

NOTICE OF FILING

Details of Filing

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File Title: IN THE MATTER OF THE FORUM GROUP OF COMPANIES PTY
LIMITED ACN 151 964 626 (ADMINISTRATORS APPOINTED) & ORS
Registry: NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA



Sia Lagos

Registrar

Important Information

This Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

The date of the filing of the document is determined pursuant to the Court's Rules.



Form 59
Rule 29.02(1)

Affidavit

No. NSD747 of 2021

Federal Court of Australia
District Registry: NSW
Division: General

**IN THE MATTER OF THE FORUM GROUP OF COMPANIES PTY LIMITED ACN 151 964 626
(IN LIQUIDATION)**

Jason Ireland and Jason Preston in their capacity as receivers and managers of the properties listed in the Schedule

Applicants

Affidavit of: **Jason Ireland**
Address: Level 12, 20 Martin Place, Sydney NSW 2000
Occupation: Registered Liquidator
Date: 9 December 2022

I, Jason Ireland, of Level 12, 20 Martin Place Sydney NSW 2000, Registered Liquidator affirm:

- 1 I am a Partner in the Restructuring practice of McGrathNicol, a Chartered Accountant (admitted as a member of the Chartered Accountants Australia and New Zealand) and a Registered Liquidator. I, together with Jason Preston, am a joint and several liquidator of the First to Twenty-Eighth Plaintiffs (**Liquidators**).
- 2 I believe that the information contained in this affidavit is true.

Filed on behalf of (name & role of party)	Jason Preston and Jason Ireland in their capacity as receivers and managers of the properties listed in the Schedule
Prepared by (name of person/lawyer)	Chris Prestwich
Law firm (if applicable)	Allens
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- 3 I make this affidavit in support of the Interlocutory Application dated 9 December 2022, seeking orders in relation to my remuneration incurred in respect of various court-ordered receiverships.
- 4 Exhibited to me at the time of affirming this affidavit is an electronic bundle of documents marked '**Exhibit JI-6**'. Where I refer to a document by page number noting Exhibit JI-6, I am referring to the corresponding page number in Exhibit JI-6.
- 5 This affidavit is structured as follows:
- (a) A. Background
 - (b) B. Security held over the Real Properties
 - (c) C. James Street Properties
 - (d) D. Edmonstone Road Property
 - (e) E. 5BS Property
 - (f) F. 6BS Property
 - (g) G. XOXO Yacht

A. Background

- 6 By Court order made on 3 September 2021 (**Orders**), the Liquidators were appointed receivers and managers (**Receivers**) pursuant to s 57 of the *Federal Court of Australia Act 1967* (Cth), of the following assets:

Registered Proprietor	Properties
Properties held by 14 James Street Pty Limited (In Liquidation) (Receivers and Managers Appointed) (14 James St PL) as trustee of the 14 James Street Unit Trust (together, the James Street Properties)	16 James St 24 South VIC 3169 Vol: 12170 Folio: 467
	Warehouse 1, 9 Parsons St, Clayton South VIC 3169 Vol: 12170 Folio: 465
	Warehouse 2, 9 Parsons St, Clayton South VIC 3169 Vol: 12170 Folio: 468
	Warehouse 3, 9 Parsons St, Clayton South VIC 3169 Vol: 12170 Folio: 479
	10 James Street, Clayton South, VIC 3169 Vol: 12170 Folio: 472
	12 James Street, Clayton South VIC 3169



Registered Proprietor	Properties
	Vol: 12170 Folio: 471 14 James Street, Clayton South VIC 3169 Vol: 12170 Folio: 470 18 James Street, Clayton South VIC 3169 Vol: 12170 Folio: 466 8 Olive Street, Clayton South VIC 3169 Vol: 12170 Folio: 474
Property held by 26 Edmonstone Road Pty Ltd (In Liquidation) (Receivers and Managers Appointed) as trustee of the 26 Edmonstone Road Unit Trust (Edmonstone Road Property)	26 Edmonstone Road, Bowen Hills QLD 4006 Title Ref: 12134186
Property held by 5 Bulkara Street Pty Ltd (In Liquidation) (Receivers and Managers Appointed) (5 Bulkara St PL) as trustee of the 5 Bulkara Street Unit Trust (5BS Property)	5 Bulkara Street Wagstaffe NSW 2257 Folio: 2/1141260
Property held by 6 Bulkara Street Pty Ltd (In Liquidation) (Receivers and Managers Appointed) (6 Bulkara St PL) as trustee of the 6 Bulkara Street Unit Trust (6BS Property)	6 Bulkara Street Wagstaffe, NSW 2257 Folio: 3/1141260
together, the Real Properties	
Property formerly owned by Intrashield Pty Limited (In Liquidation) (XOXO Yacht)	"XOXO" Motor Yacht - Cayman Islands Official Number 734587
together, the Properties .	

7 A copy of the Orders is at pages 1 to 8 of Exhibit JI-6.



B. Security held over the Real Properties

8 Each of the Real Properties, prior to their sale, were subject to the following encumbrances:

- (a) A registered mortgage in favour of National Australia Bank (**NAB**) on title for each of the James Street Properties, 5BS Property and 6BS Property;
- (b) A registered mortgage in favour of La Trobe Financial on title for the Edmonstone Road Property;
- (c) A caveat lodged by Aksara Holdings Pty Ltd (**Aksara**), save for 6BS Property and the Edmonstone Road Property; and
- (d) A caveat lodged by Westpac Banking Corporation (**Westpac**).

9 The mortgages in favour of NAB secure:

- (a) Home loans that NAB has provided in relation to 5 Bulkara St PL (approximately \$3,680,000), 6 Bulkara St PL (approximately \$5,950,000) and one business banking facility comprising of two tranches of funding provided to 14 James St PL (approximately \$2,800,000 and \$436,800); and
- (b) Amounts owed by 5 Bulkara St PL in respect of guarantees that it has provided in favour of NAB. 5 Bulkara St PL has guaranteed:
 - (i) the amounts owed by Forum Group Pty Limited (In Liquidation) to NAB (which I understand to be in the order of \$1.2m once fees and costs are included); and
 - (ii) one tranche of funding provided under the business banking facility in respect of the 14 James St PL for \$2,800,000.

10 The caveat lodged by Aksara relates to three tranches of vendor finance provided by Aksara when it sold a portfolio of petrol stations to certain entities associated with Mr Vincenzo Tesoriero (**Mr Tesoriero**). This vendor finance was secured by an unregistered second ranking mortgage over:

- (a) Two tranches of petrol station properties held by various companies controlled by Mr Tesoriero and funded in part by a vendor finance facility provided by Aksara. 5 Bulkara St PL guaranteed these facilities; and
- (b) A third vendor finance facility provided by Aksara to fund the purchase of 9 Gregory Street Ouyen Victoria 3490 and 22 High Street Rushworth Victoria 3612, by companies associated with Mr Tesoriero. 14 James St PL guaranteed this facility.



- 11 The caveat lodged by Westpac relates to its proprietary claim in proceeding NSD 616 of 2021 against the registered proprietor of each of the Properties. In that regard, each of the Properties was purchased in part using funds from Forum Group Financial Services Pty Limited (In Liquidation) (**FGFS**).
- 12 On 6 December 2021, NAB served default notices on the registered proprietors of the Real Properties in reliance on payment defaults of the facilities provided to 5 Bulkara St PL and 6 Bulkara St PL described at paragraph 9(a) above (**NAB Default Notices**). The NAB Default Notices demand repayment of the full amount of the debt owing under the facilities.

C. James Street Properties

C.1 Maintenance of the James Street Properties

- 13 At the time of my appointment, 8 of the 9 James Street Properties had tenants occupying the premises.
- 14 Since my appointment as a Receiver, I have caused the following steps, among others, to be undertaken to maintain the James Street Properties and engage with the tenants:
- (a) On 3 September 2021, I instructed my staff to contact all tenants of the James Street Properties and put in place a regime to:
 - (i) Collect rent on a monthly basis;
 - (ii) Collect rent outstanding prior to my appointment;
 - (iii) Agree rental reductions due to COVID-19 relief measures, where appropriate; and
 - (iv) Review the lease with each tenant;
 - (b) On 10 September 2021, I commissioned an Occupational, Health and Safety review (including an electrical compliance review and fire hydrant assessment) to be undertaken and have taken steps to rectify issues identified through that review. By way of example, I caused roof repairs to be performed to prevent water damage;
 - (c) On 19 September 2021, I engaged Accuraco as project manager to oversee works that were being undertaken at the James Street Properties and provide other assistance such as co-ordinating property maintenance services and the changing of the locks to grant the Receivers access to the James Street Properties; and




- (d) On 29 December 2021, I caused Notices to Vacate to be served on two tenants of the James Street Properties being 14A James Street and 16 James Street. I caused those Notices to be issued in circumstances where:
- (i) I considered the lease agreement in respect of 14A James Street to be on uncommercial terms. I formed this view after my staff, together with Sutherland Farrelly (valuer) and Cushman & Wakefield (**C&W**) (selling agent) reviewed the terms of the lease agreement;
 - (ii) The tenancy in respect of 16 James Street was not documented; and
 - (iii) I received advice from Sutherland Farrelly that 14A James Street and 16 James Street would generate a higher sale price if they were put on the market with vacant possession.

15 Throughout the entire period between my appointment as Receiver and the settlement of the sale of the James Street Properties, my staff received numerous telephone calls from tenants in relation to their tenancy, the sale process and general property maintenance matters.

C.2 Sales and marketing campaign

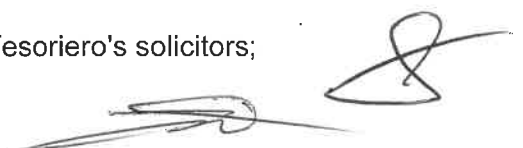
- 16 Since my appointment as a Receiver, I have caused the following steps, among others, to be undertaken in respect of the sales and marketing campaign of the James Street Properties:
- (a) I caused my staff to collate various information on the James Street Properties to provide to potential selling agents to enable them to present proposals to me as Receiver;
 - (b) On 23 September 2021, I caused requests for proposals to be issued to three selling agents by which each prospective selling agent was provided the opportunity to present its proposal for the sale of the James Street Properties;
 - (c) On or around 20 October 2021, I selected C&W as the preferred selling agent. It was recommended by C&W that the James Street Properties be marketed for sale by an "expressions of interest" campaign;
 - (d) On 25 October 2021, I caused Sutherland Farrelly to be instructed to perform valuations of the James Street Properties. These valuations were received on 19 November 2021 (**Valuations**);
 - (e) I caused a review of the proposed realisation and marketing strategy including the marketing material to be undertaken and I approved that strategy;



- (f) I caused an expressions of interest marketing campaign for the James Street Properties to commence on or around 18 March 2022 which concluded on 4 May 2022. At the conclusion of the campaign;
 - (i) 120 individual requests for a copy of the information memorandum were received;
 - (ii) 35 requests for the contract for sale were received; and
 - (iii) 14 parties showed a high level of interest;
- (g) Following the expressions of interest marketing campaign and receipt of 10 offers, on 5 May 2022, after I had considered all offers, I caused the highest offer to be accepted;
- (h) I caused solicitors to be engaged and instructed to advise on the leasing arrangements and caveats on title as well as the preparation of the various contracts for sale and settlement;
- (i) On 12 May 2022, I caused contracts for sale for each of the James St Properties to be exchanged with the purchaser. The purchase price exceeded the Valuation;
- (j) Settlement of the James Street Properties occurred on 23 August 2022; and
- (k) Throughout the sales and marketing process, I caused the key stakeholders to be regularly updated with the process and caused their queries to be responded to.

C.3 Obstruction of access to 14A James Street and removal of abandoned assets

- 17 During the sales and marketing campaign, additional work was required to be undertaken in circumstances where Mr Tesoriero appeared to attempt to delay the sale of the James Street Properties (or at least some of them).
- 18 On 7 February 2022, I reviewed an email that was sent by Kia Yang of Accuraco to Allan Stonehouse of my staff informing him that at the direction of Mr Tesoriero, the tenant of 16 James Street had moved timber planks in front of 14A James Street to obstruct access to the warehouse on the property.
- 19 Following correspondence with Mr Tesoriero's solicitors, the timber planks were removed however on 3 March 2022, I reviewed another email from Ms Yang to Mr Stonehouse informing him that two pallets of bricks and assorted timber were subsequently placed in front of the entrance to 14A James Street.
- 20 As a result of the events set out in paragraphs 17 to 19, I caused the following tasks, among others, to be completed to gain access, prepare the property for sale (including clearing the property) and enable the sale to complete:
 - (a) Engaging with the Receivers' solicitors and Mr Tesoriero's solicitors;



- (b) Engaging with and instructing the Project Manager to arrange for the removal of various construction material blocking the entrance to 14A James Street;
 - (c) Site visit with forklift driver and locksmith to arrange access to 14A James Street; and
 - (d) Liaising with tenant who had been instructed to block future access to 14A James Street.
- 21 Upon obtaining access to 14A James Street, I became aware that a large number of items remained in the warehouse on the property. In order to ensure that the items were returned to their proper owners:
- (a) I caused the Receivers' solicitor to engage with the former tenant and key stakeholders in relation to ownership claims;
 - (b) I caused the Receivers' solicitors to contact the parties asserting ownership (which included Mr Tesoriero) over 10 times requesting information to support the asserted ownership claims;
 - (c) In the absence of sufficient evidence as to the proper ownership of the items, I caused the items in 14A James Street to be removed and stored in a storage facility and for an inventory list to be prepared; and
 - (d) After various requests made by the Receivers, once sufficient evidence of ownership was provided, I caused the items to be delivered to the proper owners.
- 22 The various interactions with Mr Tesoriero (and his legal representatives) resulted in considerably more work than ordinarily would be required to secure, clear and sell a property such as 14A James Street.

C.4 Statutory and Administration

- 23 In addition to the above tasks, I caused the below tasks, among others, to be undertaken:
- (a) Compliance with statutory obligations such as:
 - (i) Notifying stakeholders of appointment;
 - (ii) Preparation of ASIC forms; and
 - (iii) Preparation and lodgement of Business Activity Statements;
 - (b) Opening of bank accounts in compliance with the Orders and performing reconciliation of bank accounts;
 - (c) Review of land tax and capital gains tax obligations;



- (d) Corresponding with insurance broker regarding initial and ongoing insurance requirements; and
- (e) Obtaining access to and reviewing the relevant books and records.

C.5 Future work to be performed

24 In respect of the James Street Properties, I anticipate having to undertake the following future work:

- (a) Finalising CGT and land tax obligations;
- (b) Meeting various statutory obligations (e.g. ASIC and ATO reporting);
- (c) Responding to correspondence from creditors and the Court; and
- (d) Pending determination of the Westpac proceeding NSD 616 of 2021, SMBC Leasing and Finance Inc proceeding NSD 681 of 2021 and Societe Generale proceeding NSD 642 of 2021, an application to the Court in relation to the appropriate distribution of the sale proceeds.

C.6 Remuneration

25 At pages 9 to 19 of Exhibit JI-6 is a copy of the Receivers' remuneration report in respect of the James Street Properties (**James Street Report**). The James Street Report contains (at page 15 of Exhibit JI-6) a detailed breakdown of the period of 3 September 2021 to 30 September 2022 of:

- (a) The person and grade of the person engaged in the particular task; and
- (b) A description of the particular task undertaken and the dates on which time was spent on it, the amount of time spent on it and the relevant rate according to the grade of the person conducting the work drawn from the current scale of rates charged by McGrathNicol referred to at paragraph 27 below.

26 The particulars outlined in the report are extracted from the files maintained by me and from daily timesheets prepared and completed by my staff and I. The daily timesheets and files accurately reflect the work performed by my staff and I.

