

17 June 2019



Wenatex Pty Ltd ACN 168 617 534 (In Liquidation) (“the Company”)

REPORT TO CREDITORS

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1. INTRODUCTION

Ginette Muller and I, Joanne Dunn, were appointed Administrators of the Company on 6 August 2015 and subsequently Liquidators on 10 September 2015. Ginette Muller resigned as Liquidator on 8 September 2016; as such I am the sole Liquidator of the Company.

The purpose of this report is to:

- Provide you with an update on the progress of the liquidation;
- To call a meeting of creditors; and
- Provide notice of my intention to declare a first and final dividend;

I will also be seeking approval of my remuneration. Accordingly, this report is to be read in conjunction with the attached Circular to Creditors and detailed Remuneration Approval Report.

This report should be read in conjunction with my previous reports and circulars to creditors. Should you require copies of any of my previous reports, please contact this office.

Contact details for general enquiries regarding this liquidation are:

Table 1 – FTI Consulting Contact Details

Liquidator	Joanne Dunn
Point of Contact	Sam Baillie
Contact Phone Number:	+61 7 3225 4952
Contact Email:	Sam.Baillie@fticonsulting.com
Street Address:	FTI Consulting Central Plaza One Level 20, 345 Queen Street Brisbane QLD 4000
Postal Address:	FTI Consulting GPO Box 3127 Brisbane QLD 4001

2. COLLECTION OF DEBTORS

The only remaining realisable assets are certain debts owed to the Company by customers that purchased stock prior to my appointment. The majority of outstanding debtors at the date of my appointment were financed through Certegy Ezi-Pay Pty Ltd (**Certegy**), a third-party payment plan financier. A summary of the collections to date is as follows:

Category of Debtors	Number of Individual Debtors on Appointment	Amount Outstanding at Appointment (\$)	Collections in the Administration/Liquidation (\$)
Non-Financed Debtors	99	113,422	44,899
Certegy Debtors	226	937,335	113,729
Total	325	1,050,757	158,628

The majority of debtors at the time of my appointment were over four (4) months old with many debtors either disputing the balance owing or advising the amounts had already been paid. This has protracted the collection process as debtors were required to be assessed on a case by case basis and either written off or pursued when commercial to do so.

Collections from Certegy Debtors are continuing, however, the costs incurred in collecting the remaining debtors are now higher than the limited recoveries currently being achieved. Continuing to pursue these debtors is therefore uncommercial and will not result in a higher return to unsecured creditors. It is therefore my intention to close the debtor book with Certegy and finalise the liquidation shortly after the declaration of the upcoming dividend.

3. ESTIMATED RETURN TO CREDITORS

I intend to declare a dividend to unsecured creditors from the assets available in the Liquidation. The estimated return to creditors is summarised below.

Table 3 - Estimated Return to Creditors			
	Optimistic (\$)	Pessimistic (\$)	Notes
Assets			
Cash at Bank	100,741	100,741	1
Debtors	5,000	Nil	2
Total Assets	105,741	100,741	
Less: Liquidator's Remuneration & Expenses			
Remuneration for the period 27.07.2017 to 09.06.2019	78,766	78,766	
Remuneration for the period 10.06.2019 to Finalisation	5,000	10,000	
Total Liquidator's Remuneration & Expenses	83,766	88,766	3
Available Funds to Distribute to Unsecured Creditors	21,975	11,975	
Unsecured Creditors			
Unsecured Creditors	677,132	880,272	
Related Party Creditors	6,628,496	8,617,044	
Total Unsecured Creditors	7,305,628	9,497,317	4
Dividend Rate to Unsecured Creditors	0.30 cents in the \$	0.13 cents in the \$	

Notes:

1. Cash at Bank

The current funds held in the Liquidation account as at 9 June 2019 are \$100,741. Please refer to the receipts and payments listing included at **Appendix E** for further details.

2. Debtors

As discussed in Section 2, the only remaining realisable asset in the liquidation is the Company debtor book.

3. Liquidators Remuneration

Please refer to the Remuneration Approval Report at **Appendix A** for further details concerning the Liquidator's remuneration and internally generated disbursements.

4. Unsecured Creditors

The Company records, along with Formal Proof of Debts which I have received to date, indicate that there is a total of \$7,305,628 owing to 292 unsecured creditors.

This figure is likely to change as we receive further proofs of debt forms and subsequently adjudicate on those claims prior to declaring the dividend.

A proof of debt form is at **Appendix D** for those creditors who are yet to lodge a claim in the liquidation.

