

Exhibit certificate

Federal Court of Australia

No. NSD 616 of 2021

District Registry: New South Wales

Division: General

Westpac Banking Corporations ABN 33 007 457 141

Applicant

Forum Finance Pty Ltd ACN 153 301 172 (in Liquidation) and others according to the Schedule

Respondents

This is the exhibit marked "**SN-1**" now produced and shown to Sarwar (Sazz) Nasimi at the time of swearing his affidavit on 9 November 2021 before me:



Melissa Passarelli
6th Floor, 140 William St, Melbourne, Vic, 3000
An Australian Legal Practitioner
within the meaning of the
Legal Profession Uniform Law (Victoria).

Solicitor

Mackenzie Preston

From: Candy Nelson
Sent: Wednesday, 27 October 2021 3:24 PM
To: Chris.Prestwich@allens.com.au; Kirsty.Prinsloo@allens.com.au
Cc: Sazz Nasimi; Melissa Passarelli; Alexandra Lawrence; anthony.sommer@minterellison.com; caitlin.murray@minterellison.com
Subject: Forum Group Financial Services Pty Ltd (provisional liquidators appointed) ACN 623 033 705 | Forum Enviro Pty Ltd (provisional liquidators appointed) ACN 168 709 840 | Forum Enviro (Aust) Pty Ltd (provisional liquid... [MADG-CURRENT_MATTERS.18091.047678]
Attachments: 211027 Letter from Madgwicks to Allens(4587824.1).pdf

Dear Mr Prestwich and Ms Prinsloo,

Please refer to the **attached** correspondence.

Kind regards,

Candy Nelson
Personal Assistant

MADGWICKS
LAWYERS

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T: +61 3 9242 4748 E: Candy.Nelson@madgwicks.com.au

Level 6, 140 William Street, Melbourne VIC 3000
www.madgwicks.com.au



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Chris Prestwich & Kristy Prinsloo
Partner & Managing Associate
Allens
Deutsche Bank Place
Corner Hunter & Phillip Streets
Sydney NSW 2000

Date: 27 October 2021
File No: 047678
Author: Alexandra Lawrence
Partner: Sazz Nasimi

By email: Chris.Prestwich@allens.com.au
Kirsty.Prinsloo@allens.com.au

Dear Mr Prestwich and Ms Prinsloo

Forum Group Financial Services Pty Ltd (provisional liquidators appointed) ACN 623 033 705
Forum Enviro Pty Ltd (provisional liquidators appointed) ACN 168 709 840
Forum Enviro (Aust) Pty Ltd (provisional liquidators appointed) ACN 607 484 364
("PL Entities")

We refer to the orders of Justice Lee dated 20 October 2021 (**Orders**).

Pursuant to paragraph 9 of the Orders, we confirm that our client contests the application for the wind up in respect to the PL Entities.

We are instructed that the PL Entities are likely to be solvent. Our client instructs us that as at the time of the appointment of the provisional liquidators, the PL Entities had significant assets which included cash at bank and property. Further, we are instructed that the PL Entities may have held ongoing lease contracts which generated approximately \$3 million to \$5 million in revenue per month.

Excluding the contingent liability of Westpac's claim against the PL Entities in Federal Court Proceedings No NSD616/2021, the matters referred to in the preceding paragraph suggest that it is highly likely that the PL Entities are solvent and ought not be wound up.

With respect to each company comprising the PL Entities, we are informed that their asset positions as at the time when they were placed in provision liquidation is as follows:

Forum Group Financial Services Pty Ltd (provisional liquidators appointed) ACN 623 033 705

1. Approximately \$800,000 in cash assets;
2. An unencumbered boat worth approximately \$700,000;
3. The property known as 2-4 Atherton Road, Oakleigh 3166 which has approximately \$1.5million of equity; and



MADGWICKS
ABN 82 199 611 971

Level 6
140 William Street
Melbourne VIC 3000
Australia
DX 485

T: +61 3 9242 4744
F: +61 3 9242 4777
E: madgwicks@madgwicks.com.au
W: madgwicks.com.au



4. A number of motor vehicles.

**Forum Enviro Pty Ltd (provisional liquidators appointed) ACN 168 709 840 and
Forum Enviro (Aust) Pty Ltd (provisional liquidators appointed) ACN 607 484 364**

5. Our client does not have visibility on the assets of these companies but understands there are substantial cash assets available to them.

Request for documents

Further, you may recall His Honour's comments at the last return concerning the timely provision of documents that may be requested by our client. We note that your clients were appointed as provisional liquidators to the PL entities on 15 July 2021 and have now had some time to marshal the relevant financial information necessary to consider the financial position of each of the PL entities. Some of this information is referred to in the list of documentation referred to below. Accordingly, in order for our office to assess the issue of solvency further, we request from your client the following documents for each of the PL Entities:

1. Managements accounts from 1 July 2020 to 30 June 2021;
2. Bank statements for June 2021;
3. Provisional balance sheet for the years 2020 and 2021;
4. Details of debtors as at 30 June 2021;
5. Details of creditors as at 30 June 2021;
6. All provisional liquidator reports to creditors;
7. Any equipment leases in existence for which any of the PL Entities are receiving monthly payments; and
8. Asset registers.

Needless to state we require your client's adherence to our request as soon as reasonably possible.

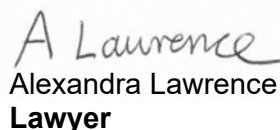
Should you have any queries in relation to this letter please contact our office.

Yours faithfully
MADGWICKS



Sazz Nasimi
Partner

T: 03 9242 4741
E: Sazz.Nasimi@madgwicks.com.au



A Lawrence
Alexandra Lawrence
Lawyer

T: 03 9242 4720
E: Alexandra.Lawrence@madgwicks.com.au

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cc: anthony.sommer@minterellison.com; caitlin.murray@minterellison.com

Mackenzie Preston

From: Prinsloo, Kirsty <Kirsty.Prinsloo@allens.com.au>
Sent: Friday, 29 October 2021 5:41 PM
To: Candy Nelson; Alexandra Lawrence; Melissa Passarelli; Sazz Nasimi
Cc: anthony.sommer@minterellison.com; caitlin.murray@minterellison.com; Prestwich, Chris; Forum (Allens)
Subject: RE: Forum Group Financial Services Pty Ltd (provisional liquidators appointed) ACN 623 033 705 | Forum Enviro Pty Ltd (provisional liquidators appointed) ACN 168 709 840 | Forum Enviro (Aust) Pty Ltd (provisional liquid... [MADG-CURRENT_MATTERS.18091.0476
Attachments: Forum Enviro.zip; FGFS.zip; Forum Enviro (Aust).zip

Dear Colleagues

We refer to your letter dated 25 October 2021.

To the extent the documents you have requested have been located by the provisional liquidators in the records available to them, those documents are attached.

Kind regards

Kirsty

Kirsty Prinsloo
Managing Associate, **Allens**
DL [+61 2 9230 4735](tel:+61292304735) **M** [+61 420 347 183](tel:+61420347183) www.allens.com.au

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From: Candy Nelson <Candy.Nelson@madgwicks.com.au>
Sent: Wednesday, 27 October 2021 3:24 PM
To: Prestwich, Chris <Chris.Prestwich@allens.com.au>; Prinsloo, Kirsty <Kirsty.Prinsloo@allens.com.au>
Cc: Sazz Nasimi <Sazz.Nasimi@madgwicks.com.au>; Melissa Passarelli <Melissa.Passarelli@madgwicks.com.au>; Alexandra Lawrence <Alexandra.Lawrence@madgwicks.com.au>; anthony.sommer@minterellison.com; caitlin.murray@minterellison.com
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Dear Mr Prestwich and Ms Prinsloo,

Please refer to the **attached** correspondence.

Kind regards,

Candy Nelson
Personal Assistant

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Website: <https://www.allens.com.au> | Office locations: <https://www.allens.com.au/offices> | Partner contacts: <https://www.allens.com.au/experts>

Mackenzie Preston

From: Prinsloo, Kirsty <Kirsty.Prinsloo@allens.com.au>
Sent: Tuesday, 2 November 2021 2:29 PM
To: Candy Nelson; Alexandra Lawrence; Melissa Passarelli; Sazz Nasimi
Cc: anthony.sommer@minterellison.com; caitlin.murray@minterellison.com; Prestwich, Chris; Forum (Allens)
Subject: RE: Forum Group Financial Services Pty Ltd (provisional liquidators appointed) ACN 623 033 705 | Forum Enviro Pty Ltd (provisional liquidators appointed) ACN 168 709 840 | Forum Enviro (Aust) Pty Ltd (provisional liquid..... [Allens-File-DMS.FID2091065]
Attachments: 1. Management Accounts - 1 July 2020 - 30 June 2021.zip

Dear Colleagues

We refer to your letter dated 25 October 2021 and to our email on 29 October 2021.

The provisional liquidators have additionally located the attached balance sheets, profit and loss and cash flows for FGFS.

Kind regards

Kirsty

Kirsty Prinsloo
Managing Associate, **Allens**
DL [+61 2 9230 4735](tel:+61292304735) **M** [+61 420 347 183](tel:+61420347183)

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Cc: anthony.sommer@minterellison.com; caitlin.murray@minterellison.com; Prestwich, Chris <Chris.Prestwich@allens.com.au>; Forum (Allens) <ForumAllens@allens.com.au>
Subject: RE: Forum Group Financial Services Pty Ltd (provisional liquidators appointed) ACN 623 033 705 | Forum Enviro Pty Ltd (provisional liquidators appointed) ACN 168 709 840 | Forum Enviro (Aust) Pty Ltd (provisional liquid... [MADG-CURRENT_MATTERS.18091.0476

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Kind regards

Kirsty

Kirsty Prinsloo
Managing Associate, **Allens**
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 Alexandra Lawrence <Alexandra.Lawrence@madgwicks.com.au>; anthony.sommer@minterellison.com;
caitlin.murray@minterellison.com
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Personal Assistant



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PL Entities Main Folders









My files > Tes > Documents from liquidator [⌘]

 Name ▾	Modified ▾	Modified By ▾	File size ▾	Sharing
 FGFS	6 days ago	Alexandra Lawrence	8 items	[⌘] Shared
 Forum Enviro (Aust).zip	October 31	Alexandra Lawrence	19.9 KB	[⌘] Shared
 Forum Enviro.zip	October 31	Alexandra Lawrence	271 KB	[⌘] Shared

Forum Enviro Sub Folders


















Forum Enviro.zip > **Forum Enviro**

Name	Date Modified	File Size
 1. Management Accounts - 1 July 2...	2021-10-29	
 2. Bank Statements - June 2021	2021-10-28	
 3. Balance Sheets - 2020 and 2021	2021-10-29	
 4. Debtors - 30 June 2021	2021-10-28	
 5. Creditors - 30 June 2021	2021-10-29	
 6. Provisional liquidator reports	2021-10-29	
 7. Equipment leases	2021-10-29	
 8. Asset registers	2021-10-27	

FGFS Sub Folders









My files > Ies > Documents from liquidator > FGFS 

 Name ▾	Modified ▾	Modified By ▾	File size ▾	Sharing
 1. Management Accounts - 1 July 2020 - 30...	6 days ago	Alexandra Lawrence	1 item	 Shared
 2. Bank Statements - June 2021	6 days ago	Alexandra Lawrence	1 item	 Shared
 3. Balance Sheets - 2020 and 2021	6 days ago	Alexandra Lawrence	2 items	 Shared
 4. Debtors - 30 June 2021	6 days ago	Alexandra Lawrence	1 item	 Shared
 5. Creditors - 30 June 2021	6 days ago	Alexandra Lawrence	1 item	 Shared
 6. Provisional liquidator reports	6 days ago	Alexandra Lawrence	1 item	 Shared
 7. Equipment leases	6 days ago	Alexandra Lawrence	0 items	 Shared
 8. Asset registers	6 days ago	Alexandra Lawrence	0 items	 Shared

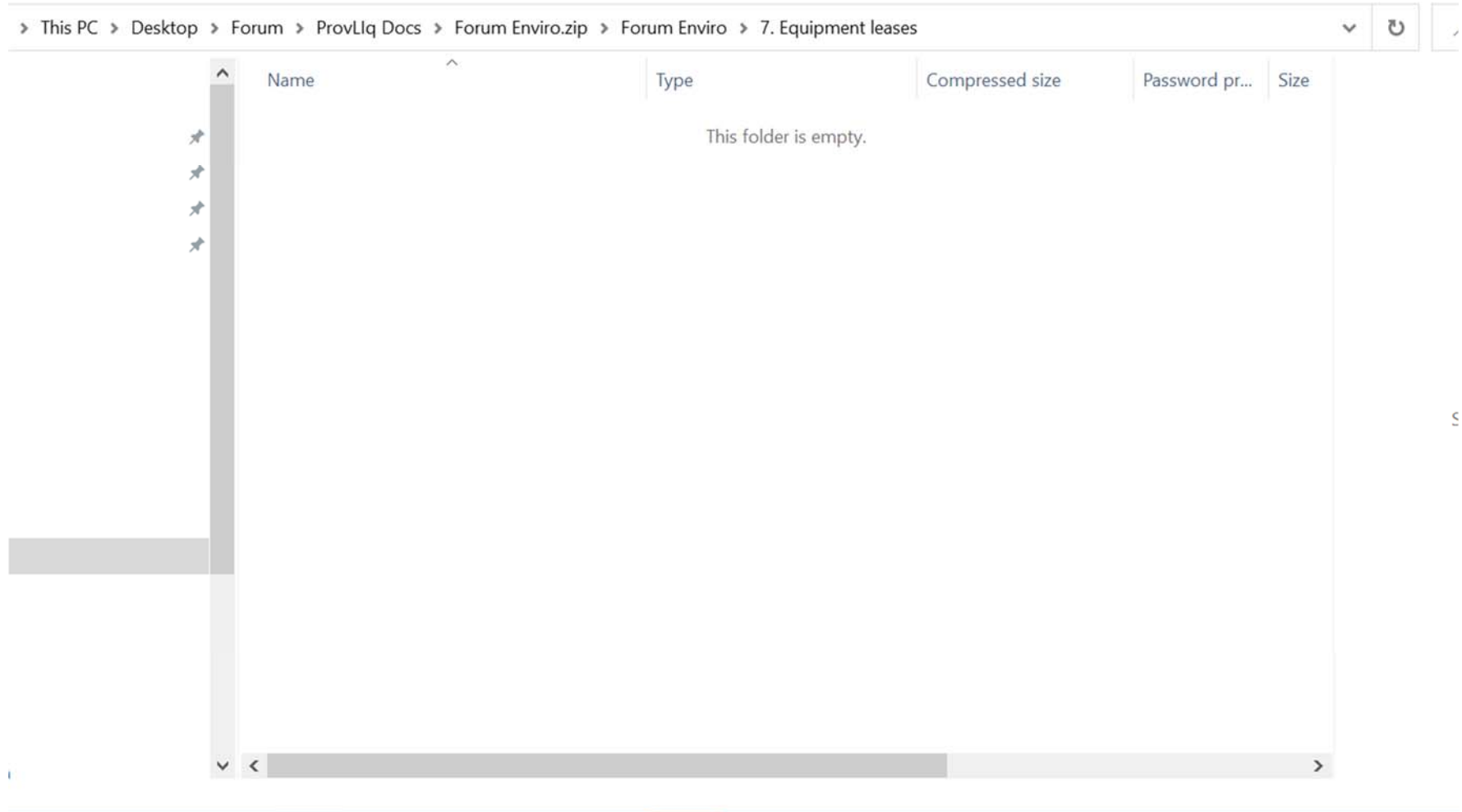
Forum Enviro (Aust) Sub Folders



Forum Enviro (Aust).zip > Forum Enviro (Aust)

Name	Date Modified	File Size
 1. Management Accounts	2021-10-29	
 2. Bank Statements - June 2021	2021-10-28	
 3. Balance Sheets - 2020 and 2021	2021-10-29	
 4. Debtors - 30 June 2021	2021-10-28	
 5. Creditors - 30 June 2021	2021-10-29	
 6. Provisional liquidator reports	2021-10-29	
 7. Equipment leases	2021-10-29	
 8. Asset registers	2021-10-28	

Forum Enviro Item 7 Sub Folder "Equipment Lease" Empty





Account details

Account name
Forum Enviro Pty Ltd
Account number
082-080 84-548-0595
Currency
AUD

Account balance summary

Opening balance: 7,322.39 CR
Total credits: 48,568.00 CR
Total debits: 16,230.38 DR
Closing balance: 39,660.01 CR

Date from: 01 June 2021
Date to: 30 June 2021

Transaction details

Date	Narrative	Reference number	Debit amount	Credit amount	EOD balance
08/06/2021	TRANSFER CREDITS Loan from FG FORUM NSW			30,000.00 CR	
08/06/2021	INTER-BANK CREDIT ALH GROUP ALH GP LTD FORUM ENVIRO PTY			3,025.00 CR	
08/06/2021	AUTOMATIC DRAWING 13152427 TOYOTA FINANCE FORUM FLEET PTY		1,013.08 DR		
08/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183722428 Westlawn May21 Ren		10,316.90 DR		29,017.41 CR
11/06/2021	AUTOMATIC DRAWING 4336879704378607 NAB CARD AUTOPAY FORUM ENVIRO PL		1,462.69 DR		27,554.72 CR
21/06/2021	AUTOMATIC DRAWING 13156353 TOYOTA FINANCE FORUM ENVIRO PTY		957.46 DR		26,597.26 CR
22/06/2021	INTER-BANK CREDIT ALH GROUP ALH GP LTD FORUM ENVIRO PTY			990.00 CR	27,587.26 CR
24/06/2021	TRANSFER DEBITS ONLINE D3341705543 Roger Bur CC topup FORUM ENVIRO		1,000.00 DR		
24/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184842001 CP1385		1,470.25 DR		25,117.01 CR
30/06/2021	INTER-BANK CREDIT REMSYD REMONDIS Austral FORUM ENVIRO PTY			14,553.00 CR	
30/06/2021	FEE ACCOUNT FEES A.K.F. FORUM ENVIRO		10.00 DR		39,660.01 CR

End of report

FE FY21 balance sheet

Curr Move -----	-----	-----	Last Year -----	This Year -----	-----
ASSETS					
0.00	11100	Cash on Hand	10,000.00	10,000.00	10,000.00
32,337.62	11105	Cash at bank - NAB	140,407.25	39,660.01	39,660.01
12,347.59-	11200	Trade Debtors	108,105.01	99,175.13	99,175.13
0.00	11201	Sundry Debtor	889,309.26	0.00	0
2,778.60-	11205	Prov for Doubtful Debts	13,307.25-	0.00	0.00
0.00	12030	Inter Company Loans - Forum Fleet	127,000.00-	0.00	0
30,000.00-	12040	Inter Company Loans - Forum Group	14,963,466.49-	14,500,157.23-	-14500157.23
0.00	12060	Inter Company Loans - Forum Finance	1,232,085.55	1,232,085.55	1,232,085.55
0.00	12065	Inter company Loans - FORUM DIRECT	206,304.35-	0.00	0.00
2,267.00-	12070	Inter Company Loan Acc - FGOC	5,427,260.51-	5,413,691.60-	-5,413,691.60
0.00	12087	Intercompany Loan - Imagetec Solution	38,000.00-	38,000.00-	-38,000.00
0.00	14610	Motor Vehicles - at Cost	256,172.06	256,172.06	256172.06
30,694.00-	14620	Motor Vehicles - Accum Dep	133,394.81-	164,088.81-	-164,088.81
-----	-----	-----	-----	-----	-----
45,749.57-		Total ASSETS	18,272,654.28-	18,478,844.89-	-18,478,844.89
-----	-----	-----	-----	-----	-----
LIABILITIES					
1,000.00-	21100	Credit Cards	1,933.54-	1,000.00	1,000.00
29,270.00	21156	Accrual - Expenses	337,944.83-	0.00	-
64,394.00-	21200	Trade Creditors	12,817.77-	74,710.90-	- 74,710.90
0.00	21201	Sundry Creditor	1,933.54	0.00	-
57,821.62-	21210	Hire Purchase Liability - Current	60,122.16-	63,161.80-	- 63,161.80
8,654.37	21211	Less:Unexpired Interest - Current	11,754.90	9,518.21	9,518.21
2,632.36	21310	GST Collected	32,633.87-	317.72-	- 317.72
6,396.33	21330	GST Paid	2,030.15	7,079.61	7,079.61
0.09-	21500	Provision for Payroll Tax	70.35	0.00	-
0.00	21505	Provision for FBT	33,346.62-	0.00	-
4,300.00	21605	Northern Managed Finance Clearing	0.00	15,300.00	15,300.00
30,659.00	21610	Forum Finance Rental Clearing	0.00	168,901.00	168,901.00
590.00	21617	FGFS Rental Clearing Account	0.00	21,887.00-	- 21,887.00
60,195.16	24500	Hire Purchase Liabilities - Non Current	172,116.54-	111,921.38-	- 111,921.38

8,654.37-	24510	Less Unexpired Interest - Non Current	11,399.48	2,745.11	2,745.11
-----	-----	-----	-----	-----	-----
10,827.14		Total LIABILITIES	623,726.91-	67,454.87-	-67454.87
-----	-----	-----	-----	-----	-----

EQUITY

0.00	31000	Owners/Shareholders Equity	10,000.00-	10,000.00-	
0.00	38000	Retained Earnings	14,052,997.99	18,906,381.19	
34,922.43	39000	Current Year Earnings	4,853,383.20	350,081.43-	
-----	-----	-----	-----	-----	-----
34,922.43		Total EQUITY	18,896,381.19	18,546,299.76	-18546299.76
-----	-----	-----	-----	-----	-----



Account details

Account name
Forum Enviro Aust PL
Account number
082-080 82-508-1722
Currency
AUD

Account balance summary

Opening balance: 1,487,977.66 CR
Total credits: 6,925,637.90 CR
Total debits: 8,390,365.84 DR
Closing balance: 23,249.72 CR

Date from: 01 June 2021
Date to: 30 June 2021

Transaction details

Date	Narrative	Reference number	Debit amount	Credit amount	EOD balance
01/06/2021	TRANSFER CREDITS Veolia May21 FORUM GRP FS			4,837,237.90 CR	
01/06/2021	TRANSFER CREDITS Westrac May21 FORUM GRP FS			180,400.00 CR	
01/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183247040 BHO RENT		3,729,044.00 DR		2,776,571.56 CR
02/06/2021	TRANSFER DEBITS TT3021806620 Payment-Id 183247228BHO NZ RENT		609,956.07 DR		2,166,615.49 CR
15/06/2021	TRANSFER CREDITS Loan from FGFS FORUM GRP FS			500,000.00 CR	
15/06/2021	TRANSFER DEBITS TT3021872623 Payment-Id 184116703BHO NZ RENT		472,975.77 DR		
15/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184116325 BHO RENT		2,028,390.00 DR		165,249.72 CR
16/06/2021	TRANSFER CREDITS Loan from FGFS FORUM GRP FS			1,330,000.00 CR	
16/06/2021	TRANSFER CREDITS Loan from FGFS FORUM GRP FS			78,000.00 CR	
16/06/2021	TRANSFER DEBITS Forum Group BHO Lock184269166 PAY WESTRAC		1,550,000.00 DR		23,249.72 CR

End of report

FE Aust FYI21 balance sheet

Curr Move -----			Last Year -----	This Year -----	
ASSETS					
1,464,727.94-	11105	Cash at bank - NAB	5,091,238.90	23,249.72	23,249.72
4,141,934.50	11200	Trade Debtors	5,888,254.90	9,159,572.40	9,159,572.40
825,068.16-	11670	Loan to FGFS	0.00	4,779,151.69-	-4,779,151.69
-----	-----	-----	-----	-----	-----
1,852,138.40		Total ASSETS	10,979,493.80	4,403,670.43	
-----	-----	-----	-----	-----	-----
Gross assets 12,558,596.55					
Gross liabilities 13,576,183.82					
Net assets - 1,017,587.27					
LIABILITIES					
5,693.03-	21200	Trade Creditors	0.00	1,980,893.03-	-1,980,893.03
832,688.40-	21310	GST Collected	1,057,560.80-	2,203,456.10-	-2,203,456.10
517.55	21330	GST Paid	59,425.00	871,174.43	871,174.43
1,550,000.00	21451	Suspense - Pending	0.00	1,550,000.00	1,550,000.00
1,918,800.00-	21614	SMBC Clearing Account	564,000.00-	954,600.00	954,600.00
30,250.00-	21615	Flexi Rent Clearing Account	30,250.00-	60,500.00-	- 60,500.00
489,600.00-	21616	BHO Finance Clearing Account	9,387,108.00-	4,421,383.00-	-4,421,383.00
130,800.00-	21617	SocGen Finance Clearing Account	0.00	130,800.00-	- 130,800.00
-----	-----	-----	-----	-----	-----
1,857,313.88-		Total LIABILITIES	10,979,493.80-	5,421,257.70-	
-----	-----	-----	-----	-----	-----
EQUITY					
0.00	38000	Retained Earnings	9,655,712.60	9,655,712.60	
5,175.48	39000	Current Year Earnings	9,655,712.60-	8,638,125.33-	
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5,175.48		Total EQUITY	0.00	1,017,587.27	
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Balance Sheet

Forum Group Financial Services Pty Ltd

As at 30 September 2020

Account	30 Sep 2020	30 Aug 2020	30 Jul 2020
Assets			
Bank			
Forum Group Financial Services	4,041,392.14	5,126,212.39	1,370,275.88
Total Bank	4,041,392.14	5,126,212.39	1,370,275.88
Current Assets			
Accounts Receivable	337,797.90	447,047.08	248,462.58
Loan - CTEX Global	200,000.00	200,000.00	200,000.00
Loan - Kew Avenue Pty Ltd	52,500.00	52,500.00	52,500.00
Loan - VT	0.00	166,341.24	166,341.24
Prepayments	38,596.96	8,844.11	8,368.50
Total Current Assets	628,894.86	874,732.43	675,672.32
Fixed Assets			
2-4 Atherton Road, Oakleigh	4,210,000.00	4,210,000.00	4,210,000.00
Vehicles	1,918,057.30	1,850,959.88	1,496,182.86
Total Fixed Assets	6,128,057.30	6,060,959.88	5,706,182.86
Non-current Assets			
Clearing Account - FG Future Fund NMF/HP/WL/BHO	2,712,215.06	2,712,215.06	0.00
Clearing Account - FG NMF Non-Future Funded Deals	2,589,501.16	2,752,330.86	2,915,160.56
Clearing Account - Forum Group	(48,114.81)	(48,114.81)	(48,114.81)
Clearing Account - Forum Group Tranche 1	343,459.07	345,027.07	347,875.52
Clearing Account - Forum Group Tranche 2	1,317,582.76	1,353,555.33	1,489,689.90
Clearing Account - Future Funded BHO	6,662,704.37	6,662,704.37	6,662,704.37
Clearing Account - Future Funded HP	2,767,096.12	2,767,096.12	2,767,096.12
Clearing Account - Future Funded NMF	55,081,409.40	55,081,409.40	55,081,409.40
Clearing Account - Future Funded WL	3,840,548.19	3,840,548.19	3,840,548.19
Clearing Account - Purchased NMF Future Funded Contracts	21,692,104.02	21,692,104.02	21,692,104.02
Erim Downs	200,000.00	200,000.00	200,000.00
Giamouridis	8,371,320.11	7,710,796.31	7,043,217.29
Loan - 10 James - Warehouse	0.00	59,677.87	59,677.87
Loan - 1160 Glen Huntly Road	910,558.76	900,948.76	891,998.76
Loan - 12 James - Warehouse	0.00	60,143.87	60,143.87
Loan - 123 High St, Taradale	68,177.49	68,177.49	63,856.41
Loan - 14 James Street Pty Ltd	2,301,148.59	2,049,819.63	2,049,441.23
Loan - 14 Kirwin Road, Morwell	262,026.87	256,872.41	248,872.41
Loan - 16 James - Warehouse	0.00	20,694.87	20,694.87
Loan - 160 Murray Valley Hwy, Lake Boga	216,893.64	210,363.89	200,661.39
Loan - 18 James - Warehouse	0.00	20,694.87	20,694.87
Loan - 19 Parsons - Warehouse	0.00	20,694.87	20,694.87
Loan - 193 Carlisle Street Enterprises Pty Ltd	30,304.64	30,304.64	30,304.64
Loan - 22 High Street, Rushworth	11,690.91	9,090.91	9,090.91
Loan - 275 High St, Golden Square	278,664.80	278,664.80	251,895.48
Loan - 29 Parsons - Warehouse	0.00	20,694.87	20,694.87
Loan - 31 Ellerman Street, Dimboola	129,824.17	121,663.49	116,619.44
Loan - 39 Parsons - Warehouse	0.00	20,694.87	20,694.87
Loan - 4 Cowslip St, Violet Town	285,364.57	285,364.57	258,168.03
Loan - 5 Bulkara	3,216,670.45	3,181,688.09	3,161,688.09
Loan - 55 Nolan Street, Maryborough	146,605.05	141,367.91	138,199.91
Loan - 6 Bulkara	475,000.00	475,000.00	475,000.00
Loan - 64-66 Berkeley St, Hawthorn	400,000.00	400,000.00	400,000.00
Loan - 65 Nelson Street Enterprises Pty Ltd	0.00	30,363.10	30,363.10
Loan - 8 Olive Street - Warehouse	0.00	28,032.87	28,032.87
Loan - 8-12 Natalia Ave Oakleigh Pty Ltd	1,533,426.25	1,504,276.25	1,236,703.75
Loan - 89 Betka Road, Mallacoota	96,589.11	90,447.60	70,447.60
Loan - 9 Gregory Street, Ouyen	11,690.91	9,090.91	9,090.91
Loan - 9 Main St, Derrinallum	125,391.49	125,391.49	115,775.85
Loan - Ellinikos Tourismus/Mazcon	7,387,138.48	7,206,983.76	3,106,983.76
Loan - FGOE	3,680,495.75	3,764,352.91	3,930,301.95
Loan - Forum Enviro	4,339,695.10	4,339,695.10	5,427,886.84
Loan - Forum Group/Enviro	0.00	(1,902,991.61)	747,008.39
Loan - Iugis	5,517,296.55	4,632,728.34	3,315,000.71
Loan - Iugis (EU) GmbH	1,140,074.82	1,112,268.12	1,112,268.12
Loan - Iugis Hellas IKE	124,583.75	121,545.12	121,545.12
Loan - Iugis Holdings Limited	12,306,613.12	11,276,148.22	10,937,135.45

Loan - Iugis UK Ltd	4,835,478.91	4,740,718.33	4,740,718.33
Loan - Mark Menzies	300,000.00	300,000.00	300,000.00
Loan - Orca Comercio De Sistemas Ambientais Ltd	66,989.48	66,989.48	66,989.48
Loan - Orca Enviro Systems Pty Ltd	0.00	0.00	80,736.42
Loan - Orca Environmental Solutions DMCC	911,198.71	888,974.35	888,974.35
Loan - Orca Global Financial Services Ltd	48,609.08	48,609.08	48,609.08
Loan - Other Related Parties	403,824.00	403,824.00	401,404.00
Loan - Palante Pty Ltd	1,462,800.05	927,122.00	926,682.00
Loan - SOFC	2,930,504.13	2,801,812.01	2,701,812.01
Loan - Tesoriero Investment Group Pty Ltd	1,157,051.34	960,347.00	960,347.00
Loan to Spartan Consulting Group	886,673.23	886,673.23	879,583.23
Loans - 23 Margaret Street	364,638.17	364,638.17	364,638.17
Loans - 26 Edmonstone Road	513,114.39	498,634.70	475,194.58
Loans - Canner Investments	1,042,437.37	1,037,122.98	1,037,122.98
Loans - Intrashield	1,000,569.10	1,000,569.10	958,046.92
New Finance Book - Forum Group	3,739,688.07	3,787,810.53	136,577.47
New Finance Book - Iugis AU	4,202,419.51	3,955,434.29	3,955,434.29
New Finance Book - Iugis UK	920,560.74	920,560.74	920,560.74
New Finance Book - Surfacide	2,264,440.00	2,346,440.00	2,346,440.00
Property - Bond Paid	(2,142.00)	(7,350.00)	(7,350.00)
Shares Purchased	640,000.00	640,000.00	640,000.00
TG Digesters	964,893.80	964,893.80	964,893.80
Total Non-current Assets	179,179,498.80	173,574,450.57	164,486,742.62
Total Assets	189,977,843.10	185,636,355.27	172,238,873.68

Liabilities

Current Liabilities			
Accounts Payable	7,793,894.75	7,814,128.00	13,078,334.37
Accrued Annual Leave Liability	5,389.64	4,549.39	4,129.27
GST	(13,356,600.38)	(12,648,715.41)	(11,657,167.02)
PAYG Withholdings Payable	7,328.00	5,872.00	4,416.00
Rounding	0.00	0.01	0.00
Superannuation Payable	2,594.20	2,075.36	1,556.52
Suspense	0.00	(16,338.84)	(23,940.33)
Total Current Liabilities	(5,547,393.79)	(4,838,429.49)	1,407,328.81
Non-current Liabilities			
Accruals	10,344,426.90	10,337,427.81	10,337,427.81
Chattel Mortgage - Porsche GT2 RS	642,706.07	650,523.73	658,341.39
Chattel Mortgage - Porsche GT4	202,358.47	204,098.94	205,839.41
Clearing Account - BHO	144,681,305.27	144,182,627.27	148,711,734.27
Clearing Account - HP Finance	(7,664,989.92)	(7,391,833.05)	(7,118,676.18)
Clearing Account - NZ	32,813,539.19	29,477,962.16	28,693,509.74
Clearing Account - SMBC	9,542,647.74	666,631.56	(7,795,485.40)
Loan - Forum Enviro (Aust)	8,107,480.73	16,019,225.94	612,822.10
Loan - MAIA Financial	3,861,000.00	3,861,000.00	3,861,000.00
Loan - NMF	(39,729.36)	(39,729.36)	(39,729.36)
Loan - Think Tank - 126463	3,000,000.00	3,000,000.00	3,000,000.00
Loan - Think Tank - 126464	177,640.22	189,407.50	201,060.96
Unexpired Term Interest	(98,793.58)	(101,383.95)	(103,998.32)
Total Non-current Liabilities	205,569,591.73	201,055,958.55	181,223,846.42
Total Liabilities	200,022,197.94	196,217,529.06	182,631,175.23
Net Assets	(10,044,354.84)	(10,581,173.79)	(10,392,301.55)

Equity

Current Year Earnings	57,538.83	(479,280.12)	(290,407.88)
Owner A Share Capital	(750,000.00)	(750,000.00)	(750,000.00)
Retained Earnings	(9,351,893.67)	(9,351,893.67)	(9,351,893.67)
Total Equity	(10,044,354.84)	(10,581,173.79)	(10,392,301.55)

Balance Sheet

Forum Group Financial Services Pty Ltd

As at 31 December 2020

Account	31 Dec 2020	30 Nov 2020	31 Oct 2020
Assets			
Bank			
Forum Group Financial Services	9,044,684.65	10,222,946.73	6,071,200.46
Total Bank	9,044,684.65	10,222,946.73	6,071,200.46
Current Assets			
Accounts Receivable	251,385.20	125,692.60	18,959.52
Loan - CTEX Global	200,000.00	200,000.00	200,000.00
Loan - Kew Avenue Pty Ltd	52,500.00	52,500.00	52,500.00
Loan - VT	294,597.18	289,197.18	239,197.18
Prepayments	26,136.37	29,645.30	34,121.13
Total Current Assets	824,618.75	697,035.08	544,777.83
Fixed Assets			
2-4 Atherton Road, Oakleigh	4,210,000.00	4,210,000.00	4,210,000.00
Vehicles	1,868,017.03	1,868,017.03	1,928,616.85
Total Fixed Assets	6,078,017.03	6,078,017.03	6,138,616.85
Non-current Assets			
Clearing Account - FG Future Fund NMF/HP/WL/BHO	7,504,526.78	6,288,942.45	5,073,358.12
Clearing Account - FG NMF Non-Future Funded Deals	2,130,787.14	2,278,729.30	2,433,601.46
Clearing Account - Forum Group	(48,114.81)	(48,114.81)	(48,114.81)
Clearing Account - Forum Group Tranche 1	338,512.07	340,323.07	341,891.07
Clearing Account - Forum Group Tranche 2	1,092,334.43	1,125,248.28	1,219,086.15
Clearing Account - Future Funded BHO	6,662,704.37	6,662,704.37	6,662,704.37
Clearing Account - Future Funded HP	2,767,096.12	2,767,096.12	2,767,096.12
Clearing Account - Future Funded NMF	55,081,409.40	55,081,409.40	55,081,409.40
Clearing Account - Future Funded WL	3,840,548.19	3,840,548.19	3,840,548.19
Clearing Account - Purchased NMF Future Funded Contracts	22,114,124.12	22,114,124.12	22,114,124.12
Erim Downs	200,000.00	200,000.00	200,000.00
Giamouridis	10,111,898.56	9,703,455.22	9,046,414.20
iFish Finance Pty Ltd	100,000.00	100,000.00	50,000.00
Loan - 1160 Glen Huntly Road	803,192.73	795,782.73	765,608.76
Loan - 123 High St, Taradale	46,897.57	46,897.57	43,177.49
Loan - 14 James Street Pty Ltd	2,718,780.15	2,718,780.15	2,301,148.59
Loan - 14 Kirwin Road, Morwell	275,261.69	273,212.54	266,661.87
Loan - 160 Murray Valley Hwy, Lake Boga	231,643.40	230,082.40	224,380.58
Loan - 193 Carlisle Street Enterprises Pty Ltd	30,304.64	30,304.64	30,304.64
Loan - 22 High Street, Rushworth	11,777.18	11,777.18	11,690.91
Loan - 275 High St, Golden Square	218,302.74	218,302.74	198,664.80
Loan - 31 Ellerman Street, Dimboola	138,592.72	137,760.72	134,248.81
Loan - 4 Cowslip St, Violet Town	215,381.60	215,381.60	195,364.57
Loan - 5 Bulkara	3,319,999.39	3,319,999.39	3,222,082.63
Loan - 55 Nolan Street, Maryborough	155,358.18	154,470.18	150,805.05
Loan - 6 Bulkara	1,816,345.33	492,055.00	480,180.00
Loan - 64-66 Berkeley St, Hawthorn	1,495,049.12	1,439,584.62	404,271.00
Loan - 8-12 Natalia Ave Oakleigh Pty Ltd	1,853,897.89	1,629,379.94	1,545,083.88
Loan - 89 Betka Road, Mallacoota	102,982.24	102,982.24	100,567.51
Loan - 9 Gregory Street, Ouyen	11,983.18	11,983.18	11,690.91
Loan - 9 Main St, Derrinallum	88,006.93	88,006.93	80,391.49
Loan - Ellinikos Tourismos/Mazcon	7,407,829.00	7,407,415.71	7,388,111.31
Loan - FGOC	4,094,134.48	3,179,786.26	3,264,835.60
Loan - Forum Enviro	4,339,695.10	4,339,695.10	4,339,695.10
Loan - Forum Group/Enviro	(2,991.61)	0.00	(2,991.61)
Loan - Intrashield Investment Group Pty Ltd	9,976.78	(669.92)	0.00
Loan - Iugis	10,705,877.66	9,305,877.66	7,432,623.85
Loan - Iugis (EU) GmbH	1,140,074.82	1,140,074.82	1,140,074.82
Loan - Iugis Hellas IKE	784,660.65	124,583.75	124,583.75
Loan - Iugis Holdings Limited	14,185,911.91	13,616,823.12	13,318,474.79
Loan - Iugis UK Ltd	4,933,895.15	4,933,895.15	4,835,478.91
Loan - Mark Menzies	300,000.00	300,000.00	300,000.00
Loan - Orca Comercio De Sistemas Ambientais Ltd	71,493.07	66,989.48	66,989.48
Loan - Orca Environmental Solutions DMCC	2,356,930.20	2,141,430.20	1,796,430.20
Loan - Orca Global Financial Services Ltd	48,609.08	48,609.08	48,609.08
Loan - Other Related Parties	603,824.00	603,824.00	603,824.00
Loan - Palante Pty Ltd	1,462,800.05	1,462,800.05	1,462,800.05

Loan - SOFC	2,981,117.17	2,969,510.95	2,961,287.54
Loan - Tesoriero Investment Group Pty Ltd	1,159,120.34	1,159,120.34	1,157,120.34
Loan to Spartan Consulting Group	908,340.06	908,340.06	886,673.23
Loans - 23 Margaret Street	414,864.39	406,864.39	397,748.44
Loans - 26 Edmonstone Road	240,122.89	593,364.59	519,019.85
Loans - Canner Investments	1,099,289.30	1,099,289.30	1,073,228.37
Loans - Intrashield	1,195,861.34	1,155,861.34	1,000,569.10
New Finance Book - Forum Group	4,290,680.14	4,247,646.35	3,671,335.82
New Finance Book - Iugis AU	3,982,621.51	4,055,887.51	4,129,153.51
New Finance Book - Iugis UK	837,072.74	837,072.74	837,072.74
New Finance Book - Surfacide	2,141,440.00	2,182,440.00	2,223,440.00
Property - Bond Paid	(2,142.00)	(2,142.00)	(2,142.00)
Shares Purchased	1,390,000.00	1,390,000.00	1,390,000.00
TG Digesters	964,893.80	964,893.80	964,893.80
Total Non-current Assets	199,475,585.07	193,010,493.29	186,277,381.95
Total Assets	215,422,905.50	210,008,492.13	199,031,977.09