27 The Receivers' remuneration is based on time occupied by the Receivers, the partners and staff and any employees of McGrathNicol in accordance with the following rates:

Position	Hourly Rate (excl GST)
Receivers/Partner	\$770
Director 1	\$710
Director	\$660

Position	Hourly Rate (excl GST)
Senior Manager	\$620
Manager	\$580
Assistant Manager	\$530
Senior Accountant	\$480
Accountant	\$390
Undergraduate/Cadet	\$230
Practice Services Director	\$710
Senior Treasury Staff	\$470
Senior Client Administration and Treasury	\$370
Administration	\$210

- 28 The remuneration (exclusive of GST) claimed by the Receivers is broken down for the relevant months of the receivership is as follows:

Period	Amount Claimed
3 to 30 September 2021	\$16,777
October 2021	\$14,782
November 2021	\$17,154
December 2021	\$11,265
January 2022	\$4,732
February 2022	\$19,444
March 2022	\$48,646
April 2022	\$36,760
May 2022	\$37,584
June 2022	\$8,929
July 2022	\$5,251
August 2022	\$23,731
September 2022	\$1,416
Total	\$246,471

- 29 I have reviewed the work in progress report for the James Street Properties to ensure remuneration is only claimed for necessary and proper work performed. As part of this review, a total of \$9,508 has been written off from the recorded work in progress (being 4% of total unreviewed time recorded), which primarily related to general administrative matters including training, remuneration preparation and other non-chargeable time.
- 30 I estimate that the remuneration of the Receivers to conduct the tasks referred to in paragraph 24 above, from the period of 1 October 2022 to finalisation of the receivership to be \$25,000 (plus GST).
- 31 The amount of remuneration sought has been calculated without reference to GST and will be grossed up in accordance with GST legislation.
- 32 I verily believe that the total amount of remuneration (including prospective remuneration) claimed for the period of 3 September 2021 to 30 September 2022, being the amount of \$246,471 (plus GST), is:
- (a) Fair and reasonable given the nature of the receivership; and
 - (b) That the work to which the remuneration relates was necessary for the conduct of the receivership.

D. Edmonstone Road Property

D.1 Sales and marketing process

- 33 Since my appointment as a Receiver, I have caused the following steps, among others, to be undertaken in respect of the sales and marketing campaign of the Edmonstone Road Property:
- (a) The Edmonstone Road Property was the former Queensland office of Forum Group Pty Limited (In Liquidation). The receivers of Forum Group (Antony Resnick and Mark Julian Robinson of dVt Group) elected to abandon the residual assets remaining at the premises. I caused the premises to be cleaned in preparation for a sale campaign;
 - (b) On 24 August 2021, I caused the lease associated with Forum Direct Pty Ltd (In Liquidation) (an entity to which the Receivers are appointed as Liquidators) to be disclaimed;
 - (c) Prior to calling for proposals, I caused my staff to collate various information in relation to the Edmonstone Road Property to provide to prospective selling agents;



- (d) On 23 September 2021, I caused requests for proposals to be issued to three selling agents by which each prospective selling agent was provided the opportunity to present their proposal for the sale of the Edmonstone Road Property;
- (e) On 20 October 2021, I selected Jones Lang LaSalle (*JLL*) as the preferred selling agent; On 25 October 2021, I caused Crisp Valuation Services to perform a valuation of the Edmonstone Road Property;
- (f) I caused a review of the proposed realisation and marketing strategy including the marketing material to be undertaken and I approved that strategy;
- (g) The public marketing campaign ran from 3 November 2021 to 1 December 2021. I was informed by JLL that as part of the marketing campaign, 61 individual direct enquires were received and 11 buyer groups considered genuinely interested by JLL actively reviewed the data room/contract;
- (h) I caused solicitors to be engaged and instructed to prepare the contract for sale and prepare for settlement;
- (i) I caused an auction to be held on 1 December 2021 with the reserve set at the valuation price. I was informed by JLL that 14 registered bidders attended the auction of which 6 placed a bid. The Edmonstone Road Property sold at auction for an amount exceeding the valuation;
- (j) Settlement of the Edmonstone Property occurred on 31 January 2022; and
- (k) Throughout the sales and marketing process, I caused the key stakeholders to be regularly updated with the process and caused their queries to be responded to.

D.2 Statutory and Administration

34 In addition to the above tasks, I caused the below tasks, among others, to be undertaken:

- (a) Compliance with statutory obligations such as:
 - (i) Notifying stakeholders of appointment;
 - (ii) Preparation of ASIC forms; and
 - (iii) Preparation and lodgement of Business Activity Statements;
- (b) Opening of bank accounts in compliance with the Orders, processing payments and performing reconciliation of bank accounts;
- (c) Review of land tax and capital gains tax obligations;
- (d) Review of insurance requirements; and



- (e) Obtaining access to and reviewing the relevant books and records.

D.3 Future work to be performed

35 In respect of the Edmonstone Road Property, I anticipate that future work to be performed will include:

- (a) Finalising CGT and land tax obligations;
- (b) Meeting various statutory obligations (e.g. ASIC and ATO reporting);
- (c) Responding to correspondence from creditors and the Court;
- (d) Pending determination of the Westpac proceeding NSD 616 of 2021, SMBC Leasing and Finance Inc proceeding NSD 681 of 2021 and Societe Generale proceeding NSD 642 of 2021, an application to the Court in relation to the appropriate distribution of the sale proceeds.

D.4 Remuneration

36 At pages 20 to 29 of Exhibit JI-6 is a copy of the Receivers' remuneration report in respect of the Edmonstone Road Property (*Edmonstone Road Report*).

37 The Edmonstone Road Report contains (at page 25 of Exhibit JI-6) a detailed breakdown of the period of 3 September 2021 to 30 September 2022 of:

- (a) The person and grade of the person engaged in the particular task; and
- (b) A description of the particular task undertaken and the dates on which time was spent on it, the amount of time spent on it and the relevant rate according to the grade of the person conducting the work drawn from the current scale of rates charged by McGrathNicol referred to at paragraph 27 above.

38 The particulars outlined in the report are extracted from the files maintained by me and from daily timesheets prepared and completed by my staff and I. The daily timesheets and files accurately reflect the work performed by my staff and I.

39 The Receivers' remuneration is based on time occupied by the Receivers, the partners and staff and any employees of McGrathNicol in accordance with the rates set out in paragraph 27 above.

40 The remuneration (exclusive of GST) claimed by the Receivers is broken down for the relevant months of the receivership is as follows:

Period	Amount Claimed
3 to 30 September 2021	\$7,710
October 2021	\$11,421
November 2021	\$20,516

Period	Amount Claimed
December 2021	\$3,130
January 2022	\$9,588
February 2022	\$2,606
March 2022	\$1,218
April 2022	\$1,144
May 2022	\$2,778
June 2022	\$3,703
July 2022	\$147
August 2022	\$736
September 2022	\$194
Total	\$64,891

- 41 I have reviewed the work in progress report for the Edmonstone Road Property to ensure remuneration is only claimed for necessary and proper work performed. As part of this review, a total of \$692 has been written off from the recorded work in progress (being 1% of total unreviewed time recorded), which primarily related to general administrative matters including training, remuneration preparation and other non-chargeable time.
- 42 I estimate that the remuneration of the Receivers to conduct the tasks referred to in paragraph 35 above, from the period of 1 October 2022 to finalisation of the receivership to be \$13,000 (plus GST).
- 43 The amount of remuneration sought has been calculated without reference to GST and will be grossed up in accordance with GST legislation.
- 44 I verily believe that the total amount of remuneration claimed for the period of 3 September 2021 to 30 September 2022, being the amount of \$64,891 (plus GST), is:
- (a) fair and reasonable given the nature of the receivership; and
 - (b) that the work to which the remuneration relates was necessary for the conduct of the receivership.

E. 5BS Property

E.1 Sales and marketing process

- 45 Since my appointment as a Receiver, I have caused the following steps, among others, to be undertaken in respect of the sales and marketing campaign of the 5BS Property:



- (a) On 11 October 2021, I caused Keen Property to be instructed to perform a valuation of the 5BS Property. This valuation was received on 9 December 2021;
- (b) On 23 September 2021, I caused requests for proposals to be issued to three selling agents by which each prospective selling agent was provided the opportunity to present their proposal for the sale of the 5BS Property;
- (c) Belle Property was selected as the preferred selling agent who recommended that the 5BS Property be marketed for sale by an "expressions of interest" campaign (while informal marketing commenced, including engagement with some interested parties, as set out in paragraphs 46 to 51 below, despite considerable efforts by my staff and I, agreement with the caveator was unable to be reached and therefore the formal marketing campaign never commenced);
- (d) I caused a review of the proposed realisation and marketing strategy including the marketing material to be undertaken and I approved that strategy;
- (e) I caused solicitors to be engaged and instructed to prepare the contract for sale and advise in relation to the potential sale of abandoned contents (see paragraph 52 below) as well as necessary licencing;
- (f) In relation to the damaged sea wall, I caused occupational health & safety measures to be taken and caused an assessment of the cost to rectify the damage to be obtained;
- (g) I caused local council to be contacted in relation to the receipt of a non-compliance certification for the pool located at the 5BS Property; and
- (h) Throughout the sales and marketing process, I caused the key stakeholders to be regularly updated with the process and caused their queries to be responded to.

E.2 Receivers' attempts to broker agreement between interested parties for sale of the 5BS Property

46 As a result of the encumbrances on the 5BS Property and the James Street Properties, in order to sell and transfer title of the 5BS Property, at settlement:

- (a) The first registered mortgage in favour of NAB needed to be discharged; and
- (b) Each of the caveats registered by Aksara and Westpac needed to be removed.

47 From around September 2021 to March 2022, I caused the following, among other things, to occur:

- (a) A detailed review of the security position of NAB and Aksara in relation to their respective interests/direct loans to other properties;



- (b) An analysis of the various pathways which would enable the sale of the 5BS Property;
- (c) The consideration of the effect if the proceeds of the sale of the 5BS Property were applied to discharge guarantees given by 5 Bulkara St PL in favour of NAB and/or Aksara (by way of rights of subrogation);
- (d) Various extensive discussions with NAB, Aksara and Westpac to discuss and negotiate a potential pathway to sell the 5BS Property;
- (e) The preparation of an advanced (and substantially agreed) term sheet outlining the Receivers' proposal for the removal by Aksara of its caveat (which was agreeable to NAB and Westpac); and
- (f) The preparation of long form documents to effect that proposal.

48 Ultimately after approximately 3 months of negotiation, Aksara was unwilling to agree with the terms of the Receivers' proposal.

49 As a result of the Receivers and Aksara being unable to reach agreement, on 13 April 2022, NAB exercised its rights as first ranking mortgagee and appointed an agent as mortgagee-in-possession of the 5BS Property (**AMIP**).

50 Following the appointment of the AMIP, I caused my staff to provide all relevant sales and marketing campaign information to the AMIP after which time the AMIP took control of that process.

51 I am informed and believe that on 17 June 2022, the AMIP exchanged a contract for the sale of the 5BS Property and that this contract settled on 29 July 2022.

E.3 Removal of abandoned assets

52 Upon obtaining access to the 5BS Property, I became aware that a number of items remained in the property. In order to ensure that the items were returned to their proper owners:

- (a) I caused the Receivers' solicitor to engage with key stakeholders in relation to ownership claims;
- (b) I caused the Receivers' solicitors to contact the party asserting ownership (being, Mr Tesoriero) over 10 times requesting information to support the asserted ownership claims;
- (c) In the absence of sufficient evidence as to the proper ownership of the items, I caused the items in 5BS Property to be removed and for an inventory list to be prepared;



- (d) I caused to be undertaken further searches of the books and records of entities related to 5 Bulkara St PL, including for example, the books and records of FGFS to which I am appointed liquidator and which leased the 5BS Property prior to my appointment as Receiver. As a consequence of these searches I became aware that, save for certain items of clothing and shoes (**Personal Items**) and certain jet skis and trailers (**Abandoned Items**), the items in the 5BS Property were purchased by FGFS. I caused the key stakeholders to be informed of this development; and
- (e) On 17 June 2022 (being the date on which the AMIP intended on executing a contract of sale for the 5BS Property) I caused the sale of certain furniture and other items which were contained in the 5BS Property (excluding the Personal Items). Completion of this sale agreement occurred on 29 July 2022. I also caused the Personal Items to be delivered to their owner and the removal and storage of Abandoned Items.

E.4 Statutory and Administration

53 In addition to the above tasks, I caused the below tasks, among others, to be undertaken:

- (a) Compliance with statutory obligations such as:
- (i) Notifying stakeholders of appointment;
 - (ii) Preparation of ASIC forms; and
 - (iii) Preparation and lodgement of Business Activity Statements;
- (b) Opening of bank accounts in compliance with the Orders, processing payments and performing reconciliation of bank accounts;
- (c) Review of land tax and capital gains tax obligations;
- (d) Review of insurance requirements; and
- (e) Obtaining access to and reviewing the relevant books and records.

E.5 Future work to be performed

54 In respect of the 5BS Property, I anticipate that future work to be performed will be:

- (a) Storing and dealing related to the Abandoned Items which were contained in the 5BS Property;
- (b) Liaising with AMIP and claimants in relation to the surplus proceeds from the sale (I intend to propose that those proceeds be held in a controlled monies account held on behalf of the Receivers);



- (c) Finalising CGT and land tax obligations;
- (d) Meeting various statutory obligations (e.g. ASIC and ATO reporting);
- (e) Responding to correspondence from creditors and the Court; and
- (f) Pending determination of the Westpac proceeding NSD 616 of 2021, SMBC Leasing and Finance Inc proceeding NSD 681 of 2021 and Societe Generale proceeding NSD 642 of 2021, an application to the Court in relation to the appropriate distribution of the sale proceeds.

E.6 Remuneration

- 55 At pages 30 to 40 of Exhibit JI-6 is a copy of the Receivers' remuneration report in respect of the 5BS Property (**5 Bulkara St Report**).
- 56 The 5 Bulkara St Report contains (at page 36 of Exhibit JI-6) a detailed breakdown of the period of 3 September 2021 to 30 September 2022 of:
- (a) The person and grade of the person engaged in the particular task; and
 - (b) A description of the particular task undertaken and the dates on which time was spent on it, the amount of time spent on it and the relevant rate according to the grade of the person conducting the work drawn from the current scale of rates charged by McGrathNicol referred to at paragraph 27 above.
- 57 The particulars outlined in the report are extracted from the files maintained by me and from daily timesheets prepared and completed by my staff and I. The daily timesheets and files accurately reflect the work performed by my staff and I.
- 58 The Receivers' remuneration is based on time occupied by the Receivers, the partners and staff and any employees of McGrathNicol in accordance with the rates set out in paragraph 27 above.
- 59 The remuneration (exclusive of GST) claimed by the Receivers is broken down for the relevant months of the receivership is as follows:

Period	Amount Claimed
3 to 30 September 2021	\$2,515
October 2021	\$8,149
November 2021	\$10,059
December 2021	\$22,429
January 2022	\$8,002
February 2022	\$22,138



Period	Amount Claimed
March 2022	\$60,886
April 2022	\$11,617
May 2022	\$11,146
June 2022	\$12,035
July 2022	\$4,314
August 2022	\$6,707
September 2022	\$374
Total	\$180,371

60 I have reviewed the work in progress report for the 5BS Property to ensure remuneration is only claimed for necessary and proper work performed. As part of this review, a total of \$1,859 has been written off from the recorded work in progress (being 1% of total unreviewed time recorded), including:

- (a) general administrative matters including training, remuneration preparation and other non-chargeable time; and
- (b) time incurred by McGrathNicol undergraduate employees to remove any perceived inefficiencies incurred by junior members of the team.

61 I estimate that the remuneration of Jason Preston and I to conduct the tasks referred to in paragraph 54 above, from the period of 1 October 2022 to finalisation of the receivership to be \$15,000 (plus GST).

62 The amount of remuneration sought has been calculated without reference to GST and will be grossed up in accordance with GST legislation.