4. RECEIPTS AND PAYMENTS

*Attached at **Appendix E** are details of the receipts and payments of the Liquidation for the period 6 August 2015 to 9 June 2019.

5. DIVIDEND

I estimate a first and final dividend between 0.13 and 0.30 cents in the dollar will be paid to unsecured creditors in the Liquidation. This estimate is subject to a range of variables, particularly the quantum of the creditor claims.

*Attached at **Appendix F** is my Notice of Intention to Declare a First and Final Dividend.

A Proof of Debt form is contained at **Appendix D** for creditors to complete and return to make a claim in the Liquidation. If you do not prove your debt on or before **Tuesday, 9 July 2019**, I shall proceed to declare a first and final dividend in the Liquidation without regard to your claim.

In accordance with Section 553E of the *Corporations Act 2001 (Cth)* a dividend will **not** be paid to those creditors whose distribution will be **less than \$25AUD**.

Those creditors who have already lodged a Proof of Debt are not required to lodge a further proof (unless they wish to amend their claim).

6. LIQUIDATOR'S REMUNERATION

I advise that FTI Consulting charges professional fees based on time spent by the Liquidators and their staff at rates reflecting their level of experience.

Please refer to the Remuneration Approval Report at **Appendix A** for a summary of fees and disbursements. Creditors will be asked at the forthcoming meeting of creditors to consider and if thought fit, approve the remuneration and disbursements of the Liquidators and their staff as detailed in Section 3 above.

7. MEETING OF CREDITORS

A meeting of creditors will be held on **Wednesday, 10 July 2019 at 10:00AM (AEST)** at our office located at **FTI Consulting, Level 20, Central Plaza One, 345 Queen Street, Brisbane, QLD, 4000** to:

- Consider the report by the Liquidator and the conduct of the liquidation;
- Fix the remuneration of the Liquidator (as disclosed in the Remuneration Request Approval Report)
- Fix the future remuneration of the Liquidator (as disclosed in the Remuneration Request Approval Report); and
- Discuss any general business which may arise.

To participate in the meeting, please complete and return the following by no later than **4:00PM (AEST)** on **Tuesday, 9 July 2019**:

- Appointment of Proxy form – **Appendix C**;
- Formal Proof of Debt or Claim form along with supporting documents for your claim (only if you have not previously provided it) – **Appendix D**.

These documents can be scanned and emailed back to Sam Baillie or returned via post to my offices. If you choose to return these documents via post, please ensure that you allow enough time for me to receive them by the due date.

8. WAY FORWARD

You should now:

- read my report and attached information; and
- complete and return your proxy form and proof of debt by **4:00PM (AEST) on Tuesday, 9 July 2019**.

9. FURTHER INFORMATION

The Australian Restructuring Insolvency and Turnaround Association (ARITA) provides information to assist creditors with understanding liquidations and insolvency. This information, including details of your rights as a creditor, is available from ARITA's website at www.arita.com.au/creditors.

ASIC provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at www.asic.gov.au by searching for "insolvency information sheets".

Please contact Sam Baillie of my office on (07) 3225 4952 or at Sam.Baillie@fticonsulting.com should you require further information.

Yours faithfully

FTI Consulting



Joanne Dunn
Liquidator

Appendices:

Appendix A – Remuneration Approval Report

Appendix B – Notice of Meeting

Appendix C – Proxy Form

Appendix D – Proof of Debt Form

Appendix E – Receipts and Payments

Appendix F – Notice of intention to Declare a First and Dividend

Our Ref: SSB_448018.0001r6



Sam Baillie
+61 7 3225 4952
Sam.Baillie@fticonsulting.com

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About FTI Consulting

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

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17 JUNE 2019

REMUNERATION APPROVAL REPORT

WENATEX PTY LTD
(IN LIQUIDATION)
ACN 168 617 534

Introduction

Information included in report

This remuneration approval report provides you with the information that the *Corporations Act 2001 (Cth)* (**the Act**) and the Code of Professional Practice published by the Australian Restructuring Insolvency and Turnaround Association (**ARITA**) requires creditors to receive to make an informed decision regarding the approval of my remuneration and the cost of my internal disbursements for undertaking the Liquidation of Wenatex Pty Ltd (In Liquidation) ACN 168 617 534.

This report has the following information included:

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Part 1: Declaration

I, Joanne Dunn of FTI Consulting have undertaken a proper assessment of the claims for remuneration and payment of my internal disbursements for the appointment as Liquidator of Wenatex Pty Ltd (In Liquidation) ACN 168 617 534 in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of this appointment and further, that the disbursements claimed are necessary and proper.