Liabilities

Current Liabilities			
Accounts Payable	13,411,145.76	10,001,686.60	10,365,287.64
Accrued Annual Leave Liability	0.00	0.00	5,746.74
GST	(15,762,058.55)	(14,793,665.80)	(14,061,006.49)
PAYG Withholdings Payable	2,144.00	2,144.00	2,144.00
Superannuation Payable	3,372.46	3,372.46	3,372.46
Suspense	(500,000.00)	(2,500,000.00)	(500,000.00)
Total Current Liabilities	(2,845,396.33)	(7,286,462.74)	(4,184,455.65)
Non-current Liabilities			
Accruals	8,813,140.27	10,337,427.81	10,337,427.81
Chattel Mortgage - Porsche GT2 RS	619,253.09	627,070.75	634,888.41
Chattel Mortgage - Porsche GT4	197,137.06	198,877.53	200,618.00
Clearing Account - BHO	157,620,578.27	152,266,882.27	148,242,288.27
Clearing Account - HP Finance	(8,484,460.53)	(8,211,303.66)	(7,938,146.79)
Clearing Account - NZ	36,680,192.79	33,612,169.68	34,494,539.92
Clearing Account - SMBC	20,795,751.97	21,995,201.97	11,801,775.83
Loan - Forum Enviro (Aust)	6,592,627.13	9,808,850.24	8,926,480.00
Loan - MAIA Financial	3,861,000.00	3,861,000.00	3,861,000.00
Loan - NMF	(39,729.36)	(39,729.36)	(39,729.36)
Loan - Think Tank - 126463	3,000,000.00	3,000,000.00	3,000,000.00
Loan - Think Tank - 126464	141,540.16	153,712.32	165,702.04
Unexpired Term Interest	(91,167.35)	(93,685.20)	(96,227.31)
Total Non-current Liabilities	229,705,863.50	227,516,474.35	213,590,616.82
Total Liabilities	226,860,467.17	220,230,011.61	209,406,161.17

Net Assets	(11,437,561.67)	(10,221,519.48)	(10,374,184.08)
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Equity

Current Year Earnings	(1,335,668.00)	(119,625.81)	(272,290.41)
Owner A Share Capital	(750,000.00)	(750,000.00)	(750,000.00)
Retained Earnings	(9,351,893.67)	(9,351,893.67)	(9,351,893.67)
Total Equity	(11,437,561.67)	(10,221,519.48)	(10,374,184.08)

Balance Sheet

Forum Group Financial Services Pty Ltd

As at 31 March 2021

Account	31 Mar 2021	28 Feb 2021	31 Jan 2021
Assets			
Bank			
Forum Group Financial Services	12,850,056.60	5,840,517.01	6,396,955.83
Total Bank	12,850,056.60	5,840,517.01	6,396,955.83
Current Assets			
Accounts Receivable	200,000.00	1,182,507.18	539,269.12
Loan - CTEX Global	200,000.00	200,000.00	200,000.00
Loan - Kew Avenue Pty Ltd	52,500.00	52,500.00	52,500.00
Loan - VT	294,597.18	294,597.18	294,597.18
Prepayments	15,030.39	18,897.34	23,373.17
Total Current Assets	762,127.57	1,748,501.70	1,109,739.47
Fixed Assets			
2-4 Atherton Road, Oakleigh	4,210,000.00	4,210,000.00	4,210,000.00
Vehicles	2,718,730.28	1,868,017.03	1,868,017.03
Total Fixed Assets	6,928,730.28	6,078,017.03	6,078,017.03
Non-current Assets			
Clearing Account - FG Future Fund NMF/HP/WL/BHO	11,121,661.77	9,924,383.44	8,714,455.11
Clearing Account - FG NMF Non-Future Funded Deals	1,697,464.42	1,835,927.06	1,983,357.10
Clearing Account - Forum Group	(48,114.81)	(48,114.81)	(48,114.81)
Clearing Account - Forum Group Tranche 1	327,138.07	328,416.07	329,694.07
Clearing Account - Forum Group Tranche 2	1,214,667.55	1,026,494.27	1,059,414.35
Clearing Account - Future Funded BHO	6,662,704.37	6,662,704.37	6,662,704.37
Clearing Account - Future Funded HP	2,767,096.12	2,767,096.12	2,767,096.12
Clearing Account - Future Funded NMF	55,081,409.40	55,081,409.40	55,081,409.40
Clearing Account - Future Funded WL	3,840,548.19	3,840,548.19	3,840,548.19
Clearing Account - Purchased NMF Future Funded Contracts	22,114,124.12	22,114,124.12	22,114,124.12
Erim Downs	200,000.00	200,000.00	200,000.00
Giamouridis	10,111,898.56	10,111,898.56	10,111,898.56
iFish Finance Pty Ltd	110,000.00	110,000.00	100,000.00
Loan - 1160 Glen Huntly Road	877,473.34	838,071.55	830,682.55
Loan - 123 High St, Taradale	51,337.79	50,085.65	48,070.01
Loan - 14 James Street Pty Ltd	2,838,193.39	2,777,749.65	2,777,749.65
Loan - 14 Kirwin Road, Morwell	247,822.69	261,778.23	286,778.23
Loan - 160 Murray Valley Hwy, Lake Boga	173,852.43	194,612.13	244,612.13
Loan - 193 Carlisle Street Enterprises Pty Ltd	30,304.64	30,304.64	30,304.64
Loan - 22 High Street, Rushworth	17,406.69	12,233.39	12,071.61
Loan - 275 High St, Golden Square	209,542.42	209,431.63	223,760.31
Loan - 286 Carlisle Street Pty Ltd	815,000.00	100,000.00	0.00
Loan - 31 Ellerman Street, Dimboola	103,250.85	120,732.54	145,732.54
Loan - 4 Cowslip St, Violet Town	208,740.29	208,649.06	220,766.14
Loan - 5 Bulkara	3,649,511.85	3,482,999.37	3,420,499.37
Loan - 55 Nolan Street, Maryborough	116,278.18	138,442.13	163,442.13
Loan - 6 Bulkara	3,519,239.06	2,913,403.96	2,411,753.96
Loan - 64-66 Berkeley St, Hawthorn	1,734,508.30	1,637,203.22	1,587,203.22
Loan - 8-12 Natalia Ave Oakleigh Pty Ltd	2,087,155.18	1,904,848.46	1,900,245.34
Loan - 89 Betka Road, Mallacoota	84,598.58	82,535.20	109,535.20
Loan - 9 Gregory Street, Ouyen	15,818.58	12,282.76	12,282.76
Loan - 9 Main St, Derrinallum	80,654.94	78,687.75	90,207.10
Loan - Ellinikos Tourismos/Mazcon	11,376,835.04	9,505,560.94	8,815,604.19
Loan - FGO	3,833,521.73	3,921,006.53	4,007,876.00
Loan - Forum Enviro	4,339,695.10	4,339,695.10	4,339,695.10
Loan - Forum Group/Enviro	2,192,374.47	1,394,016.78	2,494,016.78
Loan - Intrashield Investment Group Pty Ltd	38,733.09	28,733.09	15,343.47
Loan - Iugis	18,704,499.04	14,384,828.75	13,748,948.14
Loan - Iugis (EU) GmbH	1,197,791.11	1,168,576.69	1,168,576.69
Loan - Iugis Energy SA	572,382.37	0.00	0.00
Loan - Iugis Hellas IKE	895,828.16	804,277.17	804,277.17
Loan - Iugis Holdings Limited	15,553,209.03	14,683,206.65	14,683,206.65
Loan - Iugis UK Ltd	6,135,790.23	5,877,749.97	5,774,134.02
Loan - Iugis Waste Solutions Pty Ltd	427.43	417.00	417.00
Loan - Mark Menzies	300,000.00	300,000.00	300,000.00
Loan - Matt Ingram Family Trust	1,002,500.00	1,000,000.00	0.00
Loan - Orca Comercio De Sistemas Ambientais Ltd	71,493.07	71,493.07	71,493.07

Loan - Orca Environmental Solutions DMCC	2,697,669.17	2,630,067.19	2,415,853.46
Loan - Orca Global Financial Services Ltd	48,609.08	48,609.08	48,609.08
Loan - Other Related Parties	404,437.00	404,437.00	604,437.00
Loan - Palante Pty Ltd	2,621,666.81	2,457,393.72	1,849,370.05
Loan - SOFC	3,182,143.83	3,068,813.57	3,062,574.64
Loan - Tesoriero Investment Group Pty Ltd	1,159,393.34	1,159,393.34	1,159,120.34
Loan to Iugis Investments for Autonomous Energy	1,496,454.90	4,300,356.00	0.00
Loan to Spartan Consulting Group	954,324.77	931,048.56	931,048.56
Loans - 23 Margaret Street	553,741.90	460,236.00	445,236.00
Loans - 26 Edmonstone Road	507,017.45	315,873.54	283,240.88
Loans - Canner Investments	1,170,315.82	1,141,771.53	1,126,771.53
Loans - Intrashield	1,283,130.10	1,251,834.24	1,251,834.24
New Finance Book - Forum Group	4,093,722.50	4,179,609.81	4,265,647.14
New Finance Book - Iugis AU	3,721,823.51	3,836,089.51	3,909,355.51
New Finance Book - Iugis UK	837,072.74	837,072.74	837,072.74
New Finance Book - Surfacide	2,059,440.00	2,059,440.00	2,100,440.00
Property - Bond Paid	(2,142.00)	(2,142.00)	(2,142.00)
Shares Purchased	1,390,000.00	1,390,000.00	1,390,000.00
TG Digesters	964,893.80	964,893.80	964,893.80
Total Non-current Assets	227,420,081.55	217,923,297.48	210,299,234.72
Total Assets	247,960,996.00	231,590,333.22	223,883,947.05

Liabilities

Current Liabilities			
Accounts Payable	9,891,153.02	8,905,034.97	8,563,072.03
GST	(18,491,131.67)	(17,514,276.38)	(16,483,199.20)
PAYG Withholdings Payable	2,144.00	2,144.00	2,144.00
Superannuation Payable	3,372.46	3,372.46	3,372.46
Suspense	(55,273.00)	0.00	0.00
Total Current Liabilities	(8,649,735.19)	(8,603,724.95)	(7,914,610.71)
Non-current Liabilities			
Accruals	10,337,427.81	10,337,427.81	10,337,427.81
Chattel Mortgage - Audi RSQ8	270,586.55	0.00	0.00
Chattel Mortgage - Porsche GT2 RS	595,800.11	603,617.77	611,435.43
Chattel Mortgage - Porsche GT4	191,915.65	193,656.12	195,396.59
Clearing Account - BHO	160,766,032.27	159,680,505.27	156,000,697.27
Clearing Account - HP Finance	(9,303,931.14)	(9,030,774.27)	(8,757,617.40)
Clearing Account - NZ	37,801,124.97	37,006,285.05	35,718,790.46
Clearing Account - SMBC	46,377,579.32	35,594,697.31	30,665,033.52
Clearing Account - SocGen via BHO	4,128,757.00	0.00	0.00
Loan - Forum Enviro (Aust)	11,671,694.95	12,666,534.87	11,704,029.46
Loan - MAIA Financial	3,861,000.00	3,861,000.00	3,861,000.00
Loan - NMF	(39,729.36)	(39,729.36)	(39,729.36)
Loan - Think Tank - 126463	2,955,375.00	2,970,250.00	2,985,125.00
Loan - Think Tank - 126464	100,721.83	114,327.94	127,934.05
Unexpired Term Interest	(111,963.42)	(86,204.75)	(88,673.84)
Total Non-current Liabilities	269,602,391.54	253,871,593.76	243,320,848.99
Total Liabilities	260,952,656.35	245,267,868.81	235,406,238.28
Net Assets	(12,991,660.35)	(13,677,535.59)	(11,522,291.23)

Equity

Current Year Earnings	(2,889,766.68)	(3,575,641.92)	(1,420,397.56)
Owner A Share Capital	(750,000.00)	(750,000.00)	(750,000.00)
Retained Earnings	(9,351,893.67)	(9,351,893.67)	(9,351,893.67)
Total Equity	(12,991,660.35)	(13,677,535.59)	(11,522,291.23)

Balance Sheet

Forum Group Financial Services Pty Ltd

As at 30 June 2021

Account	30 Jun 2021	30 May 2021	30 Apr 2021
Assets			
Bank			
Forum Group Financial Services	570,142.80	12,443,204.07	8,719,878.11
Total Bank	570,142.80	12,443,204.07	8,719,878.11
Current Assets			
Accounts Receivable	204,773.80	612,771.39	274,045.87
Loan - CTEX Global	200,000.00	200,000.00	200,000.00
Loan - Kew Avenue Pty Ltd	52,500.00	52,500.00	52,500.00
Loan - VT	260,341.38	260,341.38	260,341.38
Prepayments	30,879.39	22,350.07	12,721.18
Total Current Assets	748,494.57	1,147,962.84	799,608.43
Fixed Assets			
2-4 Atherton Road, Oakleigh	4,210,000.00	4,210,000.00	4,210,000.00
Office Equipment	5,800,000.00	2,300,000.00	1,200,000.00
Vehicles	2,948,730.28	2,948,730.28	2,948,730.28
Total Fixed Assets	12,958,730.28	9,458,730.28	8,358,730.28
Non-current Assets			
Clearing Account - FG Future Fund NMF/HP/WL/BHO	13,516,218.43	13,516,218.43	12,318,940.10
Clearing Account - FG NMF Non-Future Funded Deals	1,534,814.50	1,587,843.14	1,640,871.78
Clearing Account - Forum Group	(48,114.81)	(48,114.81)	(48,114.81)
Clearing Account - Forum Group Tranche 1	323,304.07	324,582.07	325,860.07
Clearing Account - Forum Group Tranche 2	673,870.96	701,616.33	725,545.66
Clearing Account - Future Funded BHO	6,662,704.37	6,662,704.37	6,662,704.37
Clearing Account - Future Funded HP	2,767,096.12	2,767,096.12	2,767,096.12
Clearing Account - Future Funded NMF	55,081,409.40	55,081,409.40	55,081,409.40
Clearing Account - Future Funded WL	3,840,548.19	3,840,548.19	3,840,548.19
Clearing Account - Purchased NMF Future Funded Contracts	22,114,124.12	22,114,124.12	22,114,124.12
Erim Downs	200,000.00	200,000.00	200,000.00
Giamouridis	10,111,898.56	10,111,898.56	10,111,898.56
iFish Finance Pty Ltd	140,000.00	140,000.00	130,000.00
Loan - 1160 Glen Huntly Road	900,473.34	890,473.34	885,473.34
Loan - 123 High St, Taradale	53,353.43	53,353.43	53,353.43
Loan - 14 James Street Pty Ltd	2,838,193.39	2,838,193.39	2,838,193.39
Loan - 14 Kirwin Road, Morwell	255,794.93	255,794.93	255,794.93
Loan - 160 Murray Valley Hwy, Lake Boga	185,202.74	185,202.74	185,202.74
Loan - 193 Carlisle Street Enterprises Pty Ltd	30,304.64	30,304.64	30,304.64
Loan - 22 High Street, Rushworth	25,274.64	20,250.99	20,225.34
Loan - 275 High St, Golden Square	222,213.74	222,213.74	222,213.74
Loan - 286 Carlisle Street Pty Ltd	2,202,000.00	1,852,000.00	1,237,000.00
Loan - 31 Ellerman Street, Dimboola	110,261.69	110,261.69	110,261.69
Loan - 4 Cowslip St, Violet Town	221,623.21	221,623.21	221,623.21
Loan - 5 Bulkara	3,712,011.85	3,712,011.85	3,694,511.85
Loan - 55 Nolan Street, Maryborough	123,906.95	123,906.95	123,906.95
Loan - 6 Bulkara	4,944,239.06	4,939,239.06	4,009,239.06
Loan - 64-66 Berkeley St, Hawthorn	1,865,508.30	1,839,508.30	1,789,508.30
Loan - 8-12 Natalia Ave Oakleigh Pty Ltd	2,122,155.18	2,087,155.18	2,087,155.18
Loan - 89 Betka Road, Mallacoota	93,201.89	93,201.89	93,201.89
Loan - 9 Gregory Street, Ouyen	18,968.58	15,818.58	15,818.58
Loan - 9 Main St, Derrinallum	85,135.59	85,135.59	85,135.59
Loan - Ellinikos Tourismos/Mazcon	16,347,143.74	14,337,038.03	12,314,549.02
Loan - FGOE	4,567,331.64	3,656,688.69	3,833,521.73
Loan - Forum Enviro	4,339,695.10	4,339,695.10	4,339,695.10
Loan - Forum Group/Enviro	1,836,754.24	2,192,374.47	2,192,374.47
Loan - Intrashield Investment Group Pty Ltd	51,733.09	48,733.09	43,733.09
Loan - Iugis	26,281,598.64	23,882,946.84	21,552,946.84
Loan - Iugis (EU) GmbH	1,197,791.11	1,197,791.11	1,197,791.11
Loan - Iugis Energy SA	572,382.37	572,382.37	572,382.37
Loan - Iugis Hellas IKE	895,828.16	895,828.16	895,828.16
Loan - Iugis Holdings Limited	16,120,770.75	16,120,770.75	16,085,398.50
Loan - Iugis UK Ltd	6,526,810.05	6,526,810.05	6,271,242.48
Loan - Iugis Waste Solutions Pty Ltd	1,000,427.43	1,000,427.43	1,000,427.43
Loan - Mark Menzies	300,000.00	300,000.00	300,000.00
Loan - Matt Ingram Family Trust	1,002,500.00	1,002,500.00	1,002,500.00

Loan - Orca Comercio De Sistemas Ambientais Ltd	71,493.07	71,493.07	71,493.07
Loan - Orca Environmental Solutions DMCC	3,189,665.27	3,125,481.59	2,797,669.17
Loan - Orca Global Financial Services Ltd	48,609.08	48,609.08	48,609.08
Loan - Other Related Parties	404,710.00	404,710.00	404,710.00
Loan - Palante Pty Ltd	2,621,939.81	2,621,939.81	2,621,939.81
Loan - SOFC	3,343,403.37	3,293,727.62	3,233,727.62
Loan - Tesoriero Investment Group Pty Ltd	1,159,393.34	1,159,393.34	1,159,393.34
Loan to Iugis Investments for Autonomous Energy	4,548,209.90	4,548,209.90	2,146,454.90
Loan to Spartan Consulting Group	1,419,324.77	1,419,324.77	954,324.77
Loans - 23 Margaret Street	687,741.90	687,741.90	613,741.90
Loans - 26 Edmonstone Road	614,628.95	562,481.21	528,737.19
Loans - Canner Investments	1,180,315.82	1,170,315.82	1,170,315.82
Loans - Intrashield	1,283,130.10	1,283,130.10	1,283,130.10
New Finance Book - Forum Group	5,661,453.42	4,092,702.62	4,014,780.72
New Finance Book - Iugis AU	3,379,025.51	3,493,291.51	3,607,557.51
New Finance Book - Iugis UK	670,096.74	690,968.74	711,840.74
New Finance Book - Surfacide	2,059,440.00	2,059,440.00	2,059,440.00
Problem Contracts	400,729.41	400,729.41	400,729.41
Property - Bond Paid	9,408.00	9,408.00	9,408.00
Refinance Balance to Clear	5,013,005.00	5,013,005.00	0.00
Shares Purchased	1,390,000.00	1,390,000.00	1,390,000.00
TG Digesters	964,893.80	964,893.80	964,893.80
Total Non-current Assets	258,089,080.64	251,160,558.80	235,624,294.66
Total Assets	272,366,448.29	274,210,455.99	253,502,511.48

Liabilities

Current Liabilities			
Accounts Payable	10,644,789.34	5,856,079.96	4,020,908.16
GST	(21,682,406.35)	(20,284,118.00)	(19,309,345.02)
PAYG Withholdings Payable	2,144.00	2,144.00	2,144.00
Suspense	(409,155.06)	(63.74)	(16,865.18)
Total Current Liabilities	(11,444,628.07)	(14,425,957.78)	(15,303,158.04)
Non-current Liabilities			
Accruals	10,337,427.81	10,337,427.81	10,337,427.81
Chattel Mortgage - Audi RSQ8	260,565.20	263,905.65	267,246.10
Chattel Mortgage - Porsche GT2 RS	572,347.13	580,164.79	587,982.45
Chattel Mortgage - Porsche GT4	186,694.24	188,434.71	190,175.18
Clearing Account - BHO	178,296,233.27	172,162,941.27	163,032,824.27
Clearing Account - HP Finance	(10,123,401.75)	(9,850,244.88)	(9,577,088.01)
Clearing Account - NZ	40,362,063.45	36,842,063.45	37,907,735.54
Clearing Account - SMBC	60,990,674.07	62,939,724.07	55,844,509.46
Clearing Account - SocGen via BHO	8,987,198.00	8,987,198.00	4,128,757.00
Loan - Forum Enviro (Aust)	1,137,916.47	13,010,756.47	12,665,084.38
Loan - MAIA Financial	3,861,000.00	3,861,000.00	3,861,000.00
Loan - NMF	(39,729.36)	(39,729.36)	(39,729.36)
Loan - Think Tank - 126463	2,910,750.00	2,925,625.00	2,940,500.00
Loan - Think Tank - 126464	59,903.50	73,509.61	87,115.72
Unexpired Term Interest	(102,652.50)	(105,723.84)	(108,827.42)
Total Non-current Liabilities	297,696,989.53	302,177,052.75	282,124,713.12
Total Liabilities	286,252,361.46	287,751,094.97	266,821,555.08
Net Assets	(13,885,913.17)	(13,540,638.98)	(13,319,043.60)

Equity

Current Year Earnings	(3,784,019.50)	(3,438,745.31)	(3,217,149.93)
Owner A Share Capital	(750,000.00)	(750,000.00)	(750,000.00)
Retained Earnings	(9,351,893.67)	(9,351,893.67)	(9,351,893.67)
Total Equity	(13,885,913.17)	(13,540,638.98)	(13,319,043.60)

Cash Summary
Forum Group Financial Services Pty Ltd
For the month ended 30 June 2021
Excluding GST

	Jun 2021	May 2021	Apr 2021	Mar 2021	Feb 2021	Jan 2021	Dec 2020	Nov 2020	Oct 2020	Sep 2020	Aug 2020	Jul 2020
Income												
Contract Revenue	\$0.00	\$14,775.21	\$10,862.17	\$22,739.49	\$21,146.33	\$20,846.69	\$20,311.74	\$30,861.83	\$38,573.88	\$20,444.55	\$18,529.14	\$11,963.12
Interest Income	\$17,246.52	\$36,374.10	\$0.00	\$2,102,033.01	\$19,734.10	\$94,873.02	\$1,545,239.33	\$404,739.78	\$22,152.42	\$892,614.67	\$47,258.10	\$0.00
Rental Income	\$3,319.93	\$2,784.86	\$4,600.08	\$0.00	\$8,644.95	\$6,308.75	\$6,308.75	\$6,308.75	\$6,308.75	\$6,231.17	\$6,386.33	\$6,308.75
Total Income	\$20,566.45	\$53,934.17	\$15,462.25	\$2,124,772.50	\$49,525.38	\$122,028.46	\$1,571,859.82	\$441,910.36	\$67,035.05	\$919,290.39	\$72,173.57	\$18,271.87
Less Operating Expenses												
Accommodation	\$0.00	\$695.01	\$0.00	\$0.00	\$0.00	\$582.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Advertising & Marketing	\$0.00	\$7,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$863.64	\$0.00	\$0.00
Annual Leave Expense	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$357.10	\$420.13	\$420.12	\$420.12
Application Fees	\$218.18	\$0.00	\$0.00	\$15.45	\$0.00	\$15.71	\$176.11	\$126.00	\$0.00	\$0.00	\$0.00	\$0.00
Bank Fees	\$675.49	\$651.84	\$997.88	\$882.85	\$504.62	\$697.39	\$1,221.19	-\$188.96	\$377.65	\$408.75	\$425.89	-\$707.99
Boat Expense	\$2,060.00	\$0.00	\$4,880.00	\$2,060.00	\$2,060.00	\$5,304.00	\$2,150.91	\$5,324.05	\$4,802.91	\$2,060.00	\$440.00	\$0.00
Brokerage Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$110.00	\$0.00
Cleaning	\$156.87	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Construction Expenses	\$0.00	\$0.00	\$0.00	\$130,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Consulting & Accounting	\$61,300.00	\$50,000.00	\$105,000.00	\$1,013,145.45	\$2,050,000.00	\$0.00	\$2,681,247.97	\$55,200.00	\$62,218.00	\$100,000.00	\$33,990.91	\$126,100.00
Contractor Payments	\$32,166.66	\$24,166.66	\$22,000.04	\$28,333.32	\$24,166.66	\$39,166.66	\$24,166.66	\$32,847.34	\$25,185.02	\$25,283.56	\$25,316.42	\$36,827.51
Cost of Goods Sold	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$112,081.82	\$0.00	\$0.00	\$0.00
Council Fees	\$845.45	-\$456.00	\$3,029.77	\$0.00	\$1,837.00	\$0.00	\$0.00	\$3,684.15	\$0.00	\$0.00	\$0.00	\$0.00
Design Expenses	\$3,075.00	\$9,942.50	\$22,957.50	\$34,065.00	\$44,372.50	\$0.00	\$0.00	\$30,617.50	\$12,805.00	\$41,740.00	\$73,678.75	\$120,000.00
Employee Amenities	\$0.00	\$0.00	\$36.37	\$0.00	\$5,454.55	\$428.95	\$339.44	\$2,536.00	\$0.00	\$150.00	\$2,815.00	\$0.00
Engineering Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$3,000.00	\$0.00	\$25,560.00	\$10,680.00	\$1,800.00	\$0.00	\$61,760.00	\$24,000.00
Foreign Exchange Gain/Loss	\$0.00	\$0.00	\$0.00	\$0.00	\$23.95	\$0.00	\$0.00	\$0.00	\$5,047.60	\$0.00	\$0.00	\$18.00
Freight & Courier	\$0.00	\$0.00	\$111,562.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
General Expenses	\$0.00	\$0.00	\$16.35	\$62.72	\$0.00	\$0.00	\$0.00	\$17.45	\$145.78	\$0.00	\$0.00	\$0.00
Insurance	\$463.87	\$201.10	\$558.58	\$671.07	\$814.83	\$471.77	\$309.17	\$295.43	\$1,800.93	\$4,078.89	\$309.17	\$309.17
Interest Expense	\$50,000.00	\$50,002.48	\$50,000.00	\$50,000.00	\$50,000.00	\$0.00	\$116,308.95	\$66,491.39	\$66,943.20	\$117,099.97	\$99,031.97	\$99,078.33
Interest Expense - Chattel Mortg	\$3,071.34	\$3,103.58	\$3,136.00	\$3,168.33	\$2,469.09	\$2,493.51	\$2,517.85	\$2,542.11	\$2,566.27	\$2,590.37	\$2,614.37	\$2,638.28
IT Expense	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,005.00	\$0.00	\$0.00	\$0.00	\$0.00
Leasing Charges (Operating Lea	\$5,400.76	\$5,400.76	\$5,400.76	\$5,400.76	\$5,400.76	\$8,392.37	\$8,392.37	\$8,392.37	\$8,392.37	\$8,392.37	\$8,392.37	\$8,392.37
Legal expenses	\$273.00	\$273.00	\$0.00	\$25,292.47	\$3,164.00	\$0.00	\$0.00	\$11,400.00	\$6,500.00	\$27,027.03	\$6,757.30	\$0.00
Light, Power, Heating	\$38.93	\$75.79	\$0.00	\$614.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Meals	\$916.87	\$265.10	\$157.64	\$397.75	\$0.00	\$236.05	\$179.01	\$317.63	\$265.54	\$0.00	\$145.77	\$83.13
Motor Vehicle Expenses	\$146,900.34	\$112,757.73	\$24,456.11	\$81,432.78	\$10,511.08	\$5,597.81	\$4,602.65	\$35,147.52	\$1,844.90	\$60,619.39	\$8,727.18	\$1,653.44
Office Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$204.55	\$0.00	\$0.00	\$150.73	\$0.00	\$0.00	\$0.01
Parking	\$3.64	\$0.00	\$0.00	\$5.08	\$0.00	\$0.00	\$7.26	\$5.00	\$3.08	\$0.00	\$3.55	\$3.64
Payroll Tax	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$412.53	\$450.60	\$104.05	\$148.37	\$0.00
Printing & Stationery	\$145.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40.05	\$0.00	\$0.00	\$0.00
Professional Fees	\$168.48	\$141.74	\$232.51	\$0.00	\$5,363.50	\$317.94	\$317.94	\$317.94	\$317.94	\$314.05	\$321.82	\$317.94
Rent	\$25,333.33	\$28,027.38	\$28,027.38	\$28,027.38	\$28,027.38	\$30,721.43	\$17,779.76	\$45,140.47	\$32,807.14	\$34,867.14	\$20,627.14	\$19,807.14
Repairs and Maintenance	\$121.15	\$55.32	\$198.18	\$62.63	\$805.00	\$234.34	\$113.85	\$426.18	\$70.63	\$402.00	\$0.00	\$49.58
Sponsorships	\$9,081.82	\$0.00	\$5,700.00	\$2,163.64	\$0.00	\$0.00	\$2,154.54	\$0.00	\$4,077.27	\$500.00	\$0.00	\$3,563.64
Subscriptions	\$44.91	\$167.41	\$44.91	\$118.30	\$112.04	\$117.45	\$117.58	\$118.49	\$117.72	\$117.36	\$116.02	\$117.56
Superannuation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$657.68	\$1,216.72	\$518.84	\$957.30	\$738.07
Survey Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$12,600.00	\$0.00	\$0.00	\$0.00	\$0.00	\$12,500.00	\$9,200.00	\$0.00

Taxi Fares	\$341.65	\$202.14	\$210.20	\$563.48	\$1,368.67	\$265.39	\$266.30	\$326.25	\$599.28	\$0.00	\$1,513.30	\$1,396.46
Telephone & Internet	\$14.51	\$49.55	\$13.64	\$31.82	\$0.00	\$0.00	\$30.55	\$110.20	\$0.00	\$0.00	\$0.00	\$0.00
Tolls	\$316.15	\$436.38	\$218.19	\$436.38	\$145.46	\$145.46	\$218.19	\$290.92	\$436.38	\$290.92	\$218.19	\$290.92
Travel - National	\$3,419.66	\$1,946.51	\$719.04	\$0.00	\$0.00	\$645.63	\$0.00	\$0.00	\$0.00	\$3,650.00	\$0.00	\$0.00
Wages and Salaries	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,923.07	\$12,807.69	\$5,461.54	\$10,076.92	\$7,769.23
Water Rates	\$0.00	-\$79.06	\$291.79	\$0.00	\$151.85	\$0.00	\$0.00	-\$343.30	\$665.30	\$0.00	-\$191.82	\$371.75
Workers Compensation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$105.05	\$0.00	\$0.00	\$0.00	\$264.14
Loan - VT	\$0.00	\$0.00	-\$34,255.80	\$0.00	\$0.00	\$0.00	\$5,400.00	\$50,000.00	\$239,197.18	-\$166,341.24	\$0.00	-\$17,660.00
Prepayments	\$8,529.32	\$9,628.89	-\$2,309.21	-\$3,866.95	-\$2,763.20	-\$3,508.93	-\$4,475.83	-\$4,475.83	-\$4,475.83	\$30,537.63	-\$309.17	-\$309.17
Accrued Annual Leave Liability	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,746.74	-\$357.10	-\$420.13	-\$420.12	-\$420.12
PAYG Withholdings Payable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,368.00	\$0.00	\$816.00	-\$1,456.00	-\$1,456.00	-\$1,456.00
Rounding	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$1.00	\$0.00
Superannuation Payable	\$0.00	\$0.00	\$3,372.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$778.26	-\$518.84	-\$518.84	-\$518.84
Suspense	\$369,430.06	\$99,867.00	-\$14,066.25	\$59,701.75	\$92,289.91	-\$500,596.16	-\$2,178,330.30	\$1,960,822.80	\$490,311.25	-\$10,000.00	-\$9,277.36	\$13,227.36
Total Operating Expenses	\$724,512.89	\$404,522.81	\$342,586.54	\$1,462,785.66	\$2,341,879.65	-\$408,066.33	\$715,140.12	\$2,335,809.07	\$1,091,607.91	\$301,261.42	\$355,943.52	\$446,365.67

Operating Surplus (Deficit)	-\$703,946.44	-\$350,588.64	-\$327,124.29	\$661,986.84	-\$2,292,354.27	\$530,094.79	\$856,719.70	-\$1,893,898.71	-\$1,024,572.86	\$618,028.97	-\$283,769.95	-\$428,093.80
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Plus Non Operating Movements

Office Equipment	-\$3,500,000.00	-\$1,100,000.00	-\$1,200,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Vehicles	\$0.00	\$0.00	-\$230,000.00	-\$850,713.25	\$0.00	\$0.00	\$0.00	-\$15,784.74	\$528.00	-\$1,800.41	-\$354,777.02	-\$30,350.00
Clearing Account - FG Future Fu	\$0.00	-\$1,197,278.33	-\$1,197,278.33	-\$1,197,278.33	-\$1,209,928.33	-\$1,209,928.33	-\$1,215,584.33	-\$1,215,584.33	-\$2,361,143.06	\$0.00	-\$2,712,215.06	\$0.00
Clearing Account - FG NMF Non	\$162,649.92	\$0.00	\$0.00	\$285,892.68	\$0.00	\$147,430.04	\$147,942.16	\$154,872.16	\$155,899.70	\$162,829.70	\$162,829.70	\$163,543.42
Clearing Account - Forum Group	\$3,107.15	\$0.00	\$726.85	\$11,374.00	\$0.00	\$0.00	\$1,811.00	\$1,568.00	\$1,568.00	\$1,568.00	\$2,848.45	\$1,568.00
Clearing Account - Forum Group	\$145,416.67	-\$4,196.04	\$399,575.96	-\$101,031.54	-\$10,650.79	-\$10,650.79	\$32,913.85	\$93,837.87	\$98,496.61	\$35,972.57	\$136,134.57	\$268,269.77
Clearing Account - Purchased NI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$422,020.10	\$0.00	\$0.00	\$0.00
Giamouridis	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$408,443.34	-\$657,041.02	-\$675,094.09	-\$660,523.80	-\$667,579.02	-\$1,322,002.19
iFish Finance Pty Ltd	\$0.00	-\$10,000.00	-\$20,000.00	\$0.00	-\$10,000.00	\$0.00	\$0.00	-\$50,000.00	-\$50,000.00	\$0.00	\$0.00	\$0.00
Loan - 10 James - Warehouse	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$59,677.87	\$0.00	-\$59,677.87
Loan - 1160 Glen Huntly Road	-\$10,000.00	-\$5,000.00	-\$8,000.00	-\$39,401.79	-\$7,389.00	-\$27,489.82	-\$7,410.00	-\$30,173.97	\$144,950.00	-\$7,410.00	-\$11,150.00	-\$7,616.86
Loan - 12 James - Warehouse	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$60,143.87	\$0.00	-\$60,143.87
Loan - 123 High St, Taradale	\$0.00	\$0.00	-\$2,015.64	-\$1,252.14	-\$2,015.64	-\$1,172.44	\$0.00	-\$3,720.08	\$25,000.00	\$0.00	-\$3,068.74	-\$2,305.44
Loan - 14 James Street Pty Ltd	\$0.00	\$0.00	\$0.00	-\$60,443.74	\$0.00	-\$58,969.50	\$0.00	-\$417,631.56	\$0.00	-\$251,328.96	-\$378.40	-\$310,505.23
Loan - 14 Kirwin Road, Morwell	\$0.00	\$0.00	-\$7,972.24	\$13,955.54	\$25,000.00	-\$11,516.54	-\$2,049.15	-\$6,550.67	-\$4,635.00	-\$2,554.46	-\$10,600.00	-\$239,781.50
Loan - 16 James - Warehouse	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,694.87	\$0.00	-\$20,694.87
Loan - 160 Murray Valley Hwy, L	\$0.00	\$0.00	-\$11,350.31	\$20,759.70	\$50,000.00	-\$12,968.73	-\$1,561.00	-\$5,701.82	-\$7,486.94	-\$3,929.75	-\$12,302.50	-\$191,570.48
Loan - 18 James - Warehouse	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,694.87	\$0.00	-\$20,694.87
Loan - 19 Parsons - Warehouse	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,694.87	\$0.00	-\$20,694.87
Loan - 22 High Street, Rushwortl	-\$5,023.65	-\$25.65	-\$2,818.65	-\$5,173.30	-\$161.78	-\$294.43	\$0.00	-\$86.27	\$0.00	\$0.00	-\$2,600.00	\$0.00
Loan - 275 High St, Golden Squa	\$0.00	\$0.00	-\$12,671.32	-\$110.79	\$14,328.68	-\$5,457.57	\$0.00	-\$19,637.94	\$80,000.00	\$0.00	-\$19,121.55	-\$14,098.00
Loan - 286 Carlisle Street Pty Ltc	-\$350,000.00	-\$615,000.00	-\$422,000.00	-\$715,000.00	-\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Loan - 29 Parsons - Warehouse	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,694.87	\$0.00	-\$20,694.87
Loan - 31 Ellerman Street, Dimbr	\$0.00	\$0.00	-\$7,010.84	\$17,481.69	\$25,000.00	-\$7,139.82	-\$832.00	-\$3,511.91	-\$4,424.64	-\$5,560.68	-\$7,644.05	-\$107,528.53
Loan - 39 Parsons - Warehouse	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,694.87	\$0.00	-\$20,694.87
Loan - 4 Cowslip St, Violet Town	\$0.00	\$0.00	-\$12,882.92	-\$91.23	\$12,117.08	-\$5,384.54	\$0.00	-\$20,017.03	\$90,000.00	\$0.00	-\$19,427.17	-\$14,313.62
Loan - 5 Bulkara	\$0.00	-\$17,500.00	-\$45,000.00	-\$166,512.48	-\$62,500.00	-\$100,499.98	\$0.00	-\$97,916.76	-\$5,412.18	-\$34,982.36	-\$20,000.00	-\$37,660.00
Loan - 55 Nolan Street, Marybor	\$0.00	\$0.00	-\$7,628.77	\$22,163.95	\$25,000.00	-\$8,083.95	-\$888.00	-\$3,665.13	-\$4,200.00	-\$2,637.14	-\$5,768.00	-\$129,109.00
Loan - 6 Bulkara	-\$5,000.00	-\$930,000.00	-\$490,000.00	-\$605,835.10	-\$501,650.00	-\$595,408.63	-\$1,324,290.33	-\$1,187.50	-\$5,180.00	\$0.00	\$0.00	-\$475,000.00
Loan - 64-66 Berkeley St, Hawth	-\$26,000.00	-\$50,000.00	-\$55,000.00	-\$97,305.08	-\$50,000.00	-\$92,154.10	-\$55,464.50	-\$1,035,313.62	-\$4,271.00	\$0.00	\$0.00	\$0.00
Loan - 65 Nelson Street Enterpri	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30,363.10	\$0.00	\$0.00
Loan - 8 Olive Street - Warehouse	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$28,032.87	\$0.00	-\$28,032.87
Loan - 8-12 Natalia Ave Oakleigt	-\$35,000.00	\$0.00	\$0.00	-\$182,306.72	-\$4,603.12	-\$46,347.45	-\$224,517.95	-\$84,296.06	-\$68,430.13	-\$71,625.00	-\$218,485.00	-\$4,370.00
Loan - 89 Betka Road, Mallacool	\$0.00	\$0.00	-\$8,603.31	-\$2,063.38	\$27,000.00	-\$6,552.96	\$0.00	-\$2,414.73	-\$3,978.40	-\$3,541.51	-\$22,600.00	-\$61,356.69