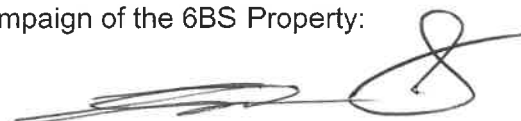
63 I verily believe that the total amount of remuneration (including prospective remuneration) claimed for the period of 3 September 2021 to 30 September 2022, being the amount of \$180,371 (plus GST), is:

- (a) fair and reasonable given the nature of the receivership; and
- (b) that the work to which the remuneration relates was necessary for the conduct of the receivership.

F. 6BS Property

F.1 Sales and marketing process

64 Since my appointment as a Receiver, I have caused the following steps, among others, to be undertaken in respect of the sales and marketing campaign of the 6BS Property:



- (a) On 11 October 2021, I caused Keen Property to be instructed to perform a valuation of the 6BS Property. This valuation was received on 9 December 2021;
- (b) On 23 September 2021, I caused requests for proposals to be issued to three selling agents by which each prospective selling agent was provided the opportunity to present their proposal for the sale of the 6BS Property;
- (c) I caused Belle Property to be selected as the preferred selling agent who recommended that the 6BS Property be marketed for sale by an "expressions of interest" campaign;
- (d) I caused a review of the proposed realisation and marketing strategy including the marketing material to be undertaken and I approved that strategy;
- (e) Between 15 December 2021 and 23 December 2021, I caused formal marketing material to be prepared, including advertisements with REA Group and Doman;
- (f) On or around 3 January 2022, I caused Belle Property to make contact with their customer database notifying them of the forthcoming sale of 6 Bulkara Street, resulting in a number of private inspections on 6 January 2022;
- (g) The formal expressions of interest campaign ran from 10 January 2022 to 7 February 2022 throughout which I obtained and considered regular updates on potential purchaser interest;
- (h) I caused solicitors to be engaged and instructed to prepare the contract for sale and advise in relation to the potential sale of abandoned contents (see paragraph 68 below) as well as necessary licencing;
- (i) Expressions of interest closed on 7 February 2022, and I caused a preferred buyer to be selected on 11 February 2022;
- (j) Settlement of the 6BS Property occurred on 11 February 2022 for a price above the Valuation; and
- (k) Throughout the sales and marketing process, I caused the key stakeholders to be regularly updated with the process and caused their queries to be responded to.

F.2 Application to stop the Receivers' sale

65 On 6 February 2022 (being the day before expressions of interest were due to close), Mr Tesoriero filed an interlocutory application in this proceeding seeking orders that the Receivers not be authorised to sell the Properties until Federal Court proceeding no. NSD616 of 2021 was determined (*Tesoriero Application*).

66 In response to the Tesoriero Application I caused:



- (a) A review of the application and supporting evidence by my team and the Receivers' solicitors;
- (b) The preparation of affidavit evidence in response; and
- (c) Counsel to appear at the hearing.

67 The Tesoriero Application was dismissed with costs.

F.3 Removal of abandoned assets

68 Upon obtaining access to the 6BS Property, I became aware that a number of items remained in the property that were not owned by 6 Bulkara Street PL. In order to ensure that the items were returned to their proper owners:

- (a) I caused the Receivers' solicitor to engage with key stakeholders in relation to ownership claims;
- (b) I caused the Receivers' solicitors to contact the party asserting ownership (being, Mr Tesoriero) over 8 times requesting information to support the asserted ownership claims;
- (c) In the absence of sufficient evidence as to the proper ownership of certain items, I caused these items in 6BS Property to be removed and for an inventory list to be prepared; and
- (d) I caused the items which were of a personal nature to be removed and stored in a storage facility and upon proof of ownership being provided, I caused these to be delivered to the owner.

F.4 Statutory and Administration

69 In addition to the above tasks, I caused the below tasks, among others, to be undertaken:

- (a) Compliance with statutory obligations such as:
 - (i) Notifying stakeholders of appointment;
 - (ii) Preparation of ASIC forms; and
 - (iii) Preparation and lodgement of Business Activity Statements;
- (b) Opening of bank accounts in compliance with the Orders, processing payments and performing reconciliation of bank accounts;
- (c) Review of land tax and capital gains tax obligations;
- (d) Review of insurance requirements; and
- (e) Obtaining access to and reviewing the relevant books and records.



F.5 Future work to be performed

70 In respect of the 6BS Property, I anticipate that future work to be performed will be:

- (a) Finalising CGT and land tax obligations;
- (b) Meeting various statutory obligations (e.g. ASIC and ATO reporting);
- (c) Responding to correspondence from creditors and the Court;
- (d) Pending determination of the Westpac proceeding NSD 616 of 2021, SMBC Leasing and Finance Inc proceeding NSD 681 of 2021 and Societe Generale proceeding NSD 642 of 2021, an application to the Court in relation to the appropriate distribution of the sale proceeds.

F.6 Remuneration

71 At pages 41 to 51 of Exhibit JI-6 is a copy of the Receivers' remuneration report in respect of the 6BS Property (**6 Bulkara St Report**).

72 The 6 Bulkara St Report contains (at page 47 of Exhibit JI-6) a detailed breakdown of the period of 3 September 2021 to 30 September 2022 of:

- (a) The person and grade of the person engaged in the particular task; and
- (b) A description of the particular task undertaken and the dates on which time was spent on it, the amount of time spent on it and the relevant rate according to the grade of the person conducting the work drawn from the current scale of rates charged by McGrathNicol referred to at paragraph 27 above.

73 The particulars outlined in the report are extracted from the files maintained by me and from daily timesheets prepared and completed by my staff and I. The daily timesheets and files accurately reflect the work performed by my staff and I.

74 The Receivers' remuneration is based on time occupied by the Receivers, the partners and staff and any employees of McGrathNicol in accordance with the rates set out in paragraph 27 above.

75 The remuneration (exclusive of GST) claimed by the Receivers is broken down for the relevant months of the receivership is as follows:

Period	Amount Claimed
3 to 30 September 2021	\$4,073
October 2021	\$5,238
November 2021	\$7,684
December 2021	\$14,830

Period	Amount Claimed
January 2022	\$11,238
February 2022	\$39,153
March 2022	\$2,874
April 2022	\$3,429
May 2022	\$5,341
June 2022	\$4,037
July 2022	\$1,302
August 2022	\$553
September 2022	\$248
Total	\$100,000

- 76 I have reviewed the work in progress report for the 6BS Property to ensure remuneration is only claimed for necessary and proper work performed. As part of this review, a total of \$1,075 has been written off from the recorded work in progress (being 1% of total unreviewed time recorded), which primarily related to general administrative matters including training, remuneration preparation and other non-chargeable time.
- 77 I estimate that the remuneration of Jason Preston and I to conduct the tasks referred to in paragraph 70 above, from the period of 1 October 2022 to finalisation of the receivership to be \$15,000 (plus GST).
- 78 The amount of remuneration sought has been calculated without reference to GST and will be grossed up in accordance with GST legislation.
- 79 I verily believe that the total amount of remuneration (including prospective remuneration) claimed for the period of 3 September 2021 to 30 September 2022, being the amount of \$100,000 (plus GST), is:
- (a) fair and reasonable given the nature of the receivership; and
 - (b) that the work to which the remuneration relates was necessary for the conduct of the receivership.

G. XOXO Yacht

G.1 Sales and marketing process

- 80 Since my appointment as a Receiver, I have caused the following steps to be undertaken in respect of the sales and marketing campaign of the XOXO Yacht:

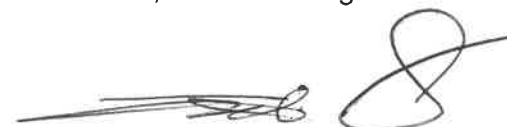


- (a) On 3 September 2021, I caused Lloyds Auctioneers and Valuers (**Lloyds**) to be engaged to assist with securing, preserving and realising the XOXO Yacht, which included the following:
- (i) Engaging Barclay Tuck Yachts, located in Miami, Florida USA to provide local assistance and expertise;
 - (ii) Towing the XOXO Yacht from its pre-appointment location behind a private residence in North Miami Beach, Florida, USA to a secure location where the state of the XOXO Yacht could be assessed;
 - (iii) Undertaking basic cleaning, replacement of the battery and other minor cosmetic repairs to prevent further serious deterioration of the XOXO Yacht's condition and allow for its presentation to buyers;
 - (iv) Obtaining advice and quotations as to essential repairs and maintenance works to return the XOXO Yacht to a functioning and seaworthy condition; and
 - (v) Undertaking a formal sales proposal and third-party market valuation (on an as-is basis) (**Valuation**);
- (b) I caused a review of the proposed auction process including the reserve price and approved the strategy; and
- (c) On 9 March 2022, the XOXO Yacht was sold at auction in an amount exceeding the Valuation.

G.2 Various asserted liens

81 Between October 2021 and June 2022, I have also had various dealings with persons located in Miami, Florida that asserted maritime liens over the XOXO Yacht. These claims include:

- (a) A claim for outstanding mooring fees in an amount of USD \$36,850 for the XOXO Yacht that had been incurred prior to the appointment of the Receivers between September 2020 and September 2021 (**Lien A**). Following a review of the books of records related to the XOXO Yacht and correspondence between the Receivers' solicitors and the claimants' solicitors, Lien A has been settled as between the claimant and the Receivers in the amount of USD \$34,250; and
- (b) A claim for outstanding fees for crew services in an amount of USD \$191,358.57 claimed to have been provided to the XOXO Yacht between March 2020 and October 2021 (**Lien B**). Following engagement and correspondence with the party asserting Lien B, including requests for further information, Lien B no longer appears to be asserted.



G.3 Statutory and Administration

82 In addition to the above tasks, I caused the below tasks, among others, to be undertaken:

- (a) Compliance with statutory obligations such as:
 - (i) Notifying stakeholders of appointment;
 - (ii) Preparation of ASIC forms;
 - (iii) Preparation and lodgement of Business Activity Statements; and
- (b) Review of insurance requirements.

G.4 Future work to be performed

83 In respect of the XOXO Yacht, I anticipate having to undertake the following future work:

- (a) Meeting various statutory obligations (e.g. ASIC and ATO reporting);
- (b) Responding to correspondence from creditors and the Court; and
- (c) Pending determination of the Westpac proceeding NSD 616 of 2021, SMBC Leasing and Finance Inc proceeding NSD 681 of 2021 and Societe Generale proceeding NSD 642 of 2021, an application to the Court in relation to the appropriate distribution of the sale proceeds.

G.5 Remuneration

84 At pages 52 to 62 of Exhibit JI-6 is a copy of the Receivers' remuneration report in respect of the XOXO Yacht (**XOXO Report**).

85 The XOXO Report contains (at page 57 of Exhibit JI-6) a detailed breakdown of the period of 3 September 2021 to 30 September 2022 of:

- (a) The person and grade of the person engaged in the particular task; and
- (b) A description of the particular task undertaken and the dates on which time was spent on it, the amount of time spent on it and the relevant rate according to the grade of the person conducting the work drawn from the current scale of rates charged by McGrathNicol referred to at paragraph 27 above.

86 The particulars outlined in the report are extracted from the files maintained by me and from daily timesheets prepared and completed by my staff and I. The daily timesheets and files accurately reflect the work performed by my staff and I.

87 The Receivers' remuneration is based on time occupied by the Receivers, the partners and staff and any employees of McGrathNicol in accordance with the rates set out in paragraph 27 above.



- 88 The remuneration (exclusive of GST) claimed by the Receivers is broken down for the relevant months of the receivership is as follows:

Period	Amount Claimed
3 to 30 September 2021	\$7,897
October 2021	\$5,827
November 2021	\$6,196
December 2021	\$3,801
January 2022	\$2,459
February 2022	\$10,499
March 2022	\$22,960
April 2022	\$4,823
May 2022	\$2,122
June 2022	\$1,403
July 2022	\$432
August 2022	\$21
September 2022	\$21
Total	\$68,461


- 89 I have reviewed the work in progress report for the XOXO Yacht to ensure remuneration is only claimed for necessary and proper work performed. As part of this review, a total of \$333 has been written off from the recorded work in progress (being 1% of total unreviewed time recorded), which primarily related to general administrative matters including training, remuneration preparation and other non-chargeable time.
- 90 I estimate that the remuneration of Jason Preston and I to conduct the tasks referred to in paragraph 83 above, from the period of 1 October 2022 to finalisation of the receivership to be \$13,000 (plus GST).
- 91 The amount of remuneration sought has been calculated without reference to GST and will be grossed up in accordance with GST legislation.




92 I verily believe that the total amount of remuneration (including prospective remuneration) claimed for the period of 3 September 2021 to 30 September 2022, being the amount of \$68,461 (plus GST), is:

- (a) fair and reasonable given the nature of the receivership; and
- (b) that the work to which the remuneration relates was necessary for the conduct of the receivership.

Affirmed by the deponent
at Sydney
in New South Wales
on 9 December 2022
Before me:

)
)
) 
) Signature of deponent
)


Signature of witness
India Short
Solicitor

Schedule

No. NSD747 of 2021

Federal Court of Australia

District Registry: NSW

Division: General

Item	Party	Property (including the contents of that property to the extent it is owned by the 'Party' included in the second column)
1	Properties held by 14 James Street Pty Limited (In Liquidation) (Receivers and Managers Appointed) as trustee of the 14 James Street Unit Trust	16 James St Clayton South VIC 3169 Vol: 12170 Folio: 467 Warehouse 1, 9 Parsons St, Clayton South VIC 3169 Vol: 12170 Folio: 465 Warehouse 2, 9 Parsons St, Clayton South VIC 3169 Vol: 12170 Folio: 468 Warehouse 3, 9 Parsons St, Clayton South VIC 3169 Vol: 12170 Folio: 479 10 James Street, Clayton South, VIC 3169 Vol: 12170 Folio: 472 12 James Street, Clayton South VIC 3169 Vol: 12170 Folio: 471 14 James Street, Clayton South VIC 3169 Vol: 12170 Folio: 470 18 James Street, Clayton South VIC 3169 Vol: 12170 Folio: 466 8 Olive Street, Clayton South VIC 3169 Vol: 12170 Folio: 474
2	Property held by 26 Edmonstone Road Pty Ltd (In Liquidation) (Receivers and Managers Appointed) as trustee of the 26 Edmonstone Road Unit Trust	26 Edmonstone Road, Bowen Hills QLD 4006 Title Ref: 12134186
3	Property held by 5 Bulkara Street Pty Ltd (In Liquidation) (Receivers and Managers Appointed) as trustee of the 5 Bulkara Street Unit Trust	5 Bulkara Street Wagstaffe NSW 2257 Folio: 2/1141260

Item	Party	Property (including the contents of that property to the extent it is owned by the 'Party' included in the second column)
4	Property held by 6 Bulkara Street Pty Ltd (In Liquidation) (Receivers and Managers Appointed) as trustee of the 6 Bulkara Street Unit Trust	6 Bulkara Street Wagstaffe, NSW 2257 Folio: 3/1141260
5	Property formerly owned by Intrashield Pty Limited (In Liquidation) (Receivers and Managers Appointed)	"XOXO" Motor Yacht Cayman Islands Official Number 734587

Federal Court of Australia
District Registry: NSW
Division: General

**IN THE MATTER OF THE FORUM GROUP OF COMPANIES PTY LIMITED ACN 151 964 626
(IN LIQUIDATION)**

Jason Ireland and Jason Preston in their capacity as receivers and managers of the
properties listed in the Schedule

Applicants

Affidavit of: **Jason Ireland**
Address: Level 12, 20 Martin Place, Sydney NSW 2000
Occupation: Registered Liquidator
Date: 9 December 2022

Exhibit Certificate

This is the Exhibit marked "JI-6" produced and shown to Jason Ireland at the time of affirming his
affidavit this 9 December 2022.