Part 2: Executive Summary

Remuneration

The total remuneration incurred for this appointment for the period 6 August 2015 to 9 June 2019 is \$442,423.30 (excluding GST).

Creditors have previously capped my remuneration at \$365,755 for the External Administration. This includes \$135,755 (excluding GST) for the Administration period and \$230,000 (excluding GST) for the Liquidation period. My remuneration incurred to date has increased from my previous estimate due to the follow factors:

- Ongoing dealings with over 1,000 debtors regarding the Liquidation;
- Ongoing receipt of debtor contributions throughout the course of the Liquidation;
- Undertaking detailed analysis of both Cash and Certegy debtors on a case by case basis to determine ongoing collectability;
- The large number of unsecured creditor claims and high volume of creditor enquiries;
- The size and complexity of the trade on period throughout the Voluntary Administration;
- Complexity of investigations into the affairs of the Company including reviewing records, undertaking statutory investigations, reviewing potential claims for insolvent trading, preference payments and voidable transactions.

Creditors have previously approved the following remuneration amounts detailed in Table 1 below for the external administration.

Table 1: Remuneration previously approved

Period	Type of Appointment	Approved (Ex GST) \$	Drawn (Ex GST) \$
6 August 2015 to 26 August 2015	Voluntary Administration	90,755.00	90,755.00
27 August 2015 to 9 September 2015	Voluntary Administration	45,000.00	45,000.00
10 September 2015 to Finalisation of the Liquidation*	Liquidation	230,000.00	229,025.00
Total past remuneration approved and drawn		\$365,755.00	\$364,780.00

*Approvals obtained at meetings held on 10 September 2015 and 16 December 2016.

This report provides details of the following remuneration for which approval is sought, shown in Table 2 below.

Table 2: Current claim for remuneration

Period	Type of Appointment	Report Reference	Amount (Ex GST) \$
Resolution 1: 27 July 2017 to 9 June 2019 (Inclusive)	Liquidation	Table 3	78,766.40
Resolution 2: 10 June 2019 to the finalisation of the Liquidation (inclusive)*	Liquidation	Table 4	10,000.00
Total current claim for remuneration			\$88,766.40

* The quantum of future remuneration for which approval is sought is based on an estimate of the work necessary to complete the administration. Should additional work beyond what is contemplated be necessary, further approval may be sought from creditors. If a lesser amount is incurred, I will limit my remuneration to that lesser amount.

Part 3: Remuneration

Remuneration claim resolutions

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

Resolution 1: Remuneration from 27 July 2017 to 9 June 2019 (inclusive)

The remuneration of the Liquidator of Wenatex Pty Ltd (In Liquidation) ACN 168 617 534 for the period 27 July 2017 to 9 June 2019 (inclusive), be calculated on a time basis at the hourly rates set out in the Schedules of FTI Consulting Standard Rates effective 1 March 2017, and is determined and approved for payment in the amount of \$78,766.40 plus GST and the Liquidator can draw the remuneration.

Resolution 2: Remuneration from 10 June 2019 to the finalisation of the Liquidation (inclusive)

The future remuneration of the Liquidator of Wenatex Pty Ltd (In Liquidation) ACN 168 617 534 for the period 10 June 2019 to the finalisation of the Liquidation (inclusive) is determined and approved for payment at a sum equal to the cost of time incurred by the Liquidators and staff of FTI Consulting, calculated at the hourly rates set out in the schedule of FTI Consulting Standard Rates effective 1 March 2017, up to an initial capped amount of \$10,000.00 (excluding GST), and the Liquidator can draw the remuneration as required.

Remuneration is calculated in accordance with the hourly rates applicable to the grades or classifications set out in the FTI Consulting Schedule of Standard Rates which appear at Schedule 3 to this report. FTI Consulting's standard charge rates have increased since the commencement of the external administration.

At this stage, based on the information presently available to me, I consider that it will not be necessary to convene a further meeting of creditors to seek further approval from creditors. However, the position may change depending on the progress of the external administration and the issues that may arise.

Details to support resolutions

The basis of calculating the remuneration claims are summarised below and the details of the major tasks performed and the costs associated with each of those major tasks are contained in Schedule 1 to Schedule 2 of this report.

Resolution 1: Remuneration from 27 July 2017 to 9 June 2019 (inclusive)

Table 3 below sets out time charged to each major task area by staff members working on the Liquidation from 27 July 2017 to 9 June 2019 (inclusive) which is the basis of the Resolution 1 claim. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained in Schedule 1.