Loan - 9 Gregory Street, Ouyen	-\$3,150.00	\$0.00	\$0.00	-\$3,535.82	\$0.00	-\$299.58	\$0.00	-\$292.27	\$0.00	\$0.00	-\$2,600.00	\$0.00
Loan - 9 Main St, Derrinallum	\$0.00	\$0.00	-\$4,480.65	-\$1,967.19	\$11,519.35	-\$2,200.17	\$0.00	-\$7,615.44	\$45,000.00	\$0.00	-\$6,831.32	-\$5,134.99
Loan - Ellinikos Tourisimos/Mazcr	-\$2,011,463.44	-\$2,021,131.28	-\$938,908.42	-\$1,840,079.66	-\$689,956.75	-\$1,407,775.19	-\$413.29	-\$19,304.40	-\$972.83	-\$180,154.72	-\$4,101,017.58	\$0.00
Loan - FGOOC	-\$910,642.95	\$176,833.04	\$0.00	\$87,484.80	\$86,869.47	\$86,258.48	-\$914,348.22	\$85,049.34	\$415,660.15	\$83,857.16	\$165,949.04	\$0.00
Loan - Forum Enviro	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$889,309.26	\$0.00
Loan - Forum Group/Enviro	\$355,620.23	\$0.00	\$0.00	-\$798,357.69	\$1,100,000.00	-\$2,497,008.39	\$2,991.61	-\$2,991.61	\$2,991.61	-\$1,488,317.60	\$2,440,703.23	-\$952,385.63
Loan - Intrashield Investment Gr	-\$3,000.00	-\$5,000.00	-\$5,000.00	-\$10,000.00	-\$13,389.62	-\$5,366.69	-\$10,646.70	\$669.92	\$0.00	\$0.00	\$0.00	\$0.00
Loan - Iugis	-\$2,150,000.00	-\$2,578,651.80	-\$2,848,447.80	-\$4,319,670.29	-\$635,880.61	-\$3,043,070.48	-\$1,400,000.00	-\$1,873,253.81	-\$1,915,327.30	\$165,431.79	-\$2,367,727.63	-\$1,787,500.00
Loan - Iugis (EU) GmbH	\$0.00	\$0.00	\$0.00	-\$29,214.42	\$0.00	-\$28,501.87	\$0.00	\$0.00	\$0.00	-\$27,806.70	\$0.00	\$0.00
Loan - Iugis Energy SA	\$0.00	\$0.00	\$0.00	-\$572,382.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Loan - Iugis Hellas IKE	\$0.00	\$0.00	\$0.00	-\$91,550.99	\$0.00	-\$19,616.52	-\$660,076.90	\$0.00	\$0.00	-\$3,038.63	\$0.00	\$0.00
Loan - Iugis Holdings Limited	\$0.00	-\$35,372.25	-\$532,189.47	-\$870,002.38	\$0.00	-\$497,294.74	-\$569,088.79	-\$298,348.33	-\$1,011,861.67	-\$1,030,464.90	-\$339,012.77	-\$814,209.28
Loan - Iugis UK Ltd	\$0.00	-\$255,567.57	-\$135,452.25	-\$258,040.26	-\$103,615.95	-\$840,238.87	\$0.00	-\$98,416.24	\$0.00	-\$94,760.58	\$0.00	\$0.00
Loan - Iugis Waste Solutions Pty	\$0.00	\$0.00	-\$1,000,000.00	-\$10.43	\$0.00	-\$417.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Loan - Matt Ingram Family Trust	\$0.00	\$0.00	\$0.00	-\$2,500.00	-\$1,000,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Loan - Orca Comercio De Sisterr	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$4,503.59	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Loan - Orca Enviro Systems Pty	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$80,736.42	\$0.00
Loan - Orca Environmental Solut	-\$64,183.68	-\$327,812.42	-\$100,000.00	-\$67,601.98	-\$214,213.73	-\$58,923.26	-\$215,500.00	-\$345,000.00	-\$885,231.49	-\$22,224.36	\$0.00	\$0.00
Loan - Other Related Parties	\$0.00	\$0.00	\$199,727.00	\$0.00	\$0.00	-\$613.00	\$0.00	\$0.00	-\$200,000.00	\$0.00	-\$2,420.00	\$0.00
Loan - Palante Pty Ltd	\$0.00	\$0.00	-\$273.00	-\$164,273.09	-\$608,023.67	-\$386,570.00	\$0.00	\$0.00	\$0.00	-\$535,678.05	-\$440.00	\$0.00
Loan - SOFC	-\$44,205.26	-\$65,470.49	-\$51,583.79	-\$113,330.26	-\$6,238.93	-\$81,457.47	-\$11,606.22	-\$8,223.41	-\$30,783.41	-\$103,692.12	-\$125,000.00	-\$50,337.50
Loan - Tesoriero Investment Gro	\$0.00	\$0.00	\$0.00	\$0.00	-\$273.00	\$0.00	\$0.00	-\$2,000.00	-\$69.00	-\$196,704.34	\$0.00	\$0.00
Loan to Iugis Investments for Au	\$0.00	-\$2,401,755.00	-\$650,000.00	\$2,803,901.10	-\$4,300,356.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Loan to Spartan Consulting Gro	\$0.00	-\$465,000.00	\$0.00	-\$23,276.21	\$0.00	-\$22,708.50	\$0.00	-\$21,666.83	\$0.00	\$0.00	-\$7,090.00	\$0.00
Loans - 23 Margaret Street	\$0.00	-\$74,000.00	-\$60,000.00	-\$93,505.90	-\$15,000.00	-\$30,371.61	-\$8,000.00	-\$9,115.95	-\$33,110.27	\$0.00	\$0.00	\$0.00
Loans - 26 Edmonstone Road	-\$50,000.00	-\$35,891.76	-\$21,719.74	-\$191,143.91	-\$32,632.66	-\$43,117.99	\$353,241.70	-\$74,344.74	-\$5,905.46	-\$14,479.69	-\$23,440.12	\$61.42
Loans - Canner Investments	-\$10,000.00	\$0.00	\$0.00	-\$28,544.29	-\$15,000.00	-\$27,482.23	\$0.00	-\$26,060.93	-\$30,791.00	-\$5,314.39	\$0.00	\$0.00
Loans - Intrashield	\$0.00	\$0.00	\$0.00	-\$31,295.86	\$0.00	-\$55,972.90	-\$40,000.00	-\$155,292.24	\$0.00	\$0.00	-\$42,522.18	\$0.00
New Finance Book - Forum Gro	\$346,707.41	-\$1,892,900.20	-\$17,381.09	\$277,477.95	-\$10,495.54	-\$70,024.77	-\$43,033.79	-\$576,310.53	\$68,352.25	\$41,549.31	-\$3,644,659.91	\$5,308.44
New Finance Book - Iugis AU	\$0.00	\$114,266.00	\$114,266.00	\$407,330.00	\$0.00	\$0.00	\$0.00	\$0.00	\$298,355.00	-\$472,074.22	\$0.00	\$0.00
New Finance Book - Iugis UK	\$0.00	\$20,872.00	\$125,232.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$83,488.00	\$0.00	\$0.00	\$0.00
New Finance Book - Surfacide	\$0.00	\$0.00	\$0.00	\$164,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$123,000.00	\$0.00	\$0.00	\$0.00
Problem Contracts	\$0.00	\$0.00	-\$400,729.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Property - Bond Paid	\$0.00	\$0.00	-\$11,550.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$5,208.00	\$0.00	\$0.00
Refinance Balance to Clear	\$0.00	-\$5,013,005.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Shares Purchased	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$750,000.00	\$0.00	\$0.00	-\$500,000.00
TG Digesters	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$403,658.85
Accruals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,524,287.54	-\$1,524,287.54	\$0.00	-\$6,999.09	\$6,999.09	\$0.00	-\$6,876.93
Chattel Mortgage - Audi RSQ8	-\$3,340.45	-\$3,340.45	-\$3,340.45	\$270,586.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Chattel Mortgage - Porsche GT2	-\$7,817.66	-\$7,817.66	-\$7,817.66	-\$7,817.66	-\$7,817.66	-\$7,817.66	-\$7,817.66	-\$7,817.66	-\$7,817.66	-\$7,817.66	-\$7,817.66	-\$7,817.66
Chattel Mortgage - Porsche GT4	-\$1,740.47	-\$1,740.47	-\$1,740.47	-\$1,740.47	-\$1,740.47	-\$1,740.47	-\$1,740.47	-\$1,740.47	-\$1,740.47	-\$1,740.47	-\$1,740.47	-\$1,740.47
Clearing Account - BHO	-\$1,251,212.00	\$20,259,308.00	-\$1,673,658.00	\$2,365,986.00	\$3,642,498.00	-\$5,609,760.00	\$8,206,290.00	\$3,786,364.00	\$5,263,597.00	\$480,988.00	-\$3,802,100.00	\$2,738,741.00
Clearing Account - HP Finance	\$0.00	\$0.00	-\$273,156.87	-\$546,313.74	-\$273,156.87	-\$273,156.87	-\$273,156.87	-\$273,156.87	-\$273,156.87	-\$546,313.74	\$0.00	-\$235,320.00
Clearing Account - NZ	\$3,520,000.00	-\$1,065,672.09	\$106,610.57	\$794,839.92	\$1,287,494.59	-\$961,402.33	\$3,068,023.11	-\$882,370.24	\$1,681,000.73	\$3,335,577.03	\$1,468,043.60	-\$683,591.18
Clearing Account - SMBC	-\$564,000.00	\$7,468,714.61	\$8,137,980.14	\$10,613,132.01	\$5,419,413.79	\$9,335,531.55	-\$1,027,400.00	\$10,193,426.14	\$2,881,928.09	-\$744,500.00	\$17,832,483.14	\$0.00
Clearing Account - SocGen via E	\$0.00	\$4,858,441.00	\$0.00	\$4,128,757.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Loan - Forum Enviro (Aust)	-\$1,908,000.00	-\$9,619,167.91	\$993,389.43	-\$994,839.92	\$962,505.41	\$5,111,402.33	-\$3,216,223.11	\$882,370.24	\$818,999.27	\$2,083,120.97	\$1,590,345.12	\$4,434,014.64
Loan - Think Tank - 126463	-\$14,875.00	-\$14,875.00	-\$14,875.00	-\$14,875.00	-\$14,875.00	-\$14,875.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Loan - Think Tank - 126464	-\$13,606.11	-\$13,606.11	-\$13,606.11	-\$13,606.11	-\$13,606.11	-\$13,606.11	-\$12,172.16	-\$11,989.72	-\$11,938.18	-\$11,767.28	-\$11,653.46	-\$11,607.10
Unexpired Term Interest	\$3,071.34	\$3,103.58	\$3,136.00	-\$25,758.67	\$2,469.09	\$2,493.51	\$2,517.85	\$2,542.11	\$2,566.27	\$2,590.37	\$2,614.37	\$2,638.28
Total Non Operating Movemen	-\$8,405,687.95	\$3,074,760.75	-\$2,425,498.56	\$7,145,369.45	\$2,776,044.23	-\$1,994,005.80	-\$1,365,324.63	\$6,824,465.45	\$3,499,400.44	\$144,224.53	\$4,419,588.77	-\$1,044,931.12

GST Movements

GST Inputs	-\$837,731.81	-\$1,061,860.05	-\$2,044,771.46	-\$949,041.37	-\$1,041,690.39	-\$1,199,321.51	-\$719,228.67	-\$825,344.81	-\$536,107.97	-\$783,036.36	-\$1,513,729.13	-\$96,737.37
GST Outputs	\$70,082.17	\$65,236.66	\$667,215.82	\$151,224.67	\$1,561.55	\$15,503.70	\$49,571.63	\$46,524.49	\$91,088.71	\$43,057.61	\$46,206.22	\$45,852.37
Net GST Movements	-\$767,649.64	-\$996,623.39	-\$1,377,555.64	-\$797,816.70	-\$1,040,128.84	-\$1,183,817.81	-\$669,657.04	-\$778,820.32	-\$445,019.26	-\$739,978.75	-\$1,467,522.91	-\$50,885.00

Foreign Currency Gains and Losses

Realised Currency Gains	\$0.00	\$0.00	\$0.00	\$0.00	\$0.06	\$0.00	-\$0.11	-\$0.15	\$0.00	\$0.00	\$0.00	\$0.00
Total Foreign Currency Gains	\$0.00	\$0.00	\$0.00	\$0.00	\$0.06	\$0.00	-\$0.11	-\$0.15	\$0.00	\$0.00	\$0.00	\$0.00

Net Cash Movement	-\$9,877,284.03	\$1,727,548.72	-\$4,130,178.49	\$7,009,539.59	-\$556,438.82	-\$2,647,728.82	-\$1,178,262.08	\$4,151,746.27	\$2,029,808.32	\$22,274.75	\$2,668,295.91	-\$1,523,909.92
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Summary

Opening Balance	\$10,447,426.83	\$8,719,878.11	\$12,850,056.60	\$5,840,517.01	\$6,396,955.83	\$9,044,684.65	\$10,222,946.73	\$6,071,200.46	\$4,041,392.14	\$4,019,117.39	\$1,350,821.48	\$2,874,731.40
Plus Net Cash Movement	-\$9,877,284.03	\$1,727,548.72	-\$4,130,178.49	\$7,009,539.59	-\$556,438.82	-\$2,647,728.82	-\$1,178,262.08	\$4,151,746.27	\$2,029,808.32	\$22,274.75	\$2,668,295.91	-\$1,523,909.92
Closing Balance	\$570,142.80	\$10,447,426.83	\$8,719,878.11	\$12,850,056.60	\$5,840,517.01	\$6,396,955.83	\$9,044,684.65	\$10,222,946.73	\$6,071,200.46	\$4,041,392.14	\$4,019,117.39	\$1,350,821.48

Profit and Loss

Forum Group Financial Services Pty Ltd

For the year ended 30 June 2021

Account	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	2021
Trading Income													
Contract Revenue	11,963.12	18,529.14	20,444.55	38,573.88	30,861.83	20,311.74	20,846.69	21,146.33	22,739.49	10,862.17	14,775.21	0.00	231,054.15
Interest Income	0.00	47,258.10	892,614.67	22,152.42	404,739.78	1,545,239.33	94,873.02	19,734.10	2,102,033.01	0.00	36,374.10	17,246.52	5,182,265.05
Rental Income	6,308.75	6,386.33	6,231.17	6,308.75	6,308.75	6,308.75	6,308.75	8,644.95	0.00	4,600.08	2,784.86	3,319.93	63,511.07
Total Trading Income	18,271.87	72,173.57	919,290.39	67,035.05	441,910.36	1,571,859.82	122,028.46	49,525.38	2,124,772.50	15,462.25	53,934.17	20,566.45	5,476,830.27
Cost of Sales													
Cost of Goods Sold	0.00	0.00	0.00	112,081.82	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	112,081.82
Total Cost of Sales	0.00	0.00	0.00	112,081.82	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	112,081.82
Gross Profit	18,271.87	72,173.57	919,290.39	(45,046.77)	441,910.36	1,571,859.82	122,028.46	49,525.38	2,124,772.50	15,462.25	53,934.17	20,566.45	5,364,748.45
Operating Expenses													
Accommodation	0.00	0.00	0.00	0.00	0.00	0.00	582.35	0.00	0.00	695.01	0.00	0.00	1,277.36
Advertising & Marketing	0.00	0.00	863.64	0.00	0.00	0.00	0.00	0.00	0.00	7,000.00	0.00	0.00	7,863.64
Annual Leave Expense	420.12	420.12	420.13	357.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,617.47
Application Fees	0.00	0.00	0.00	0.00	126.00	176.11	15.71	15.45	0.00	0.00	0.00	218.18	551.45
Bank Fees	(723.54)	425.89	420.75	365.65	(188.96)	1,221.19	697.39	516.62	873.33	995.40	651.84	675.49	5,931.05
Boat Expense	0.00	440.00	4,802.91	2,060.00	5,324.05	2,150.91	5,304.00	2,060.00	4,880.00	2,060.00	2,060.00	15,505.37	46,647.24
Brokerage Fee	110.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	110.00
Cleaning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	156.87	156.87
Construction Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	130,000.00	0.00	0.00	0.00	130,000.00
Consulting & Accounting	125,000.00	83,990.91	50,000.00	62,218.00	55,200.00	2,631,247.97	55,000.00	2,050,000.00	1,058,145.45	55,000.00	61,300.00	50,000.00	6,337,102.33
Contractor Payments	36,827.51	25,316.42	25,283.56	25,365.70	32,666.66	24,166.66	39,166.66	24,166.66	24,166.66	26,166.70	24,166.66	32,166.66	339,626.51
Council Fees	0.00	0.00	0.00	0.00	3,684.15	0.00	0.00	1,837.00	0.00	3,029.77	(456.00)	845.45	8,940.37
Design Expenses	17,490.00	26,047.50	25,962.50	15,160.00	34,065.00	8,725.00	0.00	0.00	29,050.00	0.00	3,075.00	3,506.25	163,081.25
Employee Amenities	0.00	2,815.00	150.00	0.00	2,536.00	339.44	428.95	5,454.55	0.00	36.37	0.00	0.00	11,760.31
Engineering Expenses	0.00	0.00	11,320.00	26,720.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41,040.00
Foreign Exchange Gain/Loss	18.00	0.00	0.00	5,047.60	0.00	0.00	0.00	23.95	0.00	0.00	0.00	0.00	5,089.55
Freight & Courier	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	111,562.50	0.00	0.00	111,562.50
General Expenses	0.00	0.00	105.45	40.33	17.45	0.00	0.00	62.72	0.00	16.35	0.00	0.00	242.30
Insurance	309.17	3,281.59	1,593.54	1,800.93	(191.64)	471.77	814.83	309.17	671.07	558.58	201.10	463.87	10,283.98
Interest Expense	99,078.33	67,213.79	67,099.97	66,943.20	66,491.39	66,308.95	50,000.00	50,000.00	50,000.00	50,002.48	50,000.00	50,000.00	733,138.11
Interest Expense - Chattel Mortgage	2,638.28	2,614.37	2,590.37	2,566.27	2,542.11	2,517.85	2,493.51	2,469.09	3,168.33	3,136.00	3,103.58	3,071.34	32,911.10
IT Expense	0.00	0.00	4,005.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,005.00
Leasing Charges (Operating Lease)	8,392.37	8,392.37	8,392.37	8,392.37	8,392.37	8,392.37	8,392.37	5,400.76	5,400.76	5,400.76	5,400.76	5,400.76	85,750.39
Legal expenses	0.00	0.00	27,027.03	7,448.77	10,451.23	0.00	3,164.00	0.00	25,292.47	0.00	273.00	273.00	73,929.50
Light, Power, Heating	0.00	0.00	0.00	0.00	0.00	0.00	0.00	579.91	34.29	38.20	37.59	38.93	728.92
Meals	0.00	145.77	108.59	156.95	317.63	179.01	236.05	153.55	244.20	343.29	79.45	916.87	2,881.36
Motor Vehicle Expenses	957.00	9,915.23	61,595.17	4,303.07	30,525.52	4,602.65	5,597.81	18,055.62	76,035.99	40,890.04	95,735.84	162,020.14	510,234.08
Office Expenses	0.01	0.00	150.73	0.00	0.00	0.00	204.55	0.00	0.00	0.00	0.00	0.00	355.29
Parking	0.00	3.55	0.00	3.08	5.00	7.26	0.00	5.08	0.00	0.00	0.00	3.64	27.61
Payroll Tax	0.00	148.37	276.19	278.46	412.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,115.55
Printing & Stationery	0.00	0.00	0.00	40.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	145.45	185.50

Professional Fees	317.94	321.82	314.05	317.94	317.94	317.94	5,224.19	457.25	0.00	232.51	141.74	168.48	8,131.80
Realised Currency Gains	0.00	0.00	0.00	0.00	0.15	0.11	0.00	(0.06)	0.00	0.00	0.00	0.00	0.20
Rent	20,627.14	19,807.14	34,867.14	32,807.14	32,807.14	32,807.14	28,027.38	28,027.38	28,027.38	28,027.38	28,027.38	28,027.38	341,887.12
Repairs and Maintenance	0.00	0.00	432.36	40.27	426.18	113.85	234.34	805.00	62.63	198.18	55.32	121.15	2,489.28
Sponsorships	3,563.64	0.00	1,409.09	3,168.18	0.00	2,154.54	0.00	2,163.64	1,172.73	4,527.27	0.00	9,081.82	27,240.91
Subscriptions	117.56	116.02	117.36	117.77	118.49	117.58	117.45	112.04	118.30	106.20	106.12	44.91	1,309.80
Superannuation	738.07	957.30	957.30	1,435.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,088.61
Survey Expenses	0.00	5,200.00	12,500.00	1,000.00	0.00	0.00	0.00	11,600.00	0.00	0.00	0.00	0.00	30,300.00
Taxi Fares	2,832.83	58.75	268.29	330.99	326.25	1,634.97	265.39	165.23	398.25	352.38	161.76	239.85	7,034.94
Telephone & Internet	0.00	0.00	0.00	79.65	30.55	30.55	0.00	31.82	0.00	13.64	49.55	14.51	250.27
Tolls	290.92	218.19	290.92	436.38	290.92	218.19	145.46	145.46	436.38	218.19	436.38	316.15	3,443.54
Travel - National	0.00	0.00	3,650.00	0.00	0.00	0.00	645.63	0.00	719.04	1,946.51	3,419.66	0.00	10,380.84
Wages and Salaries	7,769.23	10,076.92	10,076.92	15,115.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43,038.45
Water Rates	371.75	(191.82)	0.00	665.30	(343.30)	0.00	0.00	151.85	0.00	291.79	(79.06)	0.00	866.51
Workers Compensation	264.14	0.00	0.00	0.00	(105.05)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	159.09
Total Operating Expenses	327,410.47	267,735.20	357,051.33	284,782.47	289,245.76	2,787,902.01	206,758.02	2,204,769.74	1,438,897.26	342,845.50	277,947.67	363,422.52	9,148,767.95
Net Profit	(309,138.60)	(195,561.63)	562,239.06	(329,829.24)	152,664.60	(1,216,042.19)	(84,729.56)	(2,155,244.36)	685,875.24	(327,383.25)	(224,013.50)	(342,856.07)	(3,784,019.50)



Account details

Account balance summary

Account name
FORUM GRP FS
Account number
082-080 27-105-8642
Currency
AUD

Opening balance: 10,447,426.83 CR
Total credits: 6,494,114.77 CR
Total debits: 16,371,398.80 DR
Closing balance: 570,142.80 CR

Date from: 01 June 2021
Date to: 30 June 2021

Transaction details

Date	Narrative	Reference number	Debit amount	Credit amount	EOD balance
01/06/2021	INTER-BANK CREDIT ATHE2-4 CRABTREES REAL E FORUM GROUP FINA			3,466.59 CR	
01/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183246443 June 2021 Rent		13,000.00 DR		
01/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183246676 June 2021 Rent		13,566.66 DR		
01/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183246065 Westrac May21		180,400.00 DR		
01/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183245474 Veolia May21		4,837,237.90 DR		5,406,688.86 CR
02/06/2021	TRANSFER CREDITS Loan from FGFS 8-12 NATALIA A			43,697.50 CR	
02/06/2021	TRANSFER CREDITS Intercompany Clear CANNER INVESTMENTS P			70.11 CR	
02/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183348119 INV-2168		2,530.00 DR		
02/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183347340 KKP Bouch 1034		4,166.66 DR		
02/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183344288 Loan to Canner Inv		10,000.00 DR		
02/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183347574 000186		12,430.00 DR		
02/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183343910 loan to Natalia		35,000.00 DR		

Transaction History Report (Continued)

Date	Narrative	Reference number	Debit amount	Credit amount	EOD balance
02/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183344148 Loan to 26 Edmon		50,000.00 DR		
02/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183346937 Consulting Jun21		55,000.00 DR		
02/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183347157 2047		55,273.00 DR		
02/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183327426 Loan to 286 Carl		170,000.00 DR		
02/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183342990 Loan to Iugis AU		1,000,000.00 DR		4,056,056.81 CR
03/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183446353 GTI Greece Insur		250.00 DR		
03/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183432659 Loan to Iugis AU		150,000.00 DR		3,905,806.81 CR
04/06/2021	TRANSFER DEBITS TT3021825900 Payment-Id 183544367MAZCON PANOS		1,366.17 DR		
04/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183526664 26ed SOFC Invoices		4,148.86 DR		
04/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183481392 Up to 11 INV-0372		9,990.00 DR		3,890,301.78 CR
07/06/2021	AUTOMATIC DRAWING 00764506 AUDI FORUM GROUP FINA		3,287.76 DR		3,887,014.02 CR
08/06/2021	AUTOMATIC DRAWING 0000000333310680 HIRE PURCHASE FORUM GROUP FINA		3,340.45 DR		3,883,673.57 CR
09/06/2021	TRANSFER CREDITS FORUM FINANCE PTY LTFINS WESTLAWN			2,750,277.00 CR	
09/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183809220 Intercom-Rushworth		25.65 DR		
09/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183807699 16902		110.00 DR		
09/06/2021	TRANSFER DEBITS INTERNET BPAY PMT 000183809638 ASIC		273.00 DR		
09/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183807309 Intercompany clear		1,526.20 DR		
09/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183808312 10030		3,382.50 DR		
09/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183808157 75318		9,595.25 DR		
09/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183791282 Loan to 1160 Glen		10,000.00 DR		
09/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183808545 3272		33,000.00 DR		

Transaction History Report (Continued)

Date	Narrative	Reference number	Debit amount	Credit amount	EOD balance
09/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183808013 1569715		157,158.20 DR		
09/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183795725 Loan to Nicholas		400,000.00 DR		6,018,879.77 CR
10/06/2021	TRANSFER CREDITS SP Loan Jun21 FGO C			106,603.57 CR	
10/06/2021	AUTOMATIC DRAWING RTA2982084859 E-TOLL PH 131865 Forum group Fina		80.00 DR		6,125,403.34 CR
11/06/2021	AUTOMATIC DRAWING 001-1435031-002 LEASE PAY Forum Group of C		7,825.91 DR		
11/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184019421 Loan to 286 Carlis		20,000.00 DR		
11/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183966988 1120		30,800.00 DR		
11/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 183969645 Loan to Iugis AU		300,000.00 DR		
11/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184027353 397844		550,000.00 DR		
11/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184027271 397838		1,100,000.00 DR		4,116,777.43 CR
15/06/2021	AUTOMATIC DRAWING 1634617 FLEXIRENT FORUM GROUP FINA		2,113.00 DR		
15/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184115095 Loan to IIG		3,000.00 DR		
15/06/2021	AUTOMATIC DRAWING 126464 BNY Trust Compan FORUM FROUP		13,606.11 DR		
15/06/2021	AUTOMATIC DRAWING 126463 BNY Trust Compan FORUM GROUP		14,875.00 DR		
15/06/2021	TRANSFER DEBITS TT3021872624 Payment-Id 184018315IUGIS DMCC		64,183.68 DR		
15/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184142554 Loan to 286 Carlis		160,000.00 DR		
15/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184117230 Loan to Env Aus		500,000.00 DR		
15/06/2021	TRANSFER DEBITS TT3021877545 Payment-Id 184142417MAZCON		989,111.86 DR		2,369,887.78 CR
16/06/2021	TRANSFER CREDITS FORUM GROUP PTY LTD Loan to FGFS			70,000.00 CR	
16/06/2021	AUTOMATIC DRAWING XeroAUINV_Jg65terd XEROAUSTRALIAPTY FORUM GRP FS		49.40 DR		
16/06/2021	TRANSFER DEBITS Sydney Olympic Footb184211767 Loan to SOFC		40,000.00 DR		

Transaction History Report (Continued)

Date	Narrative	Reference number	Debit amount	Credit amount	EOD balance
16/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184268613 Loan to Env Aus		78,000.00 DR		
16/06/2021	TRANSFER DEBITS TT3021880614 Payment-Id 184202317MAZCON		990,993.85 DR		
16/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184267969 Loan to Env Aus		1,330,000.00 DR		844.53 CR
17/06/2021	INTER-BANK CREDIT RTGS (ANZ-001432) ORCA ENVIRO SOLUTIONNEW SOUTH WALES AUST			3,000,000.00 CR	
17/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184270240 Kerim Baba - Water		56.40 DR		
17/06/2021	AUTOMATIC DRAWING RTA2987021019 E-TOLL PH 131865 Forum group Fina		80.00 DR		3,000,708.13 CR
21/06/2021	AUTOMATIC DRAWING RTA2988680456 E-TOLL PH 131865 Forum group Fina		80.00 DR		
21/06/2021	AUTOMATIC DRAWING 00888136 VW FINANCE FORUM GROUP FINA		1,740.47 DR		
21/06/2021	AUTOMATIC DRAWING 70246 Forum Group - OK Forum Group Fina		4,577.53 DR		
21/06/2021	AUTOMATIC DRAWING 70246 Forum Group - OK Forum Group Fina		4,577.53 DR		
21/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184411427 Loan to 6 Bulkara		5,000.00 DR		2,984,732.60 CR
22/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184633985 Loan to Berkeley		26,000.00 DR		
22/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184633638 Loan to Iugis AU		400,000.00 DR		2,558,732.60 CR
23/06/2021	TRANSFER DEBITS Aksara Holding Pty L184634201 Aksara Petrol T3		7,875.00 DR		
23/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184679435 397917		2,200,000.00 DR		350,857.60 CR
24/06/2021	INTER-BANK CREDIT RTGS (ANZ-000699) ORCA ENVIRO SOLUTIONNEW SOUTH WALES AUST			520,000.00 CR	
24/06/2021	TRANSFER DEBITS Internet Transfer PYMT-ID 184802504 Loan to Iugis Au		300,000.00 DR		570,857.60 CR
25/06/2021	AUTOMATIC DRAWING RTA2992794803 E-TOLL PH 131865 Forum group Fina		80.00 DR		570,777.60 CR
29/06/2021	MISCELLANEOUS DEBIT NAB Connect Fee Access and Usage		634.80 DR		570,142.80 CR

End of report

Balance Sheet

Forum Group Financial Services Pty Ltd As at 30 June 2021

30 JUN 2021

Assets

Bank

Forum Group Financial Services	570,142.80
Total Bank	570,142.80

Current Assets

Accounts Receivable	204,773.80
Loan - CTEX Global	200,000.00
Loan - Kew Avenue Pty Ltd	52,500.00
Loan - VT	260,341.38
Prepayments	30,879.39
Total Current Assets	748,494.57

Fixed Assets

2-4 Atherton Road, Oakleigh	4,210,000.00
Office Equipment	5,800,000.00
Vehicles	2,948,730.28
Total Fixed Assets	12,958,730.28

Non-current Assets

Clearing Account - FG Future Fund NMF/HP/WL/BHO	13,516,218.43
Clearing Account - FG NMF Non-Future Funded Deals	1,534,814.50
Clearing Account - Forum Group	(48,114.81)
Clearing Account - Forum Group Tranche 1	323,304.07
Clearing Account - Forum Group Tranche 2	673,870.96
Clearing Account - Future Funded BHO	6,662,704.37
Clearing Account - Future Funded HP	2,767,096.12
Clearing Account - Future Funded NMF	55,081,409.40
Clearing Account - Future Funded WL	3,840,548.19
Clearing Account - Purchased NMF Future Funded Contracts	22,114,124.12
Erim Downs	200,000.00
Giamouridis	10,111,898.56
iFish Finance Pty Ltd	140,000.00
Loan - 1160 Glen Huntly Road	900,473.34
Loan - 123 High St, Taradale	53,353.43
Loan - 14 James Street Pty Ltd	2,838,193.39
Loan - 14 Kirwin Road, Morwell	255,794.93
Loan - 160 Murray Valley Hwy, Lake Boga	185,202.74
Loan - 193 Carlisle Street Enterprises Pty Ltd	30,304.64
Loan - 22 High Street, Rushworth	25,274.64
Loan - 275 High St, Golden Square	222,213.74
Loan - 286 Carlisle Street Pty Ltd	2,202,000.00
Loan - 31 Ellerman Street, Dimboola	110,261.69

30 JUN 2021

Loan - 4 Cowslip St, Violet Town	221,623.21
Loan - 5 Bulkara	3,712,011.85
Loan - 55 Nolan Street, Maryborough	123,906.95
Loan - 6 Bulkara	4,944,239.06
Loan - 64-66 Berkeley St, Hawthorn	1,865,508.30
Loan - 8-12 Natalia Ave Oakleigh Pty Ltd	2,122,155.18
Loan - 89 Betka Road, Mallacoota	93,201.89
Loan - 9 Gregory Street, Ouyen	18,968.58
Loan - 9 Main St, Derrinallum	85,135.59
Loan - Ellinikos Tourismos/Mazcon	16,347,143.74
Loan - FGOc	4,567,331.64
Loan - Forum Enviro	4,339,695.10
Loan - Forum Group/Enviro	1,836,754.24
Loan - Intrashield Investment Group Pty Ltd	51,733.09
Loan - Iugis	26,281,598.64
Loan - Iugis (EU) GmbH	1,197,791.11
Loan - Iugis Energy SA	572,382.37
Loan - Iugis Hellas IKE	895,828.16
Loan - Iugis Holdings Limited	16,120,770.75
Loan - Iugis UK Ltd	6,526,810.05
Loan - Iugis Waste Solutions Pty Ltd	1,000,427.43
Loan - Mark Menzies	300,000.00
Loan - Matt Ingram Family Trust	1,002,500.00
Loan - Orca Comercio De Sistemas Ambientais Ltd	71,493.07
Loan - Orca Environmental Solutions DMCC	3,189,665.27
Loan - Orca Global Financial Services Ltd	48,609.08
Loan - Other Related Parties	404,710.00
Loan - Palante Pty Ltd	2,621,939.81
Loan - SOFC	3,343,403.37
Loan - Tesoriero Investment Group Pty Ltd	1,159,393.34
Loan to Iugis Investments for Autonomous Energy	4,548,209.90
Loan to Spartan Consulting Group	1,419,324.77
Loans - 23 Margaret Street	687,741.90
Loans - 26 Edmonstone Road	614,628.95
Loans - Canner Investments	1,180,315.82
Loans - Intrashield	1,283,130.10
New Finance Book - Forum Group	5,661,453.42
New Finance Book - Iugis AU	3,379,025.51
New Finance Book - Iugis UK	670,096.74
New Finance Book - Surfacide	2,059,440.00
Problem Contracts	400,729.41
Property - Bond Paid	9,408.00
Refinance Balance to Clear	5,013,005.00
Shares Purchased	1,390,000.00

30 JUN 2021

TG Digesters	964,893.80
Total Non-current Assets	258,089,080.64
Total Assets	272,366,448.29

Liabilities**Current Liabilities**

Accounts Payable	10,644,789.34
GST	(21,682,406.35)
PAYG Withholdings Payable	2,144.00
Suspense	(409,155.06)
Total Current Liabilities	(11,444,628.07)

Non-current Liabilities

Accruals	10,337,427.81
Chattel Mortgage - Audi RSQ8	260,565.20
Chattel Mortgage - Porsche GT2 RS	572,347.13
Chattel Mortgage - Porsche GT4	186,694.24
Clearing Account - BHO	178,296,233.27
Clearing Account - HP Finance	(10,123,401.75)
Clearing Account - NZ	40,362,063.45
Clearing Account - SMBC	60,990,674.07
Clearing Account - SocGen via BHO	8,987,198.00
Loan - Forum Enviro (Aust)	1,137,916.47
Loan - MAIA Financial	3,861,000.00
Loan - NMF	(39,729.36)
Loan - Think Tank - 126463	2,910,750.00
Loan - Think Tank - 126464	59,903.50
Unexpired Term Interest	(102,652.50)
Total Non-current Liabilities	297,696,989.53

Total Liabilities	286,252,361.46
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Net Assets	(13,885,913.17)
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Equity

Current Year Earnings	(3,784,019.50)
Owner A Share Capital	(750,000.00)
Retained Earnings	(9,351,893.67)
Total Equity	(13,885,913.17)

Balance Sheet

Forum Group Financial Services Pty Ltd As at 30 June 2021

	30 JUN 2021	30 JUN 2020
Assets		
Bank		
Forum Group Financial Services	570,142.80	2,874,731.40
Total Bank	570,142.80	2,874,731.40
Current Assets		
Accounts Receivable	204,773.80	-
Loan - CTEX Global	200,000.00	200,000.00
Loan - Kew Avenue Pty Ltd	52,500.00	52,500.00
Loan - VT	260,341.38	184,001.24
Prepayments	30,879.39	8,677.67
Total Current Assets	748,494.57	445,178.91
Fixed Assets		
2-4 Atherton Road, Oakleigh	4,210,000.00	4,210,000.00
Office Equipment	5,800,000.00	-
Vehicles	2,948,730.28	1,465,832.86
Total Fixed Assets	12,958,730.28	5,675,832.86
Non-current Assets		
Clearing Account - FG Future Fund NMF/HP/WL/BHO	13,516,218.43	-
Clearing Account - FG NMF Non-Future Funded Deals	1,534,814.50	3,078,703.98
Clearing Account - Forum Group	(48,114.81)	(48,114.81)
Clearing Account - Forum Group Tranche 1	323,304.07	349,443.52
Clearing Account - Forum Group Tranche 2	673,870.96	1,757,959.67
Clearing Account - Future Funded BHO	6,662,704.37	6,662,704.37
Clearing Account - Future Funded HP	2,767,096.12	2,767,096.12
Clearing Account - Future Funded NMF	55,081,409.40	55,081,409.40
Clearing Account - Future Funded WL	3,840,548.19	3,840,548.19
Clearing Account - Purchased NMF Future Funded Contracts	22,114,124.12	21,692,104.02
Erim Downs	200,000.00	200,000.00
Giamouridis	10,111,898.56	5,721,215.10
iFish Finance Pty Ltd	140,000.00	-
Loan - 1160 Glen Huntly Road	900,473.34	884,381.90
Loan - 123 High St, Taradale	53,353.43	62,803.31
Loan - 14 James Street Pty Ltd	2,838,193.39	1,738,936.00
Loan - 14 Kirwin Road, Morwell	255,794.93	9,090.91
Loan - 160 Murray Valley Hwy, Lake Boga	185,202.74	9,090.91
Loan - 193 Carlisle Street Enterprises Pty Ltd	30,304.64	30,304.64
Loan - 22 High Street, Rushworth	25,274.64	9,090.91
Loan - 275 High St, Golden Square	222,213.74	245,445.25
Loan - 286 Carlisle Street Pty Ltd	2,202,000.00	-
Loan - 31 Ellerman Street, Dimboola	110,261.69	9,090.91

	30 JUN 2021	30 JUN 2020
Loan - 4 Cowslip St, Violet Town	221,623.21	251,623.78
Loan - 5 Bulkara	3,712,011.85	3,124,028.09
Loan - 55 Nolan Street, Maryborough	123,906.95	9,090.91
Loan - 6 Bulkara	4,944,239.06	-
Loan - 64-66 Berkeley St, Hawthorn	1,865,508.30	400,000.00
Loan - 65 Nelson Street Enterprises Pty Ltd	-	30,363.10
Loan - 8-12 Natalia Ave Oakleigh Pty Ltd	2,122,155.18	1,236,703.75
Loan - 89 Betka Road, Mallacoota	93,201.89	9,090.91
Loan - 9 Gregory Street, Ouyen	18,968.58	9,090.91
Loan - 9 Main St, Derrinallum	85,135.59	113,425.18
Loan - Ellinikos Tourismos/Mazcon	16,347,143.74	3,105,966.18
Loan - FGOC	4,567,331.64	3,930,301.95
Loan - Forum Enviro	4,339,695.10	3,450,385.84
Loan - Forum Group/Enviro	1,836,754.24	-
Loan - Intrashield Investment Group Pty Ltd	51,733.09	-
Loan - Iugis	26,281,598.64	1,527,500.71
Loan - Iugis (EU) GmbH	1,197,791.11	1,112,268.12
Loan - Iugis Energy SA	572,382.37	-
Loan - Iugis Hellas IKE	895,828.16	121,545.12
Loan - Iugis Holdings Limited	16,120,770.75	10,122,926.17
Loan - Iugis UK Ltd	6,526,810.05	4,740,718.33
Loan - Iugis Waste Solutions Pty Ltd	1,000,427.43	-
Loan - Mark Menzies	300,000.00	300,000.00
Loan - Matt Ingram Family Trust	1,002,500.00	-
Loan - Orca Comercio De Sistemas Ambientais Ltd	71,493.07	66,989.48
Loan - Orca Enviro Systems Pty Ltd	-	80,736.42
Loan - Orca Environmental Solutions DMCC	3,189,665.27	888,974.35
Loan - Orca Global Financial Services Ltd	48,609.08	48,609.08
Loan - Other Related Parties	404,710.00	401,404.00
Loan - Palante Pty Ltd	2,621,939.81	926,682.00
Loan - SOFC	3,343,403.37	2,651,474.51
Loan - Tesoriero Investment Group Pty Ltd	1,159,393.34	960,347.00
Loan to Iugis Investments for Autonomous Energy	4,548,209.90	-
Loan to Spartan Consulting Group	1,419,324.77	879,583.23
Loans - 23 Margaret Street	687,741.90	364,638.17
Loans - 26 Edmonstone Road	614,628.95	475,256.00
Loans - Canner Investments	1,180,315.82	1,037,122.98
Loans - Intrashield	1,283,130.10	958,046.92
New Finance Book - Forum Group	5,661,453.42	141,885.91
New Finance Book - Iugis AU	3,379,025.51	3,955,434.29
New Finance Book - Iugis UK	670,096.74	920,560.74
New Finance Book - Surfacide	2,059,440.00	2,346,440.00
Problem Contracts	400,729.41	-
Property - Bond Paid	9,408.00	(7,350.00)
Refinance Balance to Clear	5,013,005.00	-

	30 JUN 2021	30 JUN 2020
Shares Purchased	1,390,000.00	140,000.00
TG Digesters	964,893.80	561,234.95
Total Non-current Assets	258,089,080.64	155,494,403.38
Total Assets	272,366,448.29	164,490,146.55
Liabilities		
Current Liabilities		
Accounts Payable	10,644,789.34	7,020,781.63
Accrued Annual Leave Liability	-	4,129.27
GST	(21,682,406.35)	(11,060,061.43)
PAYG Withholdings Payable	2,144.00	2,960.00
Superannuation Payable	-	1,037.68
Suspense	(409,155.06)	(3,015.00)
Total Current Liabilities	(11,444,628.07)	(4,034,167.85)
Non-current Liabilities		
Accruals	10,337,427.81	10,344,304.74
Chattel Mortgage - Audi RSQ8	260,565.20	-
Chattel Mortgage - Porsche GT2 RS	572,347.13	666,159.05
Chattel Mortgage - Porsche GT4	186,694.24	207,579.88
Clearing Account - BHO	178,296,233.27	145,834,107.27
Clearing Account - HP Finance	(10,123,401.75)	(6,845,519.31)
Clearing Account - NZ	40,362,063.45	28,693,509.74
Clearing Account - SMBC	60,990,674.07	(7,201,235.40)
Clearing Account - SocGen via BHO	8,987,198.00	-
Loan - Forum Enviro (Aust)	1,137,916.47	-
Loan - MAIA Financial	3,861,000.00	3,861,000.00
Loan - NMF	(39,729.36)	(39,729.36)
Loan - Think Tank - 126463	2,910,750.00	3,000,000.00
Loan - Think Tank - 126464	59,903.50	212,668.06
Unexpired Term Interest	(102,652.50)	(106,636.60)
Total Non-current Liabilities	297,696,989.53	178,626,208.07
Total Liabilities	286,252,361.46	174,592,040.22
Net Assets	(13,885,913.17)	(10,101,893.67)
Equity		
Current Year Earnings	(3,784,019.50)	(7,130,770.21)
Owner A Share Capital	(750,000.00)	(750,000.00)
Retained Earnings	(9,351,893.67)	(2,221,123.46)
Total Equity	(13,885,913.17)	(10,101,893.67)

Aged Receivables Summary

Forum Group Financial Services Pty Ltd

As at 30 June 2021


CONTACT	CURRENT	< 1 MONTH	1 MONTH	2 MONTHS	3 MONTHS	OLDER	TOTAL
6 Bulkara Street Pty Ltd	6,050.00	-	-	-	-	-	6,050.00
64-66 Berkeley St Hawthorn Pty Ltd	4,840.00	-	-	-	-	-	4,840.00
8-12 Natalia Avenue Oakleigh Pty Ltd	45,232.00	-	-	-	-	-	45,232.00
Iugis Pty Ltd	22,959.20	125,692.60	-	-	-	-	148,651.80
Total	79,081.20	125,692.60	-	-	-	-	204,773.80

Aged Payables Summary

Forum Group Financial Services Pty Ltd

As at 30 June 2021

CONTACT	CURRENT	< 1 MONTH	1 MONTH	2 MONTHS	3 MONTHS	OLDER	TOTAL
Aged Payables							
Adams Consulting Engineers Pty Ltd	-	-	-	-	22,000.00	-	22,000.00
DNA AutoSport Australia	-	805.60	-	-	-	-	805.60
Forum Enviro (Aust) Pty Ltd	9,159,572.40	-	-	-	-	-	9,159,572.40
Forum Group Pty Ltd	654,442.66	659,015.40	-	-	-	-	1,313,458.06
Latep Legal	-	-	-	-	-	(3,015.00)	(3,015.00)
Leo Karis	-	33,000.00	-	-	-	-	33,000.00
Melbourne Performance Centre	-	16,349.60	-	-	-	-	16,349.60
Metier3 Pty Ltd	23,232.00	47,554.38	-	-	-	-	70,786.38
Mirvac Birkenhead Point Marina Pty Ltd	-	2,266.00	-	-	-	-	2,266.00
Panetta Lawyers	-	-	10,890.00	-	-	-	10,890.00
Short Marine	-	14,789.91	-	-	-	-	14,789.91
Sydney Olympic Football Club Ltd	-	2,694.05	-	-	-	-	2,694.05
UNITY	-	779.80	-	412.54	-	-	1,192.34
Total Aged Payables	9,837,247.06	777,254.74	10,890.00	412.54	22,000.00	(3,015.00)	10,644,789.34
Total	9,837,247.06	777,254.74	10,890.00	412.54	22,000.00	(3,015.00)	10,644,789.34



Forum Finance Pty Limited (In Liquidation) (Receivers Appointed)
ACN 153 301 172

Forum Group Financial Services Pty Ltd
(Provisional Liquidators Appointed)
ACN 623 033 705

Report to creditors

8 October 2021



McGrathNicol



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1 Introduction

We refer to:

- our appointment as Liquidators of Forum Finance Pty Limited (**Forum Finance**) on 9 July 2021;
- our appointment as Provisional Liquidators of Forum Group Financial Services Pty Ltd (**FGFS**) on 15 July 2021; and
- our initial information for creditors dated 6 August 2021 for Forum Finance in which we advised you of our appointment and your rights as a creditor in the liquidation, copies of which can be found on our website (<https://www.mcgrathnicol.com/creditors/forum-finance-pty-ltd/>).