Before me:



Signature of witness

India Short
Solicitor



THE FORUM GROUP OF COMPANIES PTY LIMITED (ADMINISTRATORS APPOINTED) and others named in the schedule
Plaintiff

ORDER

JUDGE: JUSTICE LEE

DATE OF ORDER: 03 September 2021

WHERE MADE: Sydney

THE COURT ORDERS THAT:

Real property

1. Pursuant to s 57 of the *Federal Court of Australia Act 1976* (Cth), Jason Ireland and Jason Preston of McGrathNicol, Level 12, 20 Martin Place Sydney in the State of New South Wales be appointed as receivers and managers (**Receivers**) of the properties listed in items 1 to 4 of Annexure A to these Orders (**Real Properties**) and any sale proceeds or income of those Real Properties.
2. The Receivers be authorised to take possession of, preserve, maintain and sell the Real Properties.
3. The Receivers have the power to do, in Australia and elsewhere, all things necessary or convenient to be done for or in connexion with, or as incidental to achieving the objective set out in Order 2, including without limitation, the power to:
 - (a) Enter into possession of, preserve, maintain and sell the Real Properties;
 - (b) To dispose of the Real Properties;
 - (c) To insure the Real Properties;
 - (d) To appoint a solicitor or other professionally qualified person to assist the Receivers in connexion with their appointment in respect of the Real Properties;



- (e) To appoint an agent to conduct the sale and do any business that the Receivers are unable to do or that it is unreasonable to expect the Receivers to do personally in respect of the Real Properties;
 - (f) Pay any outgoings or collect any rent in connexion with the Real Properties;
 - (g) Sign any documents on behalf of the Company in furtherance of the objective set out in Order 2;
 - (h) Pay the costs, expenses and remuneration of the Receivers in acting as Receivers of the assets from the sale proceeds or income of the Real Properties referable to those costs; and
 - (i) Pay the balance into a controlled monies account held by Allens.
4. The need for the Receivers to file a guarantee under r 14.21 and r 14.22 of the *Federal Court Rules 2011* (Cth) in respect of their appointment under order 1 be dispensed with.

XOXO Yacht

5. Pursuant to s 57 of the *Federal Court of Australia Act 1976* (Cth), Jason Ireland and Jason Preston of McGrathNicol, Level 12, 20 Martin Place Sydney in the state of New South Wales be appointed as receivers and managers (**Receivers**) over the property listed in item 5 of Annexure A to these Orders (**XOXO Yacht**).
6. The Receivers be authorised to take possession of, preserve, maintain and sell the XOXO Yacht.
7. The Receivers have the power to do, in Australia and elsewhere, all things necessary or convenient to be done for or in connexion with, or as incidental to achieving the objective set out in order 6, including without limitation:
 - (a) Take possession of, preserve, maintain and sell the XOXO Yacht;
 - (b) To dispose of the XOXO Yacht;
 - (c) To insure the XOXO Yacht;



- (d) To appoint a solicitor or other professionally qualified person to assist the Receivers in connexion with their appointment in respect of the XOXO Yacht;
 - (e) To appoint an agent to conduct the sale and to do any business that the Receivers are unable to do or that it is unreasonable to expect the Receivers to do personally in respect of the XOXO Yacht;
 - (f) Pay any outgoings or collect any rent in connexion with the XOXO Yacht; and
 - (g) Sign any documents on behalf of the Company in furtherance of the objective set out in Order 6;
 - (h) Pay the costs, expenses and remuneration of the Receivers in acting as Receivers of the assets from the sale proceeds or income of the XOXO Yacht; and
 - (i) Pay the balance into a controlled monies account held by Allens.
8. The need for the Receivers to file a guarantee under r 14.21 and r 14.22 of the *Federal Court Rules 2011* (Cth) in respect of their appointment under order 5 be dispensed with.

Miscellaneous

9. The applicants costs of this application be paid out of the sale proceeds or income of the Real Properties and XOXO Yacht.
10. Liberty be granted to any person affected by these orders, including any creditor of the applicants or the Trusts or any beneficiary of the Trusts to apply to vary or set aside these orders on 7 business days' notice to the applicants and to the Court by sending an email to Associate.LeeJ@fedcourt.gov.au.
11. Liberty be granted to the applicants to apply to the Court for orders discharging and releasing the Receivers on 7 business days' notice by sending an email to Associate.LeeJ@fedcourt.gov.au.

THE COURT NOTES:

12. The appointment of the Receivers of the Real Properties does not affect any rights of a mortgagee of a Real Properties.



13. Without admission by any party the agreement of Westpac Banking Corporation and the Receivers that the appointment of the Receivers of the properties listed in items 1 to 5 of Annexure A to these Orders for the purposes of sale (**Properties**) does not in any way affect:

- (a) Any rights of the current registered proprietor or beneficial owner of the properties or the Unit Holders or beneficiaries in any Trust which is the beneficial owner of any of the Properties that they may have to the proceeds of sale of any property;
- (b) The right of Vincenzo Frank Tesoriero (or a related entity of Mr Tesoriero) to apply to the Court to have any part of any proceeds of sale received from the sale of the properties released from the freezing orders made by the Court on 2 July 2021 (as varied on 9 July 2021 and 37 August 2021) (**Freezing Orders**) for the purpose of the payment of his living expenses and/or legal costs in such an amount as is approved by the Court;
- (c) The right of Vincenzo Frank Tesoriero or any other person to exercise any right that they may have pursuant to any trust deed or as a beneficiary of any trust or as a director or shareholder of any company to facilitate payment out from the proceeds of sale of any property any amounts referred to in (b) above that are approved for payment out by the Court; or
- (d) The right of Vincenzo Frank Tesoriero or any party affected by the Freezing Orders to apply to vary or discharge the Freezing Orders.

Date that entry is stamped: 3 September 2021


Registrar



Annexure A

Item	Party	Property (including the contents of that property to the extent it is owned by the 'Party' included in the second column)
1	Properties held by 14 James Street Pty Limited (In Liquidation) as trustee of the 14 James Street Unit Trust	<p>16 James St Clayton South VIC 3169 Vol: 12170 Folio: 467</p> <p>Warehouse 1, 9 Parsons St, Clayton South VIC 3169 Vol: 12170 Folio: 465</p> <p>Warehouse 2, 9 Parsons St, Clayton Sth VIC 3169 Vol: 12170 Folio: 468</p> <p>Warehouse 3, 9 Parsons St, Clayton Sth VIC 3169 Vol: 12170 Folio: 469</p> <p>10 James Street, Clayton South, VIC 3169 Vol: 12170 Folio: 472</p> <p>12 James Street, Clayton South VIC 3169 Vol: 12170 Folio: 471</p> <p>14 James Street, Clayton South VIC 3169 Vol: 12170 Folio: 470</p> <p>18 James Street, Clayton South VIC 3169 Vol: 12170 Folio: 466</p> <p>8 Olive Street, Clayton South VIC 3169 Vol: 12170 Folio: 474</p>
2	Property held by 26 Edmonstone Road Pty Ltd (In Liquidation) as trustee of the 26 Edmonstone Road Unit Trust	<p>26 Edmondstone Road, Bowen Hills QLD 4006 Title Ref: 12134186</p>
3	Property held by 5 Bulkara Street Pty Ltd (In Liquidation) as trustee of the 5 Bulkara Street Unit Trust	<p>5 Bulkara Street Wagstaffe NSW 2257 Folio: 2/1141260</p>
4	Property held by 6 Bulkara Street Pty Ltd (In Liquidation) as trustee of the 6 Bulkara Street Unit Trust	<p>6 Bulkara Street Wagstaffe, NSW 2257 Folio: 3/1141260</p>



5	Property formerly owned by Intrashield Pty Limited (In Liquidation)	"XOXO" Motor Yacht Cayman Islands Official Number 734587
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Schedule

No: NSD747/2021

Federal Court of Australia

District Registry: New South Wales

Division: General

Applicant	JASON PRESTON
Applicant	JASON IRELAND
Second Plaintiff	14 JAMES STREET PTY LTD ACN 638 449 206 (ADMINISTRATORS APPOINTED)
Third Plaintiff	26 EDMONSTONE ROAD PTY LTD ACN 622 944 129 (ADMINISTRATORS APPOINTED)
Fourth Plaintiff	5 BULKARA STREET PTY LTD ACN 630 982 160 (ADMINISTRATORS APPOINTED)
Fifth Plaintiff	6 BULKARA STREET PTY LTD ACN 639 734 473 (ADMINISTRATORS APPOINTED)
Sixth Plaintiff	ARAMIA HOLDINGS PTY LTD ACN 114 958 717 (ADMINISTRATORS APPOINTED)
Seventh Plaintiff	EROS MANAGEMENT PTY LTD ACN 622 298 346 (ADMINISTRATORS APPOINTED)
Eighth Plaintiff	FORUM DIRECT PTY LTD ACN 054 890 710 (ADMINISTRATORS APPOINTED)
Ninth Plaintiff	FORUM FLEET PTY LIMITED ACN 155 440 994 (ADMINISTRATORS APPOINTED)
Tenth Plaintiff	FORUM GROUP PTY LTD ACN 153 336 997 (ADMINISTRATORS APPOINTED)
Eleventh Plaintiff	FORUM GROUP (QLD) PTY LTD ACN 103 609 678 (ADMINISTRATORS APPOINTED)
Twelfth Plaintiff	FORUM GROUP (VIC) PTY LTD ACN 153 062 018 (ADMINISTRATORS APPOINTED)
Thirteenth Plaintiff	IMAGETEC FINANCIAL SERVICES PTY LTD ACN 111 978 182 (ADMINISTRATORS APPOINTED)



Fourteenth Plaintiff	IMAGETEC SOLUTIONS AUSTRALIA PTY LTD ACN 074 715 718 (ADMINISTRATORS APPOINTED)
Fifteenth Plaintiff	INTRASHIELD INVESTMENT GROUP PTY LTD ACN 645 578 829 (ADMINISTRATORS APPOINTED)
Sixteenth Plaintiff	INTRASHIELD PTY LTD ACN 133 426 534 (ADMINISTRATORS APPOINTED)
Seventeenth Plaintiff	IUGIS INVESTMENTS PTY LTD ACN 647 627 745 (ADMINISTRATORS APPOINTED)
Eighteenth Plaintiff	IUGIS PTY LTD ACN 632 882 243 (ADMINISTRATORS APPOINTED)
Nineteenth Plaintiff	IUGIS WASTE SOLUTIONS PTY LTD ACN 647 212 299 (ADMINISTRATORS APPOINTED)
Twentieth Plaintiff	ONESOURCE AUSTRALIA HOLDINGS PTY LIMITED ACN 120 463 541 (ADMINISTRATORS APPOINTED)
Twenty First Plaintiff	ORCA ENVIRO SOLUTIONS PTY LTD ACN 626 552 645 (ADMINISTRATORS APPOINTED)
Twenty Second Plaintiff	ORCA ENVIRO SYSTEMS PTY LTD ACN 627 597 782 (ADMINISTRATORS APPOINTED)
Twenty Third Plaintiff	SMARTPRINT FLEET MANAGEMENT PTY LTD ACN 132 807 080 (ADMINISTRATORS APPOINTED)
Twenty Fourth Plaintiff	SPARTAN CONSULTING GROUP PTY LTD ACN 168 989 544 (ADMINISTRATORS APPOINTED)
Twenty Fifth Plaintiff	FORUM FINANCE PTY LTD ACN 153 301 172 (IN LIQUIDATION)
Twenty Sixth Plaintiff	FORUM GROUP FINANCIAL SERVICES PTY LTD ACN 623 033 705 (PROVISIONAL LIQUIDATORS APPOINTED)
Twenty Seventh Plaintiff	FORUM ENVIRO PTY LTD ACN 168 709 840 (PROVISIONAL LIQUIDATORS APPOINTED)
Twenty Eighth Plaintiff	FORUM ENVIRO (AUST) PTY LTD ACN 607 484 364 (PROVISIONAL LIQUIDATORS APPOINTED)

Remuneration Approval Report

14 James Street Pty. Ltd. (Receivers and Managers
Appointed) (In Liquidation)

ACN 638 449 206

(14 James Street)

9 December 2022



McGrathNicol

This remuneration approval report to the Federal Court of Australia provides you with information to assist in making an informed decision regarding the approval of our proposed remuneration for undertaking the receivership and management of 14 James Street.

The report has the following information:

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	Schedule A – Details of work completed	4
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	Schedule C – Details of future work	7
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1 Executive Summary

We are seeking approval from the Federal Court of Australia (**Court**) for the following remuneration:

Current approval requests	Remuneration (ex GST)
Receivership – 3 September 2021 to 30 September 2022 (retrospective)	\$246,471
Receivership – 1 October 2022 to finalisation (future fees)	\$25,000
Total remuneration sought	\$271,471

Details of remuneration and disbursements can be found in sections 3 and 4 of this report.

We estimate that the total cost of this receivership and management (**the Appointment**) will be \$271,471 (plus GST).

This is our first and final remuneration approval request.

2 Declaration

We have undertaken an assessment of this remuneration claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is necessary and proper.

We have reviewed the work in progress report for the Appointment to ensure that remuneration is only being claimed for necessary and proper work performed and have written off a total of \$9,508 from the recorded work in progress (being 4% of the time cost recorded before write offs) across the Company including general administrative matters including training, remuneration preparation and other non-chargeable time.

3 Remuneration sought

The remuneration we are asking the Court to approve is as follows:

Remuneration for	Period	Amount (ex GST)	Rates to apply	When it will be drawn
Work completed	3 September 2021 to 30 September 2022	\$246,471	Provided in Schedule D of this Remuneration Report	Immediately, when funds are available
Future work	1 October 2022 to finalisation	\$25,000	Provided in Schedule D of this Remuneration Report	Once appropriate time has been incurred and funds are available
Total		\$271,471		

Details of the work already done are included at Schedule A.

Schedule B includes a breakdown of time spent by the appointees and staff members on each major task for work we have already done.

Details of the work forecast to be required are included at Schedule C. In preparing this report, the future remuneration is our best estimate of what we believe the Appointment will cost to complete and we do not anticipate that we will have to ask the Court for approval of any further remuneration.

The orders being sought from the Court are detailed below.

- Jason Ireland and Jason Preston in their capacity as receivers and managers of the Properties (as defined in item 1 of Annexure A) held by 14 James Street Pty Limited (In Liquidation) (Receivers and Managers Appointed) (James Street PL) as trustee of the 14 James Street Unit Trust (James St Receivers) are justified in applying the assets held by James Street PL as trustee of the 14 James Street Unit Trust in payment of their remuneration incurred as receivers of those assets as approved by these orders.*
- Pursuant to rule 14.24 of the Federal Court Rules 2011, the remuneration of the James St Receivers for the period:*

- a. 3 September 2021 to 30 September 2022 be fixed in the amount of \$246,471 (plus GST); and
- b. 1 October 2022 to the finalisation of the receivership be fixed in the amount of \$25,000 (plus GST).

If approved by the Court we will withdraw funds from the 14 James Street Controlled Monies Account or funds held in the Allens trust account in respect of the external administrators remuneration.

4 Disbursements

Pursuant to section 7.7.1 of the ARITA Practice Statement 7, we are not required to seek approval for costs paid to third parties, or where we are recovering a cost incurred on behalf of 14 James Street, but we must provide details to creditors (or the Court).

We have not incurred any disbursements for the Appointment.

5 Summary of receipts and payments

A summary of the receipts and payments for the Appointment for the period 3 September 2021 to 30 September 2022 is included at Schedule E to this report.