Table 3: Calculation of Remuneration for the period 27 July 2017 to 9 June 2019 (inclusive)

Resolution 1: Remuneration incurred from 27 July 2017 to 9 June 2019 (inclusive)

Employee	Position	Rate/hour excl GST \$	Total actual hours	Total (excl GST) \$	Task Area				
					Assets \$	Creditors \$	Investigation \$	Dividend \$	Administration \$
Joanne Dunn	Senior Managing Director	625.00	6.50	4,062.50	0.00	1,625.00	0.00	500.00	1,937.50
Matthew Glennon	Senior Director	570.00	36.22	20,645.40	5,084.40	7,410.00	0.00	171.00	7,980.00
Marco Bozzetto	Consultant 2	360.00	1.40	504.00	360.00	0.00	0.00	0.00	144.00
Nicholas Remmelt	Consultant 2	360.00	1.20	432.00	0.00	108.00	0.00	0.00	324.00
Marco Bozzetto	Consultant 1	315.00	11.40	3,591.00	0.00	630.00	0.00	0.00	2,961.00
Nicholas Remmelt	Consultant 1	315.00	12.30	3,874.50	1,512.00	850.50	0.00	0.00	1,512.00
Samuel Baillie	Consultant 1	315.00	3.50	1,102.50	409.50	126.00	0.00	0.00	567.00
Samuel Baillie	Associate 2	280.00	64.90	18,172.00	3,584.00	12,292.00	56.00	0.00	2,240.00
Thomas Lloyd	Associate 2	280.00	1.80	504.00	0.00	0.00	0.00	0.00	504.00
Jackson Zande	Associate 1	260.00	8.60	2,236.00	0.00	2,236.00	0.00	0.00	0.00
Matteson McGuire	Associate 1	260.00	3.90	1,014.00	312.00	0.00	0.00	0.00	702.00
Samuel Baillie	Associate 1	260.00	74.20	19,292.00	6,630.00	6,110.00	910.00	0.00	5,642.00
Various Staff	Administration 2	185.00	8.40	1,554.00	0.00	629.00	0.00	0.00	925.00
Various Staff	Administration 1	155.00	11.50	1,782.50	0.00	0.00	0.00	0.00	1,782.50
Total			245.82	78,766.40	17,891.90	32,016.50	966.00	671.00	27,221.00
GST				7,876.64					
Total (including GST)				86,643.04					
Average hourly rate (excluding GST)				320.42	322.26	318.89	261.08	610.00	319.87

Resolution 2: Remuneration from 10 June 2019 to the finalisation of the Liquidation (inclusive)

Table 4 below sets out the expected costs for the major tasks likely to be performed by the Liquidator and their staff from 10 June 2019 to the finalisation of the Liquidation (inclusive) which is the basis of the Resolution 2 claim. More detailed descriptions of the tasks likely to be performed within each task area, matching the amounts below, are contained in Schedule 2.

Table 4: Expected costs for the major tasks from 10 June 2019 to the finalisation of the Liquidation (inclusive)

	Total	Task Area			
		Assets	Creditors	Dividend	Administration
Total (est)	\$10,000.00	\$500.00	\$2,000.00	\$6,000.00	\$1,500.00
GST	\$1,000.00	\$50.00	\$200.00	\$600.00	\$150.00
Total (incl GST)	\$11,000.00	\$550.00	\$2,200.00	\$6,600.00	\$1,650.00

Total remuneration reconciliation

The total remuneration for the period 6 August 2015 to 9 June 2019 is \$442,423.30 (excluding GST). This includes the current approval amount being sought of \$78,766.40 (excluding GST).

At this stage, based on the information presently available to me, I consider it will not be necessary to seek further approval of my remuneration as Liquidators. This is subject to the following variables which may have a significant effect on this estimate and that I am as yet unable to determine:

- The declaration of the upcoming dividend to unsecured creditors;
- Managing the collection of outstanding debts and finalising the debtor book;
- The level of creditor and employee enquiries received.

Likely impact on dividends

The Act sets the order for payment of claims against the Company and it provides for remuneration of the Liquidator to be paid in priority to other claims. This ensures that when there are sufficient funds, the Liquidator receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and the Australian Securities and Investments Commission (**ASIC**) and distribute any available funds. Even if creditors approve my remuneration, this does not guarantee that we will be paid, as we are only paid if sufficient assets are recovered.

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

Based on:

- realisations to date,
- estimated future realisations,
- my estimated remuneration to complete the Liquidation and
- the estimated total of creditor claims based on the company's records and claims lodged now,

I estimate that a dividend of between 0.13 and 0.30 cents in the dollar will be paid to unsecured creditors in the liquidation. However, this is subject to a range of variables, particularly the quantum of the creditor claims.