Section 70-40 of the Insolvency Practice Rules (Corporations) 2016 (**IPR**) requires the Liquidators of Forum Finance to provide a report to creditors, within three months of commencement of the liquidation, on:

- the progress of the liquidation; and
- the likelihood of a dividend being paid in the liquidation.

The purpose of this report is to provide creditors of Forum Finance with the above information.

While the Provisional Liquidators of FGFS are not bound by this statutory reporting requirement, we will also report to creditors on the provisional liquidation of FGFS given the relationship between FGFS and Forum Finance.

We will also be requesting that you consider our and the Former Voluntary Administrators' detailed remuneration approval reports.

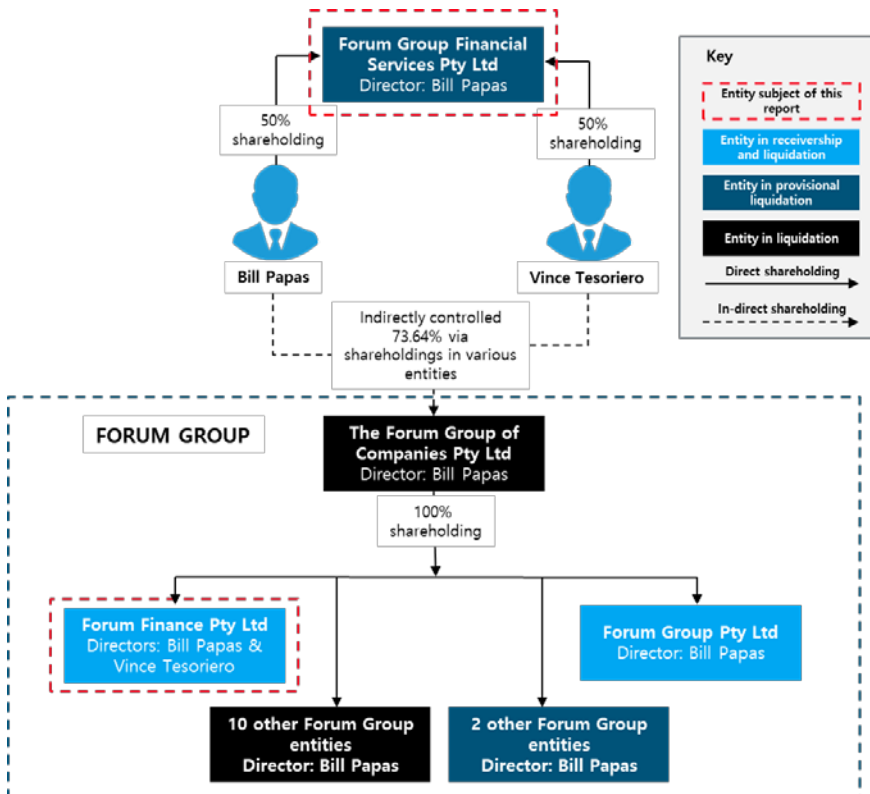
Forum Finance and FGFS are collectively referred to as the "Companies". For simplicity and the purposes of this report, we may interchangeably refer our appointment as the Provisional Liquidators of FGFS as the "Liquidators" and the provisional liquidation of FGFS as the "Liquidation".

2 Update on the progress of the Liquidations

2.1 Background

2.1.1 Corporate structure

An overview of the corporate structure of the Companies at our appointment dates is set out:



Further details on the Companies are set out in sections 2.1.2 and 2.1.3 below. The Liquidators note the following in relation to the corporate structure:

- The Companies are not part of the same group but are related by virtue of common directors (including a former director) and ultimate controlling shareholders, Basile Papadimitriou (**Bill Papas/Mr Papas**) and Vincenzo Francesco Tesoriero (**Vince Tesoriero/Mr Tesoriero**).
- Forum Finance along with thirteen other wholly-owned Australian subsidiaries of The Forum Group of Companies Pty Ltd (**FGOC**) were known as the "Forum Group" (**Forum Group**).
- Mr Papas and Mr Tesoriero indirectly control 73.64% of Forum Finance through their interests in various shareholders of FGOC, Forum Finance's parent.
- Mr Papas and Mr Tesoriero each hold 50% of the shares in FGFS in their personal names.
- The Liquidators of the Companies are also the appointed Liquidators/Provisional Liquidators of the other thirteen Forum Group companies, along with fourteen other entities associated with Mr Papas outside the Forum Group (which are not shown in the structure chart above).
- Andrew Grenfell and Kare Johnstone of McGrathNicol NZ were separately appointed to two other entities located in New Zealand, associated with Bill Papas.

2.1.2 Forum Finance

Forum Finance was incorporated in New South Wales in September 2011. The directors of Forum Finance recorded by ASIC at the date of our appointment were Bill Papas and Vince Tesoriero (**Forum Finance Directors**).

Jason Preston and I were appointed Liquidators of Forum Finance on 9 July 2021 by order of the Federal Court of Australia (**Court**).

On 12 July 2021, Antony Resnick and Mark Robinson of dVT Group were appointed Receivers (**Receivers**) over Forum Finance's assets pursuant to a registered general security interest granted to Octet Finance Pty Ltd (**Secured Lender**) by Forum Finance as guarantor of a funding facility entered into between the Secured Lender and the Forum Group.

Forum Finance was primarily an equipment leasing arranger/broker, operating in the managed print services and environmental services sectors, among others.

Forum Finance would typically enter equipment leasing and maintenance contracts with customers as principal (and in some cases agent) with the economic interest in and security associated with those contracts passed to a range of third-party financiers through various structures, generally on an undisclosed basis. Forum Finance would typically earn commissions as part of these arrangements.

At the time of our appointment, there were considerable amounts owing to Westpac Banking Corporation and Westpac New Zealand (together, **WBC**), SMBC Leasing and Finance Inc (**SMBC**), and Societe Generale (**SocGen**) as third party financiers.

In a small number of instances, the economic interest in contracts were not passed through to any financier and Forum Finance maintained an economic interest in these leases.

Despite these arrangements with financiers, Forum Finance would maintain an active role in the lease and be responsible for provision of services to customers under the lease and retain the credit risk associated with customer defaults (i.e. it would still be required to make payment to the financiers even if the customer did not make payment).

Forum Finance did not have any employees at the date of our appointment. Forum Finance operated primarily under the direction of Mr Papas, Director and through employees of Forum Group Pty Ltd and associated entities, including Moussa 'Tony' Bouchahine (**Mr Bouchahine**), the Chief Financial Officer.

Forum Finance typically outsourced the supply, maintenance and administrative components of the contracts (including invoicing, collections and remittance of funds to the financier) to other entities within the Forum Group, primarily Forum Group Pty Limited in respect of managed print services contracts, and notionally Forum Enviro Pty Limited / Orca Enviro Solutions Pty Limited (later Iugis Pty Ltd) in respect of the environmental services contracts.

2.1.3 FGFS

FGFS was established in New South Wales in November 2017. Bill Papas was the sole director of FGFS (**FGFS Director**) at the date of our appointment. Vince Tesoriero was a director of FGFS from 13 November 2018 to 30 April 2020.

Jason Preston and I were appointed Provisional Liquidators of FGFS on 15 July 2021 by order of the Federal Court of Australia.

Prior to our appointment, Domenico Alessandro Calabretta, Grahame Robert Ward and Thyge Trafford-Jones of Mackay Goodwin were appointed as voluntary administrators of FGFS on 8 July 2021 (**Former Voluntary Administrators**), with their appointment terminating upon our appointment.

FGFS primarily acted as the Forum Group's treasury entity, acting as the conduit for funds transfers between Forum Group entities, as well as providing loans to associated entities and associates of Mr Papas and Mr Tesoriero. FGFS did not operate a trading business.

Separately, FGFS utilised funds to acquire a property (which it allegedly intended to develop), and acquire and maintain various 'lifestyle assets' including high end vehicles, race cars, boats and jet skis (which were in many cases used by one or more of the Forum Finance Directors for their personal use and registered in their personal names).

FGFS did not have any employees at the date of our appointment. Prior to the Liquidators' appointment, FGFS operated primarily through an employee and a contractor who acted under the supervision and direction of Mr Bouchahine who in turn acted under the direction of Mr Papas.

Based on the Provisional Liquidators' investigations to date, the majority of the funds received by FGFS were obtained through transfers from other entities within or related to the Forum Group, primarily Forum Finance, Forum Enviro (Aust) Pty Ltd (Provisional Liquidators Appointed) and Iugis (NZ) Ltd (In Liquidation) (a New Zealand registered entity). We have not been able to identify a valid underlying basis for the transfer of funds to FGFS from these entities.

2.2 Reasons for the failure of the Companies

The Liquidators have not received a completed Report on Company Activities and Property (**ROCAP**) for either of the Companies that provides an explanation on the failure of the Companies. Please refer to section 3.1 for further detail on the ROCAPs.

In conversations with Mr Papas, he suggested the failure of Forum Finance as part of the broader Forum Group, was as a result of the impact of COVID and the resulting disruption and inability for the companies to operate effectively. This is inconsistent with our findings.

We consider that:

- the real reason for the Companies' failure was the business they were operating included the preparation of false customer contracts which were then financed by third parties. A significant proportion of the proceeds generated from this activity was then paid away to other entities. This resulted in the Companies incurring liabilities far in excess of their assets and an inability to meet the payment demands that were made;
- those payment demands were made after concerns were raised about allegedly fraudulent behaviour undertaken by (or at the direction of) Mr Papas which resulted in freezing orders being issued by the Federal Court of Australia against Mr Papas and Mr Tesoriero personally, as well as the assets of Forum Finance and litigation being commenced against numerous Forum Group entities; and
- this resulted in the Companies being unable to meet their trading and financing obligations, nor access further funding.

We note Mr Papas departed Australia for Greece in mid-June 2021 shortly after the allegedly fraudulent behaviour was identified and ahead of the various insolvency appointments. Mr Papas has not returned to Australia despite stating his intention to do so.

While Mr Papas initially engaged with the Liquidators to a limited extent, he has not provided any meaningful assistance to the liquidators in respect of their investigations. Mr Papas has shut down the email address that the Liquidators were using to contact him. Further, Mr Papas is no longer represented in the various proceedings commenced against him in respect of the fraudulent activities.

2.3 Timeline of key events

Below is a timeline of key events leading to the appointment of the Liquidators and Provisional Liquidators.

Date	Event
May to June 2021	WBC identified a number of its customers, which were allegedly customers under Forum Finance contracts funded by WBC, claimed that they did not enter into the purported contracts with Forum Finance.
16 June 2021	Mr Papas departed Australia for Greece.
28 June 2021	WBC obtained: <ul style="list-style-type: none"> ▪ freezing orders against Forum Finance and Mr Papas prohibiting them from disposing, dealing with or diminishing the value (i.e. freezing) of all their Australian and New Zealand assets up to the unencumbered value of approximately \$254 million; and ▪ search orders against Forum Finance and Bill Papas.
2 July 2021 to 27 August 2021	The Court amended the freezing orders outlined above on multiple occasions. The current freezing orders against the Directors are as follows: <ul style="list-style-type: none"> ▪ Mr Papas was made on 15 July 2021. It freezes his global assets up to the unencumbered value of approximately \$361 million. ▪ Mr Tesoriero was made on 27 August 2021. It freezes his global assets up to the unencumbered value of approximately \$254 million plus NZ\$44 million.
8 July 2021	The Former Voluntary Administrators were appointed to FGFS (along with other associated entities) by resolution of Mr Papas, its sole director.
9 July 2021	The Court made orders appointing the Liquidators to Forum Finance.
9 July to 15 July 2021	The Liquidators initial investigations identified that the vast majority of funding secured by Forum Finance were transferred to FGFS (with no appropriate accounting entries being made in the accounts of Forum Finance to reflect these transactions).
15 July 2021	The Court made orders appointing the Provisional Liquidators to FGFS and two other entities within the Forum Group. The appointment of the Former Voluntary Administrators to FGFS ended upon the appointment of Provisional Liquidators.
20 October 2021	A hearing is scheduled to occur at which time the Court will be asked to wind up and place in liquidation, FGFS and other entities currently in provisional liquidation.

2.4 Liquidators' actions to date

To date, we have undertaken the following:

- Liaised with Mr Papas, Mr Tesoriero and their legal advisors, in their capacity as Directors (or former Directors) of the Companies and Mr Bouchahine, in his capacity as former CFO of the Forum Group, in respect of the outstanding/incomplete ROCAPs, and causes of failure.
- Liaised with personnel of the various Forum Group entities including Mr Craig Rollinson, General Manager of Operations of the Forum Group, to gain an understanding of the business and financial position of the Companies.
- Liaised with and issued requests for information to financiers and other financial institutions in relation to the Companies.
- Gained access to books and records of the Companies including electronic accounting and financial records/systems.
- Undertook detailed sources and applications analysis for funds received and utilised by Forum Finance, FGFS and associated entities.

- Investigated the circumstances surrounding funds advanced by financiers to Forum Finance as a result of allegedly fraudulent contracts, including WBC, Westpac New Zealand, SocGen and SMBC (collectively, **the Financiers**), for equipment leases or contracts where there was no underlying customer. Further details regarding the alleged fraud committed and ongoing investigations undertaken to date by the Liquidators are set out in section 4.1 of this report.
- Undertook public examinations to progress investigations into how and by whom the alleged fraud was perpetrated, how funds had been utilised and to identify any further assets that may be available to creditors.
- Sought legal advice on the public examinations and investigations into the alleged fraud, realisation of assets and approach to deal with the potential competing claims by the financiers and other secured lenders.
- Liaised with the Receivers on the progress of the realisation and potential surplus available for the benefit of the creditors of Forum Finance.
- Sought and secured FGFS's assets and sought indicative valuations (where applicable) to determine their realisation value. Further details on the assets of the Companies are set out in section 3 of this report.
- Located, secured and sought to realise vehicles registered to FGFS.
- Liaised with parties who have registered PPSR security interest over the assets of the Companies.
- Carried out preliminary investigations in order to prepare a confidential report which will be lodged with the Australian Securities & Investments Commission (ASIC) pursuant to section 533 of the Corporations Act (**Act**) in due course.
- Reported to and filed lodgements with ASIC and creditors.

2.5 Funding agreement

Upon our appointment, noting the freezing orders in place, variety of financier claims and alleged fraud, there were insufficient funds/assets available to us to undertake our role beyond our basic statutory obligations.

In order for us to undertake a comprehensive investigation and understand the claims or assets that may be available for the benefit of creditors, we engaged with the major Financiers in respect of providing funding to allow us to undertake this work.

An in-principle agreement was ultimately reached with Westpac to provide the Liquidators a loan for the purposes of funding the Liquidators' remuneration and expenses incurred in July, August and September 2021 (or other such longer period as agreed in writing) up to a value of \$4.5 million (excluding GST) (**Funding Facility**). The funding was put in place to allow the Liquidators to undertake investigations of the Forum Group and associated entities, and the identification of possible future sources of asset recoveries. The Funding Facility includes the following terms and conditions:

- interest charged at an interest rate of BBSY Bid plus 3% with any unpaid interest to be capitalised monthly.
- the drawn down amounts together with any interest accrued are to be reduced and repaid once and to the extent that there are sufficient funds in the liquidations of the Forum Group and the Liquidators reasonably form the view that those funds are not required for the purposes of that liquidation.
- the Liquidators' liability to repay the drawdown amounts together with any interest accrued is on a limited recourse basis, with Westpac's recourse being limited to the assets available in the liquidations.
- other financiers who have legal proceedings on foot against various Forum Group entities (being SMBC and SocGen) may accede as a funder to the Funding Agreement, with the written consent of the Liquidators and Westpac, for the purpose of furthering investigations and/or proceedings commenced in respect of entities.
- to ensure that priority employee creditors of the Forum Group are not disadvantaged, the agreement provides that to the extent there are any outstanding employee entitlements (which are afforded priority under sections 556 and 560 of the Corporations Act) in any entity, any recoveries made by that entity must first be used to pay those priority employee entitlements.
- the agreement provides that, regardless of whether the funding was used in the liquidation or provisional liquidation of a particular entity, the Liquidators of each entity are jointly and severally liable for the repayment of all amounts drawn down and any interest accrued under the Funding Facility.

We consider that entering into the Funding Agreement on those terms was in the best interests of Forum Group and its creditors on the basis that:

- there were clearly matters requiring detailed investigation in order to identify assets that may be able to be recovered for the benefit of creditors;
- no other funding has been offered to the Liquidators;
- the agreement retains certain protections discussed above;
- given the security that has been granted and the proprietary claims made (discussed further at Section 3.4.2 below), Forum Finance and FGFS do not have available assets to fund investigations and recovery actions;
- we have not identified any potential prejudice or oppression to the creditors of Forum Finance and FGFS that would arise by reason of entering into the Funding Agreement;
- we consider that the entry into the agreement presents little risk to Forum Finance and FGFS and their creditors; and
- given the absence of any security that can be offered, or the certainty of any recoveries, we consider it very unlikely that funding would be available from any other source. We consider the terms of the Funding Agreement are likely to be more favourable than those that would, in our experience, likely be available from a commercial litigation funder.

The agreement was entered into on 7 September 2021, following the Court granting approval for the Liquidators to enter into the agreement.

Apart from priority employee claims, the effect of this Funding Agreement is that all realisations across any of the entities subject to our appointment will first be applied in repayment of the Funding Facility, and amounts will only become available for unsecured creditors to the extent there is a surplus once the Funding Facility has been repaid in full.

The Funding Facility will only be drawn down based on costs actually incurred and properly approved (and to the extent there are insufficient recoveries in the respective liquidations). Liquidators' remuneration will still require approval by creditors. No amounts have been drawn under the Funding Facility to date.

3 Assets and liabilities

3.1 Report on Company Activities and Property (ROCAP)

Under section 475 of the Act, Directors, and company officers, can be required to complete a ROCAP, setting out an assessment of a company's asset and liability position and causes of failure.

The Liquidators requested Mr Papas and Mr Tesoriero, in their capacities as directors and/or former directors of the Companies, to submit a ROCAP each for both Companies and Tony Bouchahine in his capacity as former CFO (i.e. an officer) of the Forum Group to submit a ROCAP for Forum Finance.

To date, Mr Papas and Mr Bouchahine have each provided a ROCAP for Forum Finance which have the following limitations:

- Mr Papas supplied a draft ROCAP which is largely incomplete and unsigned; and
- Mr Bouchahine supplied an incomplete ROCAP on 7 October 2021 and has not answered certain queries in the ROCAP on the basis he wishes to involve privilege against self-crimination.

Mr Tesoriero has not provided a ROCAP in respect of either of the Companies as at the date of this Report. The Liquidators will be issuing a second and final request imminently. The Act provides for serious consequences for a failure to submit a ROCAP.

The Liquidators will be lodging Mr Papas and Mr Bouchahine's ROCAPs with ASIC shortly, noting they are largely incomplete and have not complied with the Liquidators' requests in substantiation. Additionally, in the event Mr Tesoriero does not comply with the above second and final request in the requested timeframe, he too will be reported to ASIC for non-compliance.

In the absence of useful ROCAPs and the ability to comment on them, we have relied on the following information to prepare this Report and comment on Companies' asset and liability position:

- books & records of the Companies;
- materials relating to the Companies produced by third parties in response to subpoenas;
- discussions with former staff of other Forum Group entities and parties with knowledge of the Companies;

- our detailed investigations; and
- company searches and verifiable public information, such as ASIC registers.

3.2 Forum Finance

We have based our analysis below on Forum Finance's balance sheet as at 30 June 2021 as extracted from the electronic accounting records. We note that there are a number of manual adjustments that appear to have been made to the accounts in the period between 30 June and the Liquidators appointment, however these are without adequate explanation and we have been unable to reconcile the basis of the adjustments.

We also note that based on our investigations to date, we do not consider that the Forum Finance accounting records accurately reflect the true nature of the underlying transactions (noting the apparent fraudulent activity), and are therefore likely misleading.

3.2.1 Assets

The below table summarises Forum Finance's asset position based on the information obtained from the balance sheet from the company's accounting system as at 30 June 2021 and our investigations.

Please note, all assets are subject to the appointment of the Receivers to Forum Finance. Any realisable value in the high case is currently unknown as it will be subject to the Secured Lender being repaid either directly from Forum Finance or from other Forum Group entities over which they hold security. The low case assumes all proceeds are applied to reduce the Secured Lender's debt.

Forum Finance - asset summary				
\$'000	Reference	Book Value	Liquidators' Est. Amt.	
		30-Jun-21	Low	High
Assets reported in the Balance Sheet				
Cash	3.2.1.1	138	-	160
Accounts receivable	3.2.1.2	19	-	Unknown
Other circulating assets	3.2.1.3	144	-	Unknown
Loans to related parties and appointment group entities	3.2.1.4	18,820	-	Unknown
Sub total		19,121	-	160
Other assets not reported in the Balance Sheet				
Legal action recoveries	3.2.1.5	-	-	Unknown
Sub total		-	-	-
Total		19,121	-	160

3.2.1.1 Cash

Forum Finance maintained two bank accounts with National Australia Bank (**NAB**), which held combined balances totalling \$160k on appointment of the Liquidators.

Forum Finance's books and records record balance of \$138k at 30 June 2021, the difference between the two relates to transactions on the accounts between 30 June 2021 and the appointment on 9 July 2021, primarily relating to what appear to be debtor receipts.

This balance remains with the account bank and has not yet been released to either the Receivers or the Liquidators.

3.2.1.2 Accounts receivable

Forum Finance's accounting records detail an accounts receivable balance of \$19k comprising lease receivables in respect of leases which Forum Finance maintained the economic interest (i.e. hadn't been transferred to an external financier).

The majority of these amounts appear to be the amounts receipted into the bank accounts beyond 30 June 2021, so we consider there to be limited scope for further material recoveries of accounts receivable.

3.2.1.3 Other circulating assets

Forum Finance's accounting records details circulating assets relating to net GST claimable and accrued interest in respect of certain financiers.

Given that these items are both linked to Forum Finance's financing operations and the alleged fraud identified in respect of those operations, the existence of these assets is questionable and any recovery remains inherently uncertain.

3.2.1.4 Loans to related parties and appointment group entities

Forum Finance's accounting records include \$18.8 million of related entity loans receivable outstanding, however we consider the true balance of funds advanced to related Forum Group entities to be well in excess of this figure based on our review of the bank statements.

We have identified "in and out" transfers totalling approximately \$290 million from Forum Finance to FGFS (relating to funds fraudulently obtained from financiers), which are not recorded in the accounting system. We understand these transfers made to FGFS, were intentionally omitted in an effort to conceal the existence and extent of the alleged fraudulent scheme.

Each of these entities is subject to various insolvency appointments. Proof of Debts (**POD**) will be submitted in those processes in due course. It is difficult to assess the ultimate likely realisations from these claims.

3.2.1.5 Legal action recoveries

As at the Liquidation date, there were 12 ongoing legal proceedings commenced by Forum Finance as plaintiff for recovery of amounts outstanding and damages. While these claims have a headline value of \$1.9 million, the majority of these claims require significant costs to be incurred in order to pursue them and consequently the quantum of recoveries is uncertain.

We understand the Receivers are not proactively pursuing these claims and we have not attributed any realisable value to these claims for our current purposes.

3.2.2 Liabilities

The below table summarises Forum Finance's liability position based on the information obtained from the balance sheet from the company's accounting system as at 30 June 2021 and our investigations.

Forum Finance - liability summary				
\$'000	Reference	Book Value	Liquidators' Est. Amt.	
		30-Jun-21	Low	High
Liabilities reported in the Balance Sheet				
Trade creditors	3.2.2.1	1,395	1,295	<i>Unknown</i>
Finance liabilities	3.2.2.2	472	472	<i>Unknown</i>
Loans from appointment group entities	3.2.2.3	1,232	1,837	<i>Unknown</i>
Sub total		3,099	3,604	-
Other liabilities not reported in the Balance Sheet				
Secured creditors	3.2.2.4	-	2,500	<i>Unknown</i>
Sub total		-	2,500	-
Total		3,099	6,104	-

3.2.2.1 Trade creditors

Forum Finance's accounting records detail trade creditors within their accounts payable of c. \$1.4 million, however the Liquidators review suggests \$605k of this balance appears to be payable to Forum Group Pty Ltd (In Liquidation), a related entity subject to our appointment.

The Liquidators have received PODs totalling \$505k from two unsecured creditors as at the date of this report.

The Liquidators have not yet called for formal PODs from creditors and accordingly, this amount may change.

3.2.2.2 Finance liabilities

Forum Finance's accounting records include c. \$472k owing to financiers, however we consider the true balance to be well in excess of this figure based on our review of the bank statements.

We have identified receipts totalling in excess of \$350 million from various financiers (relating to funds fraudulently obtained from those financiers), which are not recorded in the account system. We understand these receipts were intentionally omitted in an effort to conceal the existence and extent of the alleged fraudulent scheme.

We understand that other entities made payments to financiers in respect of Forum Finance's monthly obligations, predominantly funded by FGFS (which received a significant proportion of the fraudulently obtained funds), which served to reduce the net amount outstanding to those financiers.

3.2.2.3 Loans from intercompany entities

Forum Finance's accounting system recorded an intercompany loan payable to Forum Enviro Pty Ltd (In Liquidation) of c.\$1.2m as at 30 June 2021, however the Liquidators review of trade creditors suggests \$605k of this balance appears to be payable to Forum Group Pty Ltd (In Liquidation), a related entity subject to our appointment.

Separately, we understand that other entities made payments to financiers in respect of monthly obligations, predominantly funded by FGFS. While those payments served to reduce the net amount outstanding to those financiers, there would be a corresponding increase in the intercompany loan liabilities owing to those entities or FGFS that has not been recorded in the accounts.

3.2.2.4 Secured creditors

As detailed in section 2.1.2, the Secured Lender has enforced their general security interest by appointing the Receivers to Forum Finance and its assets to recover the amounts Forum Finance guaranteed in respect the Working Capital Facility.

The balance under the Working Capital Facility is understood to be c.\$2.5 million, comprising the estimated c.\$1.9 million as at the Liquidators' appointment, plus c.\$700k in costs associated with the Receivership accrued since that time. Given Forum Finance is just a guarantor to the Working Capital Facility, this remains a contingent claim however we note all the assets of Forum Finance are available to the Secured Lender to be applied to its debt until such time it has been repaid in full from those or other sources.

Including the All PAP to Octet, there are 130 interests registered against Forum Finance on the PPSR, summarised below:

Forum Finance - PPSR registrations							
	Chattel Paper	General Intangible	Account	Other Goods	All PAP	All PAP with Exception	Totals
Westlawn Finance Ltd	1	1	1	-	-	-	3
BHD Leasing Pty Ltd	1	1	1	35	-	-	38
Octet Finance Pty Ltd	-	-	-	-	1	-	1
HP Financial Services (Australia) Pty Ltd	-	-	-	2	-	-	2
Eqwe Pty Ltd	1	1	1	79	-	-	82
Societe Generale	1	-	1	-	-	1	3
Forum Finance Pty Ltd	-	-	-	1	-	-	1
Totals	4	3	4	117	1	1	130

Noting the Receivers are dealing with stock, we have not yet determined the validity or quantum of the majority of these registrations.

3.3 Forum Group Financial Services

We have based the analysis below on FGFS's balance sheet as at 8 July 2021, being the day the Former Voluntary Administrators' were appointed, on the basis the accounts have been reconciled to that day and appears to capture all transactions.

3.3.1 Assets

The below table summarises the book value of FGFS' assets, which are discussed in more detail in the below sections:

FGFS - asset summary

\$'000	Reference	Book Value	Provisional Liquidators' Est. Amt.	
		8-Jul-21	Low	High
Cash	3.3.1.1	572	<i>Unknown</i>	572
Accounts receivables	3.3.1.2	606	-	<i>Unknown</i>
Loans to entities within appointment group	3.3.1.2	57,437	-	<i>Unknown</i>
Loans to other parties	3.3.1.2	77,506	-	<i>Unknown</i>
Clearing accounts - assets	3.3.1.2	111,398	-	<i>Unknown</i>
Lease receivables	3.3.1.2	11,882	-	<i>Unknown</i>
Other circulating assets	3.3.1.3	21,703	-	3,975
Real property	3.3.1.4	4,210	-	3,500
Office Equipment	3.3.1.5	5,800	-	-
Vehicles	3.3.1.6	2,949	-	1,267
Total		294,062	-	9,314

3.3.1.1 Cash

FGFS maintained a single bank account with NAB, which held a balance \$572k on appointment of the Provisional Liquidators.

This balance has not yet been released to the Provisional Liquidators given it remains subject to various competing claims, including as security from NAB in respect of a lease provided to FGFS in respect of a high-end vehicle (expected shortfall of c\$40k).

3.3.1.2 Loans receivables

Accounts receivable

FGFS's accounting records include an accounts receivable balance of \$606k at the date of our appointment comprising:

- \$556k properly classified as intercompany receivables (owing by related parties subject to our appointments); and
- the balance as related party loan receivables.

Each of these related entities is subject to various insolvency appointments. PODs will be submitted in those processes in due course, however, we consider it to be unlikely there will be any realisations from those claims.

Loans to entities within appointment group

FGFS's records include receivables associated with funds advanced by FGFS to other entities within the Forum Group that are currently subject to our appointment totalling \$57.4 million.

The funds advanced by FGFS to other entities within the appointment group were used for a wide variety of purposes, including;

- funding repayments to financiers of other Forum entities in respect of funds that are alleged to have been fraudulently obtained where there was no underlying customer;
- funding entities working capital requirements; and
- funding acquisitions.

Each of these related entities is subject to various insolvency appointments. PODs will be submitted in those processes in due course, however, we consider there it to be unlikely there will be any realisations from those claims.

Loans to other parties

FGFS's accounting records include loan receivables to other entities associated with Mr Papas and Mr Tesoriero (both in Australia and internationally) in the sum of \$77.5 million.

The loans provided by FGFS appear to have been used for a wide variety of purposes, including but not limited to funding;



- investments in overseas entities held directly or indirectly by Mr Papas;
- businesses' working capital, trading losses and start-up costs; and
- acquisition and maintenance of real properties held in a variety of different entities and trust structures associated with Mr Papas and Mr Tesoriero.

In some cases, there are underlying operating businesses or assets which we continue to review and assess recovery options.

Given the balances are associated with either entities associated with Mr Papas or Mr Tesoriero, are subject to freezing orders and a range of competing claims, we are unable to determine a realisable value at this time.

Clearing accounts – assets

FGFS's accounting records included a number of clearing accounts with asset balances in the sum of \$111.4 million as at appointment.

From our investigations to date we understand the clearing accounts largely provide an accounting of the alleged fraud scheme, and record payments to and from financiers regarding suspected fraudulent contracts (i.e contracts with no underlying customers). FGFS did not have a direct relationship with the financiers and these amounts would be more appropriately classified as intercompany loans.

It is unlikely these assets are recoverable.

Lease receivables

FGFS's accounting records included a number of lease receivable accounts with asset balances totalling \$11.9 million. These accounts relate to finance provided to related entities in respect of lease receivables, which were provided on an unsecured basis and in effect represent a loan to these related companies to fund their respective operations.

Each of these related entities is subject to various insolvency appointments. PODs will be submitted in those processes in due course, however, we consider there it to be unlikely there will be any realisations from those claims.

3.3.1.3 Other circulating assets

FGFS's accounting records include a GST receivable as at appointment in the sum of \$21.7m. It appears based on our investigations to date that the majority of this balance relates to intercompany payments in connection with the alleged fraud scheme.

We are seeking further information to progress our investigations and determine FGFS's eligibility to claim GST credits generally and the extent to which GST can be claimed on bona fide payments to third parties. Our initial estimate of recovery is between nil to c.\$4 million.

The records of FGFS also include a prepayment of \$30.9k at appointment. These appear to relate to insurance premiums and are not considered to have any recoverable value.

FGFS' records included a bond paid in connection with a storage facility in of \$9.4k. The Provisional Liquidators do not consider this amount has any recoverable value.

3.3.1.4 Real property

FGFS owns a commercial property in Oakleigh, Victoria, which had a carrying value at appointment of \$4.2m. This property is subject to a real property mortgage recorded as having a balance outstanding of \$3.0m.

The mortgagee has appointed an agent for the mortgagee in possession in respect of this property, and based on initial guidance from the agent for the mortgagee, we expect there to be some (limited) equity available to FGFS.

3.3.1.5 Office equipment

FGFS's accounting records included office equipment with a book value \$5.8 million as at the date of appointment.

Based on our investigations to date, and confirmed by Forum staff under public examination, there does not appear to be underlying assets supporting this entry. It appears that these funds may have in fact been transferred to Forum Group Pty Limited (In Liquidation), although it is not clear on what basis.

3.3.1.6 Vehicles

FGFS' accounting records include \$2.9 million worth of vehicles at appointment.

The Provisional Liquidators understand the underlying assets comprising this vehicles balance includes high end vehicles, race cars, boats, jet skis and trailers. In a number of cases, these vehicles are subject to leases, have been damaged and others which are registered in either Mr Papas' or Mr Tesoriero' s personal name which complicates the realisation process.

We have secured a number of vehicles, which have been realised or are in the process of being realised. This includes a high-end vehicle leased through NAB which has been sold, crystallising a shortfall of c.\$40k which NAB propose to set off against the cash balance.

Consequently, recovery of this balance is currently ongoing. We estimate a recovery range of nil to c. \$1.2 million.

3.3.2 Liabilities

The book value of FGFS' liabilities at the time it entered liquidation were c. \$308.5 million, which is summarised in the table below:

FGFS - liabilities summary				
\$'000	Reference	Book Value	Provisional Liquidators' Est. Amt.	
		8-Jul-21	Low	High
Secured creditors	3.3.2.1	3,990	3,990	<i>Unknown</i>
Other liabilities	3.3.2.2	304,492	359,392	<i>Unknown</i>
Total		308,483	363,383	-

3.3.2.1 Secured creditors

As at appointment, the books and records of FGFS include \$4.0 million in secured creditor liabilities. As detailed above, \$3.0m of this relates to the mortgage against FGFS' property in Oakleigh, Victoria and the balance relates to three chattel mortgages against various motor vehicles included in the balance sheet.

Below is a summary of the five interests registered against FGFS on the PPSR:

FGFS - PPSR registrations			
	All PAP	Motor Vehicle	Totals
BNY Trust Company of Australia Ltd	2	-	2
Volkswagen Financial Services Australia Pty Ltd	-	1	1
National Australia Bank Ltd	1	1	2
Totals	3	2	5

We have not yet determined the validity or quantum of the majority of these registrations.

3.3.2.2 Other liabilities

The FGFS balance sheet includes unsecured creditors totalling \$304.5 million.

Trade creditors totalling \$10.7 million were reported in the balance, with \$10.6 million of this payable to entities within the appointment group and the balance seemingly relating to third party trade payable accounts.

Clearing accounts - liabilities totalling \$292.7m were disclosed in the balance sheet. As detailed in section 3.3.1.2, we understand the clearing accounts largely provide an accounting of the alleged fraud scheme, and record payments to and receipts from financiers regarding those suspected fraudulent contracts.

FGFS did not have a direct relationship with the Financiers and these amounts would be more appropriately classified as intercompany loans.

Loans from appointment group entities were reported in FGFS' balance sheet at appointment and totalled c. \$1.1m. This balance represents an unsecured intercompany loan from Forum Enviro (Australia) Pty Ltd (In Liquidation) to FGFS.

In addition to the above, the Provisional Liquidators have received one POD totalling \$54.9 million from Iugis (NZ) Ltd (In Liquidation), a related party of FGFS, as at the date of this report.

3.4 Competing claims

We note there are a range of competing claims being asserted over the assets of Forum Finance and FGFS by various parties, including trust and proprietary claims from various lenders and financiers.

If successful, these claims may reduce the pool of assets available or otherwise impact the statutory priorities, and impact the prospect of any dividend to unsecured creditors.

Given the uncertainty and complexities around the validity, extent and impact of these claims, we have not sought to reflect the impact of these claims in the above analysis.

3.4.1 Trust claims

These claims relate to assertions by certain financiers that they are entitled to amounts received from customers pursuant to the terms of their agreements with Forum Finance. Specifically, that funds received from customers are held on trust until such time that they were remitted/passed through to the financier (**Trust Claims**).