Dated: 9 December 2022



Jason Ireland
Joint and Several Receiver and Manager

Attachments:

Schedule A – Details of work completed

Schedule B – Time spent by staff on each major task

Schedule C – Details of future work

Schedule D – Schedule of hourly rates

Schedule E – Summary of receipts and payments

Schedule A – Details of work completed

Order 1: Retrospective remuneration for the Appointment		
Period	3 September 2021 to completion	
Amount (ex GST)	\$246,471	
Task Area	General Description	Tasks
Assets 360.6 hours \$211,036	Sale of Real Property	<ul style="list-style-type: none"> ▪ Investigate interests and rights to the real properties ▪ Prepare and issue correspondence to valuers and agents ▪ Liaise with lawyers regarding leasing issues and preparation of contracts of sale on an individual unit basis ▪ Arrange valuer and agent access to the properties ▪ Together with appointed valuer consider the commerciality of each lease and if necessary taking steps to terminate certain leases to maximise potential realisable value ▪ Correspondence with tenants and preparation of invoice for rent on a monthly basis, including negotiation of certain rental discounts per COVID-19 relief measures ▪ Instruct maintenance agent to address various issues on premises ▪ Ongoing correspondence with tenants ▪ Prepare tenant ledgers to facilitate sale process ▪ Review of OHS review and rectification of identified high risk items (i.e. electrical compliance reviews and fire hydrant assessment) ▪ Liaise with valuers and agents in relation to the properties ▪ Review valuation report and discuss methodology with respect to sale of units in one-line or individually ▪ Review and prepare summary of sale proposals ▪ After termination of certain leases, arrange for collection and storage of abandoned assets/items ▪ Attend site to manage removal of assets left at site by former director ▪ Liaise with maintenance manager re change of locks and removal of items blocking access to buildings ▪ Correspond with former director regarding potential ownership of items removed from one of the tenancies ▪ Review and authorise proposed realisation and marketing strategy ▪ Review and approve marketing material ▪ Liaise and negotiation via agents with interested parties ▪ Liaise with lawyers in relation to removal of caveats on title ▪ Initial correspondence with party holding caveats on title ▪ Organise utilities to complete electrical compliance checks and facilitate sale campaign ▪ Oversight of sale program and circulation of updates on progress of same as appropriate ▪ Prepare estimated outcome analysis
	Other Assets	<ul style="list-style-type: none"> ▪ Prepare correspondence to pre-appointment debtors
Creditors 16.5 hours \$10,393	Secured creditor reporting	<ul style="list-style-type: none"> ▪ Liaise with secured creditors and their representatives regarding sale process ▪ Respond to secured creditors' queries
	Creditor Report	<ul style="list-style-type: none"> ▪ Ongoing reporting to Westpac and SMBC in relation to realisation efforts.
Statutory & Administration	Correspondence	<ul style="list-style-type: none"> ▪ Attend to statutory obligations in connection with appointment including notifying various stakeholders of appointment

50.0 hours \$25,042		<ul style="list-style-type: none"> ▪ Prepare correspondence to and liaise with former tenants regarding outstanding rent payments and exit of leases ▪ Prepare correspondence to utility providers
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintain project task lists ▪ Update checklists
	Bank account administration	<ul style="list-style-type: none"> ▪ Prepare correspondence to open accounts ▪ Perform bank account reconciliations
	Dealing with directors	<ul style="list-style-type: none"> ▪ Corresponding with former director and his representatives regarding sale of property
	Legal Actions	<ul style="list-style-type: none"> ▪ Attend court hearing for appointment ▪ Prepare for and attend court hearing with respect to application by former director ▪ Prepare affidavit
	ASIC forms	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Notify of appointment ▪ Prepare BAS ▪ Review land tax position ▪ Review CGT position ▪ Liaise with relevant state revenue office
	Insurance	<ul style="list-style-type: none"> ▪ Identify potential issues requiring attention of insurance specialists ▪ Correspond with insurance broker regarding initial and ongoing insurance requirements
	Books and records/storage	<ul style="list-style-type: none"> ▪ Obtain access to books and records ▪ Review books and records
	Planning/Review	<ul style="list-style-type: none"> ▪ Discuss status of external administration ▪ Discuss engagement strategy ▪ Update and review statement of position

Schedule B – Time spent by staff on each major task (Retrospective: work completed)

Order 1: from 3 September 2021 to 30 September 2022

Retrospective Receivers' remuneration for the period 3 September 2021 to 30 September 2022

Employee	Position	Rate / hr (\$, ex GST)	Assets		Creditors		Statutory & Administration		Total	
			Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
Jason Ireland	Appointee	770	17.8	13,706	0.3	231	1.5	1,155	19.6	15,092
Jason Preston	Appointee	770	-	-	-	-	-	-	-	-
Employee A	Partner	770	9.3	7,161	-	-	4.0	3,080	13.3	10,241
Employee B	Director	660	28.0	18,480	9.5	6,270	2.5	1,650	40.0	26,400
Employee C	Director	660	0.2	132	0.3	198	1.2	792	1.7	1,122
Employee D	Director	660	1.3	858	-	-	-	-	1.3	858
Employee E	Senior Manager	620	-	-	-	-	0.1	62	0.1	62
Employee F	Senior Manager	620	-	-	0.8	496	-	-	0.8	496
Employee G	Manager	580	194.7	112,926	4.6	2,668	14.5	8,410	213.8	124,004
Employee H	Assistant Manager	530	106.9	56,657	1.0	530	11.2	5,936	119.1	63,123
Employee I	Assistant Manager	530	-	-	-	-	-	-	-	-
Employee J	Senior Analyst	480	2.0	960	-	-	0.7	336	2.7	1,296
Employee K	Accountant	390	0.4	156	-	-	-	-	0.4	156
Employee L	Accountant	390	-	-	-	-	0.8	312	0.8	312
Employee M	Admin Level 2	470	-	-	-	-	0.1	47	0.1	47
Employee N	Admin Level 3	370	-	-	-	-	0.8	296	0.8	296
Employee O	Admin Level 3	370	-	-	-	-	1.8	666	1.8	666
Employee P	Admin Level 3	370	-	-	-	-	0.2	74	0.2	74
Employee Q	Admin Level 4	210	-	-	-	-	10.6	2,226	10.6	2,226
Total fees (excluding GST)			360.6	211,036	16.5	10,393	50.0	25,042	427.1	246,471

Schedule C – Details of future work

		Prospective remuneration for the Appointment
Period	1 October 2022 to 30 June 2023	
Amount (ex GST)	\$25,000	
Task Area	General Description	Tasks
Assets \$6,000	Sale of Real Property	<ul style="list-style-type: none"> ▪ Finalise expenses associated with sale of property ▪ Pay excess funds to Controlled Monies Account
	Distribution of proceeds	<ul style="list-style-type: none"> ▪ Distribute proceeds in accordance with Court application
Creditors \$4,000	Secured Creditor	<ul style="list-style-type: none"> ▪ Confirm repayment of secured creditors debt and release of associated guarantees and charges
	Creditor Report	<ul style="list-style-type: none"> ▪ Ongoing reporting to Westpac and SMBC in relation to finalisation of realisation.
Statutory & Administration \$15,000	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintain project task lists ▪ Update checklists
	Bank account administration	<ul style="list-style-type: none"> ▪ Process payments ▪ Perform bank account reconciliations
	Legal Actions	<ul style="list-style-type: none"> ▪ Make application to the Court in relation to the appropriate distribution of the sale proceeds.
	ASIC forms	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Prepare BAS's for each sale as well as trading period ▪ Liaise with ATO regarding private binding ruling ▪ Finalise land tax position ▪ Finalise CGT position

Schedule D – Schedule 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 Appointment and the role they take in the Appointment. 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, Chartered Accountant or equivalent and generally degree qualified with more than twelve years of experience. Leads assignments with full accountability for strategy and execution.	\$770
Director 1	Generally Chartered Accountant or comparable qualification and degree qualified with more than ten years of experience, including four years of Director or equivalent experience. Autonomously leads complex insolvency appointments reporting to Appointee/Partner.	\$710
Director	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than nine years of experience. Autonomously leads insolvency appointments reporting to Appointee/Partner.	\$660
Senior Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than seven years of experience. Self-sufficiently conducts small to medium insolvency appointments and leads major workstreams in larger matters.	\$620
Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than five years of experience. Self-sufficiently conducts small insolvency appointments and takes a supervisory role on workstreams in larger matters.	\$580
Assistant Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than three years of experience. Autonomously manages workstream activity within appointments.	\$530
Senior Accountant	Generally degree qualified and undertaking Chartered Accountant's qualification or comparable relevant qualification with more than 16 months of experience. Completes tasks within workstreams and appointments under supervision.	\$480
Accountant	Generally degree qualified and undertaking or about to undertake Chartered Accountant's qualification or comparable relevant qualification with less than one year of experience. Assists with tasks within workstreams and appointments under supervision.	\$390
Undergraduate/Cadet	Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision.	\$230

Title	Description	Hourly rate (excl GST)
Practice Services Director	National Practice Service leaders, generally degree qualified with more than ten years of experience and reporting directly to partners. Technical experts in their specific areas and have team management responsibilities.	\$710
Senior Treasury staff	Appropriately experienced and undertakes senior Treasury activities such as oversight of the processing of payment of receipts and banking administration. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$470
Senior Client Administration and Treasury	Appropriately experienced and undertakes senior level administrative support activities or Treasury activities. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$370
Administration	Appropriately experienced and undertakes support activities such as meeting coordination and preparation of materials where it is efficient and appropriate to do so.	\$210

Schedule E – Summary of receipts and payments

Summary of receipts and payments for the period 3 September 2021 to 30 September 2022

Detail	Amount (\$ incl. GST)
Receipts	
Funds received in error	554.12
GST received	1,852.00
Interest income	222.88
Land tax	159.71
Rental Income	154,049.36
Sale of land and buildings	6,840,000.00
Settlement adjustments	16,675.81
Total receipts	7,013,513.88
Payments	
Body corporate fees	(3,949.00)
Building maintenance	(37,438.23)
Certification fee	(717.21)
Collection costs	(10,527.00)
Commission fees	(72,600.00)
Council rates	(28,918.32)
Delivery costs	(7,810.00)
Discharge of mortgage	(1,075.36)
GST paid	(8,090.00)
Hire costs	(946.00)
Insurance	(37,988.73)
Marketing fees	(11,378.06)
Owners corporation fees	(3,949.00)
PEXA fees	(2,433.42)
Project management services	(24,722.50)
Property clearance certificate	(17,830.00)
Secured creditor claim	(907,730.45)
Settlement adjustments	(23,825.86)
Startup cost	(485.00)
Utilities	(3.06)
Valuation fees	(10,175.00)
Water rates	(9,157.50)
Total payments	(1,221,749.70)
Net bank balance as at 30 September 2022	5,791,764.18

Remuneration Approval Report

26 Edmonstone Road Pty. Ltd. (Receivers and Managers
Appointed) (In Liquidation)

ACN 622 944 129

(26 Edmonstone)

9 December 2022



McGrathNicol

This remuneration approval report to the Federal Court of Australia provides you with information to assist in making an informed decision regarding the approval of our proposed remuneration for undertaking the receivership and management of 26 Edmonstone.

The report has the following information:

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2	Declaration	2
3	Remuneration sought	2
4	Disbursements	3
5	Summary of receipts and payments.....	3
	Schedule A – Details of work completed	4
	Schedule B – Time spent by staff on each major task (Retrospective: work completed)	5
	Schedule C – Details of future work	6
	Schedule D – Schedule of Hourly Rates	7
	Schedule E – Summary of receipts and payments	9

1 Executive Summary

We are seeking approval from the Federal Court of Australia (**Court**) for the following remuneration:

Current approval requests	Remuneration (ex GST)
Receivership – 3 September 2021 to 30 September 2022 (retrospective)	\$64,891
Receivership – 1 October 2022 to finalisation (future fees)	\$13,000
Total remuneration sought	\$77,891

Details of remuneration and disbursements can be found in sections 3 and 4 of this report.

We estimate that the total cost of this receivership and management (**the Appointment**) will be \$77,891 (plus GST).

This is our first and final remuneration approval request.

2 Declaration

We have undertaken an assessment of this remuneration claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is necessary and proper.

We have reviewed the work in progress report for the Appointment to ensure that remuneration is only being claimed for necessary and proper work performed and have written off a total of \$692 from the recorded work in progress (being 1% of the time cost recorded before write offs) across the Company including general administrative matters including training, remuneration preparation and other non-chargeable time.

3 Remuneration sought

The remuneration we are asking the Court to approve is as follows:

Remuneration for	Period	Amount (ex GST)	Rates to apply	When it will be drawn
Work completed	3 September 2021 to 30 September 2022	\$64,891	Provided in Schedule D of this Remuneration Report	Immediately, when funds are available
Future work	1 October 2022 to finalisation	\$13,000	Provided in Schedule D of this Remuneration Report	Once appropriate time has been incurred and funds are available
Total		\$77,891		

Details of the work already done are included at Schedule A.

Schedule B includes a breakdown of time spent by the appointees and staff members on each major task for work we have already done.

Details of the work forecast to be required are included at Schedule C. In preparing this report, the future remuneration is our best estimate of what we believe the Appointment will cost to complete and we do not anticipate that we will have to ask the Court for approval of any further remuneration.

The orders being sought from the Court are detailed below.

- 1. Jason Ireland and Jason Preston in their capacity as receivers and managers of the Property (as defined in item 2 of Annexure A) held by 26 Edmonstone Road Pty Limited (In Liquidation) (Receivers and Managers Appointed) (Edmonstone Road PL) as trustee of the 26 Edmonstone Road Unit Trust (Edmonstone Road Receivers) are justified in applying the assets held by Edmonstone Road PL as trustee of the 26 Edmonstone Road Unit Trust in payment of their remuneration incurred as receivers of those assets as approved by these orders.*
- 2. Pursuant to rule 14.24 of the Federal Court Rules 2011, the remuneration of the Edmonstone Road Receivers for the period:*

- a. 3 September 2021 to 30 September 2022 be fixed in the amount of \$64,891 (plus GST); and
- b. 1 October 2022 to the finalisation of the receivership be fixed in the amount of \$13,000 (plus GST).

If approved by the Court we will withdraw funds from the 26 Edmonstone Controlled Monies Account in respect of the external administrators remuneration.

4 Disbursements

Pursuant to section 7.7.1 of the ARITA Practice Statement 7, we are not required to seek approval for costs paid to third parties, or where we are recovering a cost incurred on behalf of 14 James Street, but we must provide details to creditors (or the Court).

We have not incurred any disbursements for the Appointment.

5 Summary of receipts and payments

A summary of the receipts and payments for the Appointment for the period 3 September 2021 to 30 September 2022 is included at Schedule E to this report.