Part 4: Disbursements

Explanatory note on disbursements

Disbursements are divided into three types:

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

Internal disbursements not charged at cost must be approved by creditors before I can draw the cost of those disbursements from this external administration.

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

To date, disbursements totalling \$7,647.52 (excluding GST) have been incurred in the liquidation, as shown in Table 5 below.

Table 5: Total disbursements incurred from 10 September 2015 to 9 June 2019

Type	Basis of charge Excl GST	Amount (excl GST) \$
Externally provided non-professional services		
Subscriptions	At Cost	455.00
Storage	At Cost	1,401.12
Taxi	At cost	108.97
Postage	At cost	3,436.90
Sub-total		5,401.99
Internal disbursements		
Printing & Photocopying	0.09 per unit of time charged	1,060.83
Telephone	0.10 per unit of time charged	1,184.70
Sub-total		2,245.53
Total		\$7,647.52

Of the above amount, \$6,422.61 (excluding GST) has been paid to the Liquidator. I will not be seeking approval to draw the remaining amount of internal disbursements of \$1,224.91 (excluding GST).

Future basis of internal disbursements

Future internal disbursements will be charged to the administration on the basis of the Schedule of Brisbane FTI Consulting Internal Disbursement Rates as shown in Table 6 below.

Table 6: Schedule of Brisbane FTI Consulting Internal Disbursement Rates

Disbursement	Note	Rate (exclusive of GST) \$
Advertising and search fees		At cost
Courier		At cost
Postage		At cost
Storage and storage recall		At cost
Staff travel – mileage	ATO rates	Cents per km method
Other staff travel/out of pockets		At cost

As mentioned, I will not be seeking approval for any future internal disbursements incurred in the liquidation.

Part 5: Summary of Receipts and Payments

A summary of the receipts and payments for the period 6 August 2015 to 9 June 2019 appears at **Appendix E** of the Report to Creditors which accompanies this report.

Part 6: Queries

If you have any queries or require any further information concerning my claim for remuneration, please contact Sam Baillie on (07) 3225 4952 or via email on Sam.Baillie@fticonsulting.com.

You can also access information which may assist you on the following websites:

- ARITA at www.arita.com.au/creditors
- ASIC at www.asic.gov.au (search for “insolvency information sheets”).

Yours faithfully

FTI Consulting



Joanne Dunn
Liquidator

Our Ref: SSB_448018.0001-r6 REM.doc



Sam Baillie
+61 7 3225 4952
sam.baillie@fticonsulting.com

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About FTI Consulting

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

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

Table 7 below provides a description of the work undertaken in each major task area from 27 July 2017 to 9 June 2019 (inclusive).

Table 7: Work undertaken from 27 July 2017 to 9 June 2019 (inclusive)

Task Area	General Description	Includes
Assets 55.20 hours \$17,891.90	Debtors	<ul style="list-style-type: none"> ▪ Detailed review of extensive debtor book of over 1000 debtors according to the Company records ▪ Communications (written and oral) with debtors ▪ Liaising with Certegy regarding debtor collections ▪ Liaising with Certegy regarding sale of debtor book ▪ Reviewing extensive customer contracts and assessing collectability ▪ Reviewing collection agents previous notes on each customer ▪ Updating debtor spreadsheet with contact and personal information ▪ Receipting extensive debtor payments ▪ Receipting monies from Certegy for debtor payments ▪ Preparing correspondence to debtors regarding outstanding balance ▪ Issuing follow up correspondence to debtors ▪ Liaising with debtors regarding disputed debts, requesting and reviewing evidence to substantiate dispute
Creditors 100.40 hours \$32,016.50	Creditor enquiries	<ul style="list-style-type: none"> ▪ Receiving creditor enquiries ▪ Responding to creditor enquiries by telephone, email, facsimile and post
	Creditor Reports & Circulars	<ul style="list-style-type: none"> ▪ Preparing and issuing detailed Annual Report to Creditors ▪ Preparing detailed Estimated Statement of Position ▪ Preparing Liquidators' Acts and Dealings notice
	Processing PODs	<ul style="list-style-type: none"> ▪ Issuing, receiving and filing PODs ▪ Adjudication on PODs ▪ Maintaining POD register
	Review Claims	<ul style="list-style-type: none"> ▪ Undertaking initial review of major claims ▪ Reviewing books and records of the Company relating to major claims ▪ Reviewing and analysing effect of major claims on creditors