3.4.2 Proprietary interest claims

Separately, we have been put on notice that a number of Financiers are claiming proprietary interest claims (**Proprietary Claims**) against assets in the name of the Companies.

These claims are on the basis that funding to Forum Finance was alleged to have been fraudulently obtained, therefore any funds in bank accounts, or assets acquired (or in part funded) by the financiers remains the property of the financiers and is not available to the Companies or its creditors.

4 Investigations

Creditors will find a summary of offences under the Act, including details of voidable transactions and insolvent trading considerations in the Creditor Information Sheet – Offences, Recoverable Transactions and Insolvent Trading (Enclosure 7).

4.1 Fraudulent scheme

4.1.1 Overview

As noted in section 2 above, our appointment as Liquidators to Forum Finance was ordered by the Court on an application by WBC following their discovery of alleged fraudulent contracts.

Following our appointment, we have undertaken a detailed investigation and funds tracing exercise to understand the extent of the alleged fraud and the related activities of individuals to:

- investigate the circumstances surrounding the collapse of the Companies;
- determine the extent of the alleged fraud;
- identify how the alleged fraud scheme was committed and who may have been involved;
- trace the application of funds; and
- consider assets that may be available to recover.

Our investigations have been undertaken at a "Group" level for all entities that we have been appointed to (and go beyond the two entities that are the subject of this report), given the extent of the alleged fraudulent scheme and the way in which funds were transferred and recycled within the Group.

An overview of our preliminary findings is set out below.

4.1.2 Investigations undertaken

Our investigations to date have included, amongst other activities:

- analysis of sources and applications of funds, including tracing of funds through associated entities in Australia and overseas, and identification and review of recipient accounts;

- an analysis of over 110,000 transactions across approximately 150 bank accounts held by Forum Finance, FGFS, other Forum Group entities, associated entities/persons and beneficiaries obtained from financial institutions and in response to subpoenas (focused on the period from July 2018 to June 2021);
- upload and process over 4.9 million documents to an online review platform;
- conduct of targeted searches of key terms and of key individuals and review of relevant materials;
- review of clearing accounts and other accounting records that appear to pertain to or record the alleged fraud;
- compilation and analysis of equipment listings contained in the alleged fraudulent contracts;
- identification of contractual documentation to determine the veracity of same;
- identification of relevant correspondence relating to those contracts to identify the people involved in the production of the alleged fraudulent contracts;
- analysis of the accounting records, data extracted from available systems and bank statements provided by financial institutions/Financiers for accounts of the Companies and accounts of parties subject to subpoena in the proceedings brought by WBC; and
- conducting public examination of:
 - Tony Bouchahine (CFO of the Forum Group) – who had responsibility for the accounts of FGFS;
 - Craig Rollinson (General Manager of Operations of the Forum Group) – who had responsibility for certain associated entities in Australia and overseas; and
 - Brandon Chin (employee of an associated entity and formerly of FGFS) – who was responsible for accounting entries in FGFS.

4.1.3 Key findings

Set out below are key findings based on our investigations to date:

- material funds are alleged to have been fraudulently obtained by Forum Finance from financiers through the provision of false documentation;
- primarily the scheme involved contracts being presented to Financiers for financing by Forum Finance, where the underlying contracts were never entered into by the named customer (with customer signatures forged or copied and applied without their knowledge) and where there was in fact no underlying customer and/or equipment supplied;
- the alleged fraudulent behaviours appear to have been undertaken over an extended period of time. While we have focused on the period from 1 July 2018 to 30 June 2021 for the purpose of our analysis to date, we have identified materials suggesting similar behaviour was evident as far back as at least 2013;
- while a significant quantum of funds are alleged to have been fraudulently obtained by Forum Finance, the behaviour was also undertaken in other Forum Group entities associated with Mr Papas in Australia and New Zealand with similar schemes operating through those entities;
- the extent of the alleged fraudulent activity and scheme escalated throughout the period of focus between 2018 to 2021, with new financiers being introduced to meet ongoing operational and financial obligations;
- it appears that FGFS was set up in 2017 as the scheme was escalating, predominantly to disguise the source and applications of the funds that had been obtained under the scheme within the Group;
- there were deliberate attempts by Mr Papas and others involved in the scheme to avoid the scheme being uncovered, including:
 - intentionally omitting making entries in the financial accounts of Forum Finance to conceal the funds obtained as part of the scheme;
 - manipulating financial accounts, in particular those presented to external parties to conceal the scheme;
 - establishing FGFS outside the Forum Group to account for the alleged fraud and disguise the source of funds, whilst also acting as the Group “treasurer” and ensuring that all financial commitments were met on a monthly basis (despite the lack of underlying customer receipts);

- leveraging assets acquired using the scheme as a way to conceal the true source of the funds;
 - establishing other overseas entities and implementing contrived structures to disguise the source of funds from financiers and authorities;
 - selecting financing structures that minimise the visibility the financiers have to the underlying customers; and
 - historically refinancing financiers seeking to undertake any level of due diligence regarding the underlying customers and arrangements.
- the scale of the funds obtained in respect of alleged fraudulent contracts across the Forum Group and entities associated with Mr Papas was in excess of \$500 million;
 - a significant proportion of the funding obtained was ultimately applied to meeting obligations to financiers arising out of that funding or to repay historical financiers;
 - the balance of funds appear to have been utilised for a range of purposes including to:
 - provide unsecured loans to related and associated entities to:
 - > support (loss making) operations;
 - > to establish new businesses or invest in new activities;
 - > fund the acquisition of businesses;
 - > to act as a financier to associated entities;
 - > fund the acquisition of properties; and
 - > fund the acquisition of interests in a soccer club, a range of high end vehicles and race cars, vessels, interests in race horses;
 - provide loans to associates both in Australia and overseas for no commercial reason and on uncommercial terms; and
 - fund a lifestyle and personal expenses for Mr Papas and Mr Tesoriero.

The Liquidators are considering whether these circumstances may amount to breaches of s596 of the Act (Fraud by Officer) and s590 (offences by officers/employees).

4.2 Possible contraventions of the Act

4.2.1 Overview

In addition to the investigations carried out in respect of the alleged fraudulent scheme set out above, the Liquidators have also conducted investigations into the possible statutory offences and/or misconduct by the Directors, officers and employees of the Companies and potential Liquidator recoveries.

Based on the Liquidators investigations to date, we have identified a number of possible contraventions of the Act and potential recovery actions available.

4.2.2 Investigations undertaken

The investigations have included:

- review of the pre-appointment Court proceedings, including relevant materials such as affidavits and supporting annexures;
- review of the books and records of the Companies which includes accounting records and data extracted from available accounting systems of the Companies;
- enquiries with officers and employees in relation to the Companies' affairs and transactions;
- review of public register information;
- analysis of bank statements provided by the financial institutions/Financiers for accounts of the Companies and accounts of parties subject to subpoena in the WBC proceedings; and
- public examination of certain officers and employees of the Forum Group.

Whilst these investigations are at the preliminary stages and are subject to legal advice, the Liquidators provide the following update on the possible contraventions of the Act by the Directors, officers and/or employees of the Companies.

4.2.3 Books and records

Based on a review of the books and records obtained from the Companies, the Liquidators are of the opinion that the financial records maintained by the Companies do not correctly record and explain the true financial position and performance and the presumption of insolvency could be relied upon.

In this regard, we note the following material deficiencies:

- close to \$300 million of inflows and outflows in the bank accounts of Forum Finance are not recorded in its accounts; and
- over \$300 million received by FGFS from associated entities is recorded against 'clearing accounts' when in fact they were essentially intercompany loan balances in respect of the alleged fraudulently obtained funds.

In light of the above, in our opinion both Forum Finance and FGFS Directors have breached sections 286 and 364 of the Act which requires a company to maintain proper financial records that correctly records and explains its transactions and financial position and performance.

The absence or failure to maintain proper books and records as required under section 286(1) of the Act gives rise to a presumption of insolvency pursuant to section 588E of the Act. This in turn facilitates action being taken against directors of a company for insolvent trading.

4.2.4 Determining date of insolvency

In considering the matters identified to date from the Liquidator's investigations as outline above, the Liquidators consider that Forum Finance was likely insolvent from at least July 2018 and likely earlier, and consider FGFS was likely insolvent from its inception in November 2017 (**Insolvency Date**) on the following grounds:

- **Forum Finance**
 - Based on our investigations to date there is strong evidence funds were fraudulently obtained from at least 1 July 2018 (and potentially since 2013);
 - Forum Finance generated insufficient revenue and cash flow from the legitimate lease contracts/business at any point to meet its financial obligations to financiers beyond that time;
 - Forum Finance was reliant on an escalation of the scheme and obtaining further funds from financiers to meet ongoing obligations and commitments;
 - There was no realistic prospect that it could recover the amounts transferred to FGFS given that FGFS had disbursed those funds; and
 - It had no realistic prospect of repaying the amounts to financiers through legitimate means.
- **FGFS**
 - FGFS was set up in November 2017 to predominantly account for the alleged fraud and did not appear to carry on a trading business of its own;
 - FGFS was reliant on funds from Forum Finance to pay its liabilities;
 - There was no realistic prospect that it could recover the amounts disbursed to associated entities and associates given the funds were often expended without there being a commensurate asset and parties did not demonstrate capacity to repay the loans advanced; and
 - It had no realistic prospect of repaying the amounts to Forum Finance in respect of the funds passed through to it through legitimate means.

4.2.5 Insolvent trading

Pursuant to section 588G of the Act, a director of a company has a duty to ensure that the company does not incur debts that it is unable to pay, i.e. that it does not trade whilst insolvent.

Before a court will order that a person pay compensation in respect of insolvent trading, a liquidator must establish that:

- the person was a director of the company at the time the company incurred the debt which is the subject of the claim;
- the company was insolvent at that time or became insolvent by incurring the debt;
- at that time, there were reasonable grounds for suspecting that the company was insolvent or would become insolvent by incurring the debt; and
- the debt, which is the subject of the claim, was wholly or partly unsecured and the creditors with outstanding amounts suffered loss and damage.

Prior to commencing any recovery action, due consideration needs to be given (in the context of available defences) to:

- the significant costs that may be incurred in prosecuting a potential insolvent trading claim;
- further detail regarding the financial position of the directors and in particular, the value of any assets that could be realised to satisfy any successful judgement; and
- challenges with obtaining funding, and potential exposure to litigation costs.

Any return to creditors from an insolvent trading claim would be delayed until the claim is resolved (either by negotiation or a judgement from a court). If a claim is ultimately commenced and prosecuted to a trial, the Liquidators expect it could be several years from the time of issuing proceedings before assets are recovered.

If proceedings are pursued, there is the risk that the claim will not be established or that a defence will be sustained. Further, even if a judgement is obtained, there is a risk that it cannot be satisfied, or that the amount recovered will be insufficient to meet the costs of investigation and prosecuting the claim.

Directors' defences

There are various statutory defences available to directors in defending an insolvent trading claim, as set out in section 588H of the Act. In summary, these are that the director:

- had reasonable grounds to expect that the company was solvent at the time the debt was incurred;
- had reasonable grounds to believe, and did believe, that a competent, reliable person was responsible for providing adequate information on the company's solvency and that person fulfilled that responsibility. On the basis of such information, the director believed that at the time the debt was incurred, and considering the other debts existing at the time, the company was solvent and remained solvent;
- was ill (and therefore did not take part in the management of the company) at the time the debt was incurred; and
- took reasonable steps to prevent the debts being incurred.

Safe harbour defence

In addition to statutory defences, section 588GA of the Act was introduced in September 2017, providing a protection for directors against insolvent trading claims, in certain circumstances. The Safe Harbour legislation was introduced to encourage directors, in circumstances where their company's insolvency is in question, to formulate and take courses of action that it expects to result in a better outcome than the immediate appointment of an administrator or liquidator.

The protection is available in circumstances where, as soon as the director suspected that the company was or could become insolvent, they engaged in activities that were reasonably like to lead to a "better outcome" for the company, and any new debts from that time were incurred directly or indirectly in relation to those activities.

Further, on 24 March 2020, temporary COVID-19 Safe Harbour provisions were introduced which provided relief to directors from potential personal liability for insolvent trading as long as the debt was incurred:

- in the ordinary course of business;
- during the period that the relief has been provided; and
- before any appointment of an administrator or liquidator during the temporary safe harbour application period.

This relief expired on 31 December 2020.

As stated above, the Liquidators have been in limited correspondence with Mr Papas however, he has not provided any meaningful assistance to the Liquidators in respect of their investigations. The Directors have also not provided a completed ROCAP that provides a meaningful background to the Companies' failures.

Based on our investigations to date, there is no evidence to suggest that the Directors took any action that would result in the Safe Harbour provisions found in section 588GA of the Act being available.

Possible insolvent trading

Solvency is a question of fact to be ascertained from a consideration of a company's financial position as a whole. However, Australian Court have determined that the primary test of solvency is a cash flow test.

Noting the presumption of insolvency from the failure to maintain adequate books and records, and the alleged fraud being a significant source of funds, the Directors of the Companies have likely breached section 588F of the Act in respect of their duties' to prevent insolvent trading by the Companies.

We are currently unable to comment on the likelihood of an insolvent trading claim that could be brought against the Directors, however note that the quantum of such claim would likely to be substantial, albeit at this stage unquantified and the availability of assets to meet any successful claim highly uncertain.

4.2.6 General Directors' duties

Sections 180 to 184 of the Act set out the duties, obligations and responsibilities imposed on directors, which are designed to promote good governance and ensure that directors act in the interests of a company. These duties include:

- Duty of care and diligence;
- Duty of good faith;
- Duty not to make improper use of position; and
- Duty not to make improper use of information.

The Liquidators have undertaken preliminary investigations into whether any of the Directors (current or former) of the Companies have breached their duties set out in the above sections of the Act.

Based on the Liquidators' preliminary investigations, it appears that the Directors of the Companies have likely breached the directors' duties, obligations and responsibilities imposed on them pursuant to section 180 to 182, and 184 of the Act on the following grounds:

- Mr Papas engaged in dishonest and deceptive conduct in setting up and perpetrating the fraudulent scheme;
- Mr Papas did not exercise his power and discharge his duties in relation to Forum Finance in good faith or for a proper purpose;
- Whilst we are still investigating whether Mr Tesoriero was aware of or participated in the fraudulent scheme, he likely breached his duty to discharge his duties in respect of Forum Finance with a degree of care and diligence in understanding its true financial position; and
- Mr Papas and Mr Tesoriero have used their powers for their own benefit and for the benefit of their associated entities, by funding substantial personal expenditure and/or investments for related entities on uncommercial terms.

The list of possible contraventions above is not exhaustive as the Liquidators are still carrying out their investigations.

4.3 Recovery actions

Under Part 5.7B of the Act, certain transactions that occurred prior to the Liquidations, including where property was disposed of or dealt with, are potentially recoverable by the Liquidators. This may result in, amongst other things, a requirement for a third party to return property and/or money and thereby increase the assets available to the Liquidations and creditors. These transactions are known as voidable transactions.

It is important to note that a number of voidable transactions can only be recovered if the company in question is proven to be insolvent at the time of the transaction.

The main voidable transactions that require insolvency to be established are:

- **unfair preferences:** transactions between the insolvent entity and a creditor resulting in the creditor receiving from the insolvent entity, in relation to an unsecured debt owed to the creditor, a greater amount than the creditor would have received in relation to the debt in a winding up of the company; and

- **uncommercial transactions:** transactions which a reasonable person in the place of an insolvent entity would not have entered into, taking into account the benefits and the detriment to the insolvent entity, the respective benefits to the other parties involved and any other related matters.

Other voidable transactions which may be claimed regardless of solvency are:

- **unfair loans:** a loan agreement where the interest or charges are considered to be extortionate. Unfair loans made to the entity at any time prior to the appointment of the liquidators may potentially be overturned by a liquidator, whether or not the entity was insolvent at the time the loan was entered into;
- **unreasonable director related transactions:** transactions with a director or a related entity of the director which a reasonable person in the place of the entity would not have entered into, taking into account the benefits and the detriment to the entity, the respective benefits to the other parties involved and any other related matters;
- **creditor defeating dispositions:** transfers of company assets for less than market value (or the best price reasonably obtainable) that prevents, hinders or significantly delay creditors' access to the company's assets; and
- **security interests created within six months of the appointment of the liquidators:** these may be unenforceable under certain circumstances.

Based on the Liquidators' preliminary investigations, we note that the Companies have entered into following transactions which may be considered voidable:

- uncommercial transactions:
 - advancing loans with no realistic prospect of repayment and no security;
 - advancing loans on uncommercial terms (i.e. 10 year terms, below market interest on unsecured basis); and
- unreasonable director related transactions were entered into as follows:
 - by the Companies with each other; and
 - by the Companies (individually) with other related entities, for example the loans provided to the Directors, Directors' entities they control and their associates both in Australia and overseas.

The Liquidators investigations are ongoing and we may determine other causes of action however, it is unclear whether any of these actions are commercial to pursue given the range of claims against Mr Papas and the other parties involved, and their capacity to meet any judgement.

4.4 Reporting to ASIC

Based on the investigations to date, it is clear that certain Directors, officers and employees of the Companies have breached various offence provisions under the Act and possibly other legislations.

The Liquidators of the Companies intend to complete their statutory investigations and lodge a preliminary investigation report with ASIC pursuant to section 533 of the Act in the coming weeks.

5 Receipts and payment

There have been no receipts or payments in the Liquidations to date.

6 Likelihood of a dividend

A number of factors will impact the likelihood of a dividend being paid to creditors, including:

- the amount of assets realisable and the costs of realising those assets;
- the statutory priority of certain claims and costs; and
- the value of various classes of claims including secured, priority and unsecured creditor claims.

It is difficult for us to comment on the likely dividend payable however, we consider it will be unlikely that there will be a return to unsecured creditors of the Companies on the following grounds:

- the appointment of Receivers over the assets of Forum Finance;

- the quantum of the trust and proprietary interest claims being pursued and the extent to which if they are successful, they dissipate some or all of the assets available for unsecured creditors (as set out in section 3.4 of this report);
- that a number of the assets identified may require legal actions to pursue/realise, including in offshore jurisdictions; and
- the capacity of the Directors and/or other parties to meet any claims/judgement remains unclear.

If a dividend is going to be paid, you will be contacted before that happens and, if you have not already done so, you will be asked to lodge a POD. This formalises the record of your claim in the liquidations and is used to determine all claims against the Companies.

7 Cost of the liquidations

At the Meetings of Creditors, creditors will be asked to consider, and if thought fit, approve remuneration for the periods (as appropriate):

McGrathNicol - Retrospective remuneration approvals sought

Entity	Capacity	Period	Amount \$ (ex GST)
Forum Finance Pty Ltd	Liquidators	9 July 2021 to 19 September 2021	511,930
Forum Group Financial Services Pty Ltd	Provisional Liquidators	15 July 2021 to 19 September 2021	2,848,126
Total - Liquidators			3,360,056

Mackay Goodwin - Retrospective remuneration approvals sought

Entity	Capacity	Period	Amount \$ (ex GST)
Forum Group Financial Services Pty Ltd	Former Voluntary Administrators	8 July 2021 to 15 July 2021	12,345
Total - Former Voluntary Administrators			12,345

Details of the Liquidators' remuneration is set out in the Remuneration Approval Report (Annexure 1).

8 Meetings of creditors

Concurrent meetings of Forum Finance and FGFS' creditors have been convened to be held on **Friday 22 October 2021 at 2:00pm AEDT**. The meetings will be held virtually via webcast/teleconference on Zoom, in order to ensure compliance with any restrictions that may be in place as a result of COVID-19. There will not be an option to attend in person.

The purpose of the meetings is to:

- provide you with an update on the progress of the Liquidations;
- consider and if thought fit, to approve the retrospective fees of the Liquidators of the Companies;
- consider and if thought fit, to approve the retrospective fees of the Former Voluntary Administrators of FGFS;
- consider the appointment a Committee of Inspection (**COI**) for the Companies;
- authorise the Liquidators of Forum Finance to compromise debts greater than \$100,000 under section 477(2A) of the Act;
- authorise the Liquidators of Forum Finance to enter into agreements that may take longer than three months to complete under section 477(2B) of the Act; and
- discuss any other relevant business which may arise.

Please note that creditors intending to attend the meetings by Zoom webcast/teleconference, should register their intention to do so by sending an email to forum@mcgrathnicol.com or telephone (03) 9038 3148 before 4:00pm AEDT on Thursday 21 October 2021. You will be provided with a link on the evening before the meetings which will allow you to join the meetings.



For the purposes of the meeting, please find attached:

- a statutory notice convening the meetings (Enclosure 3);
- proof of debt forms and guidance notes (Enclosure 4 and 5);
- proxy forms and guidance notes (Enclosure 6 and 7); and
- general information for attending and voting at meetings of creditors (Enclosure 8).

9 Participating and voting in the meetings

To participate in the meetings, you must submit a proof of debt and information to substantiate your claim.

If the creditor is a person and will attend the virtual Zoom meeting, this is all that is required. However, if the creditor is another type of entity (such as a company), they must also appoint a person – a “proxy” or person authorised under a power of attorney – to vote on behalf of the creditor at the virtual Zoom meeting. A proxy should also be appointed if the creditor is a person, but is not available to attend the virtual Zoom meeting.

You can appoint the chairperson of the meeting as your proxy and direct the chairperson how you wish your vote to be cast. If you choose to do this, the chairperson must cast your vote as directed.

Creditors wishing to attend and participate at the meeting must submit a POD and a Proxy (if applicable) before 4:00pm (AEDT) on Thursday 21 October 2021, and can attend either themselves or by appointing a Proxy to attend on their behalf (both virtually via Zoom).

An information sheet on approving remuneration of an external administrator is provided for your information.

10 Appointment of a Committee of Inspection

Creditors in a liquidation may decide to appoint a Committee of Inspection (**COI**) to act as a representative body of the creditors to monitor the liquidations and give assistance/directions to the Liquidators.

The role of a COI is to amongst others, assist the Liquidators, monitor the conduction of the liquidations and to the extent the Liquidators need to canvas views of creditors, the COI can act as a representative body to consider the matter. A COI can also approve the Liquidators’ remunerations.

It is our opinion that a COI would be helpful for the Liquidations. The main benefits of appointing a COI is that a COI meeting can be called at short notice, and the Liquidators can obtain the COI’s view on urgent matters in respect to the liquidation. In addition, the appointment of a COI will also reduce the costs associated with convening a creditors’ meeting.

In accordance with IPR 80-5, to be eligible to be appointed as a member of the COI, the person must be:

- a creditor of the company; or
- the attorney, or power of attorney of a creditor; or
- a person authorised in writing by a creditor of the company to be a member of the COI; or
- a representative of the Commonwealth if a claim for financial assistance has been made or likely to be made, from the Commonwealth.

Should you wish to be nominated as a member of the COI of the Companies, please complete the nomination form(s) in Annexure 9 and return it to the Liquidators by sending an email to forum@mcgrathnicol.com before 4:00pm AEDT on Thursday 21 October 2021.

The eligible nominees will be tabled at the upcoming meeting on 22 October 2021, and all creditors will have the opportunity to comment on the COI prior to approving the resolution for its appointment.

11 Other resolutions

At the upcoming meetings of creditors, the Liquidators of Forum Finance intend to seek creditors approval of the following:

- authorising the Liquidators to compromise debts of the company greater than \$100,000 pursuant to section 477(2A) of the Act; and

- authorising the Liquidators to enter into agreements that may take longer than three months to complete pursuant to section 477(2B) of the Act.

The Provisional Liquidators of FGFS will not seek the above resolutions from the creditors of FGFS.

12 What happens next?

We will proceed with the liquidation, which will include:

- recovering any further available property;
- realising the remaining assets;
- completing our investigations into the Companies' affairs;
- if identified, pursuing any viable claims for statutory recovery actions subject to the availability of funding; and
- completing our reporting to the corporate insolvency regulator, the Australian Securities and Investments Commission (ASIC).

We will report to creditors or the COI (if appointed at the upcoming meeting of creditors) on progress of the liquidations.

Due to the complex nature of the investigations and potential recovery actions, including uncertainty regarding the duration of legal actions if commenced, we are currently unable to determine when the Liquidations will be completed but anticipate they will remain ongoing for at least 12 months. We will be in a better position to determine the timeframe once we have completed the investigations and determined the approach to realise the assets of the Companies.

13 What you should do next?

You should:

- decide whether you are going to participate in the meeting; and if so
- confirm your intention to participate by contacting Walter Jones by email (forum@mcgrathnicol.com) or telephone (03) 9038 3148 before **4:00 PM (AEDT) on Thursday, 21 October 2021**; and
- complete and return your proof of debt and proxy form (if required) by **4:00 PM (AEDT) on Thursday, 21 October 2021**.

14 Where can you get more information?

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

ARITA at www.arita.com.au/creditors.

ASIC at www.asic.gov.au (search for "insolvency information sheets").

If you have any queries, please contact Walter Jones on (03) 9038 3148. For further information about this engagement, please refer to the website <https://www.mcgrathnicol.com/creditors/forum-finance-pty-ltd/> page.

Dated: 8 October 2021



Jason Ireland
Liquidator and Provisional Liquidator

Enclosures:

- 1 Remuneration Approval Report
- 2 ARITA Information Sheet – Approving remuneration of an external administrator
- 3 Notice of Meeting
- 4 Proof of Debt (Form 535)
- 5 Proof of debt guidance notes
- 6 Proxy Form
- 7 Proxy form guidance notes
- 8 General information for attending and voting at meetings of creditors
- 9 COI nomination form
- 10 ARITA Information Sheet – Offences, Recoverable Transactions & Insolvent Trading

Remuneration Approval Report

Forum Finance Pty Limited (In Liquidation) (Receivers Appointed)

ACN 153 301 172

Forum Finance

Forum Group Financial Services Pty Ltd

(Provisional Liquidators Appointed)

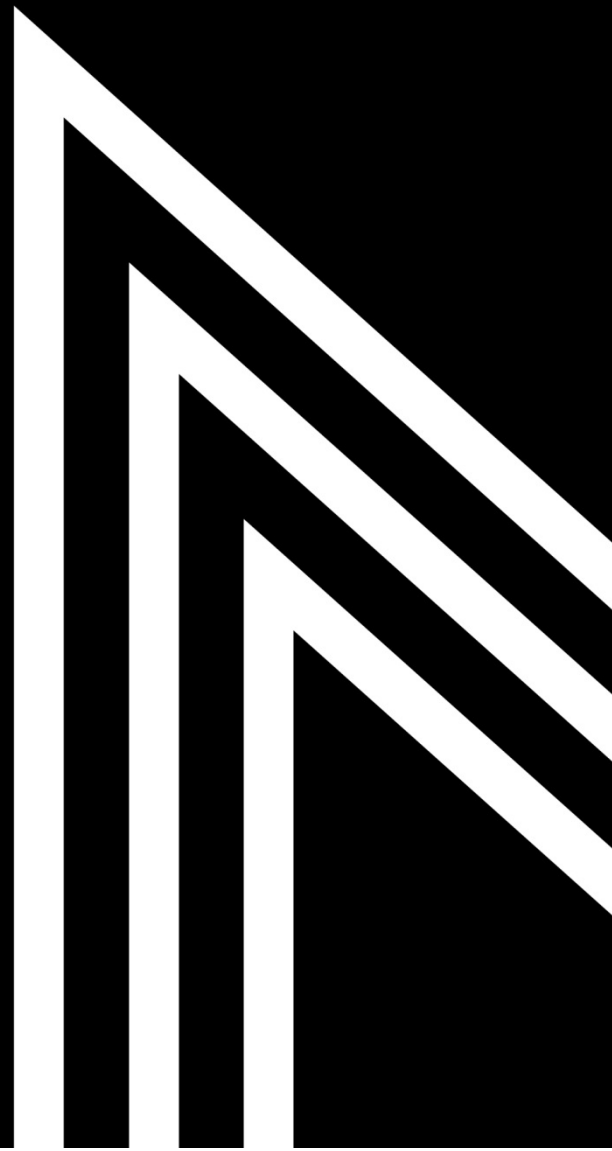
ACN 623 033 705

Forum Group Financial Services

8 October 2021



McGrathNicol



This remuneration approval report provides you with information to assist you to make an informed decision regarding the approval of our proposed remuneration for undertaking the Liquidations of Forum Finance and Forum Group Financial Services.

The report has the following information:

1	Executive Summary	2
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1 Executive Summary

We are seeking creditor approval for the Liquidators remuneration of \$511,930 (excluding GST) and disbursements of \$5,248 (excluding GST) for Forum Finance for the period from 9 July 2021 to 19 September 2021 and the Provisional Liquidators remuneration of \$2,848,126 (excluding GST) and disbursements of \$42 (excluding GST) for Forum Group Financial Services for the period from 15 July 2021 to 19 September 2021.

We estimate the total cost of the Forum Finance Liquidation will be \$750,000. This has increased from my previous estimate due to the following:

- the extent of investigations required to be undertaken is higher than expected; and
- the extent of reporting to creditors is greater than anticipated.

For the avoidance of doubt this report covers the period when we were appointed Liquidators of Forum Finance Pty Limited (**Forum Finance**) and Provisional Liquidators of Forum Group Financial Services Pty Ltd (**FGFS**). Remuneration for the Former Voluntary Administrators' of FGFS, Domenico Alessandro Calabretta, Grahame Robert Ward and Thyge Trafford-Jones of Mackay Goodwin is detailed in the remuneration approval reports attached separately to the report to creditors dated 8 October 2021.

Please note that any defined terms in this report have the same meaning as those contained in the main body of the report to creditors dated 8 October 2021.

2 Declaration

We, Jason Preston and Jason Ireland of McGrathNicol have undertaken a proper assessment of this remuneration and disbursements claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration and disbursements claimed is in respect of work properly performed in the conduct of these matters.

We have reviewed the work in progress (**WIP**) report for the liquidations to ensure that remuneration is only being claimed for necessary and proper work performed and have made the following adjustments as detailed below:

- Written off a total of \$342,844 from the recorded work in progress (WIP) (being 9.3% of the unreviewed time cost recorded) across FF and FGFS including:
 - general administrative matters including training, remuneration preparation and other non-chargeable time;
 - a portion of internal team project meetings on the basis that there is a large team working across the various concurrent workstreams required to support the appointments given their size and complexity;
 - time incurred by McGrathNicol employees who have undertaken less than 10 hours work across the liquidations to remove intermittent time and any perceived inefficiencies incurred;
 - time incurred by McGrathNicol employees who attended third party financiers update calls, above a two partner limit;
 - time incurred by McGrathNicol employees who attended the public examinations for FGFS above a two partner and director limit; and
 - time incurred by McGrathNicol undergraduate employees to remove any perceived inefficiencies incurred by junior members of the team.
- A direct reallocation of WIP from one entity time code to another entity time code was undertaken to ensure that the WIP was recorded against the appropriate entity. This reallocation ensures that the work was properly performed on the appropriate matter. A material reallocation of WIP was undertaken for the following workstreams:
 - those tasks relating to the investigations (mostly forensic investigations) have been reallocated to FGFS on the basis that FGFS was the key entity where proceeds from the alleged fraud were initially directed and then applied; and

- matters in relation to dealing with lease financiers including reporting and liaison with WBC, SMBC and SocGen has been charged to FF on the basis that FF was the principal contracting party for the various financiers.
- On the basis that work undertaken was not solely applicable to a particular corporate entity and had application to each of, or a subset of the other thirteen Forum Group companies and the fourteen other entities associated with Mr Papas outside the Forum Group subject to our appointment as Liquidators/Provisional Liquidators, WIP was apportioned on an appropriate pro rata basis as set out below:
 - tasks relating to unsecured creditors of the Forum Group entities and other entities has been charged equally across those entities;
 - PPSR/ROT work for the wider Forum Group entities and other entities been has charged equally across those entities; and
 - tasks relating to dealing with employee related issues where it is not directly referable to a specific entity, has been charged in proportion to the number of employees per employing entity.

3 Remuneration sought

The remuneration we are asking creditors to approve is as follows:

Remuneration sought				
Remuneration	Period	Amount \$ (ex GST)	Rates to apply	When it will be drawn
Work we have already done for Forum Finance	9 July 2021 to 19 September 2021	511,930	Refer to Schedule D.	Immediately, when funds are available.
Work we have already done for Forum Group Financial Services	15 July 2021 to 19 September 2021	2,848,126	Refer to Schedule D.	Immediately, when funds are available.
Total		3,360,056		

Details of the work already done are included at Schedule A for both Forum Finance and FGFS.

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

Actual resolutions to be put to the meeting are detailed below for your information. These resolutions also appear in the proxy form for the meeting provided to you.

Resolution 1 for Forum Finance: Retrospective remuneration during the liquidation of Forum Finance for the period 9 July 2021 to 19 September 2021:

"That the remuneration of the Liquidators for the period 9 July 2021 to 19 September 2021, calculated at hourly rates as detailed in the Initial Remuneration Notice dated 6 August 2021, is determined in the sum of \$511,930, exclusive of GST."

Resolution 1 for FGFS: Retrospective remuneration during the liquidation of Forum Group Financial Services for the period 15 July 2021 to 19 September 2021:

"That the remuneration of the Provisional Liquidators for the period 15 July 2021 to 19 September 2021, calculated at hourly rates as detailed in the Remuneration Approval Report dated 8 October 2021, is determined in the sum of \$2,848,126, exclusive of GST."

4 Disbursements sought

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

5 Likely impact on dividends

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

The impact of the approval of the Liquidators remuneration is that the remuneration will then be paid in accordance with the terms of the Funding Facility referred to in Section 6 below. The remuneration and/or repayment of the Funding Facility will be paid from those funds that are generated prior to the payment of most creditors in the Liquidation.

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

If a dividend or distribution is to be paid to stakeholders, there is also necessary work that must be undertaken by the Liquidator to properly adjudicate on claims and distribute any available funds.

6 Funding received for remuneration and disbursements

On 7 September 2021 the Liquidators entered into a Funding Agreement with Westpac following receipt of the Court's approval. The Funding Agreement is to provide the Liquidators a loan for the purposes of funding the Liquidators' remuneration and expenses incurred in July, August and September 2021 (or other such longer period as agreed in writing) up to a value of \$4.5 million (ex GST) (**Funding Facility**).

The funding was put in place to allow the us to undertake our investigations of the Forum Group and associated entities and the identification of possible future sources of asset recoveries. Apart from priority employee claims, the effect of this Funding Agreement is that all realisations across any of the entities subject to our appointment will first be applied in repayment of the Facility, and amounts will only become available for unsecured creditors to the extent there is a surplus once the Facility has been repaid in full.

The Funding Facility terms and conditions are detailed in section 2.5 of the report to creditors dated 8 October 2021.

7 Summary of receipts and payments

There have been no receipts or payments in the Liquidations to date.

8 Queries

If you have any queries regarding the information in this report, please contact Richard Fernando Bahamondez on (02) 9338 2676.

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

- ARITA at www.arita.com.au/creditors
- ASIC at www.asic.gov.au (search for "INFO 85").

Further supporting documentation for our remuneration claim can be provided to creditors on request.