Dated: 9 December 2022



Jason Ireland
Joint and Several Receiver and Manager

Attachments:

Schedule A – Details of work completed

Schedule B – Time spent by staff on each major task

Schedule C – Details of future work

Schedule D – Schedule of hourly rates

Schedule E – Summary of receipts and payments

Schedule A – Details of work completed

Order 1: Retrospective remuneration for the Appointment		
Period	3 September 2021 to completion	
Amount (ex GST)	\$64,891	
Task Area	General Description	Tasks
Assets 75.4 hours \$42,686	Sale of Real Property	<ul style="list-style-type: none"> ▪ Investigate interests and rights to the real property ▪ Prepare and issue correspondence to valuers and agents ▪ Liaise with valuers and agents in relation to the property ▪ Arrange valuer and agent access to the property ▪ Review valuation reports ▪ Review and prepare summary of sale proposals ▪ Review and authorise proposed realisation and marketing strategy ▪ Review and approve marketing material ▪ Liaise with interested parties ▪ Attend to compliance issues ▪ Attend to disclaimer of lease with associated entity Forum Direct Pty Ltd ▪ Liaise with lawyers regarding contract preparation ▪ Engagement with contractors to remove abandoned assets from premises and complete general clean ahead of auction ▪ Prepare for auction ▪ Finalise sale contract and other settlement processes ▪ Liaise with lawyers regarding settlement ▪ Attending to placing net proceeds in Controlled Monies Account per 3 September 2021 Court Orders ▪ Prepare estimated outcome analysis
Creditors 19.4 hours \$10,060	Secured creditor reporting	<ul style="list-style-type: none"> ▪ Liaise with secured creditor and its representatives regarding sale process ▪ Respond to secured creditor's queries
	Creditor Report	<ul style="list-style-type: none"> ▪ Ongoing reporting to Westpac and SMBC in relation to realisation efforts.
Statutory & Administration 25.5 hours \$12,145	Correspondence	<ul style="list-style-type: none"> ▪ Attend to statutory obligations in connection with appointment including notifying various stakeholders of appointment ▪ Prepare correspondence to utility providers
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintain project task lists ▪ Update checklists
	Bank account administration	<ul style="list-style-type: none"> ▪ Process payments ▪ Prepare correspondence to open accounts ▪ Perform bank account reconciliations
	Legal Actions	<ul style="list-style-type: none"> ▪ Attend court hearing for appointment
	ASIC forms	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Notify of appointment ▪ Prepare BAS ▪ Review land tax position ▪ Review CGT position ▪ Liaise with relevant state revenue office
	Insurance	<ul style="list-style-type: none"> ▪ Review insurance requirements
	Books and records/storage	<ul style="list-style-type: none"> ▪ Obtain access to books and records ▪ Review books and records
Planning/Review	<ul style="list-style-type: none"> ▪ Discuss status of external administration ▪ Discuss engagement strategy ▪ Update and review statement of position 	

Schedule B – Time spent by staff on each major task (Retrospective: work completed)

Order 1: from 3 September 2021 to 30 September 2022

Retrospective Receivers' remuneration for the period 3 September 2021 to 30 September 2022

Employee	Position	Rate / hr (\$, ex GST)	Assets		Creditors		Statutory & Administration		Total	
			Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
Jason Ireland	Appointee	770	0.5	385	-	-	0.3	231	0.8	616
Jason Preston	Appointee	770	-	-	-	-	-	-	-	-
Employee A	Director	660	1.5	990	-	-	0.5	330	2.0	1,320
Employee B	Director	660	-	-	-	-	0.8	528	0.8	528
Employee C	Director	660	0.3	198	-	-	-	-	0.3	198
Employee D	Senior Manager	620	-	-	-	-	0.3	186	0.3	186
Employee E	Senior Manager	620	-	-	0.8	496	-	-	0.8	496
Employee F	Manager	580	48.9	28,362	10.3	5,974	11.6	6,728	70.8	41,064
Employee G	Assistant Manager	530	22.7	12,031	0.4	212	4.1	2,173	27.2	14,416
Employee H	Senior Analyst	480	1.5	720	3.3	1,584	0.4	192	5.2	2,496
Employee I	Accountant	390	-	-	4.6	1,794	-	-	4.6	1,794
Employee J	Admin Level 2	470	-	-	-	-	0.1	47	0.1	47
Employee K	Admin Level 3	370	-	-	-	-	0.7	259	0.7	259
Employee L	Admin Level 3	370	-	-	-	-	0.2	74	0.2	74
Employee M	Admin Level 3	370	-	-	-	-	0.2	74	0.2	74
Employee N	Admin Level 4	210	-	-	-	-	6.3	1,323	6.3	1,323
Total fees (excluding GST)			75.4	42,686	19.4	10,060	25.5	12,145	120.3	64,891

Schedule C – Details of future work

		Prospective remuneration for the Appointment
Period	1 October 2022 to 30 June 2023	
Amount (ex GST)	\$13,000	
Task Area	General Description	Tasks
Assets \$1,500	Sale of Real Property	<ul style="list-style-type: none"> ▪ Finalise expenses associated with sale of property ▪ Pay excess funds to Controlled Monies Account
	Distribution of proceeds	<ul style="list-style-type: none"> ▪ Distribute proceeds in accordance with Court application
Creditors \$1,500	Creditor Report	<ul style="list-style-type: none"> ▪ Ongoing reporting to Westpac and SMBC in relation to finalisation of realisation.
Statutory & Administration \$10,000	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintain project task lists ▪ Update checklists
	Bank account administration	<ul style="list-style-type: none"> ▪ Process payments ▪ Perform bank account reconciliations
	Legal Actions	<ul style="list-style-type: none"> ▪ Make application to the Court in relation to the appropriate distribution of the sale proceeds.
	ASIC forms	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Prepare BAS ▪ Liaise with ATO regarding private binding ruling ▪ Finalise land tax position ▪ Finalise CGT position

Schedule D – Schedule 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 Appointment and the role they take in the Appointment. 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, Chartered Accountant or equivalent and generally degree qualified with more than twelve years of experience. Leads assignments with full accountability for strategy and execution.	\$770
Director 1	Generally Chartered Accountant or comparable qualification and degree qualified with more than ten years of experience, including four years of Director or equivalent experience. Autonomously leads complex insolvency appointments reporting to Appointee/Partner.	\$710
Director	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than nine years of experience. Autonomously leads insolvency appointments reporting to Appointee/Partner.	\$660
Senior Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than seven years of experience. Self-sufficiently conducts small to medium insolvency appointments and leads major workstreams in larger matters.	\$620
Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than five years of experience. Self-sufficiently conducts small insolvency appointments and takes a supervisory role on workstreams in larger matters.	\$580
Assistant Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than three years of experience. Autonomously manages workstream activity within appointments.	\$530
Senior Accountant	Generally degree qualified and undertaking Chartered Accountant's qualification or comparable relevant qualification with more than 16 months of experience. Completes tasks within workstreams and appointments under supervision.	\$480
Accountant	Generally degree qualified and undertaking or about to undertake Chartered Accountant's qualification or comparable relevant qualification with less than one year of experience. Assists with tasks within workstreams and appointments under supervision.	\$390
Undergraduate/Cadet	Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision.	\$230

Title	Description	Hourly rate (excl GST)
Practice Services Director	National Practice Service leaders, generally degree qualified with more than ten years of experience and reporting directly to partners. Technical experts in their specific areas and have team management responsibilities.	\$710
Senior Treasury staff	Appropriately experienced and undertakes senior Treasury activities such as oversight of the processing of payment of receipts and banking administration. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$470
Senior Client Administration and Treasury	Appropriately experienced and undertakes senior level administrative support activities or Treasury activities. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$370
Administration	Appropriately experienced and undertakes support activities such as meeting coordination and preparation of materials where it is efficient and appropriate to do so.	\$210

Schedule E – Summary of receipts and payments

Summary of receipts and payments from 3 September 2021 to 30 September 2022

Detail	Amount (\$ incl. GST)
Receipts	
Insurance refund	17,147.38
Interest income	84.65
Sale of land and buildings	4,757,500.00
Settlement adjustments	11,096.82
Total receipts	4,785,828.85
Payments	
Agent's fees	(95,150.00)
Associated sales expenses	(16,941.03)
Insurance costs	(20,005.28)
Land tax	(18,841.40)
Legal costs	(1,632.40)
Rates	(13,078.13)
Secured creditor claim	(2,253,216.51)
Total payments	(2,418,864.75)
Net bank balance at 30 September 2022	2,366,964.10

Remuneration Approval Report

5 Bulkara Street Pty. Ltd. (Receivers and Managers
Appointed) (In Liquidation)

ACN 630 982 160

(5 Bulkara Street)

9 December 2022



McGrathNicol

This remuneration approval report to the Federal Court of Australia provides you with information to assist in making an informed decision regarding the approval of our proposed remuneration for undertaking the receivership and management of 5 Bulkara Street.

The report has the following information:

1	Executive Summary	2
2	Declaration	2
3	Remuneration sought	2
4	Disbursements	3
5	Summary of receipts and payments.....	3
	Schedule A – Details of work completed	4
	Schedule B – Time spent by staff on each major task (Retrospective: work completed)	6
	Schedule C – Details of future work	7
	Schedule D – Schedule of Hourly Rates	8
	Schedule E – Summary of receipts and payments	10

1 Executive Summary

We are seeking approval from the Federal Court of Australia (**Court**) for the following remuneration:

Current approval requests	Remuneration (ex GST)
Receivership – 3 September 2021 to 30 September 2022 (retrospective)	\$180,371
Receivership – 1 October 2022 to finalisation (future fees)	\$15,000
Total remuneration sought	\$195,371

Details of remuneration and disbursements can be found in sections 3 and 4 of this report.

We estimate that the total cost of this receivership and management (**the Appointment**) will be \$195,371 (plus GST).

This is our first and final remuneration approval request.

2 Declaration

We have undertaken an assessment of this remuneration claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is necessary and proper.

We have reviewed the work in progress report for the Appointment to ensure that remuneration is only being claimed for necessary and proper work performed and have made the following adjustments written off a total of \$1,859 from the recorded work in progress (being 1% of the time cost recorded before write offs) across the Company including general administrative matters including training, remuneration preparation and other non-chargeable time.

3 Remuneration sought

The remuneration we are asking the Court to approve is as follows:

Remuneration for	Period	Amount (ex GST)	Rates to apply	When it will be drawn
Work completed	3 September 2021 to 30 September 2022	\$180,371	Provided in Schedule D of this Remuneration Report	Immediately, when funds are available
Future work	1 October 2022 to finalisation	\$15,000	Provided in Schedule D of this Remuneration Report	Once appropriate time has been incurred and funds are available
Total		\$195,371		

Details of the work already done are included at Schedule A.

Schedule B includes a breakdown of time spent by the appointees and staff members on each major task for work we have already done.

Details of the work forecast to be required are included at Schedule C. In preparing this report, the future remuneration is our best estimate of what we believe the Appointment will cost to complete and we do not anticipate that we will have to ask the Court for approval of any further remuneration.

The orders being sought from the Court are detailed below.

- Jason Ireland and Jason Preston in their capacity as receivers and managers of the Property (as defined in item 3 of Annexure A) held by 5 Bulkara Street Pty Limited (In Liquidation) (Receivers and Managers Appointed) (5 Bulkara St PL) as trustee of the 5 Bulkara Street Unit Trust (5 Bulkara St Receivers) are justified in applying the assets held by 5 Bulkara Street PL as trustee of the 5 Bulkara Unit Trust in payment of their remuneration incurred as receivers of those assets as approved by these orders.*
- Pursuant to rule 14.24 of the Federal Court Rules 2011, the remuneration of the 5 Bulkara St Receivers for the period:*

- a. 3 September 2021 to 30 September 2022 be fixed in the amount of \$180,371 (plus GST); and
- b. 1 October 2022 to the finalisation of the receivership be fixed in the amount of \$15,000 (plus GST).

We will withdraw funds from the 5 Bulkara Street Controlled Monies Account or funds held in the Allens trust account in respect of the external administrators remuneration following approval.

4 Disbursements

Pursuant to section 7.7.1 of the ARITA Practice Statement 7, we are not required to seek approval for costs paid to third parties, or where we are recovering a cost incurred on behalf of 5 Bulkara Street, but we must provide details to creditors (or the Court).

We have not incurred any disbursements for the Appointment.

5 Summary of receipts and payments

A summary of the receipts and payments for the external administration for the period 3 September 2021 to 30 September 2022 is included at Schedule E of this report.

Dated: 9 December 2022



Jason Ireland
Joint and Several Receiver and Manager

Attachments:

Schedule A – Details of work completed

Schedule B – Time spent by staff on each major task

Schedule C – Details of future work

Schedule D – Schedule of hourly rates

Schedule E – Summary of receipts and payments

Schedule A – Details of work completed

Order 1: Retrospective remuneration for the Appointment		
Period	3 September 2021 to 30 September 2022	
Amount (ex GST)	\$180,371	
Task Area	General Description	Tasks
Assets 217.7 hours \$133,981	Sale of Real Property	<ul style="list-style-type: none"> ▪ Investigate interests and rights to the real property ▪ Engage specialised valuer to perform review of property and contents, including providing an estimated realisable value of same ▪ Prepare and issue correspondence to valuers and agents ▪ Arrange valuer and agent access to the property ▪ Liaise with valuers and agents in relation to the property ▪ Review of valuation ▪ Review and prepare summary of sale proposals ▪ Review and approve realisation and marketing strategy ▪ Liaise with lawyers re preparation of contract of sale and potential sale of contents ▪ Ongoing correspondence with former director regarding disputed ownership of items located at the property ▪ Obtain relevant records including property floor plan and draft drawings/plans to renovate the property ▪ Liaise and negotiate with interested parties via agent ▪ Liaise with lawyers in relation to relevant licenses (i.e. jetty license) ▪ Liaise with lawyers and local council regarding receipt of pool non-compliance report and certificate ▪ Liaise with lawyers in relation to removal of caveat on title ▪ Detailed discussions with party holding caveat on title, including initial documenting of agreement to govern same, which was ultimately unsuccessful ▪ Attending to interim OHS measures regarding the damage to the sea wall and assessment of cost to rectify same ▪ Oversight of initial off-market inspections ▪ Attending to handover of the sale campaign to Deloitte in its capacity as agent for mortgagee in possession ▪ Preparation of file note documenting activities to date and providing relevant documentation supporting same ▪ Prepare estimated outcome analysis
	Leasing	<ul style="list-style-type: none"> ▪ Review leasing documents ▪ Assess disclaimers
Creditors 55.0 hours \$30,936	Secured creditor reporting	<ul style="list-style-type: none"> ▪ Liaise with secured creditors and their representatives regarding sale process ▪ Respond to secured creditors' queries
	Creditor Report	<ul style="list-style-type: none"> ▪ Ongoing reporting to Westpac and SMBC in relation to realisation efforts. ▪ Ongoing reporting to Westpac and SMBC in relation to efforts to reach commercial agreement with caveat holder
Statutory & Administration 28.4 hours \$15,455	Correspondence	<ul style="list-style-type: none"> ▪ Attend to statutory obligations in connection with appointment including notifying various stakeholders of appointment ▪ Prepare correspondence to utility providers
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintain project task lists ▪ Update checklists
	Bank account administration	<ul style="list-style-type: none"> ▪ Process payments

	<ul style="list-style-type: none"> ▪ Prepare correspondence to open accounts ▪ Perform bank account reconciliations
Legal Actions	<ul style="list-style-type: none"> ▪ Attend court hearing for appointment ▪ Prepare for and attend court hearing with respect to application by former director ▪ Prepare and respond to correspondence from former director ▪ Prepare affidavits in response to legal applications
ASIC forms	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms
ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Notify of appointment ▪ Prepare BAS ▪ Review land tax position ▪ Review CGT position ▪ Liaise with relevant state revenue office
Insurance	<ul style="list-style-type: none"> ▪ Identify potential issues requiring attention of insurance specialists ▪ Correspond with insurance broker regarding initial and ongoing insurance requirements
Books and records/storage	<ul style="list-style-type: none"> ▪ Obtain access to books and records ▪ Review books and records
Planning/Review	<ul style="list-style-type: none"> ▪ Discuss status of external administration ▪ Discuss engagement strategy ▪ Update and review statement of position

Schedule B – Time spent by staff on each major task (Retrospective: work completed)

Order 1: from 3 September 2021 to 30 September 2022

Retrospective Receivers' remuneration for the period 3 September 2021 to 30 September 2022

Employee	Position	Rate / hr (\$, ex GST)	Assets		Creditors		Statutory & Administration		Total	
			Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
Jason Ireland	Appointee	770	12.8	9,856	0.3	231	1.2	924	14.3	11,011
Jason Preston	Appointee	770	-	-	-	-	-	-	-	-
Employee A	Partner	770	22.5	17,325	-	-	5.0	3,850	27.5	21,175
Employee B	Director	660	47.5	31,350	21.0	13,860	2.0	1,320	70.5	46,530
Employee C	Director	660	1.0	660	-	-	0.5	330	1.5	990
Employee D	Senior Manager	620	-	-	0.7	434	-	-	0.7	434
Employee E	Senior Manager	620	-	-	-	-	0.1	62	0.1	62
Employee F	Manager	580	87.8	50,924	16.6	9,628	8.7	5,046	113.1	65,598
Employee G	Manager	580	-	-	-	-	1.0	580	1.0	580
Employee H	Assistant Manager	530	41.4	21,942	0.9	477	3.1	1,643	45.4	24,062
Employee I	Senior Analyst	480	1.0	480	2.9	1,392	0.2	96	4.1	1,968
Employee J	Accountant	390	1.8	702	12.6	4,914	-	-	14.4	5,616
Employee K	Analyst	390	1.9	741	-	-	-	-	1.9	741
Employee L	Admin Level 2	470	-	-	-	-	0.1	47	0.1	47
Employee M	Admin Level 3	370	-	-	-	-	0.5	185	0.5	185
Employee N	Admin Level 3	370	-	-	-	-	0.7	259	0.7	259
Employee O	Admin Level 4	210	-	-	-	-	5.3	1,113	5.3	1,113
Total fees (excluding GST)			217.7	133,980	55.0	30,936	28.4	15,455	301.1	180,371