Task Area	General Description	Includes
Investigation 3.70 hours \$966.00	Conducting investigation into affairs of the Company	<ul style="list-style-type: none"> ▪ Investigating remaining Certegy debtors and assess ongoing collectability ▪ Investigating remaining cash debtors on a case by case basis and assess ongoing collectability
Dividend 1.10 hours \$671.00	Dividend procedures	<ul style="list-style-type: none"> ▪ Reviewing initial adjudication documents ▪ Reviewing major claims
Administration 85.10 hours \$27,221.00	General Correspondence and Word Processing	<ul style="list-style-type: none"> ▪ Word processing including correspondence, file notes, agendas and minutes ▪ Care and maintenance of the file
	File review/checklist/document maintenance	<ul style="list-style-type: none"> ▪ Administration review ▪ Document filing and maintenance ▪ File reviews ▪ Updating checklist
	Bank accounts	<ul style="list-style-type: none"> ▪ Bank account reconciliations ▪ Procuring and reviewing bank account statements ▪ Communications concerning bank account transactions
	ASIC lodgements	<ul style="list-style-type: none"> ▪ Preparation and lodging necessary forms with ASIC (524, Form 5602 etc.) ▪ General communications with ASIC
	ATO	<ul style="list-style-type: none"> ▪ Preparation and submission of BAS ▪ General communications with ATO ▪ Obtain clearance from ATO to allow distribution of Company's assets
	Planning review	<ul style="list-style-type: none"> ▪ Ad hoc meetings concerning the status of the administration

Schedule 2: Table of major tasks for Resolution 2 remuneration approval

Table 8 below provides a description of the work to be undertaken in each major task area from 10 June 2019 to the finalisation of the Liquidation (inclusive).

Table 8: Work to be undertaken from 10 June 2019 to the finalisation of the Liquidation (inclusive)

Task Area	General Description	Includes
Assets 1.50 hours \$500.00	Debtors	<ul style="list-style-type: none"> ▪ Communications (written and oral) with debtors ▪ Receipt of debtor payments ▪ Managing debtor schedules ▪ Liaise with Certegy regarding closure of debtor book
Creditors 6.00 hours \$2,000.00	Creditor enquiries	<ul style="list-style-type: none"> ▪ Receiving creditor enquiries ▪ Responding to creditor enquiries by telephone, email, facsimile and post
	Creditor Reports & Circulars	<ul style="list-style-type: none"> ▪ Preparing and issuing update and dividend Report to Creditors ▪ Preparing detailed Estimated Statement of Position ▪ Receiving and reviewing creditor votes on proposed resolutions ▪ Maintaining voting register
	Processing proofs of debt (PODs)	<ul style="list-style-type: none"> ▪ Issuing, receiving and filing PODs ▪ Maintaining POD register
Dividend 18.00 hours \$6,000.00	Processing PODs	<ul style="list-style-type: none"> ▪ Communications with unsecured creditors inviting them to lodge PODs ▪ Receipt of PODs ▪ Maintaining POD register ▪ Adjudicating on PODs ▪ Communications with creditors seeking further information ▪ Advising creditors of POD adjudication
	Dividend Procedures	<ul style="list-style-type: none"> ▪ Preparation of correspondence to creditors advising of intention to declare dividend ▪ Advertisement of intention to declare dividend ▪ Preparation and finalisation of dividend calculations ▪ Preparation of correspondence to creditors announcing declaration of dividend ▪ Advertise announcement of dividend ▪ Communications with creditors regarding electronic banking details

Task Area	General Description	Includes
		<ul style="list-style-type: none"> ▪ Preparation of distribution ▪ Preparation of dividend file ▪ Preparation of payment vouchers to pay dividend ▪ Preparation of correspondence to creditors enclosing payment of dividend
Administration 4.50 hours \$1,500.00	General Correspondence and Word Processing	<ul style="list-style-type: none"> ▪ Word processing including correspondence, file notes, agendas and minutes ▪ Care and maintenance of the file
	File review/checklist/document maintenance	<ul style="list-style-type: none"> ▪ Document filing and maintenance ▪ File reviews ▪ Updating checklist
	Bank accounts	<ul style="list-style-type: none"> ▪ Bank account reconciliations ▪ Procuring and reviewing bank account statements ▪ Communications concerning bank account transactions ▪ Closing bank account
	ASIC lodgements	<ul style="list-style-type: none"> ▪ Preparation and lodging necessary forms with ASIC (505, 5602 etc) ▪ General communications with ASIC
	ATO lodgements	<ul style="list-style-type: none"> ▪ Notification of appointment ▪ Preparation and submission of BAS
	Storage of books and records	<ul style="list-style-type: none"> ▪ Organising and storage of book and records
	Finalisation	<ul style="list-style-type: none"> ▪ Communications with ATO concerning finalisation ▪ Cancelling ABN/GST/PAYG registration ▪ Finalising WIP ▪ Completing checklists