Dated: 8 October 2021



Jason Ireland
Liquidator and Provisional Liquidator

Enclosures:

Schedule A – Details of work

Schedule B – Time spent by staff on each major task

Schedule C – Disbursements

Schedule D – Schedule of hourly rates

Schedule A1 (Forum Finance) – Details of work

		Work already done Forum Finance
Period	9 July 2021 to 19 September 2021	
Amount (ex GST)	\$511,930	
Task Area	General Description	Tasks
Assets 37 hours \$25,877	Monies	<ul style="list-style-type: none"> ▪ Secure bank account
	Assets subject to specific charges and security interests	<ul style="list-style-type: none"> ▪ Search the PPS register ▪ Prepare and issue correspondence to security interest holders ▪ Dealings with the Former Administrators in relation to the sale process of Forum Group ▪ Dealings with DVT Group in relation to any assets subject to their appointment
	Debtors	<ul style="list-style-type: none"> ▪ Prepare schedule of pre-appointment debtors and related loan party accounts
	Plant and equipment	<ul style="list-style-type: none"> ▪ Review asset listings and balance sheets to determine if any assets can be realised
	Leasing	<ul style="list-style-type: none"> ▪ Review leasing documents ▪ Liaise with owners/lessors
Creditors 286 hours \$194,546	Creditor Enquiries, Requests & Directions	<ul style="list-style-type: none"> ▪ Receive and respond to creditor enquiries ▪ Prepare initial correspondence to creditors and their representatives ▪ Establishing and monitoring functional mailbox, attending to inbound creditor queries ▪ Facilitate the upload of information relating to creditors on the McGrathNicol website ▪ Maintain creditor request log ▪ Consider reasonableness of creditor information requests ▪ Obtain legal advice on requests from creditors for information, documents or a report ▪ Document reasons for not complying with requests or directions ▪ Compile information requested by creditors
	Lease Financiers	<ul style="list-style-type: none"> ▪ Liaising with Westpac, SocGen and SMBC (either directly or via their legal advisors) in relation to their exposures ▪ Attending calls, providing updates on the status of the external administrations and investigations to lease financiers ▪ Liaising with Westpac, SocGen and SMBC in relation to tracing their funds ▪ Responding to specific queries including numerous information requests from Westpac, SMBC, SocGen and others ▪ Consider reasonableness of creditor information requests ▪ Obtain legal advice on requests from creditors for information ▪ Preparing written updates and reports ▪ Liaising with financial crime teams in respect of funds advanced and underlying contracts (legitimate vs fraudulent) ▪ Finalising the funding agreement with Westpac
	Secured creditor reporting	<ul style="list-style-type: none"> ▪ Notify PPSR registered creditors of appointment ▪ Consider updates from the Receivers DVT Group and the secured creditor Octet Finance Pty Ltd ▪ Respond to secured creditor's queries
	Creditor reports	<ul style="list-style-type: none"> ▪ Prepare the DIRRI ▪ Maintain and review creditor position/lists ▪ Preparing initial creditor circulars and notices

		<ul style="list-style-type: none"> Prepare Statutory Report by Liquidator and general reports to creditors
	Deal with proofs of debt (POD)	<ul style="list-style-type: none"> Receive PODs from claimants and maintain POD register
Trade on 20 hours \$14,047	Business	<ul style="list-style-type: none"> Dealings with counterparties to understand the business model Dealings with the Former Administrators in relation to the sale process of Forum Group and the operations of the Forum Finance lease contracts Attending operating locations, seeking access to property
Investigation 90 hours \$56,696	Conduct investigations	<ul style="list-style-type: none"> Review company's books and records Prepare comparative financial statements Review specific transactions and liaise with directors/contractors regarding certain transactions Issuing various demands of parties to deliver up records and provide assistance Undertake investigations to understand the role of Forum Finance in the broader fraud and the nature of the underlying documentation supporting the alleged contracts.
	Litigation/Recoveries	<ul style="list-style-type: none"> Considering competing claims to assets pools and approach to resolve disputes Considering strategy to pursue asset recovery and enforcement
	Process proofs of debt	<ul style="list-style-type: none"> Prepare correspondence to potential creditors inviting lodgement of POD Receive PODs and maintain POD register Correspond with claimants regarding PODs
Administration 371 hours \$220,764	Correspondence	<ul style="list-style-type: none"> Attending to statutory obligations in connection with appointment including notifying various stakeholders of appointment
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> Maintaining project task lists Maintaining physical and electronic engagement files Updating checklists Review of checklists to determine outstanding tasks and timelines
	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
	Bank account administration	<ul style="list-style-type: none"> Prepare correspondence to open accounts Request bank statements Perform bank account reconciliations
	ASIC	<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 Monitoring ATO portal in relation to correspondence
	Legal actions	<ul style="list-style-type: none"> Preparing and swearing various affidavits Supporting applications including provision liquidation appointments Attendance at the Forum Finance proceedings and proceedings in relation to wider Forum Group companies and the fourteen other entities associated with Mr Papas
	Dealing with Directors	<ul style="list-style-type: none"> Send initial request to directors and officer for Report on Company Activities & Property (ROCAP) Issue follow up correspondence in relation to extensions of time requested by directors and officer for submission of ROCAP
	Planning/Review	<ul style="list-style-type: none"> Discuss status of external administration Discuss engagement strategy
	Books and records/storage	<ul style="list-style-type: none"> Obtain access to the Forum Finance books and records Maintaining backups of key information infrastructure

Schedule A2 (FGFS) – Details of work

		Work already done for FGFS
Period		15 July to 19 September 2021
Amount (ex GST)		\$2,848,126
Task Area	General Description	Tasks
Assets 378 hours \$224,563	Monies	<ul style="list-style-type: none"> ▪ Secure bank accounts
	Plant and Equipment	<ul style="list-style-type: none"> ▪ Review asset listings and balance sheets to determine if any assets can be realised ▪ Collate fixed asset and motor vehicle listing from various sources ▪ Engage and liaise with Lloyds Auctioneers ▪ Secure vehicles and vessel ▪ Liaise with agents to secure and value fixed assets ▪ Liaising with financiers where applicable
	Sale of Real Property	<ul style="list-style-type: none"> ▪ Attend various sites ▪ Liaise with valuers and agents in relation to five properties ▪ Investigate interests and rights to the real property ▪ Engage with managing agents and seek indicative valuations ▪ Consider realisation strategy for the real property ▪ Liaise with mortgagees and directors
	Assets subject to specific charges and security interests	<ul style="list-style-type: none"> ▪ Search the PPS register ▪ Prepare and issue correspondence to security interest holders ▪ Liaise with suppliers regarding PPSR ▪ Review submissions received from PPSR claimants
	Debtors	<ul style="list-style-type: none"> ▪ Prepare schedule of pre-appointment debtors and related loan party accounts ▪ Investigate legal position and underlying entitlement ▪ Investigate status, consider various claims that may be available and discuss strategy with lawyers ▪ Prepare realisation strategy with lawyers ▪ Instruct preparation of demands and review
	Other Assets	<ul style="list-style-type: none"> ▪ Developing and maintaining master asset schedule ▪ Investigations into assets based on financial and other information available
	Leasing	<ul style="list-style-type: none"> ▪ Review leasing documents ▪ Liaise with owners/lessors ▪ Disclaim leases
Creditors 38 hours \$23,550	Creditor Enquiries, Requests & Directions	<ul style="list-style-type: none"> ▪ Receive and respond to creditor enquiries ▪ Establishing and monitoring functional mailbox, attending to inbound creditor queries ▪ Consider reasonableness of creditor information requests ▪ Obtain legal advice on requests from creditors for information, documents or a report ▪ Document reasons for not complying with requests or directions ▪ Compile information requested by creditors
	Secured creditor reporting	<ul style="list-style-type: none"> ▪ Notify PPSR registered creditors of appointment ▪ Respond to secured creditor's queries
	Creditor reports	<ul style="list-style-type: none"> ▪ Prepare the DIRRI ▪ Prepare Statutory Report by Liquidator ▪ Maintain and review creditor position/lists

	Deal with proofs of debt (POD)	<ul style="list-style-type: none"> Receive PODs from claimants and maintain POD register
Trade on 1 hour \$726	Business	<ul style="list-style-type: none"> Dealings with counterparties to understand the business model
Investigation 4,237 hours \$2,454,855	Conduct investigations	<ul style="list-style-type: none"> Review company's books and records Prepare comparative financial statements Review specific transactions and liaise with directors/contractors regarding certain transactions Issuing various demands of parties to deliver up records and provide assistance Undertake investigations to understand the role of FGFS in the broader fraud and the nature of the underlying documentation supporting the alleged contracts Undertake detailed investigations of the financial statements of FGFS to support the funds and asset tracing process, and assist in the identification of assets that may be available for realisation.
	Technology and data investigations	<ul style="list-style-type: none"> Identifying securing, processing and retrieval of data (across numerous live systems and backups) for use across all other workstreams Creating backups, cataloguing, extracting, ingesting and processing of devices Facilitating access for financiers' legal representatives to online review platform Indexing all data sets for further interrogation on the forensic review platform Applying forensic techniques for targeted searching of hosted data
	Funds and Assets Tracing	<ul style="list-style-type: none"> Trace the sources and applications of funds to identify and deal with claims to assets using legal tracing principles Converting, categorizing and matching approximately 110,000 transactions as part of preparing a financial model that underpins tracing analysis Obtaining information in respect of in excess of 144 bank accounts Conducting "source and application" analysis of key Forum accounts Identifying parties of interest and assets including conducting a range of asset, property, entity and name searches Tracing transactions using legal tracing principles
	Fraud investigations	<ul style="list-style-type: none"> Applying forensic techniques for targeted searching of hosted data to assist in determining relationships and nature of the transactions Identified existing legitimate and fraudulent contracts in order to ascertain value to the underlying Forum businesses Responding to requests made by financiers and their legal representatives in relation to entities and persons of interest Prepared detailed reporting
	Examinations	<ul style="list-style-type: none"> Undertake comprehensive searches of materials available and prepare detailed briefs to legal advisors to prepare for the examinations Attendance at examinations and ongoing assistance to legal advisors Review of examination transcripts Liaise with lawyer(s) regarding outcome of examinations and further actions available
	Litigation/Recoveries	<ul style="list-style-type: none"> Considering competing claims to assets pools and approach to resolve disputes Considering strategy to pursue asset recovery and enforcement

Administration 249 hours \$144,430	Correspondence	<ul style="list-style-type: none"> ▪ Attending to statutory obligations in connection with appointment including notifying various stakeholders of appointment
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintaining project task lists ▪ Maintaining physical and electronic engagement files ▪ Updating checklists ▪ Review of checklists to determine outstanding tasks and timelines
	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
	Bank account administration	<ul style="list-style-type: none"> ▪ Prepare correspondence to open accounts ▪ Request bank statements ▪ Perform bank account reconciliations
	ASIC	<ul style="list-style-type: none"> ▪ Prepare and lodge ASIC forms ▪ Correspond with ASIC regarding statutory forms ▪ Carried out preliminary investigations in order to prepare a confidential report which will be lodged with ASIC pursuant to section 533 of the Corporations Act
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▪ Notify of appointment ▪ Monitoring ATO portal in relation to correspondence
	Planning/Review	<ul style="list-style-type: none"> ▪ Discuss status of external administration ▪ Discuss engagement strategy
	Books and records/storage	<ul style="list-style-type: none"> ▪ Obtain access to the FGFS books and records ▪ Maintaining backups of key information infrastructure

Schedule B1 (Forum Finance) – Time spent by staff on each major task (work already done)

Resolution 1 for Forum Finance: from 9 July 2021 to 19 September 2021

Forum Finance Pty Ltd (Receivers Appointed) (In Liquidation) - Remuneration for the period 9 July 2021 to 19 September 2021																		
Staff	Position	Rate	Total		Assets		Creditors		Employees		Trade on		Investigations		Dividend		Administration	
			Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)
Jason Ireland	Appointee	770	89	68,879	18	13,475	31	24,142	-	-	6	4,235	4	3,311	-	-	31	23,716
Jason Preston	Appointee	770	24	18,351	-	-	16	12,345	-	-	-	-	0	231	-	-	8	5,775
	Partner	770	123	94,581	-	-	57	43,684	-	-	4	3,080	16	11,935	-	-	47	35,882
	Director	660	280	184,710	13	8,818	138	91,214	-	-	10	6,732	38	24,750	-	-	81	53,196
	Senior Manager	620	74	46,082	-	-	2	1,380	-	-	-	-	8	4,774	-	-	64	39,928
	Manager	580	33	19,387	6	3,521	25	14,367	-	-	-	-	3	1,498	-	-	-	-
	Assistant Manager	530	1	390	0	62	1	327	-	-	-	-	-	-	-	-	-	-
	Senior Accountant	480	113	54,346	-	-	10	4,762	-	-	-	-	18	8,832	-	-	85	40,752
	Accountant	390	51	19,914	-	-	6	2,325	-	-	-	-	4	1,365	-	-	42	16,224
	Senior Client Admin	370	14	5,291	-	-	-	-	-	-	-	-	-	-	-	-	14	5,291
Total (ex GST and disbursements)			803	511,930	37	25,877	286	194,546	-	-	20	14,047	90	56,696	-	-	371	220,764

Schedule B2 (FGFS) – Time spent by staff on each major task (work already done)

Resolution 1 for FGFS: from 15 July 2021 to 19 September 2021

Forum Group Financial Services Pty Ltd (Provisional Liquidators Appointed) - Remuneration for the period 15 July 2021 to 19 September 2021																		
Staff	Position	Rate	Total		Assets		Creditors		Employees		Trade on		Investigations		Dividend		Administration	
			Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)
Jason Ireland	Appointee	770	49	38,002	24	18,557	1	580	-	-	-	-	15	11,473	-	-	10	7,392
Jason Preston	Appointee	770	40	30,979	-	-	7	5,107	-	-	-	-	23	17,864	-	-	10	8,008
	Partner	770	240	184,517	17	12,705	3	2,104	-	-	-	-	215	165,858	-	-	5	3,850
	Director	660	1,349	890,514	90	59,374	13	8,714	-	-	1	726	1,197	789,822	-	-	48	31,878
	Senior Manager	620	220	136,416	-	-	0	78	-	-	-	-	156	96,658	-	-	64	39,680
	Manager	580	1,326	769,327	113	65,291	3	1,607	-	-	-	-	1,175	681,432	-	-	36	20,996
	Assistant Manager	530	607	321,517	115	60,800	3	1,546	-	-	-	-	484	256,467	-	-	5	2,703
	Senior Accountant	480	659	316,138	0	192	4	2,074	-	-	-	-	625	299,952	-	-	29	13,920
	Accountant	390	411	160,236	20	7,644	4	1,740	-	-	-	-	347	135,330	-	-	40	15,522
	Senior Client Admin	370	1	481	-	-	-	-	-	-	-	-	-	-	-	-	1	481
Total (ex GST and disbursements)			4,902	2,848,126	378	224,564	38	23,550	-	-	1	726	4,237	2,454,856	-	-	249	144,430

Schedule C – Disbursements

Costs paid to third parties

Costs paid to third parties are recovered at cost. Creditors are not required to approve these types of costs, but details are provided to account to creditors, including the basis of charging for these types of costs. Creditors are entitled to question the incurring of the costs and can challenge the costs in Court.

The following costs have been paid by McGrathNicol to third parties and relate to the Liquidations. These amounts will be reimbursed to McGrathNicol at cost from the Forum Finance and FGFS Liquidators bank account:

Costs paid to third parties for the period 9 July 2021 to 19 September 2021	Forum Finance Amount (\$) (GST exclusive)	FGFS Amount (\$) (GST exclusive)
Postage	7	Nil
Stationery and other incidental disbursements	5,144	42
Staff vehicle use *	97	Nil
Total	5,248	42

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

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

Cost type	Rate (\$) (GST exclusive)
Postage	At cost
Stationery and other incidental disbursements	At cost
Conference call phone charges	At cost
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 the Liquidations. Notifiable events include notices published on ASIC's published notices website and some documents lodged with ASIC.

Further explanation of data hosting costs

In the conduct of the Liquidations, we may use McGrathNicol's Forensic Technology team to extract, aggregate, electronically process and/or host electronic data, which could be used for the:

- trade or sale of the business or assets; and/or
- investigations regarding transactions or potential recoveries available to creditors.

If data hosting is required and we choose not to use the services of McGrathNicol's Forensic Technology team, we will otherwise have to purchase those services from an alternative provider and/or use another method to achieve the same end, which will not be as efficient as using these available internal services.

We note that the data hosting rates above are no more than our standard commercial pricing available for the same services when they are provided to external parties.

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

Title	Description	Hourly rate (excl GST)
Appointee/Partner	Registered liquidator, 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

McGrathNicol reviews its hourly rates on either 31 December or 30 June. Creditors will be advised of any change to the hourly rates for this external administration.

**Insolvency Practice Rules (Corporations) 2016
Rules 70-35 and 75-130**

REMUNERATION APPROVAL REQUEST REPORT

**FORUM GROUP FINANCIAL SERVICES PTY LTD (IN LIQUIDATION)
ACN 623 033 705
("the Company")**

This remuneration report provides you with the information you need to be able to make an informed decision regarding the approval of our remuneration for undertaking the Administration of the Company.

This report has the following information included:

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Creditors' requirements for meeting of creditors

You should read this report and the other documentation that have been sent to you and attend the meeting of creditors in order to voice your opinion by casting your vote on the resolutions put to the meeting. The meeting will also give you an opportunity to ask any questions that you may have.

Alternatively, should you be unable to attend the meeting, you may also appoint a representative to attend on your behalf by lodging a proxy form (i.e the Chairperson). Lodging a specific proxy form allows you to specify how your proxy must vote. Lodging a general proxy form allows your representative to choose how your vote is exercised. Creditors should direct all forms and queries in respect to the meeting to McGrathNicol's office.

Part 1: Declaration

We, Domenic Calabretta, Thyge Trafford-Jones and Grahame Ward, of Mackay Goodwin, have undertaken a proper assessment of this remuneration claim for our appointment as Administrators of the Company in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the Administration.

Part 2: Executive Summary

On 8 July 2012, we, Domenic Calabretta, Thyge Trafford-Jones, and Grahame Ward, of Mackay Goodwin we appointed joint and several Administrators of the Company.

On 15 July 2021, pursuant to an order of the Federal Court of New South Wales, the Company was wound up and Jason Ireland and Jason Preston of McGrathNicol were appointed provisional liquidators. This report has been prepared as a part of McGrathNicol's Statutory Report to Creditors.

Creditors are advised that Domenic Calabretta, Thyge Trafford-Jones and Grahame Ward of Mackay Goodwin are herein commonly referred to as 'the Administrators' throughout this remuneration report which is in respect to our time costs incurred during the Administration period.

Creditors should note that any queries in respect to the Meeting of Creditors are to be directed to McGrathNicol. Any queries in respect to this remuneration report prepared by us is to be directed to Thanatorn Phadermchit of Mackay Goodwin at tphadermchit@mackaygoodwin.com.au.

Remuneration currently claimed is summarised below:

Period	Report Reference	Amount (\$) (excluding GST)
Voluntary Administration		
Resolution 1 - 8 July 2021 to 15 July 2021	3.1.1	12,345.49
Total - Voluntary Administration		12,345.49

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

Part 3. Remuneration

3.1 Remuneration claim resolutions

3.1.1 Resolution 1 – 8 July 2021 to 15 July 2021

That the remuneration of the Administrators, their partners and staff from 8 July 2021 to 15 July 2021 be approved up to a maximum amount of \$12,345.49 plus GST, calculated in accordance with the Mackay Goodwin hourly rates as detailed in the Initial Report to Creditors dated 12 July 2021 and that the Administrators be authorised to draw the remuneration as required."

3.2 Details of remuneration

The basis of calculating the remuneration claims, the details of the major tasks performed, and the costs associated with each of those major tasks are contained below.

3.2.1 Resolution 1 – 8 July 2021 to 15 July 2021

The below table sets out time charged to each major task area by staff members working on the Administration for the periods 8 July 2021 to 15 July 2021 which is the basis of the Resolution 1 claim. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are detailed below.

Task Area	General Description	Includes
Assets: Hours: 8.40 Cost: 2,777.50	Cash at Bank	Liaising with financial institutions regarding freezing of pre-appointment bank accounts and obtaining bank statements. Liaising with banking institutions in relation to any balance of funds held in the Company's pre-appointment bank accounts
	Plant and Equipment	Liaising with the Directors in relation to the Company's plant and equipment
	Motor Vehicle	Liaising with the Roads and Maritime Services ("RMS") and VicRoads with respect to current and historical motor vehicle searches.
	Assets subject to specific charges	All tasks associated with identifying assets which are subject to specific charges. Review of PPSR searches conducted.
	Other Assets	All tasks associated with identifying other assets.
Creditors Hours: 1.16 Cost: \$420.59	Creditor Enquiries	Receiving and following up creditor enquiries via telephone and email. Reviewing and prepare correspondence to creditors and their representatives via facsimile, email and post.
	Creditor reports	Preparing initial report to creditors, including annexures.
	Secured Creditors	Liaising with secured creditors regarding status of appointment and ongoing correspondence.
Trade On Hours: 0.10 Cost: \$62.00	Trade on Management	Liaising with Management and Staff. Attendance on site.

<p>Investigation</p> <p>Hours: 13.40 Cost: 7,050.00</p>	<p>Conducting investigations</p>	<p>Collection of company books and records. Reviewing the Company's books and records. Review and preparation of Company nature and history. Conducting and summarising statutory searches. Preparation of investigation file.</p>
<p>Administration</p> <p>Hours: 4.66 Cost: 2,035.40</p>	<p>General matters</p>	<p>Client setup</p>
	<p>Document maintenance/file review/checklist</p>	<p>Filing of documents File reviews Updating checklists</p>
	<p>Insurance</p>	<p>Identification of potential issues requiring attention of insurance specialists. Correspondence with Insurer regarding initial and ongoing insurance requirements.</p>
	<p>ASIC forms</p>	<p>Preparing and lodging ASIC forms including forms 505 and 531. Preparing and lodging ASIC advertisements.</p>
	<p>ATO & other statutory reporting</p>	<p>Notification of appointment. Correspondence with ATO to collect RFD information.</p>
	<p>Planning / Review</p>	<p>Internal communication concerning administration. Discussions regarding status of administration.</p>
	<p>Bank account administration</p>	<p>Preparing correspondence opening accounts. Liaising with banking institutions Requesting bank statements.</p>

Part 3.1 A - Resolution 1 - Calculation of Remuneration

FORUM GROUP FINANCIAL SERVICES PTY LTD (Administrators Appointed) - Calculation of Remuneration														
For all Remuneration for the period 08 July 2021 to 15 July 2021														
Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task Area									
					Assets		Creditors		Trade On		Investigations		Administration	
					hrs	\$	hrs	\$	hrs	\$	hrs	\$	hrs	\$
Domenic Calabretta	Appointee	750	1.30	975.00	0.00	0.00	0.00	0.00	0.00	0.00	1.20	900.00	0.10	75.00
Grahame Ward	Appointee	750	0.60	450.00	0.00	0.00	0.20	150.00	0.00	0.00	0.00	0.00	0.40	300.00
Edw in Narayan	Director	675	3.20	2,160.00	0.00	0.00	0.00	0.00	0.00	0.00	2.60	1,755.00	0.60	405.00
Nelson Huang	Senior Manager	620	0.70	434.00	0.00	0.00	0.10	62.00	0.10	62.00	0.40	248.00	0.10	62.00
Faress Azzam	Manager	525	2.40	1,260.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	1,050.00	0.40	210.00
Andrew Quinn	Manager	525	1.60	840.00	1.40	735.00	0.00	0.00	0.00	0.00	0.20	105.00	0.00	0.00
Jack Michie	Supervisor	480	0.10	48.00	0.00	0.00	0.10	48.00	0.00	0.00	0.00	0.00	0.00	0.00
Rachel Brown	Supervisor	480	4.90	2,352.00	0.00	0.00	0.00	0.00	0.00	0.00	3.70	1,776.00	1.20	576.00
Lily Safa	Supervisor	480	0.90	432.00	0.00	0.00	0.00	0.00	0.00	0.00	0.90	432.00	0.00	0.00
Jordan Brittain	Senior Analyst 1	375	1.30	487.50	1.30	487.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Christopher Knight	Senior Analyst 2	350	0.20	70.00	0.20	70.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Thanatorn Phadermchit	Senior Analyst 2	350	1.80	630.00	0.00	0.00	0.10	35.00	0.00	0.00	1.70	595.00	0.00	0.00
Abby Xu	Analyst 1	290	0.30	87.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	87.00
Felix Bidwell	Analyst 2	270	1.10	297.00	1.10	297.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
George Huxtable	Analyst 2	270	4.50	1,215.00	4.40	1,188.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	27.00
Ian Moffat	Analyst 2	270	0.50	135.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	81.00	0.20	54.00
Nelson Wells	Analyst 2	270	0.40	108.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	108.00	0.00	0.00
Maria Boniao	Secretary	190	0.60	114.00	0.00	0.00	0.60	114.00	0.00	0.00	0.00	0.00	0.00	0.00
Sasiwimol Sumliphon	Secretary	190	0.15	28.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.15	28.50
Wanida Sriraksa	Secretary	190	0.37	70.49	0.00	0.00	0.01	2.09	0.00	0.00	0.00	0.00	0.36	68.40
Wasumon Jaterujikan	Secretary	190	0.80	152.00	0.00	0.00	0.05	9.50	0.00	0.00	0.00	0.00	0.75	142.50
TOTAL HOURS			27.72											
TOTAL REMUNERATION				12,345.49	8.40	2,777.50	1.16	420.59	0.10	62.00	13.40	7,050.00	4.66	2,035.40
GST				1,234.55										
TOTAL (Including GST)				13,580.04										

3.3 Likely impact on dividends

We note the following with respect to the dividend:

- Pursuant to Section 556 of the Corporations Act 2001 (“the Act”), the Administrators/Deed Administrators/Liquidators have priority over all claims of creditors with respect to their remuneration incurred.
- The work the Administrators are entitled to be remunerated for in accordance with the Act is necessary to ensure the greatest possible return to creditors.
- Creditors should refer to details of a likelihood of dividend as detailed in the statutory report to creditors issued by McGrathNicol.

3.4 Remuneration recovered from external sources

As disclosed in the DIRRI in the initial report to creditors dated 12 July 2021, we have not been provided with any upfront payments or indemnity for the conduct of this Voluntary Administration.

Part 4: Disbursements

Disbursements are divided into three (3) types:

- A Externally provided professional services - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- B1 Externally provided non-professional costs - these are recovered at cost. Examples of externally provided non-professional costs are travel, accommodation, and search fees.
- B2 Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis. Details of the basis of recovery of each of these costs is discussed below.

We are required to seek creditor approval for disbursement types A and B1, but must provide a full summary of account of disbursements to creditors. We must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to seek creditor approval prior to the payment of internal disbursements (B2) where there may be a profit or advantage. Creditors will be asking to approve our internal disbursements where there is a profit or advantage prior to these disbursements being paid in the Administration.

Part 5: Report on Progress of the Administration

This remuneration report should be read in conjunction with the McGrathNicol's Statutory Report to Creditors which outlines the progress of the external administration.

Part 6: Summary of Receipts and Payments

A Summary of the Administrators' receipts and payments made up to 15 July 2021 is attached as Annexure.

Part 7: Queries

If you have any queries in relation to the information in this report, please contact Thanatorn Phadermchit of Mackay Goodwin via email at tphadermchit@mackaygoodwin.com.au.

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

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

Part 8: Approval of remuneration and internal disbursements

As previously mentioned throughout this report, the resolutions will be put forward at the meeting of creditors. Please refer to the notice of meeting enclosed with McGrath Nicol's Statutory Report to Creditors for information regarding the meeting to be convened and the resolutions which will be put forward for creditor approval.

Dated this 6th day of October 2021



DOMENIC CALABRETTA
FORMER JOINT AND SEVERAL ADMINISTRATOR

Summarised Receipts & Payments

FORUM GROUP FINANCIAL SERVICES PTY LTD
(Administrators Appointed)
Transactions From 08 July 2021 To 15 July 2021

A/C Code	Account	Gross Amount
	Total Receipts (inc GST)	\$0.00
	Total Payments (inc GST)	\$0.00
	Balance in Hand - By Bank Account	\$0.00

Information sheet: Approving remuneration of an external administrator

If you are a creditor in a liquidation, voluntary administration or deed of company arrangement you may be asked to approve the external administrator's remuneration. An external administrator can be a liquidator, voluntary administrator or deed administrator. The process for approving the remuneration for each of these is the same.

This information sheet gives general information to help you understand the process of approving an external administrator's remuneration and your rights in this process. The following topics are covered in this information sheet:

- About external administrations
- External administrator's remuneration and costs
- Calculating remuneration
- Information you will receive
- Approving remuneration
- Who may approve remuneration
- Deciding if remuneration is reasonable
- What can you do if you decide the remuneration is unreasonable?
- Reimbursement of out of pocket costs
- Queries and complaints
- More information.

About external administrations

If a company goes into liquidation, voluntary administration or enters into a deed of company arrangement, an independent person is appointed to oversee the administration. They are called an external administrator and include a liquidator, voluntary administrator and deed administrator, depending on the type of administration involved. In this information sheet they are simply referred to as an external administrator.

The duties of an external administrator are specified in legislation and they must adhere to certain standards while conducting the administration.

All external administrators are required by law to undertake certain tasks which may not benefit creditors directly (e.g. investigating whether any offences have been committed and reporting to the Australian Securities and Investments Commission (ASIC)).

External administrator's remuneration and costs

External administrators are entitled to be paid for the necessary work they properly perform in the administration.

An external administrator is entitled:

- to be paid reasonable remuneration, for the work they perform, once this remuneration has been approved,
- to be paid for internal disbursements they incur in performing their role (these costs do need approval), and
- to be reimbursed for out-of-pocket costs incurred in performing their role (these costs do not need approval).

Common internal disbursements are stationery, photocopying and telephone costs.

Commonly reimbursed out-of-pocket costs include:

- legal fees
- a valuer's, real administration agent's and auctioneer's fees
- postage costs
- retrieval costs for recovering the company's computer records, and
- storage costs for the company's books and records.

Creditors have a direct interest in the amount of an external administrator's remuneration and costs, as these will generally be paid from the administration before any payments are made to creditors.

Remuneration and internal disbursements must be approved in accordance with the Corporations Act and Insolvency Practice Rules (Corporations) before it can be paid.

If there is a shortfall between the external administrator's remuneration and the assets available from the administration, in certain circumstances the external administrator may arrange for a third party to pay the shortfall. As a creditor, you will be provided details of any such arrangement.

If there are not enough assets to pay the external administrator's remuneration and costs, and there is no third party payment arrangement, the external administrator remains unpaid.

Calculating remuneration

An external administrator may calculate their remuneration using one (or a combination) of a number of methods, such as:

- on the basis of time spent working on the administration, according to hourly rates
- a quoted fixed fee, based on an estimate of the costs
- a percentage (usually of asset realisations), or
- a contingent basis on a particular outcome being achieved.

Charging on the basis of time spent is the most common method used. External administrators have a set of hourly rates that they will seek to charge. These rates are set to reflect the seniority, skills and experience of staff and, where applicable, the complexity and risks of the bankruptcy. They cover staff costs and overheads.

If remuneration is being charged on a time basis, the external administrator must keep time sheets noting the number of hours spent on the tasks performed.

Creditors have a right to question the external administrator about the remuneration and the rates to be charged. They also have a right to question the external administrator about the fee calculation method used and how the calculation was made. The external administrator must justify why the chosen fee calculation method is appropriate for the administration.

Information you will receive

There are different types of remuneration reports that you may receive during the course of an external administration. The following table details the reports and when you might receive them.

Document	Information it contains	When you will receive it
Initial Remuneration Notice (IRN)	<ul style="list-style-type: none"> • A brief explanation of the types of methods that may be used to calculate fees. • The external administrator's chosen fee calculation method(s) and why it is appropriate. • Details of the external administrator's rates, including hourly rates if time spent basis is used. • An estimate of the external administrator's remuneration. • The method that will be used to calculate disbursements. 	<p>Voluntary Administration – with the notice of first meeting.</p> <p>Creditors' voluntary liquidation – within 10 business days of appointment.</p> <p>Court liquidation – within 20 business days of appointment.</p>
Remuneration Approval Report (RAR)	<ul style="list-style-type: none"> • A summary description of the major tasks performed, or likely to be performed. • The costs associated with each of those major tasks and the method of calculation. • The periods at which the external administrator proposes to withdraw funds from the administration for remuneration. • An estimated total amount, or range of total amounts, of the external administrator's remuneration. • An explanation of the likely impact of that remuneration on the dividends (if any) to creditors. • Where internal disbursements are being claimed, the external administrator will report to creditors on the amount and method of calculation of these disbursements. 	<p>Sent at the same time as:</p> <ul style="list-style-type: none"> • the notice to creditors of the meeting at which approval of remuneration will be sought; or • the notice to creditors of the proposal without a meeting by which approval of remuneration will be sought <p>If approval of remuneration is not being sought, a RAR will not be provided.</p>

Approving remuneration

The meeting of creditors (or committee of inspection) gives a chance for those participating to ask questions about the external administrator's remuneration. Fees are then approved by a vote of the creditors. Alternatively, the external administrator may seek approval of remuneration via a proposal without a meeting. Whichever method is used, the external administrator must provide the same report to creditors about their remuneration (Remuneration Approval Report).

Creditors may be asked to approve remuneration for work already performed and/or remuneration estimate for work not yet carried out. If the work is yet to be carried out, the external administrator must set a maximum limit (cap) on the future remuneration approval. For example, 'future remuneration is approved, calculated on hours worked at the rates charged (as set out in the provided rate scale) up to a cap of \$X'.

If the remuneration for work done then exceeds this figure, the external administrator will have to ask the creditors to approve a further amount of remuneration, after accounting for the amount already incurred.

If an external administrator can't get the creditors' approval, an application can be made to the Court to determine their remuneration.

When there are limited funds available in the administration, or the external administrator's remuneration is below a statutory threshold, an external administrator is entitled to draw a one-off amount of up to that threshold plus GST, without creditor approval. This amount is currently \$5,000 (indexed).

Who may approve remuneration?

Committee of inspection approval

A committee of inspection will generally only be established where there are a large number of creditors and/or complex matters which make having a committee desirable. Committee members are chosen by a vote of all creditors and work with the external administrator to represent the creditors' interests.

If there is a committee, the external administrator will ask it to approve the remuneration. A committee makes its decision by a majority in number of its members present in person at a meeting, but it can only vote if a majority of its members attend.

In approving the remuneration, it is important that committee members understand that they represent all the creditors, not just their own individual interests.

Creditors' approval

Creditors approve remuneration by passing a resolution at a creditors' meeting. Creditors may vote according to their individual interests.

To approve an external administrator's remuneration, a resolution is put to the meeting to be decided on the voices or by a 'poll' (if requested by the external administrator or a person participating and entitled to vote at the meeting). A poll requires a count of each vote and its value to be taken and recorded for each creditor present and voting.

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

A creditor will sometimes appoint the external administrator as a proxy to vote on the creditor's behalf. An external administrator is only able to vote on remuneration if they hold a special proxy.

There are provisions for a resolution to be passed by creditors without a meeting. This still requires a majority in value and number of creditors voting to vote in favour of the resolution. Creditors representing at least 25% in value of those responding to the external administrator's proposal can object to the proposal being resolved without a meeting of creditors.

Deciding if remuneration is reasonable

If you are asked to approve an external administrator's remuneration, your task is to decide if the amount of remuneration is reasonable, given the work carried out in the administration and the results of that work.

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

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

ARITA's Code of Professional Practice ('the Code') outlines the steps external administrators should take to make sure they fulfil their responsibilities to creditors when asking creditors to approve remuneration, including when those creditors are acting in their capacity as committee members. The Code is available on the ARITA website at www.arita.com.au.

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

What can you do if you think the remuneration is unreasonable?

If you think the remuneration being claimed is unreasonable, you should raise your concerns with the external administrator. It is your decision whether to vote in favour of, or against, a resolution to approve remuneration. You may also choose to not vote on the resolution (abstain).

You also have the power to put a resolution to the meeting. For example, you could put forward a resolution to change the way the external administrator charges for remuneration, or the periods at which the external administrator may withdraw funds. Any amending resolution must occur before the vote being taken on the resolution to approve remuneration. If the amended proposal is passed, the resolution is binding on the external administrator. However, such an amendment may result in the external administrator seeking to be replaced by another external administrator.

If the external administrator is seeking approval of remuneration via a resolution without a meeting and more than 25% in value of the creditors responding object using the form provided by the external administrator, the proposal will not pass. If the external administrator wants the proposal passed, a meeting will need to be convened and any creditor entitled to participate in the meeting has the right, before the vote is taken, to put a resolution to the meeting as mentioned above.

A creditor may apply to Court for a review of an external administrator's remuneration. Creditors also have the power to appoint, by resolution, a reviewing liquidator to review any remuneration approved within the six months and any disbursements incurred in the 12 months before the reviewing liquidator's appointment. The cost of a reviewing liquidator is paid from the assets of the external administration. An individual creditor may also appoint a reviewing liquidator with the external administrator's consent. An individual creditor seeking the appointment of a reviewing liquidator must pay the cost of the reviewing liquidator.

Reimbursement of out-of-pocket costs

An external administrator should be very careful incurring costs that must be paid from the administration; as careful as if they were incurring the expenses on their own behalf. Their report on remuneration sent to creditors must also include information on the out-of-pocket costs of the administration (disbursements).

Where these out-of-pocket costs are internal disbursements paid to the external administrator's firm (for example photocopying and phone calls) the external administrator must request creditor approval of these amounts. The external administrator may also ask for approval of internal disbursements in advance. If they do so, they will set the rates for those disbursements and a cap on the maximum amount that can be drawn.

If you have questions about any of these costs, you should ask the external administrator and, if necessary, bring it up at a creditors' or committee meeting. If you are still concerned, you have the right to seek the appointment of a reviewing liquidator (refer above).

Queries and complaints

You should first raise any queries or complaints with the external administrator or their firm.

If this fails to resolve your concerns, including any concerns about their conduct, you can lodge a complaint with ARITA at www.arita.com.au or with ASIC at www.asic.gov.au. ARITA is only able to deal with complaints in respect of their members.

More information

The [ARITA website](http://www.arita.com.au) contains the ARITA Code of Professional Practice which is applicable to all its members. ARITA also provides general information to assist creditors at www.arita.com.au/creditors.

ASIC includes information on its website which may assist creditors. Go to www.asic.gov.au and search for 'insolvency information sheets'.

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances.



Notice of Meeting

Forum Finance Pty Limited (In Liquidation) (Receivers Appointed)
ACN 153 301 172 (Forum Finance)
Forum Group Financial Services Pty Ltd (Provisional Liquidators Appointed)
ACN 623 033 705 (FGFS)
(collectively, the Companies)

NOTICE OF MEETING OF CREDITORS OF COMPANIES UNDER EXTERNAL ADMINISTRATION

1. Notice is now given that concurrent meetings of the creditors of the Companies will be held virtually on **22 October 2021 at 2:00 PM (AEDT)**.
2. The meetings will be held virtually using Zoom webcast/teleconference, in order to ensure compliance with any restrictions that may be in place as a result of COVID-19. The online conference can be joined from a computer (preferred) or telephone. Questions can be typed or asked verbally during the meeting. Voting will be conducted by taking a poll by an electronic survey accessible by computer or mobile device. There will not be an option to attend in person.
3. Should you wish to attend, or nominate someone to attend by proxy or attorney on your behalf, please register your intention to do so by sending an email to forum@mcgrathnicol.com or call (03) 9038 3148 before 4.00 PM on 21 October 2021 and you will be provided with detailed instructions on how to participate in the meeting during the evening of 21 October 2021.
4. The purpose of the meetings is to:
 - a. provide an update on the progress of the Liquidations;
 - b. consider and if thought fit, approve the retrospective remuneration of the Liquidators and Provisional Liquidators;
 - c. consider and if thought fit, approve the retrospective remuneration of the Former Voluntary Administrators of FGFS;
 - d. consider the appointment of a Committee of Inspection for each of the Companies;
 - e. authorise the Liquidators of Forum Finance to compromise debts greater than \$100,000 under section 477(2A) of the Act; and
 - f. authorise the Liquidators of Forum Finance to enter into agreements that may take longer than three months to complete under section 477(2B) of the Act; and
 - g. discuss any other relevant business which may arise.
5. The effect of Insolvency Practice Rules (Corporations) section 75-85 (entitlement to vote as creditor at meetings of creditors) is:
 - a. A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
 - b. Subject to subsections (c), (d) and (e), each creditor is entitled to vote and has one vote.
 - c. A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - i. his or her debt or claim has been admitted wholly or in part by the external administrator;
or



- ii. he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 - those particulars; or
 - if required—a formal proof of the debt or claim.
 - d. A creditor must not vote in respect of:
 - i. an unliquidated debt; or
 - ii. a contingent debt; or
 - iii. an unliquidated or a contingent claim; or
 - iv. a debt the value of which is not established;
unless a just estimate of its value has been made.
 - e. A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - i. treat the liability to him or her on the instrument or security of a person covered by subsection (f) as a security in his or her hands;
 - ii. estimate its value;
 - iii. for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
 - f. A person is covered by this subsection if:
 - i. the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor;
 - ii. the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - iii. the person is not an insolvent under administration or a person against whom a winding up order is in force.
6. Proofs of debt and proxies must be submitted by email to forum@mcgrathnicol.com before **4.00 PM (AEDT) on 21 October 2021**.

Dated: 8 October 2021

Jason Ireland
Liquidator and Provisional Liquidator

McGrathNicol
GPO Box 9986
Sydney NSW 2001
+61 2 9338 2600



Proof of Debt Guidance Notes

(Please read carefully before filling in Form 535 or Form 536)

It is a creditor's responsibility to prove their claim to our satisfaction.

When lodging claims, creditors must ensure:

- the proof of debt form is properly completed in every particular; and
- evidence, as set out under "Information to support your claim", is attached to the Form 535 or Form 536.

Directions for completion of a Proof of Debt

1. Insert the full name and address of the creditor.
2. Under "Consideration" state how the debt arose, for example "goods sold to the company on _____".
3. Under "Remarks" include details of any documents that substantiate the debt (refer to the section "Information to support your claim" below for further information).
4. Where the space provided for a particular purpose is insufficient to contain all the information required for a particular item, please attach additional information.

Information to support your claim

Please note that unless you provide evidence to support the existence of the debt, your debt is not likely to be accepted. Detailed below are some examples of debts creditors may claim and a suggested list of documents that should accompany a proof of debt to substantiate the debt.

Trade Creditors

- Invoice(s) and statement(s) showing the amount of the debt; and
- Advice(s) to pay outstanding invoice(s) (optional).

Guarantees/Indemnities

- Executed guarantee/indemnity;
- Notice of Demand served on the guarantor; and
- Calculation of the amount outstanding under the guarantee.

Judgment Debt

- Copy of the judgment; and
- Documents/details to support the underlying debt as per other categories.

Deficiencies on Secured Debt

- Security Documents (eg. mortgage);
- Independent valuation of the secured portion of the debt (if not yet realised) or the basis of the creditor's estimated value of the security;
- Calculation of the deficiency on the security; and
- Details of income earned and expenses incurred by the secured creditor in respect of the secured asset since the date of appointment.

Loans (Bank and Personal)

- Executed loan agreement; and



- Loan statements showing payments made, interest accruing and the amount outstanding as at the date of appointment.

Tax Debts

- Documentation that shows the assessment of debts, whether it is an actual debt or an estimate, and separate amounts for the primary debt and any penalties.

Employee Debts

- Basis of calculation of the debt;
- Type of Claim (eg. wages, holiday pay, etc);
- Correspondence relating to the debt being claimed; and
- Contract of Employment (if any).

Leases

- Copy of the lease; and
- Statement showing amounts outstanding under the lease, differentiating between amounts outstanding at the date of the appointment and any future monies.

PROXY FORM

Forum Group Financial Services Pty Ltd (Provisional Liquidators Appointed)

ACN: 623 033 705

APPOINTMENT OF PROXY

I/We (if a firm, strike out "I" and set out the full name of the firm) _____ of

_____ (insert address)

a creditor of **Forum Group Financial Services Pty Ltd (Provisional Liquidators Appointed)** appoint

_____ (insert name, address and description of the person appointed)

or in his or her absence

_____ (insert name, address and description of the person appointed)

as my/our (choose one):

general proxy

special proxy

to vote at the meeting of creditors to be held on Friday, 22 October 2021 at 2.00 PM (AEDT) or at any adjournment of that meeting.

Resolution (only complete where appointing a special proxy)	For	Against	Abstain
Provisional Liquidators' remuneration			
1 That the remuneration of the Provisional Liquidators for the period from 15 July 2021 to 19 September 2021, calculated at hourly rates as detailed in the Remuneration Approval Report dated 8 October 2021, is determined in the sum of \$2,848,126, exclusive of GST.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Former Voluntary Administrators' remuneration (Mackay Goodwin)			
2 That the remuneration of the Administrators, their partners and staff from 8 July 2021 to 15 July 2021 be approved up to a maximum amount of \$12,345.49 plus GST, calculated in accordance with the Mackay Goodwin hourly rates as detailed in the Initial Report to Creditors dated 12 July 2021 and that the Administrators be authorised to draw the remuneration as required.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Appointment of Committee of Inspection

3 That a Committee of Inspection be formed and the members of which are to be determined at the meeting.

DATED this _____ day of _____ 2021

Name _____

Signature _____

Select which of the below applies (choose one):

The creditor is a company and I am signing as a director of the company

The creditor is a partnership and I am signing as a partner of the partnership

The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company

I am signing in my personal capacity as a member or contributory of Forum Group Financial Services Pty Ltd

I am an individual and I am signing in my personal capacity (which includes employees)

Other: _____

The creditor is a sole trader and I am signing as the proprietor

Proxy forms should be completed and returned by no later than 4.00PM (AEDT) on Thursday, 21 October 2021.

RETURN TO: **Forum Group Financial Services Pty Ltd (Provisional Liquidators Appointed)**

of care of McGrathNicol

Email: forum@mcgrathnicol.com

Address: GPO Box 9986, Sydney NSW 2001

Phone: +61 2 9338 2600

Fax: +61 2 9338 2699

PROXY FORM

Forum Finance Pty Limited (In Liquidation) (Receivers Appointed)

ACN: 153 301 172

APPOINTMENT OF PROXY

I/We (if a firm, strike out "I" and set out the full name of the firm) _____ of

_____ (insert address)

a creditor of **Forum Finance Pty Limited (In Liquidation) (Receivers Appointed)** appoint

_____ (insert name, address and description of the person appointed)

or in his or her absence

_____ (insert name, address and description of the person appointed)

as my/our (choose one):

general proxy

special proxy

to vote at the meeting of creditors to be held on Friday, 22 October 2021 at 2.00 PM (AEDT) or at any adjournment of that meeting.