Schedule C – Details of future work

		Prospective remuneration for the Appointment
Period	1 October 2022 to completion	
Amount (ex GST)	\$15,000	
Task Area	General Description	Tasks
Assets \$2,500	Sale of Real Property	<ul style="list-style-type: none"> ▪ Liaise with secured creditors and their representatives regarding receipt of funds ▪ Finalise expenses associated with sale of property ▪ Realise items abandoned on property ▪ Pay excess funds to Controlled Monies Account
	Distribution of proceeds	<ul style="list-style-type: none"> ▪ Distribute proceeds in accordance with Court application
Creditors \$2,500	Secured Creditor	<ul style="list-style-type: none"> ▪ Confirm repayment of secured creditors debt and release of associated guarantees and charges
	Creditor Report	<ul style="list-style-type: none"> ▪ Ongoing reporting to Westpac and SMBC in relation to finalisation of realisation.
Statutory & Administration \$10,000	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintain project task lists ▪ Update checklists
	Bank account administration	<ul style="list-style-type: none"> ▪ Process payments ▪ Perform bank account reconciliations
	Legal Actions	<ul style="list-style-type: none"> ▪ Make application to the Court in relation to the appropriate distribution of the sale proceeds.
	ASIC forms	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Prepare BAS ▪ Liaise with ATO regarding private binding ruling ▪ Finalise land tax position ▪ Finalise CGT position

Schedule D – Schedule 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 Appointment and the role they take in the Appointment. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage. These rates are the same

Title	Description	Hourly rate (excl GST)
Appointee/Partner	Registered liquidator, Chartered Accountant or equivalent and generally degree qualified with more than twelve years of experience. Leads assignments with full accountability for strategy and execution.	\$770
Director 1	Generally Chartered Accountant or comparable qualification and degree qualified with more than ten years of experience, including four years of Director or equivalent experience. Autonomously leads complex insolvency appointments reporting to Appointee/Partner.	\$710
Director	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than nine years of experience. Autonomously leads insolvency appointments reporting to Appointee/Partner.	\$660
Senior Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than seven years of experience. Self-sufficiently conducts small to medium insolvency appointments and leads major workstreams in larger matters.	\$620
Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than five years of experience. Self-sufficiently conducts small insolvency appointments and takes a supervisory role on workstreams in larger matters.	\$580
Assistant Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than three years of experience. Autonomously manages workstream activity within appointments.	\$530
Senior Accountant	Generally degree qualified and undertaking Chartered Accountant's qualification or comparable relevant qualification with more than 16 months of experience. Completes tasks within workstreams and appointments under supervision.	\$480
Accountant	Generally degree qualified and undertaking or about to undertake Chartered Accountant's qualification or comparable relevant qualification with less than one year of experience. Assists with tasks within workstreams and appointments under supervision.	\$390
Undergraduate/Cadet	Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision.	\$230

Title	Description	Hourly rate (excl GST)
Practice Services Director	National Practice Service leaders, generally degree qualified with more than ten years of experience and reporting directly to partners. Technical experts in their specific areas and have team management responsibilities.	\$710
Senior Treasury staff	Appropriately experienced and undertakes senior Treasury activities such as oversight of the processing of payment of receipts and banking administration. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$470
Senior Client Administration and Treasury	Appropriately experienced and undertakes senior level administrative support activities or Treasury activities. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$370
Administration	Appropriately experienced and undertakes support activities such as meeting coordination and preparation of materials where it is efficient and appropriate to do so.	\$210

Schedule E – Summary of receipts and payments

Summary of receipts and payments for the period 3 September 2021 to 30 September 2022

Detail	Amount (\$ incl. GST)
Receipts	
Recovery of subrogated claim from guarantor	2,800,000.00
Total receipts	2,800,000.00
Payments	
<i>[intentionally left blank]</i>	-
Total payments	-
Net bank balance as at 30 September 2022	2,800,000.00

Remuneration Approval Report

6 Bulkara Street Pty. Ltd. (Receivers and Managers
Appointed) (In Liquidation)

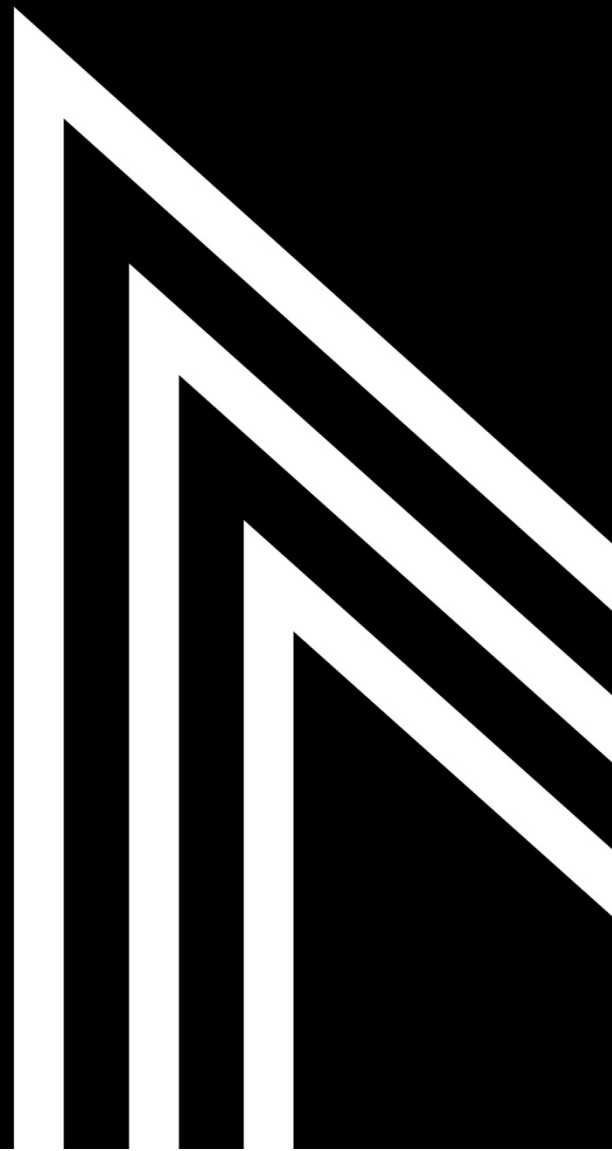
ACN 639 734 473

(6 Bulkara Street)

9 December 2022



McGrathNicol



This remuneration approval report to the Federal Court of Australia provides you with information to assist in making an informed decision regarding the approval of our proposed remuneration for undertaking the receivership and management of 6 Bulkara Street.

The report has the following information:

1	Executive Summary	2
2	Declaration	2
3	Remuneration sought	2
4	Disbursements	3
5	Summary of receipts and payments.....	3
	Schedule A – Details of work completed	4
	Schedule B – Time spent by staff on each major task (Retrospective: work completed)	6
	Schedule C – Details of future work	7
	Schedule D – Schedule of Hourly Rates	8
	Schedule E – Summary of receipts and payments	10

1 Executive Summary

We are seeking approval from the Federal Court of Australia (**Court**) for the following remuneration:

Current approval requests	Remuneration (ex GST)
Receivership – 3 September 2021 to 30 September 2022 (retrospective)	\$100,000
Receivership – 1 October 2022 to finalisation (future fees)	\$15,000
Total remuneration sought	\$115,000

Details of remuneration and disbursements can be found in sections 3 and 4 of this report.

We estimate that the total cost of this receivership and management (**the Appointment**) will be \$115,000 (plus GST).

This is our first and final remuneration approval request.

2 Declaration

We have undertaken an assessment of this remuneration claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is necessary and proper.

We have reviewed the work in progress report for the Appointment to ensure that remuneration is only being claimed for necessary and proper work performed and have made the following adjustments written off a total of \$1,075 from the recorded work in progress (being 1% of the time cost recorded before write offs) across the Company including general administrative matters including training, remuneration preparation and other non-chargeable time.

3 Remuneration sought

The remuneration we are asking the Court to approve is as follows:

Remuneration for	Period	Amount (ex GST)	Rates to apply	When it will be drawn
Work completed	3 September 2021 to 30 September 2022	\$100,000	Provided in Schedule D of this Remuneration Report	Immediately, when funds are available
Future work	1 October 2022 to finalisation	\$15,000	Provided in Schedule D of this Remuneration Report	Once appropriate time has been incurred and funds are available
Total		\$115,000		

Details of the work already done are included at Schedule A.

Schedule B includes a breakdown of time spent by the appointees and staff members on each major task for work we have already done.

Details of the work forecast to be required are included at Schedule C. In preparing this report, the future remuneration is our best estimate of what we believe the Appointment will cost to complete and we do not anticipate that we will have to ask the Court for approval of any further remuneration.

The orders being sought from the Court are detailed below.

1. *Jason Ireland and Jason Preston in their capacity as receivers and managers of the Properties (as defined in item 4 of Annexure A) held by 6 Bulkara Street Pty Limited (In Liquidation) (Receivers and Managers Appointed) (6 Bulkara St PL) as trustee of the 6 Bulkara Street Unit Trust (6 Bulkara St Receivers) are justified in applying the assets held by 6 Bulkara St PL as trustee of the 6 Bulkara Unit Trust in payment of their remuneration incurred as receivers of those assets as approved by these orders.*

2. Pursuant to rule 14.24 of the Federal Court Rules 2011, the remuneration of the 6 Bulkara St Receivers for the period:

- a. 3 September 2021 to 30 September 2022 be fixed in the amount of \$100,000 (plus GST); and
- b. 1 October 2022 to the finalisation of the receivership be fixed in the amount of \$15,000 (plus GST).

We will withdraw funds from the 6 Bulkara Street Controlled Monies Account in respect of the external administrators remuneration following approval.

4 Disbursements


Pursuant to section 7.7.1 of the ARITA Practice Statement 7, we are not required to seek approval for costs paid to third parties, or where we are recovering a cost incurred on behalf of 6 Bulkara Street, but we must provide details to creditors (or the Court).

We have not incurred any disbursements for the Appointment.

5 Summary of receipts and payments

A summary of the receipts and payments for the Appointment for the period 3 September 2021 to 30 September 2022 is included at Schedule E to this report.

Dated: 9 December 2022



Jason Ireland
Joint and Several Receiver and Manager

Attachments:

Schedule A – Details of work completed

Schedule B – Time spent by staff on each major task

Schedule C – Details of future work

Schedule D – Schedule of hourly rates

Schedule E – Summary of receipts and payments

Schedule A – Details of work completed

Order 1: Retrospective remuneration for the Appointment		
Period	3 September 2021 to completion	
Amount (ex GST)	\$100,000	
Task Area	General Description	Tasks
Assets 132.9 hours \$77,834	Sale of Real Property	<ul style="list-style-type: none"> ▪ Investigate interests and rights to the real property ▪ Engage specialised valuer to perform review of property and contents, including providing an estimated realisable value of same ▪ Prepare and issue correspondence to valuers and agents ▪ Arrange valuer and agent access to the properties ▪ Liaise with valuers and agents in relation to the property ▪ Review of valuation ▪ Review and prepare summary of sale proposals ▪ Review and approve realisation and marketing strategy ▪ Liaise with lawyers re preparation of contract of sale and sale of contents ▪ Obtain relevant records including property floor plan ▪ Liaise and negotiate with interested parties via agent ▪ Liaise with lawyers in relation to relevant licenses ▪ Liaise with lawyers and local council regarding receipt of pool non-compliance report and certificate ▪ Oversight of sale program and circulation of updates on progress of same as appropriate ▪ Review of offers received at end of Expressions of Interest ▪ Finalise sale contract and other settlement processes ▪ Attend to review of settlement adjustments and payment of invoices from settlement proceeds ▪ Prepare estimated outcome analysis
	Other Assets	<ul style="list-style-type: none"> ▪ Realise assets
Creditors 12.1 hours \$5,749	Secured creditor reporting	<ul style="list-style-type: none"> ▪ Liaise with secured creditor and its representatives regarding sale process ▪ Respond to secured creditor's queries
	Creditor Report	<ul style="list-style-type: none"> ▪ Ongoing reporting to Westpac and SMBC in relation to realisation efforts.
Statutory & Administration 30.3 hours \$16,417	Correspondence	<ul style="list-style-type: none"> ▪ Attend to statutory obligations in connection with appointment including notifying various stakeholders of appointment ▪ Prepare correspondence to utility providers
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintain project task lists ▪ Update checklists
	Bank account administration	<ul style="list-style-type: none"> ▪ Process payments ▪ Prepare correspondence to open accounts ▪ Perform bank account reconciliations
	Legal Actions	<ul style="list-style-type: none"> ▪ Attend court hearing for appointment ▪ Prepare for and attend court hearing with respect to application by former director ▪ Prepare affidavit
	ASIC forms	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Notify of appointment ▪ Prepare BAS ▪ Review land tax position ▪ Review CGT position

		<ul style="list-style-type: none"> ▪ Liaise with relevant state revenue office
	Insurance	<ul style="list-style-type: none"> ▪ Identify potential issues requiring attention of insurance specialists ▪ Correspond with insurance broker regarding initial and ongoing insurance requirements
	Books and records/storage	<ul style="list-style-type: none"> ▪ Obtain access to books and records ▪ Review books and records
	Planning/Review	<ul style="list-style-type: none"> ▪ Discuss status of external administration ▪ Discuss engagement strategy ▪ Update and review statement of position

Schedule B – Time spent by staff on each major task (Retrospective: work completed)

Order 1: from 3 September 2021 to 30 September 2022

Retrospective Receivers' remuneration for the period 3 September 2021 to 30 September 2022

Employee	Position	Rate / hr (\$, ex GST)	Assets		Creditors		Statutory & Administration		Total	
			Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
Jason Ireland	Appointee	770	13.1	10,087	0.3	231	0.3	231	13.7	10,549
Jason Preston	Appointee	770	-	-	-	-	0.6	462	0.6	462
Employee A	Partner	770	3.5	2,695	-	-	2.0	1,540	5.5	4,235
Employee B	Director	660	6.8	4,488	-	-	1.3	858	8.1	5,346
Employee C	Director	660	0.2	132	-	-	1.0	660	1.2	792
Employee D	Director	660	0.6	396	0.3	198	-	-	0.9	594
Employee E	Senior Manager	620	-	-	0.7	434	-	-	0.7	434
Employee F	Senior Manager	620	-	-	-	-	0.4	248	0.4	248
Employee G	Manager	580	48.5	28,130	1.7	986	14.7	8,526	64.9	37,642
Employee H	Assistant Manager	530	60.2	31,906	0.9	477	4.8	2,544	65.9	34,927
Employee I	Senior Analyst	480	-	-	2.5	1,200	0.2	96	2.7	1,296
Employee J	Accountant	390	-	-	5.7	2,223	-	-	5.7	2,223
Employee K	Admin Level 2	470	-	-	-	-	0.1	47	0.1	47
Employee L	Admin Level 3	370	-	-	-	-	0.5	185	0.5	185
Employee M	Admin Level 3	370	-	-	-	-	0.6	222	0.6	222
Employee N	Admin Level 3	370	-	-	-	-	-	-	-	-
Employee O	Admin Level 4	210	-	-	-	-	3.8	798	3.8	798
Total fees (excluding GST)			132.9	77,834	12.1	5,749	30.3	16,417	175.3	100,000

Schedule C – Details of future work

		Prospective remuneration for the Appointment
Period	1 October 2022 to 30 June 2023	
Amount (ex GST)	\$15,000	
Task Area	General Description	Tasks
Assets \$2,000	Sale of Real Property	<ul style="list-style-type: none"> ▪ Finalise expenses associated with sale of property ▪ Pay excess funds to Controlled Monies Account
	Distribution of proceeds	<ul style="list-style-type: none"> ▪ Distribute proceeds in accordance with Court application
Creditors \$2,000	Creditor Report	<ul style="list-style-type: none"> ▪ Ongoing reporting to Westpac and SMBC in relation to finalisation of realisation.
Statutory & Administration \$11,000	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintain project task lists ▪ Update checklists
	Bank account administration	<ul style="list-style-type: none"> ▪ Process payments ▪ Perform bank account reconciliations
	Legal Actions	<ul style="list-style-type: none"> ▪ Make application to the Court in relation to the appropriate distribution of the sale proceeds.
	ASIC forms	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Prepare BAS ▪ Liaise with ATO regarding private binding ruling ▪ Finalise land tax position ▪ Finalise CGT position