Schedule 3: FTI Consulting Schedule of Rates

FTI Consulting Standard Rates effective 1 March 2017 (excluding GST)		
Typical classification	All Offices \$/hour	General guide to classifications
Senior Managing Director	625	Registered/Official Liquidator and/or Trustee, with specialist skills and extensive experience in all forms of insolvency administrations. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to the administration.
Managing Director	580	Specialist skills brought to the administration. Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee. May also be a Registered/Official Liquidator and/or Trustee. Alternatively, has extensive leadership/senior management experience in business or industry.
Senior Director	570	Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee, where required. May also be a Registered/Official Liquidator and/or Trustee or have experience sufficient to support an application to become registered. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	510	Significant experience across all types of administrations. Strong technical and commercial skills. Has primary conduct of small to large administrations, controlling a team of professionals. Answerable to the appointee, but otherwise responsible for all aspects of the administration. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant 2	440	Typically an ARITA professional member. Well-developed technical and commercial skills. Has experience in complex matters and has conduct of small to medium administrations, supervising a small team of professionals. Assists planning and control of medium to larger administrations.
Senior Consultant 1	380	Assists with the planning and control of small to medium administrations. May have the conduct of minor administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	360	Typically ICAA qualified (or similar). Required to control the tasks on small administrations and is responsible for assisting with tasks on medium to large administrations.
Consultant 1	315	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	280	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	260	Typically a university undergraduate or graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Junior Associate	185	Undergraduate in the latter stage of their university degree.
Administration 2	185	Well-developed administrative skills with significant experience supporting professional staff, including superior knowledge of software packages, personal assistance work and/or office management. May also have appropriate bookkeeping or similar skills.
Junior Accountant	155	Undergraduate in the early stage of their university degree.
Administration 1	155	Has appropriate skills and experience to support professional staff in an administrative capacity.

The FTI Consulting Standard Rates above apply to the Corporate Finance & Restructuring practice and are subject to review at 1 January each year.

Corporations Act 2001

**NOTICE OF MEETING OF CREDITORS
WENATEX PTY LTD (IN LIQUIDATION) ACN 168 617 534
(the Company)**

NOTICE IS HEREBY GIVEN a Meeting of Creditors of the Company will be held at 10:00AM (AEST) on Wednesday, 10 July 2019 at FTI Consulting, Level 20, Central Plaza One, 345 Queen Street, Brisbane QLD 4000. Registration will open at 9:50AM (AEST) with the meeting commencing at 10:00AM (AEST).

AGENDA

1. To consider a report by the Liquidator on the conduct of the liquidation.
2. To fix the remuneration of the Liquidator.
3. To fix the future remuneration of the Liquidator.
4. Any other business properly brought before the meeting.

Creditors wishing to vote at the meeting:

- who will not be attending in person or are a company, must complete and return an Appointment of Proxy Form (**attached**); and
- must complete and return a Proof of Debt or Claim Form (**attached**) if not already done so,

by no later than 4:00PM (AEST) on Tuesday, 9 July 2019. Directions on lodging the documents are provided in the **attached** Circular.

Dated this 17th June 2019


Joanne Dunn
Liquidator

APPENDIX C

APPOINTMENT OF PROXY	Insolvency Practice Rules (Corporations) 2016 Section 75-25
Wenatex Pty Ltd (In Liquidation) ACN 168 617 534 ("the Company")	

A. Insert Full Name and Contact Details (please print)

Given Name _____ Surname _____

Company Name _____ Telephone Number _____

Address _____

B. Appointment of a Proxy (please complete)

I/We, a creditor of the Company appoint:

_____ of _____

as my/our proxy, or in his/her absence _____, to vote at the meeting of creditors to be held on **10 July 2019 at FTI Consulting, Level 20, Central Plaza One, 345 Queen Street, Brisbane QLD 4000 at 10.00AM** or at any adjournment of that meeting.

C. Voting by Your Proxy

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf.

AND/OR

Option 2: If appointed as a special proxy for some or all resolutions, specifically in the manner set out below (**please tick**).