Resolution (only complete where appointing a special proxy)	For	Against	Abstain
Liquidators' remuneration That the remuneration of the Liquidators for the period from 9 July 2021 to 1 19 September 2021, calculated at hourly rates as detailed in the Initial Remuneration Notice dated 6 August 2021, is determined in the sum of \$511,930.00, exclusive of GST.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appointment of Committee of Inspection 2 That a Committee of Inspection be formed and the members of which are to be determined at the meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Liquidators' ability to compromise debts That so far as necessary for the beneficial winding up of Forum Finance Pty 3 Limited, the Liquidators are hereby authorised pursuant to subsections 506(1A), 477(2A) and 477(2B) of the Corporations Act 2001 to compromise any debts greater than the prescribed amount.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Liquidators' ability to enter into agreements

That so far as necessary for the beneficial winding up of Forum Finance Pty

- 4 Limited, the Liquidators are hereby authorised to enter any agreements on behalf of Forum Finance Pty Limited involving a term or obligations extending for more than three months.

DATED this _____ day of _____ 2021

Name _____

Signature _____

Select which of the below applies (choose one):

The creditor is a company and I am signing as a director of the company

The creditor is a partnership and I am signing as a partner of the partnership

The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company

I am signing in my personal capacity as a member or contributory of Forum Finance Pty Limited

I am an individual and I am signing in my personal capacity (which includes employees)

Other: _____

The creditor is a sole trader and I am signing as the proprietor

Proxy forms should be completed and returned by no later than 4.00PM (AEDT) on Thursday, 21 October 2021.

RETURN TO: **Forum Finance Pty Limited (In Liquidation) (Receivers Appointed)**
of care of McGrathNicol
Email: forum@mcgrathnicol.com
Address: GPO Box 9986, Sydney NSW 2001
Phone: +61 2 9338 2600
Fax: +61 2 9338 2699



Proxy Guidance Notes

- Insert full name and address of creditor, contributory or member on the top line.
- On the second line, insert the address of the creditor, contributory or member.
- On the next line insert the name of the person you appoint as your proxy. You may insert "the Chairperson of the meeting" if you wish.
- You may appoint an alternate proxy on the fourth line who may act if your first appointed proxy cannot attend the meeting. You may insert "the Chairperson of the meeting" if you wish.
- Make sure you select whether the proxy is a general or special proxy.
- A general proxy is where you leave it to the proxy to decide how to vote on each of the resolutions put before the meeting.
- A special proxy is where you specify how the proxy is to vote on each resolution and the proxy must vote in accordance with that instruction.
- If the proxy is a special proxy, the form must include details of each resolution and whether the proxy holder is to cast their vote in favour or against each resolution or abstain from voting.
- Date and sign the Proxy form, indicating in which capacity you are signing the form. The person signing must be authorised to do so.



Forum Finance Pty Limited (In Liquidation) (Receivers Appointed)
ACN 153 301 172
Forum Group Financial Services Pty Ltd (Provisional Liquidators Appointed)
ACN 623 033 705
(collectively, the Companies)

General Information for Attending and Voting at Meetings of Creditors

Time and Place of Meeting

Pursuant to *Insolvency Practice Rules (Corporations) (IPR) 75-30*, a meeting of creditors must be convened at the time and place the Chairperson believes are convenient for the majority of creditors entitled to receive notice of the meeting.

Virtual Meeting

The meeting will be held virtually using online video conferencing. There will be no in person meeting held for the companies.

Quorum

Pursuant to IPR 75-105, unless a quorum is present, a meeting must not act for any purpose other than:

- the election of a chairperson; and
- the proving of debts; and
- the adjournment of the meeting.

A quorum is present if two (2) or more persons are entitled to vote and at least two (2) persons are present at the meeting in person, by proxy or by power of attorney.

A quorum is present if only one (1) person is entitled to vote and that person is present at the meeting in person, by proxy or by power of attorney.

A person who participates in the meeting using electronic facilities is taken to be present in person at the meeting.

A meeting is sufficiently constituted if only one (1) person is present in person, if the person represents personally or by proxy or otherwise a number of persons sufficient to constitute a quorum.

Chairperson

Pursuant to IPR 75-50, the external administrator is appointed Chairperson of the meeting. Alternatively, pursuant to IPR 75-50 and IPR 75-152 the external administrator may appoint someone else to act as chairperson of the meeting and authorise that person to use any proxies held by the external administrator on the external administrator's behalf.

Voting

Pursuant to IPR 75-85, creditors will not be eligible to vote at the meeting unless they have lodged particulars of their debt or claim prior to or at the meeting.

Accordingly, creditors who intend to vote at the meeting should ensure that they lodge a formal proof of debt with the external administrator prior to or at the meeting.

For meetings held virtually, voting must be decided by way of a poll. In this regard, please note the meeting may be adjourned by the chairperson for a short time should time be required to consider votes for each of the proposed resolutions.



Pursuant to IPR 75-115:

- a resolution is passed if a majority in number and a majority in value vote in favour of the resolution; and
- a resolution is not passed if a majority in number and a majority in value vote against the proposed resolution.

In the event of a deadlock, the chairperson may exercise a casting vote. In such situations, the minutes of the meeting must specify the chairperson's reasons for exercising, or not exercising, their casting vote.

Proxies

Pursuant to IPR 75-150, a person entitled to vote at a meeting may, in writing, appoint an individual as their proxy to attend and vote at the meeting on their behalf.

Accordingly, creditors who are unable to attend the meeting but who wish to be represented should ensure that a validly executed proxy form is lodged with the external administrator prior to the meeting.

Corporate Creditors

Corporate creditors who wish to attend the meeting should note that an individual may only represent them if the corporation validly grants that person a proxy or power of attorney.

Committee of Inspection

Pursuant to IPR 80-5, a person may only serve as a member of a Committee of Inspection if the person is:

- a creditor of the company personally; or
- the attorney of a creditor under a general power of attorney; or
- authorised in writing by a creditor; or
- a representative of the Commonwealth if a FEG claim has been, or the Commonwealth considers a claim is likely to be, made in relation to unpaid employee entitlements.

Corporate creditors who are members of a Committee of Inspection may be represented by an individual authorised in writing by the member to represent the member on the committee.



Forum Finance Pty Limited (In Liquidation) (Receivers Appointed)
ACN 153 301 172
Forum Group Financial Services Pty Ltd (Provisional Liquidators Appointed)
ACN 623 033 705
(collectively, the Companies)

Tips for Attending Virtual Meetings

1. **Arrive at least 30 minutes prior to the meeting.** To ensure the meeting can commence in accordance with the time specified on the agenda, please ensure you have logged into the virtual meeting at least 30 minutes prior to the meeting and familiarise yourself with the meeting software/functionality for voting.
2. **Please ensure you are on mute.** Background noise disrupts the meeting and might prevent creditors from hearing the information presented by the chairperson. Please choose a quiet location and use the mute button when you are not speaking.
3. **Questions for the chairperson.** Please, if possible, save your questions until the end of each segment. The chairperson will open the meeting for questions at the end of each segment.
4. **Identify yourself.** Before you start to speak, please state your name and company (if applicable).
5. **Speak slowly and clearly.** Please try not to talk over another speaker. Be considerate and try to speak one at a time so that the chairperson can follow your point in its entirety.

**Forum Group Financial Services Pty Ltd (Provisional Liquidators Appointed)
Nomination Form for Membership of a Committee of Inspection**

Requirements: To be eligible for membership of a Committee of Inspection, a person must be: (i) a creditor of the company in liquidation; or (ii) the attorney of a creditor of the company by virtue of a general power of attorney given by the creditor; or (iii) a person authorised in writing by a creditor of the company to be a member; or (iv) a representative of the Commonwealth.

Company	Forum Group Financial Services Pty Ltd (Provisional Liquidators Appointed) (FGFS)
Name of Creditor	
Name of nominated representative (If creditor is a company)	
Position of nominated representative	
Organisation of nominated representative (if different to Creditor)	
Creditor / organisation address	
Estimated value of debt owed by FGFS (in AUD or AUD equivalent)	

Signature of Creditor (or authorised company rep)	
Position	
Date	

Signature of Nominee (if applicable)	
Position	
Date	

Please return by email to: Attention: Walter Jones, Email: forum@mcgrathnicol.com

**Forum Finance Pty Limited (In Liquidation) (Receivers Appointed)
Nomination Form for Membership of a Committee of Inspection**

Requirements: To be eligible for membership of a Committee of Inspection, a person must be: (i) a creditor of the company in liquidation; or (ii) the attorney of a creditor of the company by virtue of a general power of attorney given by the creditor; or (iii) a person authorised in writing by a creditor of the company to be a member; or (iv) a representative of the Commonwealth.

Company	Forum Finance Pty Limited (In Liquidation) (Receivers Appointed) (Forum Finance)
Name of Creditor	
Name of nominated representative (If creditor is a company)	
Position of nominated representative	
Organisation of nominated representative (if different to Creditor)	
Creditor / organisation address	
Estimated value of debt owed by Forum Finance (in AUD or AUD equivalent)	

Signature of Creditor (or authorised company rep)	
Position	
Date	

Signature of Nominee (if applicable)	
Position	
Date	

Please return by email to: forum@mcgrathnicol.com. Attention: Walter Jones

Creditor Information Sheet

Offences, Recoverable Transactions and Insolvent Trading



Offences

A summary of offences under the Corporations Act that may be identified by the administrator:

180	Failure by company officers to exercise a reasonable degree of care and diligence in the exercise of their powers and the discharge of their duties.
181	Failure to act in good faith.
182	Making improper use of their position as an officer or employee, to gain, directly or indirectly, an advantage.
183	Making improper use of information acquired by virtue of the officer's position.
184	Reckless or intentional dishonesty in failing to exercise duties in good faith for a proper purpose. Use of position or information dishonestly to gain advantage or cause detriment. This can be a criminal offence.
198G	Performing or exercising a function or power as an officer while a company is under administration.
206A	Contravening a court order against taking part in the management of a corporation.
206A, B	Taking part in the management of corporation while being an insolvent, for example, while bankrupt.
206A, B	Acting as a director or promoter or taking part in the management of a company within five years after conviction or imprisonment for various offences.
209(3)	Dishonest failure to observe requirements on making loans to directors or related companies.
254T	Paying dividends except out of profits.
286	Failure to keep proper accounting records.
312	Obstruction of an auditor.
314-7	Failure to comply with requirements for the preparation of financial statements.
437D(5)	Unauthorised dealing with company's property during administration.
438B(4)	Failure by directors to assist administrator, deliver records and provide information.
438C(5)	Failure to deliver up books and records to the administrator.
588G	Incurring liabilities while insolvent
588GAB	Officer's duty to prevent creditor-defeating disposition
588GAC	A person must not procure a company to make a creditor-defeating disposition
590	Failure to disclose property, concealed or removed property, concealed a debt due to the company, altered books of the company, fraudulently obtained credit on behalf of the company, material omission from Report as to Affairs or false representation to creditors.
596AB	Entering into an agreement or transaction to avoid employee entitlements.

Recoverable Transactions

Preferences

A preference is a transaction, such as a payment by the company to a creditor, in which the creditor receiving the payment is preferred over the general body of creditors. The relevant period for the payment commences six months before the commencement of the liquidation. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Where a creditor receives a preference, the payment is voidable as against a liquidator and is liable to be paid back to the liquidator subject to the creditor being able to successfully maintain any of the defences available to the creditor under the Corporations Act.

Creditor-defeating disposition

Creditor-defeating dispositions are the transfer of company assets for less than market value (or the best price reasonably obtainable) that prevents, hinders or significantly delay creditors' access to the company's assets in liquidation. Creditor-defeating dispositions are voidable by a liquidator.

Uncommercial Transaction

An uncommercial transaction is one that it may be expected that a reasonable person in the company's circumstances would not have entered into, having regard to the benefit or detriment to the company; the respective benefits to other parties; and any other relevant matter.

To be voidable, an uncommercial transaction must have occurred during the two years before the liquidation. However, if a related entity is a party to the transaction, the period is four years and if the intention of the transaction is to defeat creditors, the period is ten years. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Unfair Loan

A loan is unfair if and only if the interest was extortionate when the loan was made or has since become extortionate. There is no time limit on unfair loans – they only must be entered into before the winding up began.

Arrangements to avoid employee entitlements

If an employee suffers loss because a person (including a director) enters into an arrangement or transaction to avoid the payment of employee entitlements, the liquidator or the employee may seek to recover compensation from that person or from members of a corporate group (Contribution Order).

Unreasonable payments to directors

Liquidators have the power to reclaim '*unreasonable payments*' made to directors by companies prior to liquidation. The provision relates to payments made to or on behalf of a director or close associate of a director. The transaction must have been unreasonable, and have been entered into during the 4 years leading up to a company's liquidation, regardless of its solvency at the time the transaction occurred.

Voidable charges

Certain charges over company property are voidable by a liquidator:

- circulating security interest created within six months of the liquidation, unless it secures a subsequent advance;
- unregistered security interests;
- security interests in favour of related parties who attempt to enforce the security within six months of its creation.

Insolvent trading

In the following circumstances, directors may be personally liable for insolvent trading by the company:

- a person is a director at the time a company incurs a debt;
- the company is insolvent at the time of incurring the debt or becomes insolvent because of incurring the debt;
- at the time the debt was incurred, there were reasonable grounds to suspect that the company was insolvent;
- the director was aware such grounds for suspicion existed; and
- a reasonable person in a like position would have been so aware.

The law provides that the liquidator, and in certain circumstances the creditor who suffered the loss, may recover from the director, an amount equal to the loss or damage suffered. Similar provisions exist to pursue holding companies for debts incurred by their subsidiaries.

A defence is available under the law where the director can establish:

- there were reasonable grounds to expect that the company was solvent and they did so expect;
- they did not take part in management for illness or some other good reason; or
- they took all reasonable steps to prevent the company incurring the debt.

The proceeds of any recovery for insolvent trading by a liquidator are available for distribution to the unsecured creditors before the secured creditors.


Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances.

Queries about the voluntary administration should be directed to the administrator's office.



NAB Business Everyday Account
 For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



007/008878

 FORUM ENVIRO (AUST) PTY LTD
 PO BOX 1344
 NORTH SYDNEY NSW 2059

Account Balance Summary

Opening balance	\$41,584.90	Cr
Total credits	\$13,703,437.00	
Total debits	\$13,270,372.00	
Closing balance	\$474,649.90	Cr

Statement starts 1 October 2019
Statement ends 31 December 2019

Outlet Details

Pitt & Bathurst Streets
 292 Pitt St, Sydney NSW 2000

Lending Investment & Insurance Enquiries

Banker Saurabh Shukla
 Telephone number (02) 8267 2295

Account Details

FORUM ENVIRO (AUST) PTY LTD
 BUSINESS EVERYDAY AC
 BSB number 082-080
 Account number 82-508-1722

Transaction Details

Date	Particulars	Debits	Credits	Balance
1 Oct 2019	Brought forward			41,584.90 Cr
1 Oct 2019	payment Forum Grp Fs		2,562,433.50	
	Internet Transfer Pymt-Id 146279583			
	loan to enviro	2,530,000.00		74,018.40 Cr
9 Oct 2019	Internet Transfer Pymt-Id 146756138			
	Loan To Fg	70,000.00		
	Internet Bpay PMT 000146785214			
	Asic	347.00		3,671.40 Cr
11 Oct 2019	Please Note From Today Your Dr Interest Rate Is 16.220%			3,671.40 Cr
28 Oct 2019	Fgfs Invoices Forum Grp Fs		663,586.00	
	Internet Transfer Pymt-Id 147907199			
	Loan to Fg	360,000.00		307,257.40 Cr
31 Oct 2019	Fgfs Invoices Forum Grp Fs		2,562,433.50	
	Internet Transfer Pymt-Id 148183295			
	Loan to Fg	400,000.00		
	Internet Transfer PMT 000148120264			
	Urm OPP0019953	33,275.00		
	Internet Transfer PMT 000148119726			
	CP15	620,400.00		1,816,015.90 Cr
1 Nov 2019	Internet Transfer Pymt-Id 148236770			
	loan to enviro	1,800,000.00		16,015.90 Cr
28 Nov 2019	Fgfs Invoices Forum Grp Fs		663,586.00	679,601.90 Cr
29 Nov 2019	Fgfs 610380 Forum Gr P Fs		133,980.00	
	Fgfs Invoices Forum Grp Fs		2,955,353.50	
	Internet Transfer Pymt-Id 150044214			
	Loan to Enviro	110,000.00		
	Internet Transfer PMT 000149986332			
	Urm OPP0019953	33,275.00		
	Internet Transfer PMT 000149985610			
	CP16	620,400.00		3,005,260.40 Cr
2 Dec 2019	Fgfs 610384 386 Foru M Grp Fs		155,210.00	
	Fgfs Invoices Forum Grp Fs		289,190.00	
	Internet Transfer Pymt-Id 150115042			
	Carried forward			3,449,660.40 Cr

365/72/02/M008878/S01.41.27/028253

Transaction Details (continued)

Date	Particulars	Debits	Credits	Balance
	Brought forward			3,449,660.40 Cr
	Loan to Group	1,000,000.00		
	Internet Transfer Pymt-Id 150156225			
	loan to enviro	2,440,000.00		9,660.40 Cr
11 Dec 2019	Forun Grp Fs 610385 610387			
	Na		98,725.00	108,385.40 Cr
13 Dec 2019	Internet Transfer Pymt-Id 150959080			
	Loan to Fg	49,000.00		
	Internet Transfer Pymt-Id 150958780			
	Loan to Enviro	50,000.00		9,385.40 Cr
20 Dec 2019	Fgfs Invoices Forum Grp Fs		3,618,939.50	3,628,324.90 Cr
23 Dec 2019	Internet Transfer Pymt-Id 151574843			
	Loan to Enviro	2,500,000.00		1,128,324.90 Cr
31 Dec 2019	Internet Transfer PMT 000151520437			
	Urm OPP0019953	33,275.00		
	Internet Transfer PMT 000151519800			
	CP17	620,400.00		474,649.90 Cr

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.

For further information on any applicable rebates, fees or government charges, please refer to the NAB's "A Guide to Fees & Charges" booklet. Please retain this statement for taxation purposes

Explanatory Notes

Please check all entries and report any apparent error or possible unauthorised transaction immediately.

We may subsequently adjust debits and credits, which may result in a change to your account balance to accurately reflect the obligations between us.

For information on resolving problems or disputes, contact us on 1800 152 015, or ask at any NAB branch.

365/72/02/M008878/501.4127/028254



NAB Business Everyday Account

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



007/004296



FORUM ENVIRO (AUST) PTY LTD
PO BOX 1344
NORTH SYDNEY NSW 2059

Account Balance Summary

Opening balance	\$474,649.90	Cr
Total credits	\$0.00	
Total debits	\$330,000.00	
Closing balance	\$144,649.90	Cr

Statement starts **1 January 2020**
Statement ends **20 January 2020**

Outlet Details

Pitt & Bathurst Streets
292 Pitt St, Sydney NSW 2000

Lending Investment & Insurance Enquiries

Banker Saurabh Shukla
Telephone number (02) 8267 2295

Account Details

FORUM ENVIRO (AUST) PTY LTD
BUSINESS EVERYDAY AC
BSB number 082-080
Account number 82-508-1722

For Your Information

Be on the lookout for invoice scams. Fraudsters can change bank account details on a legitimate supplier's invoice to an account they control, or make a request by phone/email to update bank account details for a supplier or employee. Always verbally confirm any changes to payment details using a publicly listed phone number before actioning. Learn how to recognise scams and protect your business by visiting nab.com.au/security

Transaction Details

Date	Particulars	Debits	Credits	Balance
1 Jan 2020	Brought forward			474,649.90 Cr
17 Jan 2020	Internet Transfer Pymt-Id 152848859			
	Loan to Enviro.....	30,000.00		
	Internet Transfer Pymt-Id 152832046			
	Loan To Fg.....	300,000.00		144,649.90 Cr

Summary of Government Charges

Government	From 1 July to date	Last year to 30 June
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.

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007/004296/00471-1/009427



NAB Business Everyday Account

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



A 2-080
FORUM ENVIRO PTY LIMITED
PO BOX 1344
NORTH SYDNEY NSW 2059

Account Balance Summary

Opening balance	\$8,875.26	Cr
Total credits	\$18,010,585.23	
Total debits	\$14,578,594.91	
Closing balance	\$3,440,865.58	Cr

Statement starts 1 October 2019
Statement ends 31 December 2019

Outlet Details

Pitt & Bathurst Streets
292 Pitt St, Sydney NSW 2000

Lending Investment & Insurance Enquiries

Banker Saurabh Shukla
Telephone number (02) 8267 2295

Account Details

FORUM ENVIRO PTY LTD
BUSINESS EVERYDAY AC
BSB number 082-080
Account number 84-548-0595

Transaction Details

Date	Particulars	Debits	Credits	Balance
1 Oct 2019	Brought forward			8,875.26 Cr
1 Oct 2019	loan from enviroau F Orum Enviro.....		2,530,000.00	
	Internet Transfer Pymt-Id 146264086			
	Bho Orca.....	488,030.00		
	Internet Transfer Pymt-Id 146263950			
	Bho Orca.....	1,703,650.00		347,195.26 Cr
2 Oct 2019	Loan From Fg Forum N SW		140,000.00	
	Internet Transfer Pymt-Id 146391005			
	cp1217.....	700.00		
	Internet Transfer Pymt-Id 146344092			
	Uropa Proforma.....	21,867.80		
	Internet Transfer Pymt-Id 146391295			
	cp1217.....	34,870.00		
	Internet Transfer Pymt-Id 146343336			
	cp1217.....	37,166.66		
	Internet Transfer Pymt-Id 146338879			
	CP1217.....	45,691.14		
	TT30Y9433077 Payment-Id 146264239			
	NZ Bho Orca.....	317,663.23		29,236.43 Cr
3 Oct 2019	Loan From Fg Forum N SW		40,000.00	
	Internet Transfer Pymt-Id 146482102			
	cp1218.....	387.81		
	Internet Transfer Pymt-Id 146441671			
	cp1218.....	34,870.00		33,978.62 Cr
4 Oct 2019	Loan From Fg Forum N SW		90,000.00	
	Internet Transfer Pymt-Id 146564223			
	cp1219.....	5,580.00		
	Internet Bpay PMT 000146564633			
	Asic.....	347.00		
	Payroll 04.10.19 Pmt 000146569596			
	448996.....	83,376.69		34,674.93 Cr
8 Oct 2019	Internet Transfer Pymt-Id 146703841			
	Uropa Freight VIC.....	107.21		
	Carried forward			34,567.72 Cr

365/04/01/M063253/5085482/1170963

Transaction Details (continued)

Date	Particulars	Debits	Credits	Balance
	Brought forward			34,567.72 Cr
	Internet Transfer Pymt-Id 146703265			
	cp1220.....	4,797.01		
	13152427 Toyota Finance			
	009090.....	1,013.08		28,757.63 Cr
9 Oct 2019	Loan from Iugis Foru M Grp Fs.....		150,000.00	
	Veolia CII588 Forum NSW.....		910,000.00	
	Internet Transfer Pymt-Id 146756740			
	WI SEP19 Rental.....	10,921.90		
	Internet Transfer Pymt-Id 146782309			
	Pay for iugis.....	19,063.55		
	Internet Transfer Pymt-Id 146791249			
	cp1221.....	107,470.00		
	Internet Transfer Rb CC Top up			
	Forum Enviro.....	3,730.10		
	RTA2537449623 Rms Etoll PH:131			
	216825.....	320.00		
	Invoice 9091794A Australian Payro			
	516661.....	1,188.61		
	p.vu/cc/05518522 Clicksuper			
	450748.....	15,613.03		930,450.44 Cr
10 Oct 2019	Internet Transfer Pymt-Id 146871796			
	cp1222.....	213.08		
	Internet Transfer Pymt-Id 146880675			
	Loan to Fg.....	40,000.00		
	Internet Transfer Pymt-Id 146880884			
	Loan to Imagetec.....	120,000.00		770,237.36 Cr
11 Oct 2019	Please Note From Today Your Dr Interest Rate Is 16.220%			
	Internet Transfer Pymt-Id 146916835			
	Loan to Fgoc.....	5,000.00		
	Internet Transfer Pymt-Id 146941195			
	cp1223.....	33,290.43		
	Internet Transfer Pymt-Id 146965767			
	Loan to Imagetec.....	50,000.00		
	Internet Transfer Pymt-Id 146965595			
	Loan to Fg.....	500,000.00		
	4336879704378607 NAB Card Autopay			
	006701.....	2,468.44		179,478.49 Cr
14 Oct 2019	0602032715 14/10 Caltex Clearing			
	001518.....	4,365.40		175,113.09 Cr
15 Oct 2019	Loan From Fg Forum N SW.....		1,020,000.00	
	Payment Incognitus Pty L			
	532656.....		13,530.00	
	Internet Transfer Pymt-Id 147110705			
	CP1226.....	1,162.07		
	Internet Transfer Pymt-Id 147090609			
	Bho Rental No GST.....	309,294.00		
	Internet Transfer Pymt-Id 147090515			
	Bho Rental no gst.....	711,035.00		187,152.02 Cr
16 Oct 2019	Internet Transfer Pymt-Id 147179523			
	CP1227.....	372.64		
	Internet Transfer Pymt-Id 147225188			
	Transcal 61732.....	412.50		186,366.88 Cr
17 Oct 2019	Internet Transfer Pymt-Id 147292004			
	Brooke Exp Claimx2.....	193.20		
	RTA2544046938 Rms Etoll PH:131			
	216825.....	320.00		185,853.68 Cr
18 Oct 2019	Cabra Leagues Cabramatta Rugby			
	301500.....		715.00	
	Payroll 18.10.19 Pmt 000147394569			
	448996.....	79,205.81		107,362.87 Cr
21 Oct 2019	Lsctar- Ls Catering Pty			
	417470.....		1,155.00	
	Internet Transfer Pymt-Id 147442143			
	Carried forward			108,517.87 Cr

365/34/01/M063253/5085482/1170964

NAB Business Everyday Account

Account Details

FORUM ENVIRO PTY LTD BUSINESS EVERYDAY AC	BSB Number 082-080	Account Number 84-548-0595
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Transaction Details (continued)

Date	Particulars	Debits	Credits	Balance																								
	Brought forward			108,517.87 Cr																								
	CP1230.....	630.09																										
	13156353 Toyota Finance																											
	009090.....	957.46		106,930.32 Cr																								
22 Oct 2019	Internet Transfer Pymt-Id 147542353																											
	CP1232.....	570.49																										
	Internet Transfer Pymt-Id 147519982																											
	CP1231.....	47,922.78		58,437.05 Cr																								
23 Oct 2019	Internet Transfer Pymt-Id 147593259																											
	CP1233.....	4,696.20		53,740.85 Cr																								
24 Oct 2019	Internet Transfer Pymt-Id 147674133																											
	CP1234.....	38,778.43		14,962.42 Cr																								
28 Oct 2019	Loan From Fg Forum N SW		30,000.00																									
	Internet Transfer Pymt-Id 147903944																											
	cp1236.....	32,830.27																										
	RTA2551893113 Rms Etoll PH:131																											
	216825.....	320.00																										
	433000223141 Ha AEEH6HFC40010																											
	406224.....	4,506.38		7,305.77 Cr																								
29 Oct 2019	Loan From Fg Forum N SW		100,000.00																									
	Internet Transfer Pymt-Id 147965976																											
	cp1237.....	324.64																										
	Internet Bpay PMT 000147963661																											
	Tax Office Payments.....	89,085.00		17,896.13 Cr																								
30 Oct 2019	P0397 Remondis Austral																											
	429204.....		8,602.00																									
	13149032 Toyota Finance																											
	009090.....	958.20																										
	13149034 Toyota Finance																											
	009090.....	1,023.18																										
	13149039 Toyota Finance																											
	009090.....	1,058.26		23,458.49 Cr																								
31 Oct 2019	<table border="1"> <thead> <tr> <th>TRANSACTION SUMMARY</th> <th>QUANTITY</th> <th>U/COST</th> <th>FEE</th> </tr> </thead> <tbody> <tr> <td>Electronic Deposit</td> <td>13</td> <td>\$0.00</td> <td>\$0.00</td> </tr> <tr> <td>Electronic Withdrawal</td> <td>18</td> <td>\$0.00</td> <td>\$0.00</td> </tr> <tr> <td>Transaction Fees</td> <td></td> <td></td> <td>\$0.00</td> </tr> <tr> <td>Flat Monthly Fee</td> <td></td> <td></td> <td>\$10.00</td> </tr> <tr> <td>Total Fees Charged</td> <td></td> <td></td> <td>\$10.00</td> </tr> </tbody> </table>				TRANSACTION SUMMARY	QUANTITY	U/COST	FEE	Electronic Deposit	13	\$0.00	\$0.00	Electronic Withdrawal	18	\$0.00	\$0.00	Transaction Fees			\$0.00	Flat Monthly Fee			\$10.00	Total Fees Charged			\$10.00
TRANSACTION SUMMARY	QUANTITY	U/COST	FEE																									
Electronic Deposit	13	\$0.00	\$0.00																									
Electronic Withdrawal	18	\$0.00	\$0.00																									
Transaction Fees			\$0.00																									
Flat Monthly Fee			\$10.00																									
Total Fees Charged			\$10.00																									
	Account Fees	10.00		23,448.49 Cr																								
1 Nov 2019	Loan from Imagetec I Magetec.....		60,000.00																									
	Loan From Fg Forum N SW		1,000,000.00																									
	loan from enviro a F Orum Enviro.....		1,800,000.00																									
	Internet Transfer Pymt-Id 148259289																											
	CP1244.....	1,580.00																										
	Internet Transfer Pymt-Id 148246301																											
	cp1244.....	1,929.50																										
	Internet Transfer Pymt-Id 148237118																											
	Bho Rent No GST.....	728,874.00																										
	Internet Transfer Pymt-Id 148237031																											
	Bho Rental No GST.....	1,703,650.00																										
	TT30Y9593033 Payment-Id 148237244																											
	NZ Bho Rent.....	341,041.69																										
	Carried forward			106,373.30 Cr																								

36573401/0663253/5985483/1170965

Transaction Details (continued)

Date	Particulars	Debits	Credits	Balance
	Brought forward			106,373.30 Cr
	Payroll 01.11.19 Pmt 000148260001 448996.....	95,399.63		10,973.67 Cr
4 Nov 2019	Loan From Fg Forum N SW		70,000.00	
	Internet Transfer Pymt-Id 148380114 CP1245.....	15,166.66		65,807.01 Cr
5 Nov 2019	RTA2558305754 Rms Etoll PH:131 216825.....	320.00		65,487.01 Cr
7 Nov 2019	Internet Transfer Pymt-Id 148633055 CP1246.....	35,467.78		
	Internet Transfer Rb CC Top up Forum Enviro	3,000.00		
	Invoice 9101794A Australian Payro 516661	713.25		
	p.vu/cc/05549962 Clicksuper 450748.....	19,764.77		6,541.21 Cr
8 Nov 2019	Loan From Fg Forum N SW		100,000.00	
	Internet Transfer Pymt-Id 148717484 Australian Pump.....	1,339.14		
	Internet Transfer Pymt-Id 148717034 cp1247	63,120.23		
	13152427 Toyota Finance 009090.....	1,013.08		41,068.76 Cr
11 Nov 2019	4336879704378607 NAB Card Autopay 006701.....	2,614.99		38,453.77 Cr
12 Nov 2019	Internet Transfer Rb CC Top up Forum Enviro.....	2,000.00		36,453.77 Cr
14 Nov 2019	Internet Transfer Pymt-Id 149051833 CP1249.....	250.00		
	Internet Transfer Pymt-Id 149053112 CP1249.....	340.00		
	Internet Transfer Pymt-Id 149060917 cp1249.....	2,323.16		
	Internet Transfer Pymt-Id 149049290 cp1249.....	5,000.00		
	Internet Transfer Pymt-Id 149039492 Enviro Rental Oct	10,921.90		
	0602032715 14/11 Caltex Clearing 001518.....	5,040.84		12,577.87 Cr
15 Nov 2019	Iugis Loan Forum Grp Fs		400,000.00	
	loan from Fg Forum N SW		1,020,000.00	
	Park Hyatt Melbour Park Hyatt Melbo 470598.....		418.00	
	Internet Transfer Pymt-Id 149124639 CP1250.....	350.00		
	Internet Transfer Pymt-Id 149150560 cp1251.....	187,581.29		
	Internet Transfer Pymt-Id 149093815 Bho Rent No GST.....	309,294.00		
	Internet Transfer Pymt-Id 149093745 bho rent no gst.....	711,035.00		
	TT30Y9669718 Payment-Id 149152537 Tg Digesters CAN	47,619.95		
	RTA2566860694 Rms Etoll PH:131 216825.....	320.00		
	Payroll 15.11.19 Pmt 000149147058 448996.....	97,260.63		79,535.00 Cr
18 Nov 2019	Internet Transfer Pymt-Id 149244511 cp1252.....	20,001.83		59,533.17 Cr
19 Nov 2019	Authorised Transfer From 9555.....		2,208.00	
	TT30Y9685312 Payment-Id 149324583 Tg Digesters	5,204.23		56,536.94 Cr
20 Nov 2019	Loan from Fg Forum N SW		20,000.00	
	Internet Transfer Pymt-Id 149358823 Carried forward			76,536.94 Cr

365/34/01/M063253/5085483/1170966

NAB Business Everyday Account

Account Details

FORUM ENVIRO PTY LTD BUSINESS EVERYDAY AC	BSB Number 082-080	Account Number 84-548-0595
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Transaction Details (continued)

Date	Particulars	Debits	Credits	Balance																												
	Brought forward			76,536.94 Cr																												
	CP1254.....	745.85																														
	Internet Transfer Pymt-Id 149405506																															
	CP1254.....	1,760.00																														
	Internet Transfer Pymt-Id 149408987																															
	CP1254.....	8,000.00																														
	Internet Transfer Pymt-Id 149381114																															
	cp1254.....	48,633.72																														
	Internet Transfer Rb CC Top up																															
	Forum Enviro.....	1,000.00		16,397.37 Cr																												
21 Nov 2019	Internet Transfer Pymt-Id 149489905																															
	cp1255.....	449.28																														
	RTA2571375916 Rms Etoll PH:131																															
	216825.....	320.00																														
	13156353 Toyota Finance																															
	009090.....	957.46		14,670.63 Cr																												
22 Nov 2019	Loan from Fg Forum N SW.....		10,000.00																													
	Internet Transfer Pymt-Id 149550229																															
	CP1256.....	365.94																														
	Internet Transfer Pymt-Id 149539111																															
	cp1256.....	2,000.00																														
	Internet Transfer Pymt-Id 149589340																															
	CP1256.....	14,400.00		7,904.69 Cr																												
25 Nov 2019	Nisbets Refund Nisbets Australi																															
	301500.....		738.85																													
	Internet Transfer Rb CC Top Up																															
	Forum Enviro.....	2,000.00		6,643.54 Cr																												
26 Nov 2019	Loan from Fg Forum N SW.....		50,000.00																													
	Internet Transfer Pymt-Id 149758134																															
	CP1257.....	49,415.59		7,227.95 Cr																												
27 Nov 2019	Internet Transfer Rb CC Top Up																															
	Forum Enviro.....	1,000.00																														
	Internet Transfer Rb CC Top Up																															
	Forum Enviro.....	3,000.00																														
	RTA2575723881 Rms Etoll PH:131																															
	216825.....	320.00		2,907.95 Cr																												
28 Nov 2019	Loan from Fg Forum N SW.....		60,000.00																													
	Internet Transfer Pymt-Id 149933228																															
	cp1260.....	525.26																														
	Internet Transfer Pymt-Id 149947508																															
	cp1261.....	42,291.35		20,091.34 Cr																												
29 Nov 2019	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">TRANSACTION SUMMARY</th> <th style="text-align: right;">QUANTITY</th> <th style="text-align: right;">U/COST</th> <th style="text-align: right;">FEE</th> </tr> </thead> <tbody> <tr> <td>Banker Assisted Deposit</td> <td style="text-align: right;">1</td> <td style="text-align: right;">\$0.00</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>Electronic Deposit</td> <td style="text-align: right;">12</td> <td style="text-align: right;">\$0.00</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>Electronic Withdrawal</td> <td style="text-align: right;">16</td> <td style="text-align: right;">\$0.00</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>Transaction Fees</td> <td></td> <td></td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>Flat Monthly Fee</td> <td></td> <td></td> <td style="text-align: right;">\$10.00</td> </tr> <tr> <td>Total Fees Charged</td> <td></td> <td></td> <td style="text-align: right;">\$10.00</td> </tr> </tbody> </table>				TRANSACTION SUMMARY	QUANTITY	U/COST	FEE	Banker Assisted Deposit	1	\$0.00	\$0.00	Electronic Deposit	12	\$0.00	\$0.00	Electronic Withdrawal	16	\$0.00	\$0.00	Transaction Fees			\$0.00	Flat Monthly Fee			\$10.00	Total Fees Charged			\$10.00
TRANSACTION SUMMARY	QUANTITY	U/COST	FEE																													
Banker Assisted Deposit	1	\$0.00	\$0.00																													
Electronic Deposit	12	\$0.00	\$0.00																													
Electronic Withdrawal	16	\$0.00	\$0.00																													
Transaction Fees			\$0.00																													
Flat Monthly Fee			\$10.00																													
Total Fees Charged			\$10.00																													
	Loan from Enviro A F Orum Enviro.....		110,000.00																													
	TT30Y9741672 Payment-Id 149948861																															
	Eu Automation.....	11,284.66																														
	Account Fees.....	10.00																														
	Carried forward			118,796.68 Cr																												

365/34/01/M063253/S085484/1170967

Transaction Details (continued)

Date	Particulars	Debits	Credits	Balance
	Brought forward			118,796.68 Cr
	Payroll 29.11.19 Pmt 000150051259 448996	104,250.26		14,546.42 Cr
2 Dec 2019	Loan From Fg Forum N SW		200,000.00	
	loan from enviro a F Orum Enviro		2,440,000.00	
	Internet Transfer Pymt-Id 150157060 Bho Orca No GST	921,624.00		
	Internet Transfer Pymt-Id 150156950 Bho Orca No GST	1,703,650.00		
	13149032 Toyota Finance 009090	958.20		
	13149034 Toyota Finance 009090	1,023.18		
	13149039 Toyota Finance 009090	1,058.26		26,232.78 Cr
3 Dec 2019	Loan from Fg Forum N SW		370,000.00	
	P0397 Remondis Austral 429204		8,602.00	
	TT30Y9757470 Payment-Id 150157287 DEC19	383,129.95		21,704.83 Cr
4 Dec 2019	Internet Transfer Pymt-Id 150297641 CP1265	15,166.66		
	RTA2581696030 Rms Etoll PH:131 216825	320.00		6,218.17 Cr
5 Dec 2019	Loan from Fg Forum N SW		20,000.00	
	Internet Transfer Pymt-Id 150399499 CP1266	10,715.74		
	TT30Y9773793 Payment-Id 150400238 Motiv	979.50		
	TT30Y9773797 Payment-Id 150399924 Culture AMP 8504	4,700.00		9,822.93 Cr
6 Dec 2019	Loan from Fg Forum N SW		50,000.00	
	Loan from Fg Forum N SW		95,000.00	
	See Payment Advice Veolia Enviro Se 158824		8,800.00	
	Internet Transfer Pymt-Id 150527066 McNaughtans 621536	2,670.29		
	Internet Transfer Pymt-Id 150507078 CP1269	34,678.45		
	Internet Transfer Pymt-Id 150504263 CP1268	61,070.18		65,204.01 Cr
9 Dec 2019	Loan from Fg Forum N SW		65,000.00	
	Internet Bpay PMT 000150637014 Tax Office Payments	64,683.13		
	13152427 Toyota Finance 009090	1,013.08		
	p.vu/cc/05579999 Clicksuper 450748	40,760.85		23,746.95 Cr
10 Dec 2019	Internet Transfer Rb CC Top Up Forum Enviro	1,000.00		
	Internet Transfer Rb CC Top Up Forum Enviro	2,487.00		
	RTA2586173076 Rms Etoll PH:131 216825	320.00		19,939.95 Cr
11 Dec 2019	Internet Transfer Pymt-Id 150798272 CP1272	7,315.39		
	Internet Transfer Pymt-Id 150801214 CP1273	10,921.90		1,702.66 Cr
12 Dec 2019	Loan from Fg Forum N SW		200,000.00	
	Internet Transfer Pymt-Id 150839125 CP1274	82,342.07		
	Internet Transfer Rb CC Top Up Forum Enviro	4,300.00		
	4336879704378607 NAB Card Autopay Carried forward			115,060.59 Cr

365/14/01/M06133/5085484/11/70968

NAB Business Everyday Account

Account Details

FORUM ENVIRO PTY LTD BUSINESS EVERYDAY AC	BSB Number 082-080	Account Number 84-548-0595
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Transaction Details (continued)

Date	Particulars	Debits	Credits	Balance
	Brought forward			115,060.59 Cr
	006701	21.63		
	Invoice 9111794A Australian Payro 516661	844.09		114,194.87 Cr
13 Dec 2019	Loan from Enviro A F Orum Enviro.....		50,000.00	
	Internet Transfer Pymt-Id 150985237			
	Mgmt 14/11-14/12	9,000.00		
	Payroll 13.12.19 Pmt 000150983842			
	448996	122,040.99		33,153.88 Cr
16 Dec 2019	Lunmil Forum NSW.....		220.00	
	Loan From Fg Forum N SW		1,165,000.00	
	Internet Transfer Pymt-Id 151090800			
	Gadalla 130849.....	960.00		
	Internet Transfer Pymt-Id 151091057			
	Danstruct 281119	3,780.00		
	Internet Transfer Pymt-Id 151111758			
	Bho Rent.....	452,094.00		
	Internet Transfer Pymt-Id 151111689			
	Bho Rent.....	711,035.00		
	RTA2590888591 Rms Etoll PH:131			
	216825	320.00		
	0602032715 16/12 Caltex Clearing			
	001518	3,779.49		26,405.39 Cr
17 Dec 2019	Loan From Fg Forum N SW		27,000.00	
	Alh Group Alh Gp Ltd			
	250305		11,880.00	
	Remsyd Remondis Austral			
	429204		16,214.00	
	TT30Y9836413 Payment-Id 151131314			
	Bho NZ.....	25,760.25		55,739.14 Cr
18 Dec 2019	Internet Transfer Pymt-Id 151239849			
	CPI280.....	4,045.08		51,694.06 Cr
19 Dec 2019	Internet Transfer Pymt-Id 151377287			
	Global Green 1117	6,160.00		
	Internet Transfer Pymt-Id 151363748			
	CPI281	10,079.85		
	TT30Y9854127 Payment-Id 151362773			
	Motiv.....	466.79		34,987.42 Cr
20 Dec 2019	Loan from Fgfs Forum Grp Fs.....		300,000.00	
	A/C Id Illhur 6113 Illawarra Cathol			
	301500	418.00		
	Internet Transfer Pymt-Id 151552619			
	CPI283.....	12,438.09		322,967.33 Cr
23 Dec 2019	Loan from Enviro A F Orum Enviro.....		2,500,000.00	
	RTA2596165882 Rms Etoll PH:131			
	216825	320.00		
	13156353 Toyota Finance			
	009090	957.46		2,821,689.87 Cr
24 Dec 2019	2039/867705 Orca ENV Ironmental Solutions			
	Dmcc /Ref/Payment.....		192,537.26	
	2039/867706 Orca ENV Ironmental Solutions			
	Dmcc /Ref/Payment.....		192,537.26	
	2039/867704 Orca ENV Ironmental Solutions			
	Carried forward			3,206,764.39 Cr

36573401/M063253/S085485/I170969

Transaction Details (continued)

Date	Particulars	Debits	Credits	Balance
	Brought forward			3,206,764.39 Cr
	Dmcc /Ref/Payment.....		192,537.26	
	Alh Group Alh Gp Ltd			
	250305.....		8,250.00	
	Remsyd Remondis Austral			
	429204.....		29,414.00	3,436,965.65 Cr
27 Dec 2019	Payroll 27.12.19 Pmt 000151588065			
	448996.....	122,859.03		3,314,106.62 Cr
30 Dec 2019	2039/868248 Orca ENV Ironmental Solutions			
	Dmcc /Ref/Payment.....		127,828.60	
	13149032 Toyota Finance			
	009090.....	958.20		
	13149034 Toyota Finance			
	009090.....	1,023.18		
	13149039 Toyota Finance			
	009090.....	1,058.26		3,438,895.58 Cr
31 Dec 2019	TRANSACTION SUMMARY	QUANTITY	U/COST	FEE
	Electronic Deposit	26	\$0.00	\$0.00
	Electronic Withdrawal	19	\$0.00	\$0.00
	Transaction Fees			\$0.00
	Flat Monthly Fee			\$10.00
	Total Fees Charged			\$10.00
	Alh Group Alh Gp Ltd			
	250305.....			1,980.00
	Account Fees.....	10.00		3,440,865.58 Cr

Summary of Government Charges

Government	From 1 July to date	Last year to 30 June
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.