Schedule D – Schedule 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 Appointment and the role they take in the Appointment. 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, Chartered Accountant or equivalent and generally degree qualified with more than twelve years of experience. Leads assignments with full accountability for strategy and execution.	\$770
Director 1	Generally Chartered Accountant or comparable qualification and degree qualified with more than ten years of experience, including four years of Director or equivalent experience. Autonomously leads complex insolvency appointments reporting to Appointee/Partner.	\$710
Director	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than nine years of experience. Autonomously leads insolvency appointments reporting to Appointee/Partner.	\$660
Senior Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than seven years of experience. Self-sufficiently conducts small to medium insolvency appointments and leads major workstreams in larger matters.	\$620
Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than five years of experience. Self-sufficiently conducts small insolvency appointments and takes a supervisory role on workstreams in larger matters.	\$580
Assistant Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than three years of experience. Autonomously manages workstream activity within appointments.	\$530
Senior Accountant	Generally degree qualified and undertaking Chartered Accountant's qualification or comparable relevant qualification with more than 16 months of experience. Completes tasks within workstreams and appointments under supervision.	\$480
Accountant	Generally degree qualified and undertaking or about to undertake Chartered Accountant's qualification or comparable relevant qualification with less than one year of experience. Assists with tasks within workstreams and appointments under supervision.	\$390
Undergraduate/Cadet	Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision.	\$230

Title	Description	Hourly rate (excl GST)
Practice Services Director	National Practice Service leaders, generally degree qualified with more than ten years of experience and reporting directly to partners. Technical experts in their specific areas and have team management responsibilities.	\$710
Senior Treasury staff	Appropriately experienced and undertakes senior Treasury activities such as oversight of the processing of payment of receipts and banking administration. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$470
Senior Client Administration and Treasury	Appropriately experienced and undertakes senior level administrative support activities or Treasury activities. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$370
Administration	Appropriately experienced and undertakes support activities such as meeting coordination and preparation of materials where it is efficient and appropriate to do so.	\$210

Schedule E – Summary of receipts and payments

Summary of receipts and payments for the period 3 September 2021 to 30 September 2022

Detail	Amount (\$ incl. GST)
Receipts	
Sale of land and buildings	16,200,000.00
Settlement adjustments	22,299.17
Total receipts	16,222,299.17
Payments	
Agents' commission	(243,000.00)
Associated sales expenses	(50,351.28)
Insurance costs	(3,412.11)
Land tax	(39,269.30)
Legal costs	(295.40)
Rates	(11,806.10)
Secured creditor claim	(6,065,995.04)
Total payments	(6,414,129.23)
Net bank balance as at 30 September 2022	9,808,169.94

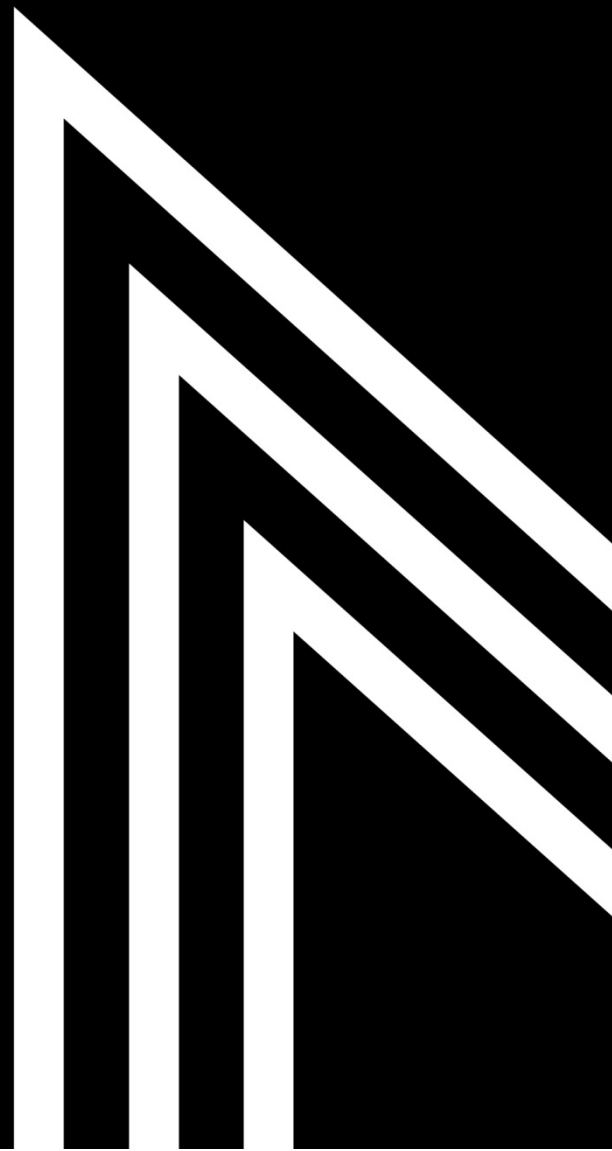
Remuneration Approval Report

Property in relation to Intrashield Pty Limited (In Liquidation)
(XOXO Yacht)

9 December 2022



McGrathNicol



This remuneration approval report to the Federal Court of Australia provides you with information to assist in making an informed decision regarding the approval of our proposed remuneration for undertaking the receivership and management of XOXO Yacht.

The report has the following information:

1	Executive Summary	2
2	Declaration	2
3	Remuneration sought	2
4	Disbursements	3
5	Summary of receipts and payments.....	3
	Schedule A – Details of work completed	4
	Schedule B – Time spent by staff on each major task (Retrospective: work completed)	5
	Schedule C – Details of future work	6
	Schedule D – Disbursements	7
	Schedule E – Schedule of Hourly Rates	8
	Schedule F – Summary of receipts and payments	10

1 Executive Summary

We are seeking approval from the Federal Court of Australia (**Court**) for the following remuneration:

Current approval requests	Remuneration (ex GST)
Receivership – 3 September 2021 to 30 September 2022 (retrospective)	\$68,461
Receivership – 1 October 2022 to finalisation (future fees)	\$13,000
Total remuneration sought	\$81,461

Details of remuneration and disbursements can be found in sections 3 and 4 of this report.

We estimate that the total cost of this receivership and management (**the Appointment**) will be \$81,461 (plus GST).

This is our first and final remuneration approval request.

2 Declaration

We have undertaken an assessment of this remuneration claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is necessary and proper.

We have reviewed the work in progress report for the Appointment to ensure that remuneration is only being claimed for necessary and proper work performed and have made the following adjustments written off a total of \$333 from the recorded work in progress (being 1% of the time cost recorded before write offs) across the Company including general administrative matters including training, remuneration preparation and other non-chargeable time.

3 Remuneration sought

The remuneration we are asking the Court to approve is as follows:

Remuneration for	Period	Amount (ex GST)	Rates to apply	When it will be drawn
Work completed	3 September 2021 to 30 September 2022	\$68,461	Provided in Schedule E of this Remuneration Report	Immediately, when funds are available
Future work	1 October 2022 to finalisation	\$13,000	Provided in Schedule E of this Remuneration Report	Once appropriate time has been incurred and funds are available
Total		\$81,461		

Details of the are included at Schedule A.

Schedule B includes a breakdown of time spent by the appointees and staff members on each major task for work we have already done.

Details of the work forecast to be required are included at Schedule C. In preparing this report, the future remuneration is our best estimate of what we believe the Appointment will cost to complete and we do not anticipate that we will have to ask the Court for approval of any further remuneration.

The orders being sought from the Court are detailed below.

1. *Jason Ireland and Jason Preston in their capacity as receivers and managers of the Property (as defined in item 5 of Annexure A) formerly held by Intrashield Pty Limited (In Liquidation) are justified in applying the assets formerly held by Intrashield Pty Limited (In Liquidation) in payment of their remuneration incurred as receivers of those assets as approved by these orders.*
2. *Pursuant to rule 14.24 of the Federal Court Rules 2011, the remuneration of Jason Ireland and Jason Preston in their capacity as receivers and managers of the Property at item 5 of Annexure A formerly owned and held by Intrashield Pty Limited (In Liquidation) for the period:*

- a. 3 September 2021 to 30 September 2022 be fixed in the amount of \$68,461 (plus GST); and
- b. 1 October 2022 to the finalisation of the receivership be fixed in the amount of \$13,000 (plus GST).

If approved by the Court we will withdraw funds from the XOXO Yacht Controlled Monies Account or funds held in the Allens trust account in respect of the external administrators remuneration.

4 Disbursements

Pursuant to section 7.7.1 of the ARITA Practice Statement 7, we are not required to seek approval for costs paid to third parties, or where we are recovering a cost incurred on behalf of the administration, but we must provide details to creditors (or the Court). Details of these amounts are included in Schedule D.

5 Summary of receipts and payments

A summary of the receipts and payments for the Appointment for the period 3 September 2021 to 30 September 2022 is included at Schedule F to this report.

Dated: 9 December 2022



Jason Ireland
Joint and Several Receiver and Manager

Attachments:

Schedule A – Details of work completed

Schedule B – Time spent by staff on each major task

Schedule C – Details of future work

Schedule D – Disbursements

Schedule E – Schedule of hourly rates

Schedule F – Summary of receipts and payments

Schedule A – Details of work completed

Order 1: Retrospective remuneration for the Appointment		
Period	3 September 2021 to completion	
Amount (ex GST)	\$68,461	
Task Area	General Description	Tasks
Assets 98.9 hours \$57,875	XOXO 105' yacht	<ul style="list-style-type: none"> ▪ Secure vessel at pre-appointment mooring location ▪ Liaise with pre-appointment mooring provider to agree release of vessel ▪ Arrange towing of vessel to secure location, and mooring thereafter ▪ Arrange survey report into condition of vessel ▪ Approve and arrange initial works to the vessel to facilitate its safe storage ▪ Investigate pre-appointment insurance claim ▪ Prepare and update estimated outcome statement ▪ Receive quotes for and consider commerciality of completing further works to the vessel ▪ Engage auctioneers to commence formal sale campaign ▪ Review initial offers received ▪ Approve auction process including reserve price
Creditors 2.5 hours \$1,557	Creditor Enquiries, Requests & Directions	<ul style="list-style-type: none"> ▪ Negotiate with parties claiming amounts owed in relation to the vessel ▪ Make payment in relation to successful lien claim ▪ Collate information regarding second alleged lien over the vessel
Statutory & Administration 19.7 hours \$9,029	Correspondence	<ul style="list-style-type: none"> ▪ Attend to statutory obligations in connection with appointment including notifying various stakeholders of appointment
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Update checklists
	Insurance	<ul style="list-style-type: none"> ▪ Arrange insurance for the vessel
	ASIC forms	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms ▪ Correspond with ASIC regarding statutory forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Notify of appointment ▪ Prepare BAS ▪ Correspondence with ATO
	Planning/Review	<ul style="list-style-type: none"> ▪ Discuss status of external administration

Schedule B – Time spent by staff on each major task (Retrospective: work completed)

Order 1: from 3 September 2021 to 30 September 2022

Retrospective Receivers' remuneration for the period 3 September 2021 to 30 September 2022

Employee	Position	Rate / hr (\$, ex GST)	Assets		Creditors		Statutory & Administration		Total	
			Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)	Hours	Fees (\$)
Jason Ireland	Appointee	770	2.8	2,156	1.1	847	-	-	3.9	3,003
Jason Preston	Appointee	770	-	-	-	-	-	-	-	-
Employee A	Partner	770	3.0	2,310	-	-	-	-	3.0	2,310
Employee B	Director	660	15.5	10,230	-	-	-	-	15.5	10,230
Employee C	Director	660	0.6	396	0.3	198	0.4	264	1.3	858
Employee D	Manager	580	47.3	27,434	-	-	0.2	116	47.5	27,550
Employee E	Assistant Manager	530	26.9	14,257	0.4	212	11.3	5,989	38.6	20,458
Employee F	Senior Analyst	480	-	-	0.3	144	1.4	672	1.7	816
Employee G	Accountant	390	-	-	0.4	156	-	-	0.4	156
Employee H	Accountant	390	2.8	1,092	-	-	2.3	897	5.1	1,989
Employee I	Analyst	390	-	-	-	-	0.6	234	0.6	234
Employee J	Admin Level 2	470	-	-	-	-	0.1	47	0.1	47
Employee K	Admin Level 3	370	-	-	-	-	0.5	185	0.5	185
Employee L	Admin Level 3	370	-	-	-	-	0.1	37	0.1	37
Employee M	Admin Level 4	210	-	-	-	-	2.8	588	2.8	588
Total fees (excluding GST)			98.9	57,875	2.5	1,557	19.7	9,029	121.1	68,461

Schedule C – Details of future work

		Prospective remuneration for the Appointment
Period	1 October 2022 to 30 June 2023	
Amount (ex GST)	\$13,000	
Task Area	General Description	Tasks
Assets \$1,500	Sale of Real Property	<ul style="list-style-type: none"> ▪ Finalise expenses associated with sale of property ▪ Pay excess funds to Controlled Monies Account
	Distribution of proceeds	<ul style="list-style-type: none"> ▪ Distribute proceeds in accordance with Court application
Creditors \$1,500	Creditor Report	<ul style="list-style-type: none"> ▪ Ongoing reporting to Westpac and SMBC in relation to finalisation of realisation.
Statutory & Administration \$10,000	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintain project task lists ▪ Update checklists
	Bank account administration	<ul style="list-style-type: none"> ▪ Process payments ▪ Perform bank account reconciliations
	Legal Actions	<ul style="list-style-type: none"> ▪ Make application to the Court in relation to the appropriate distribution of the sale proceeds.
	ASIC forms	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Prepare BAS's

Schedule D – Disbursements

Costs paid to third parties

Costs paid to third parties are recovered at cost. Approval is not required for these types of costs, but details are provided to account to the Court, including the basis of charging for these types of costs.

The following external disbursements have been paid by McGrathNicol and relate to the management of XOXO Yacht. These amounts will be reimbursed to McGrathNicol at cost from the XOXO Yacht Controlled Monies Account.

External disbursements at cost for the period 3 September 2021 to 30 September 2022	
Category	\$
Searches	45.40
Total	45.40

The above amounts reflect disbursements which have been processed to 30 September 2022. Further disbursements may be processed subsequent to this date.

Future costs provided by McGrathNicol will be charged to the external administration on the following basis:

Cost type	Rate (GST exclusive)
Searches	At cost
Advertising	At cost
Courier	At cost
Staff per diem travel allowance*	\$89.00 per day**
Staff vehicle use	\$0.72 per km**
ASIC user pays levy***	At cost

* Payable when partners or staff are required for business purposes to stay away from their usual place of residence overnight.

** These rates are deemed reasonable by the Australian Taxation Office.

*** This levy is charged by ASIC and is based on the number of notifiable events in a financial year directly related to this Appointment. Notifiable events include notices published on ASIC's published notices website and some documents lodged with ASIC.

Schedule E – Schedule 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 Appointment and the role they take in the Appointment. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

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Administration	Appropriately experienced and undertakes support activities such as meeting coordination and preparation of materials where it is efficient and appropriate to do so.	\$210

Schedule F – Summary of receipts and payments

XOXO Yacht- Summary of receipts and payments for the period 3 September 2021 to 30 September 2022

Details	Amount (\$ incl. GST)
Receipts	
Proceeds from sale	956,000
Total receipts	956,000
Payments	
Agents' commission	95,600
Holding costs	120,797
Repairs and maintenance	55,669
Other professional fees	17,089
Pre-appointment lien claim	47,563
Marketing costs	3,000
Total payments	339,717
Net bank balance as at 30 September 2022	616,283