Resolution	Manner of Voting (Please specify by tick)		
	For	Against	Abstain
1 The remuneration of the Liquidator of Wenatex Pty Ltd (In Liquidation) ACN 168 617 534 for the period 27 July 2017 to 9 June 2019 (inclusive), be calculated on a time basis at the hourly rates set out in the Schedules of FTI Consulting Standard Rates effective 1 March 2017, and is determined and approved for payment in the amount of \$78,766.40 plus GST and the Liquidator can draw the remuneration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 The future remuneration of the Liquidator of Wenatex Pty Ltd (In Liquidation) ACN 168 617 534 for the period 10 June 2019 to the finalisation of the Liquidation (inclusive) is determined and approved for payment at a sum equal to the cost of time incurred by the Liquidators and staff of FTI Consulting, calculated at the hourly rates set out in the schedule of FTI Consulting Standard Rates effective 1 March 2017, up to an initial capped amount of \$10,000.00 (excluding GST), and the Liquidator can draw the remuneration as required.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

D. Signature Section (in accordance with Sections 82A, 127 or 250D of the Corporations Act 2001 (Cth))

Signature of individual or person authorised by corporate resolution to represent corporation

Print Name:

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

Dated this day of

CERTIFICATE OF WITNESS

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested 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 before he attached his signature or mark to the instrument.

Signature of witness: _____

Wenatex Pty Ltd
(In Liquidation)
ACN 168 617 534
("the Company")

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To: The Liquidators of Wenatex Pty Ltd (In Liquidation).....

1. This is to state that the Company was on 6 August 2015 and still is, justly and truly indebted:-

TO:
 (name of creditor)

OF:
 (address of creditor)

FOR:
 (amount owed to creditor)

AND cents.

Particulars of the debt are:-

<u>Date</u> (insert date when debt arose)	<u>Consideration</u> (state how the debt arose & <u>attach supporting invoices & statements of account</u>)	<u>Amount (\$)</u>	<u>Remarks</u> (include details of voucher substantiating payment)
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2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: (insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).

<u>Date</u>	<u>Drawer</u>	<u>Acceptor</u>	<u>Amount (\$...c)</u>	<u>Due Date</u>
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*3. I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

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

Dated this _____ day of _____

Signature

Name

Address

Annexure E	
Wenatex Pty Ltd (In Liquidation)	
Receipts and Payments from 6 August 2015 to 9 June 2019	
Receipts	Total (\$)
	(Inc GST)
Cash On Delivery/Deposits Taken	171,402.83
Debtor - Post Appointment	520.00
Debtor - Pre-Appointment	160,717.03
Debtors - Certegy	150,981.85
GST Refunds	71,512.37
Interest Income	198.35
Other Income	36,143.60
Pre-Appointment ATO Refunds	43,848.00
Pre-Appointment Cash at Bank	127,904.22
Refunds	3,729.12
Sale Proceeds	223,793.71
Term Deposit Funds	117,046.94
Total Receipts	1,107,798.02
Payments	
Advertising	550.00
Agents Commission	125,653.12
Appointee Disbursements	10,270.26
Appointee Fees	401,258.00
Bank Charges	6,619.93
Cleaning Services	5,995.97
Commission - Certegy	19,428.36
Commission - GraysOnline	25,694.50
Contractors Expense	15,148.00
Credit Card Chargeback	44,882.15
Freight	231.00
Fuel & Oil	2,142.01
Go Via	1,200.00
GST Paid	15,293.00
Hire & Leasing	68.94
Legal Fees	4,396.24
Load & Go Card	1,750.00
Mail Redirection Expense	395.80
Motor Vehicle Expenses	1,258.54
Motor Vehicle Search Fee	22.00
Post VA Refund	45,911.41
Refunds	10,395.35
Rent Expense	40,321.54
Staff Reimbursement	4,133.57
Stamp Duty	143.05
Storage Expense	1,033.00
Sundry Expenses	509.00
Sundry Realisation/Auction Expenses	1,936.00
Telephone & Fax	4,642.53
Transfer to Wenatex Qld Pty Ltd (Wages)	185,958.92
Transport/Removalist Expense	18,396.40
Utilities	8,556.95
WorkCover	2,861.08
Total Payments	1,007,056.62
Net Receipts (Payments)	100,741.40

FORM 548

subregulation 5.6.65(1)
Corporations Act 2001

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

**WENATEX PTY LTD (IN LIQUIDATION)
ACN 168 617 534
("THE COMPANY")**

A first and final dividend is to be declared on or before **Friday, 16 August 2019** for the Company.

You are required formally to prove your debt or claim on or before **Tuesday, 9 July 2019**.

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

If you have already submitted a Proof of Debt form I do not require a further proof to be lodged unless you wish to amend your claim.

Dated 17 June 2019


Joanne Dunn
Liquidator