /	ADMIT (Voting / Dividend) – Preferential	\$
Entered into CORE IPS:		Reject (Voting / Dividend)	\$
Amount per ROCAP	\$	Object or H/Over for Consideration	\$
Reason for Admitting / Rejection			
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED	/ /		

Proof of Debt Form 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) Related Party / Entity: Director, relative of Director, related company, beneficiary of a related trust.
- (6) If the Creditor is a natural person and this proof is made by the Creditor personally. In other cases, if, for example, you are the director of a corporate Creditor or the solicitor or accountant of the Creditor, you sign this form as the Creditor's authorised agent (delete item 3A). If you are an authorised employee of the Creditor (credit manager etc), delete item 3B.

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:
 - i) "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.

NOTICE OF PROPOSAL TO CREDITORS

**R T Wallace Pty Limited (In Liquidation) ACN 623 169 728 (“the Company”)
Voting Poll Closes: 16 September 2024**

Resolution No.1 for creditor approval

“That the remuneration of the Joint and Several Liquidators of R T Wallace Pty Limited (In Liquidation) for the period from 13 February 2023 to 16 August 2024 calculated at the hourly rates as detailed in the Initial Remuneration Notice provided to creditors be approved in the sum of \$40,000.00 exclusive of GST, and that the Joint and Several Liquidators can draw the remuneration immediately or as required.”

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

The Liquidators are entitled to be remunerated for the work undertaken by us, our partners and our staff. We consider that the method of this approval by a proposal, rather than incurring the costs of convening a meeting of creditors will achieve the dual aims of:

- allowing creditors to properly consider detailed information regarding the remuneration that we request they approve; and
- minimise the costs of the consideration and approval process, with the aim of maximising the potential return to creditors from the liquidation.

If the resolution is passed, the Liquidators will rely on the resolution to pay the approved remuneration (or a lesser amount if there are insufficient funds available) from the bank account maintained by the Liquidators.

Vote on resolution No.1

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. If more than 25% of responding creditors object to the proposal being resolved without a meeting of creditors, a meeting of creditors would be required to be convened to pass the resolution.

Please select the appropriate Yes, No or Object box referred to below:

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

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

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

Creditor details

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

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

Address: _____

Name of creditor / authorised person: _____

Signature: _____ Date: _____

Please complete this document and return with any supporting documents by no later than **16 September 2024** for your vote to be counted, by email to Max Florian at mflorian@wexted.com. If you have any questions, please call our office on (02) 9210 1700.

Completed forms may also be sent by post attention to Wexted Advisors, GPO Box 7091 Sydney NSW 2001, although you should ensure this is sent with sufficient time to arrive by the date the vote closes, which we cannot guarantee.

Dated: 23 August 2024

NOTICE OF PROPOSAL TO CREDITORS

**R T Wallace Pty Limited (In Liquidation) ACN 623 169 728 (“the Company”)
Voting Poll Closes: 16 September 2024**

Resolution No.2 for creditor approval

“That the remuneration of the Joint and Several Liquidators of R T Wallace Pty Limited (In Liquidation) for the period from 17 August 2024 to completion of the Liquidation, calculated at the hourly rates as detailed in the Initial Remuneration Notice provided to creditors be approved in the sum of \$10,000.00 exclusive of GST, and that the Joint and Several Liquidators can draw the remuneration immediately or as required.”

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

The Liquidators are entitled to be remunerated for the work undertaken by us, our partners and our staff. We consider that the method of this approval by a proposal, rather than incurring the costs of convening a meeting of creditors will achieve the dual aims of:

- allowing creditors to properly consider detailed information regarding the remuneration that we request they approve; and
- minimise the costs of the consideration and approval process, with the aim of maximising the potential return to creditors from the liquidation.

If the resolution is passed, the Liquidators will rely on the resolution to pay the approved remuneration (or a lesser amount if there are insufficient funds available) from the bank account maintained by the Liquidators.

Vote on resolution No.2

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. If more than 25% of responding creditors object to the proposal being resolved without a meeting of creditors, a meeting of creditors would be required to be convened to pass the resolution.

Please select the appropriate Yes, No or Object box referred to below:

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

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

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

Creditor details

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

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

Address: _____

Name of creditor / authorised person: _____

Signature: _____ Date: _____

Please complete this document and return with any supporting documents by no later than **16 September 2024** for your vote to be counted, by email to Max Florian at mflorian@wexted.com. If you have any questions, please call our office on (02) 9210 1700.

Completed forms may also be sent by post attention to Wexted Advisors, GPO Box 7091 Sydney NSW 2001, although you should ensure this is sent with sufficient time to arrive by the date the vote closes, which we cannot guarantee.

Dated: 23 August 2024