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NAB Business Everyday Account

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



A 2-080
FORUM ENVIRO PTY LIMITED
PO BOX 1344
NORTH SYDNEY NSW 2059

Account Balance Summary

Opening balance	\$3,440,865.58	Cr
Total credits	\$1,194,425.51	
Total debits	\$4,610,162.27	
Closing balance	\$25,128.82	Cr

Statement starts 1 January 2020
Statement ends 20 January 2020

Outlet Details

Pitt & Bathurst Streets
292 Pitt St, Sydney NSW 2000

Lending Investment & Insurance Enquiries

Banker Saurabh Shukla
Telephone number (02) 8267 2295

Account Details

FORUM ENVIRO PTY LTD
BUSINESS EVERYDAY AC
BSB number 082-080
Account number 84-548-0595

For Your Information

Be on the lookout for invoice scams. Fraudsters can change bank account details on a legitimate supplier's invoice to an account they control, or make a request by phone/email to update bank account details for a supplier or employee. Always verbally confirm any changes to payment details using a publicly listed phone number before actioning. Learn how to recognise scams and protect your business by visiting nab.com.au/security

Transaction Details

Date	Particulars	Debits	Credits	Balance
1 Jan 2020	Brought forward			3,440,865.58 Cr
2 Jan 2020	Loan from Fgfs Forum Grp Fs.....		450,000.00	
	Internet Transfer Pymt-Id 151560263			
	Bho Rent.....	921,624.00		
	Internet Transfer Pymt-Id 151560058			
	Bho Rent.....	1,703,650.00		1,265,591.58 Cr
3 Jan 2020	TT3020005684 Payment-Id 151951728			
	Bho NZ.....	385,074.89		880,516.69 Cr
6 Jan 2020	Internet Transfer Pymt-Id 152118620			
	Loan to Iugis.....	2,000.00		
	Internet Transfer Pymt-Id 152084135			
	Kkp Bouch 1025.....	4,166.66		
	Internet Transfer Pymt-Id 152083997			
	Global Green 1118.....	11,000.00		
	RTA2604606839 Rms Etoll PH:131			
	216825.....	320.00		
	Invoice 9121794A Australian Payro			
	516661.....	1,160.75		861,869.28 Cr
7 Jan 2020	Internet Transfer Pymt-Id 152143538			
	Twocob.....	480.00		
	Internet Transfer Pymt-Id 152162126			
	CP1286.....	30,012.11		831,377.17 Cr
8 Jan 2020	Ref TT30Y9773797 Ref Culture AMP 8504			
	Oseas Fee AUD 18.00.....	18.00		
	13152427 Toyota Finance			
	Carried forward			831,359.17 Cr

020/3401/M013835/5019455/7038909

Transaction Details (continued)

Date	Particulars	Debits	Credits	Balance
	Brought forward			831,359.17 Cr
	009090.....	1,013.08		
	p.vu/cc/05607882 Clicksuper			
	450748.....	28,582.44		801,763.65 Cr
9 Jan 2020	ROYCRO-610630 Rmycph			
	131455.....		2,471.70	
	Internet Transfer Pymt-Id 152287642			
	Global Green 1119.....	22,000.00		782,235.35 Cr
10 Jan 2020	Internet Transfer Pymt-Id 152421762			
	CP1290.....	18,317.78		763,917.57 Cr
13 Jan 2020	Internet Transfer Pymt-Id 152496589			
	CP1291.....	23,916.53		
	RTA2608701705 Rms Etoll PH:131			
	216825.....	320.00		
	4336879704378607 NAB Card Autopay			
	006701.....	1,925.50		737,755.54 Cr
14 Jan 2020	Loan from Fgoc Fgoc.....		650,000.00	
	Alh Group Alh Gp Ltd			
	250305.....		2,970.00	
	Internet Transfer Pymt-Id 152554325			
	Payroll Taxvic Qld.....	4,145.17		
	Internet Transfer Pymt-Id 152538175			
	Salesforce15822172.....	30,597.93		
	TT3020056774 Payment-Id 152550173			
	Bho NZ JAN20.....	43,356.91		
	0602032715 14/01 Caltex Clearing			
	001518.....	4,232.05		1,308,393.48 Cr
15 Jan 2020	Internet Transfer Pymt-Id 152550439			
	Bho Rent.....	1,251,279.00		
	Internet Transfer Rb CC Top Up			
	Forum Enviro.....	1,500.00		55,614.48 Cr
16 Jan 2020	Loan from Fg Forum N SW.....		50,000.00	
	Internet Transfer Pymt-Id 152715658			
	CP1294.....	81,727.57		23,886.91 Cr
17 Jan 2020	Loan from Env Aust F Orum Enviro.....		30,000.00	
	Insurance House Insurance House			
	320439.....		678.81	
	Remsyd Remondis Austral			
	429204.....		8,305.00	
	Internet Transfer Pymt-Id 152807803			
	DEC19 Forum enviro.....	10,921.90		
	Internet Transfer Pymt-Id 152847543			
	Loan to Jugis.....	25,000.00		26,948.82 Cr
20 Jan 2020	Internet Transfer Rb CC Top Up			
	Forum Enviro.....	1,500.00		
	RTA2614324767 Rms Etoll PH:131			
	216825.....	320.00		25,128.82 Cr

Summary of Government Charges

Government	From 1 July to date	Last year to 30 June
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

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NAB Choice Package

Home Loan

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



007/001377
5 BULKARA STREET UNIT TRUST
5
141 WALKER STREET
NORTH SYDNEY NSW 2060

Account Balance Summary

Opening balance	\$0.00
Total credits	\$87,066.70
Total debits	\$3,736,514.78
Closing balance	\$3,649,448.08 Dr
Statement starts 20 July 2020	
Statement ends 3 December 2020	
Available Redraw	\$0.00

Outlet Details

Broker-Assets NSW
Level 12, 105 Miller St
North Sydney NSW 2060

Account Details

5 BULKARA STREET PTY LTD ATF 5 BULKARA STREET UNIT
BSB number 082-062
Account number 25-480-8114

Offset Account Details

BSB 082-062
Account number 87-419-6374
Interest saved this financial year \$15.03

Transaction Details

Date	Particulars	Debits	Credits	Balance
20 Jul 2020	Account Opened			0.00
21 Jul 2020	Loan Drawdown	3,679,511.01		
	Company Search Fee	40.00		
	Government Title Search Fee	9.79		
	Registration Fee-Mortgage	146.40		
	Discharge Of Mortgage Fee	146.40		
	Registration Fee-Removal Of Caveat	146.40		
22 Jul 2020	Please Note From 21 Jul 2020 Your Debit Int Rate Is 2.95% It's a condition of your loan that you maintain insurance on the mortgaged property at all times for at least the full replacement value of the property. Please confirm with your insurer that your policy adequately protects your property. For more information on property insurance go to www.moneysmart.gov.au As From 21 Jul 2020, Account Is In A 100% Offset Arrangement			3,680,000.00 Dr
31 Jul 2020	Debit Interest This Financial Year To Date \$2,974.25			3,680,000.00 Dr
	Interest Charged	2,974.25		3,682,974.25 Dr
20 Aug 2020	Loan Repayment 5 Bulkara Street From A/C 87-419-6374		17,413.34	3,665,560.91 Dr
21 Aug 2020	Loan Repayment 5 Bulkara Street 082062Refer To Cust	17,413.34		3,682,974.25 Dr
26 Aug 2020	From Transaction Acc		17,413.34	3,665,560.91 Dr
31 Aug 2020	By Depositing Your Savings In A Linked 100% Offset Account You Have Reduced Your Monthly Interest By: \$7.03 Debit Interest This Financial Year To Date \$12,186.38			3,674,773.04 Dr
	Interest Charged	9,212.13		3,674,773.04 Dr
21 Sep 2020	Loan Repayment 5 Bulkara Street From A/C 87-419-6374		17,413.34	3,657,359.70 Dr
30 Sep 2020	By Depositing Your Savings In A Linked 100% Offset Account You Have Reduced Your Monthly Interest By: \$4.30 Carried forward			3,657,359.70 Dr

338/02/01/M001377/5001552/003103

Transaction Details (continued)

Date	Particulars	Debits	Credits	Balance
	Brought forward			3,657,359.70 Dr
	Debit Interest This Financial Year To Date \$21,079.47			
	Interest Charged	8,893.09		3,666,252.79 Dr
20 Oct 2020	Loan Repayment 5 Bulkara Street			
	From A/C 87-419-6374		17,413.34	3,648,839.45 Dr
30 Oct 2020	By Depositing Your Savings In A Linked 100% Offset Account			
	You Have Reduced Your Monthly Interest By: \$0.28			
	Debit Interest This Financial Year To Date \$29,954.52			
	Interest Charged	8,875.05		3,657,714.50 Dr
16 Nov 2020	As from 13/11/2020 your account name has changed			
	from NAB 100% Offset Loan Choice Package			
	to NAB Tailored Home Loan - Choice Package.			
	Please note your account number, offset arrangement			
	and the terms & conditions of your loan remain the same.			3,657,714.50 Dr
20 Nov 2020	Loan Repayment 5 Bulkara Street			
	From A/C 87-419-6374		17,413.34	3,640,301.16 Dr
30 Nov 2020	By Depositing Your Savings In A Linked 100% Offset Account			
	You Have Reduced Your Monthly Interest By: \$3.32			
	Debit Interest This Financial Year To Date \$39,101.44			
	Interest Charged	9,146.92		3,649,448.08 Dr

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.

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Explanatory Notes

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Any "Available Redraw" amount is available provided that you satisfy the conditions for redraw in your agreement.

338/02/01/R/0001377/5001552/P000104



**NAB Choice Package
Home Loan**

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



007/000536



5 BULKARA STREET UNIT TRUST
5
141 WALKER STREET
NORTH SYDNEY NSW 2060

Account Balance Summary

Opening balance	\$3,649,448.08	Dr
Total credits	\$0.00	
Total debits	\$0.00	
Closing balance	\$3,649,448.08	Dr

Statement starts 4 December 2020
Statement ends 10 December 2020

Available Redraw \$0.00

Outlet Details

Broker-Assets NSW
Level 12, 105 Miller St
North Sydney NSW 2060

Account Details

5 BULKARA STREET PTY LTD ATF 5 BULKARA STREET UNIT
BSB number 082-062
Account number 25-480-8114

Offset Account Details

BSB 082-062
Account number 87-419-6374
Interest saved this financial year \$15.18

Transaction Details

Date	Particulars	Debits	Credits	Balance
4 Dec 2020	Brought forward			3,649,448.08 Dr
4 Dec 2020	Please Note Your Current Debit Interest Rate Is 2.95%			3,649,448.08 Dr

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

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345/02/01/000536/5000720/1001439



**NAB Choice Package
Home Loan**

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007/009570



5 BULKARA STREET UNIT TRUST
5
141 WALKER STREET
NORTH SYDNEY NSW 2060

Account Balance Summary

Opening balance	\$3,649,448.08	Dr
Total credits	\$17,413.34	
Total debits	\$9,128.85	
Closing balance	\$3,641,163.59	Dr

Statement starts 11 December 2020
Statement ends 31 December 2020

Available Redraw \$0.00

Outlet Details

Broker-Assets NSW
Level 12, 105 Miller St
North Sydney NSW 2060

Account Details

5 BULKARA STREET PTY LTD ATF 5 BULKARA STREET UNIT
BSB number 082-062
Account number 25-480-8114

Offset Account Details

BSB 082-062
Account number 87-419-6374
Interest saved this financial year \$15.75

Transaction Details

Date	Particulars	Debits	Credits	Balance
11 Dec 2020	Brought forward			3,649,448.08 Dr
11 Dec 2020	Please Note Your Current Debit Interest Rate Is 2.95%			3,649,448.08 Dr
21 Dec 2020	Loan Repayment 5 Bulkara Street From A/C 87-419-6374		17,413.34	3,632,034.74 Dr
31 Dec 2020	By Depositing Your Savings In A Linked 100% Offset Account You Have Reduced Your Monthly Interest By: \$0.69 Debit Interest This Financial Year To Date \$48,230.29 Interest Charged	9,128.85		3,641,163.59 Dr

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.

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366/02/01/M009570/S011.202/022403



NAB Choice Package

Home Loan

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007/004844



5 BULKARA STREET UNIT TRUST

5

141 WALKER STREET

NORTH SYDNEY NSW 2060

Account Balance Summary

Opening balance	\$3,641,163.59	Dr
Total credits	\$69,653.61	
Total debits	\$43,785.14	
Closing balance	\$3,615,295.12	Dr

Statement starts 1 January 2021

Statement ends 31 March 2021

Available Redraw \$0.00

Outlet Details

Broker-Assets NSW
Level 12, 105 Miller St
North Sydney NSW 2060

Account Details

5 BULKARA STREET PTY LTD ATF 5 BULKARA STREET UNIT
BSB number 082-062
Account number 25-480-8114

Offset Account Details

BSB 082-062
Account number 87-419-6374
Interest saved this financial year \$38.69

Transaction Details

Date	Particulars	Debits	Credits	Balance
1 Jan 2021	Brought forward			3,641,163.59 Dr
4 Jan 2021	Please Note Your Current Debit Interest Rate Is 2.95%			3,641,163.59 Dr
20 Jan 2021	Loan Repayment 5 Bulkara Street			
	From A/C 87-419-6374		17,413.34	3,623,750.25 Dr
21 Jan 2021	Loan Repayment 5 Bulkara Street			
	082062Refer To Cust	17,413.34		3,641,163.59 Dr
27 Jan 2021	From 874196374		17,413.59	3,623,750.00 Dr
29 Jan 2021	By Depositing Your Savings In A Linked 100% Offset Account You Have Reduced Your Monthly Interest By: \$9.26 Debit Interest This Financial Year To Date \$56,751.09			
	Interest Charged	8,520.80		3,632,270.80 Dr
22 Feb 2021	Loan Repayment 5 Bulkara Street			
	From A/C 87-419-6374		17,413.34	3,614,857.46 Dr
26 Feb 2021	By Depositing Your Savings In A Linked 100% Offset Account You Have Reduced Your Monthly Interest By: \$8.06 Debit Interest This Financial Year To Date \$64,957.27			
	Interest Charged	8,206.18		3,623,063.64 Dr
22 Mar 2021	Loan Repayment 5 Bulkara Street			
	From A/C 87-419-6374		17,413.34	3,605,650.30 Dr
31 Mar 2021	By Depositing Your Savings In A Linked 100% Offset Account You Have Reduced Your Monthly Interest By: \$5.67 Debit Interest This Financial Year To Date \$74,602.09			
	Interest Charged	9,644.82		3,615,295.12 Dr

090/02/01/00/004844/50057927011583

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00
Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.		
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**NAB Choice Package
Home Loan**

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007/000925



5 BULKARA STREET UNIT TRUST
5
141 WALKER STREET
NORTH SYDNEY NSW 2060

Account Balance Summary

Opening balance	\$3,615,295.12	Dr
Total credits	\$17,413.34	
Total debits	\$0.00	
Closing balance	\$3,597,881.78	Dr

**Statement starts 1 April 2021
Statement ends 20 April 2021**

Available Redraw \$0.00

Outlet Details

Broker-Assets NSW
Level 12, 105 Miller St
North Sydney NSW 2060

Account Details

5 BULKARA STREET PTY LTD ATF 5 BULKARA STREET UNIT
BSB number 082-062
Account number 25-480-8114

Offset Account Details

BSB 082-062
Account number 87-419-6374
Interest saved this financial year \$41.08

Transaction Details

Date	Particulars	Debits	Credits	Balance
1 Apr 2021	Brought forward			3,615,295.12 Dr
1 Apr 2021	Please Note Your Current Debit Interest Rate Is 2.95%			3,615,295.12 Dr
20 Apr 2021	Loan Repayment 5 Bulkara Street From A/C 87-419-6374		17,413.34	3,597,881.78 Dr

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.

For further information on any applicable rebates, fees or government charges, please refer to the NAB's "A Guide to Fees & Charges" booklet. Please retain this statement for taxation purposes

Explanatory Notes

Please check all entries and report any apparent error or possible unauthorised transaction immediately.
We may subsequently adjust debits and credits, which may result in a change to your account balance to accurately reflect the obligations between us.
For information on resolving problems or disputes, contact us on 1800 152 015, or ask at any NAB branch.
Any "Available Redraw" amount is available provided that you satisfy the conditions for redraw in your agreement.

11/0/02/01/M000925/FS001214/0002427



**NAB Choice Package
Home Loan**

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



007/005760



5 BULKARA STREET UNIT TRUST
5
141 WALKER STREET
NORTH SYDNEY NSW 2060

Account Balance Summary

Opening balance	\$3,597,881.78	Dr
Total credits	\$0.00	
Total debits	\$8,748.84	
Closing balance	\$3,606,630.62	Dr

**Statement starts 21 April 2021
Statement ends 30 April 2021**

Available Redraw \$0.00

Outlet Details

Broker-Assets NSW
Level 12, 105 Miller St
North Sydney NSW 2060

Account Details

5 BULKARA STREET PTY LTD ATF 5 BULKARA STREET UNIT
BSB number 082-062
Account number 25-480-8114

Offset Account Details

BSB 082-062
Account number 87-419-6374
Interest saved this financial year \$41.75

Transaction Details

Date	Particulars	Debits	Credits	Balance
21 Apr 2021	Brought forward			3,597,881.78 Dr
21 Apr 2021	Please Note Your Current Debit Interest Rate Is 2.95%			3,597,881.78 Dr
30 Apr 2021	By Depositing Your Savings In A Linked 100% Offset Account You Have Reduced Your Monthly Interest By: \$2.93 Debit Interest This Financial Year To Date \$83,350.93 Interest Charged	8,748.84		3,606,630.62 Dr

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.

For further information on any applicable rebates, fees or government charges, please refer to the NAB's "A Guide to Fees & Charges" booklet. Please retain this statement for taxation purposes

Explanatory Notes

Please check all entries and report any apparent error or possible unauthorised transaction immediately.

We may subsequently adjust debits and credits, which may result in a change to your account balance to accurately reflect the obligations between us.

For information on resolving problems or disputes, contact us on 1800 152 015, or ask at any NAB branch.

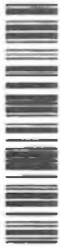
Any "Available Redraw" amount is available provided that you satisfy the conditions for redraw in your agreement.

L20/02/01/M005760/5006660/0113719



**NAB Choice Package
Home Loan**

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



007/004155
5 BULKARA STREET UNIT TRUST
5
141 WALKER STREET
NORTH SYDNEY NSW 2060

Account Balance Summary

Opening balance	\$3,606,630.62	Dr
Total credits	\$17,413.34	
Total debits	\$8,435.32	
Closing balance	\$3,597,652.60	Dr

**Statement starts 1 May 2021
Statement ends 31 May 2021**

Available Redraw \$0.00

Outlet Details

Broker-Assets NSW
Level 12, 105 Miller St
North Sydney NSW 2060

Account Details

5 BULKARA STREET PTY LTD ATF 5 BULKARA STREET UNIT
BSB number 082-062
Account number 25-480-8114

Offset Account Details

BSB 082-062
Account number 87-419-6374
Interest saved this financial year \$47.26

For Your Information

We're changing how often we send statements for this account. Effective 40 days from this statement date, you'll generally start to receive statements at least every six months. If you'd prefer to stay on your current statement cycle, please complete the form at nab.com.au/statementcycles or call us on 13 22 65

Transaction Details

Date	Particulars	Debits	Credits	Balance
1 May 2021	Brought forward			3,606,630.62 Dr
3 May 2021	Please Note Your Current Debit Interest Rate Is 2.95%			3,606,630.62 Dr
4 May 2021	Please Note From 03 May 2021 Your Debit Int Rate Is 2.74%			3,606,630.62 Dr
20 May 2021	Loan Repayment 5 Bulkara Street			
	From A/C 87-419-6374		17,413.34	3,589,217.28 Dr
31 May 2021	By Depositing Your Savings In A Linked 100% Offset Account			
	You Have Reduced Your Monthly Interest By: \$5.61			
	Debit Interest This Financial Year To Date \$91,786.25			
	Interest Charged	8,435.32		3,597,652.60 Dr

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00
Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.		
For further information on any applicable rebates, fees or government charges, please refer to the NAB's "A Guide to Fees & Charges" booklet. Please retain this statement for taxation purposes		

Explanatory Notes

*Please check all entries and report any apparent error or possible unauthorised transaction immediately.
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For information on resolving problems or disputes, contact us on 1800 152 015, or ask at any NAB branch.
Any "Available Redraw" amount is available provided that you satisfy the conditions for redraw in your agreement.*

131/02/01/AM004155/5004865/009729



**NAB Choice Package
Home Loan**

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



007/007098



5 BULKARA STREET UNIT TRUST
5
141 WALKER STREET
NORTH SYDNEY NSW 2060

Account Balance Summary

Opening balance	\$3,597,652.60	Dr
Total credits	\$17,413.34	
Total debits	\$8,088.55	
Closing balance	\$3,588,327.81	Dr

Statement starts 1 June 2021
Statement ends 30 June 2021

Available Redraw \$0.00

Outlet Details

Broker-Assets NSW
Level 12, 105 Miller St
North Sydney NSW 2060

Account Details

5 BULKARA STREET PTY LTD ATF 5 BULKARA STREET UNIT
BSB number 082-062
Account number 25-480-8114

Offset Account Details

BSB 082-062
Account number 87-419-6374
Interest saved this financial year \$49.06

Transaction Details

Date	Particulars	Debits	Credits	Balance
1 Jun 2021	Brought forward			3,597,652.60 Dr
1 Jun 2021	Please Note Your Current Debit Interest Rate Is 2.74%			3,597,652.60 Dr
21 Jun 2021	Loan Repayment 5 Bulkara Street From A/C 87-419-6374		17,413.34	3,580,239.26 Dr
30 Jun 2021	By Depositing Your Savings In A Linked 100% Offset Account You Have Reduced Your Monthly Interest By: \$1.79 Debit Interest This Financial Year To Date \$99,874.80 Interest Charged	8,088.55		3,588,327.81 Dr

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.
For further information on any applicable rebates, fees or government charges, please refer to the NAB's "A Guide to Fees & Charges" booklet. Please retain this statement for taxation purposes

Explanatory Notes

Please check all entries and report any apparent error or possible unauthorised transaction immediately.
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For information on resolving problems or disputes, contact us on 1800 152 015, or ask at any NAB branch.
Any "Available Redraw" amount is available provided that you satisfy the conditions for redraw in your agreement.

181/02/01/007098/S010690/021379



**NAB Choice Package
Home Loan**

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



007/001714
5 BULKARA STREET UNIT TRUST
5
141 WALKER STREET
NORTH SYDNEY NSW 2060

Account Balance Summary

Opening balance	\$3,588,327.81	Dr
Total credits	\$0.00	
Total debits	\$0.00	
Closing balance	\$3,588,327.81	Dr

**Statement starts 1 July 2021
Statement ends 12 July 2021**

Available Redraw \$0.00

Outlet Details

Broker-Assets NSW
Level 12, 105 Miller St
North Sydney NSW 2060

Account Details

5 BULKARA STREET PTY LTD ATF 5 BULKARA STREET UNIT
BSB number 082-062
Account number 25-480-8114

Offset Account Details

BSB 082-062
Account number 87-419-6374
Interest saved this financial year \$0.77

Transaction Details

Date	Particulars	Debits	Credits	Balance
1 Jul 2021	Brought forward			3,588,327.81 Dr
1 Jul 2021	Please Note Your Current Debit Interest Rate Is 2.74%			3,588,327.81 Dr

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.
For further information on any applicable rebates, fees or government charges, please refer to the NAB's "A Guide to Fees & Charges" booklet. Please retain this statement for taxation purposes

Explanatory Notes

Please check all entries and report any apparent error or possible unauthorised transaction immediately.
We may subsequently adjust debits and credits, which may result in a change to your account balance to accurately reflect the obligations between us.
For information on resolving problems or disputes, contact us on 1800 152 015, or ask at any NAB branch.
Any "Available Redraw" amount is available provided that you satisfy the conditions for redraw in your agreement.

193/02/01/M001714/5002627/T005253



**NAB Choice Package
Home Loan**

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



015/002927

5 BULKARA STREET UNIT TRUST
ROYAL EXCHANGE
PO BOX R1812
SYDNEY NSW 2000

Account Balance Summary

Opening balance	\$3,588,327.81	Dr
Total credits	\$0.00	
Total debits	\$0.00	
Closing balance	\$3,588,327.81	Dr

**Statement starts 13 July 2021
Statement ends 15 July 2021**

Available Redraw \$0.00

Outlet Details

Broker-Assets NSW
Level 12, 105 Miller St
North Sydney NSW 2060

Account Details

5 BULKARA STREET PTY LTD ATF 5 BULKARA STREET UNIT
BSB number 082-062
Account number 25-480-8114

Offset Account Details

BSB 082-062
Account number 87-419-6374
Interest saved this financial year \$0.96

Transaction Details

Date	Particulars	Debits	Credits	Balance
13 Jul 2021	Brought forward			3,588,327.81 Dr
13 Jul 2021	Please Note Your Current Debit Interest Rate Is 2.74%			3,588,327.81 Dr

Summary of Government Charges

	From 1 July to date	Last year to 30 June
Government		
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.
For further information on any applicable rebates, fees or government charges, please refer to the NAB's "A Guide to Fees & Charges" booklet. Please retain this statement for taxation purposes

Explanatory Notes

Please check all entries and report any apparent error or possible unauthorised transaction immediately.
We may subsequently adjust debits and credits, which may result in a change to your account balance to accurately reflect the obligations between us.
For information on resolving problems or disputes, contact us on 1800 152 015, or ask at any NAB branch.
Any "Available Redraw" amount is available provided that you satisfy the conditions for redraw in your agreement.

19672/01/M002927/5006390/012779



Transaction Listing

Last Statement Date: 15 July 2021

5 BULKARA STREET UNIT TRUST
ROYAL EXCHANGE
PO BOX R1812
SYDNEY NSW 2000

Account Balance Summary

Opening Balance	\$3,580,239.26	DR
Total Credits	\$0.00	
Total Debits	\$8,088.55	
Closing Balance	\$3,588,327.81	DR

Transaction Listing starts **30 June 2021**
Transaction Listing ends **30 June 2021**

Outlet Details

TRANSACTION SUPPORT GROUP
2802 UB, 800 BOURKE ST
DOCKLANDS VIC 3008

Account Details

5 BULKARA STREET UNIT TRUST
NAB TAILORED HOME LOAN
CHOICE PACKAGE
BSB Number 082-062
Account Number 25-480-8114

Transaction Details

Date	Particulars	Debits	Credits	Balance
30 June 2021	INTEREST	\$8,088.55		\$3,588,327.81 DR

Important

- This provisional list is NOT A STATEMENT of account.
- It may include transactions which appear on previous statements.
- It may NOT include all transactions processed since last statement was issued.
- With the exception of cheque serial numbers, the details shown in the particulars column may be an abbreviation.
- Inclusion of a debit does not always indicate payment by the Bank.



NAB Classic Banking

For further information call 13 22 65 for Personal Accounts or 13 10 12 for Business Accounts.



015/002928

6 BULKARA STREET PTY LTD ATF 6 BULKARA S
ROYAL EXCHANGE
PO BOX R1812
SYDNEY NSW 2000

Account Balance Summary

Opening balance	\$0.00
Total credits	\$28,395.00
Total debits	\$28,271.33
Closing balance	\$123.67 Cr

Statement starts 23 March 2021

Statement ends 15 July 2021

Outlet Details

Pitt & Bathurst Streets
292 Pitt St, Sydney NSW 2000

Lending Investment & Insurance Enquiries

Banker City South 1 Comm Broker 2696 V
Telephone number (02) 8267 2295

Account Details

6 BULKARA STREET PTY LTD ATF 6 BULKARA STREET UNIT
BSB number 082-080
Account number 93-093-7975

Home Loan Details

BSB 082-080
Account number 29-059-2402

Transaction Details

Date	Particulars	Debits	Credits	Balance
23 Mar 2021	Account Opened			0.00
21 May 2021	Transfer To Allow For Fees and Charges		395.00	
	Annual Package Fee	395.00		0.00
24 May 2021	As From 21 May 2021, Account Is In A 100% Offset Arrangement			0.00
21 Jun 2021	Loan from 6 Bulkar 6 Bulkara Stre		28,000.00	
	Homeloan Repayment To A/C 290592402 244344	27,876.33		123.67 Cr

Summary of Government Charges

Government	From 1 July to date	Last year to 30 June
Withholding tax	\$0.00	\$0.00
Bank Account Debit (BAD) tax	\$0.00	\$0.00

Bank Accounts Debits (BAD) Tax or State Debits Duty has been abolished for all states & territories effective 1/7/2005. Any amount shown on this statement applies to debits processed on or before 30/06/2005.

For further information on any applicable rebates, fees or government charges, please refer to the NAB's "A Guide to Fees & Charges" booklet. Please retain this statement for taxation purposes

Explanatory Notes

Please check all entries and report any apparent error or possible unauthorised transaction immediately.

We may subsequently adjust debits and credits, which may result in a change to your account balance to accurately reflect the obligations between us.

For information on resolving problems or disputes, contact us on 1800 152 015, or ask at any NAB branch.

196172/01/M002928/S006396/7012791

IMPORTANT UPDATE

CHANGES TO TERMS & CONDITIONS FOR PERSONAL TRANSACTION & SAVINGS PRODUCTS

We're making important changes to the Personal Transaction and Savings Products Terms and Conditions.

To make it easier to understand, we've summarised the key changes, effective 40 days from this statement date:

- The default statement frequency is changing for customers with NAB Visa Debit cards linked to their account and customers with a NAB Reward Saver account.
 - For customers with NAB Visa Debit cards linked to their account, the default statement frequency is changing from every second month to six months.
 - For customers with NAB Reward Saver accounts, the default statement frequency is changing from three months to six months.
- Changes reflect increased use of digital banking and highlight the importance of checking your account transactions via the NAB App, NAB Internet Banking or telephone banking, to promptly identify any unauthorised transactions or errors.

What do you need to do?

If you're currently on NAB's default statement frequency (every 2 months for a NAB Visa Debit card or 3 months for a NAB Reward Saver account), we'll send you statements every 6 months, effective 40 days from this statement date.

If you'd prefer to stay on your current statement frequency or would like to request another statement frequency, please go to nab.com.au/statementcycles or give us a call on 13 22 65. We strongly encourage you to regularly check your account transactions via the NAB App, NAB Internet Banking or telephone banking, in order to identify any unauthorised transactions or errors. Let us know if you identify any unauthorised transaction or error as soon as possible. Please visit nab.com.au/internetbanking for help with online banking.

PART A: ACCOUNT TERMS AND CONDITIONS

Clause 1.11 of the terms & conditions (Transaction accounts) has been replaced with the following:

NAB will generally send you statements of account at least six monthly, unless you request otherwise. However, NAB FlexiPlus Mortgage and NAB Portfolio Facility/NAB Private Portfolio Facility accountholders will be sent statements of account for each account monthly unless you request otherwise.

The first sentence of clause 2.20 of the terms & conditions (NAB Reward Saver and NAB iSaver accounts) has been replaced with the following:

NAB will send you statements of account for the NAB Reward Saver account and NAB iSaver account at least six monthly, unless you request otherwise.

The first sentence of clause 7.2.3(a) of the terms & conditions (Direct Debits) has been replaced with the following:

You may cancel your direct debit arrangements with a *Debit User by calling NAB on 13 22 65, completing the direct debit cancellation request online via nab.com.au or visiting your branch and completing a cancellation request.

Clause 7.3 of the terms & conditions has been replaced with the following:

7.3 You must check your statements and current transaction history.

Without limiting any part of these terms and conditions, you must promptly review your statement of account to check for and tell NAB of any transaction recorded on your statement that you suspect for any reason you did not authorise or for which the information recorded is incorrect. In the period between your statements, if applicable, frequently check your current transaction history via NAB Internet Banking or NAB Telephone Banking. You can arrange to access your account through NAB Internet Banking if you are not already a user and NAB will register you, subject to NAB's standard terms and conditions for the service. Failure to promptly report unauthorised transactions may increase your liability.

PART C: NAB VISA DEBIT CARD TERMS AND CONDITIONS

The second paragraph of clause 25.2 of the terms & conditions (Notification procedure for disputed transactions) has been replaced with the following:

NAB recommends that you promptly read each statement carefully as soon as you receive it, and if applicable, frequently check your current transaction history via NAB Internet Banking or NAB Telephone Banking. You can arrange to access your account through NAB Internet Banking if you are not already a user and NAB will register you, subject to NAB's standard terms and conditions for the service.

PART D: NAB ELECTRONIC BANKING (DEBIT CARDS) TERMS AND CONDITIONS

Clause 32.3 of the terms & conditions has been replaced with the following:

32.3 Review statements of account and check NAB Internet Banking or NAB Telephone Banking. You should always review your statement, and if applicable, frequently check NAB Internet Banking or NAB Telephone Banking, and bring to NAB's attention any discrepancies, errors or unauthorised transactions as soon as possible.

If you wish to dispute an EFT transaction, you must report this to NAB. Please refer to the Customer Service details in Summary of Important Information at the front of this booklet. You can arrange to access your account through NAB Internet Banking if you are not already a user and NAB will register you, subject to NAB's standard terms and conditions for the service.

*A Debit User is a third party you make regular payments to by authorising them to debit your account.



Transaction Listing

Last Statement Date: 15 July 2021

6 BULKARA STREET PTY LTD ATF 6
ROYAL EXCHANGE
PO BOX R1812
SYDNEY NSW 2000

Account Balance Summary

Opening Balance	\$123.67	CR
Total Credits	\$0.00	
Total Debits	\$0.00	
Closing Balance	\$123.67	CR

Transaction Listing starts
Transaction Listing ends

Outlet Details

TRANSACTION SUPPORT GROUP
2802 UB, 800 BOURKE ST
DOCKLANDS VIC 3008

Account Details

6 BULKARA STREET PTY LTD ATF 6
NAB Classic Banking
BSB Number 082-080
Account Number 93-093-7975

Transaction Details

Date	Particulars	Debits	Credits	Balance
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Important

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- It may NOT include all transactions processed since last statement was issued.
- With the exception of cheque serial numbers, the details shown in the particulars column may be an abbreviation.
- Inclusion of a debit does not always indicate payment by the Bank.

Mackenzie Preston

From: Candy Nelson
Sent: Friday, 29 October 2021 5:01 PM
To: anthony.sommer@minterellison.com
Cc: caitlin.murray@minterellison.com; Melissa Passarelli; Sazz Nasimi; Alexandra Lawrence
Subject: Westpac Banking Corporation & Anor v Forum Finance Pty Limited (in liquidation) & ors Federal Court of Australia proceeding number NSD616/2021 [MADG-CURRENT_MATTERS.18091.047678]
Attachments: 211029 Letter from Madgwicks to Minter Ellison(4589717.3).pdf

Dear Mr Sommer,

Please refer to the **attached** correspondence.

Kind regards,

Candy Nelson
Personal Assistant

MADGWICKS
LAWYERS

[Visit our COVID-19 Resources Hub for practical information to assist you through this time](#)

T: +61 3 9242 4748 E: Candy.Nelson@madgwicks.com.au

Level 6, 140 William Street, Melbourne VIC 3000
www.madgwicks.com.au

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Minter Ellison
Anthony Sommer
Level 40 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Date: 29 October 2021
File No: 047678
Author: Melissa Passarelli
Partner: Sazz Nasimi
Your Ref: 1353397

**By email: anthony.sommer@minterellison.com;
cailtin.murray@minterellison.com**

Dear Mr Sommer

**Westpac Banking Corporation & Anor v Forum Finance Pty Limited (in liquidation) & ors
Federal Court of Australia proceeding number NSD616/2021 (Proceedings)**

We are responding to the consistent flow of letters originating from your office.

We find it somewhat disingenuous that your client expects responses from our office in circumstances where you have knowledge that we are not yet funded.

Furthermore, your client's actions to date in obstructing the release of the NAB funds is the primary reason as to why our client has not been able to fund his defence to your client's claim. In particular, we refer to:

- (a) your client's freezing order, which we believe encroaches well beyond any legitimate protection your client is entitled to; and
- (b) your correspondence to the NAB which, despite the carveouts allowed for under the freezing order, objected to our client being paid any sum of money for his living and legal expenses.

The manner in which your client has elected to run the present proceeding and deprive our client of the necessary funding he required, means that we are not yet in a position to respond to some of your correspondence.



MADGWICKS
ABN 82 199 611 971

Level 6
140 William Street
Melbourne VIC 3000
Australia
DX 485

T: +61 3 9242 4744
F: +61 3 9242 4777
E: madgwicks@madgwicks.com.au
W: madgwicks.com.au



We anticipate being in a position to advance our client's defence shortly and shall respond to you further in the coming days.

Yours faithfully
MADGWICKS



Sazz Nasimi
Partner

T: 03 9242 4741

E: Sazz.Nasimi@madgwicks.com.au

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Mackenzie Preston

From: Anthony Sommer <Anthony.Sommer@minterellison.com>
Sent: Tuesday, 2 November 2021 1:08 PM
To: Sazz Nasimi; Melissa Passarelli; Alexandra Lawrence; Candy Nelson
Cc: Caitlin Murray
Subject: RE: Westpac Banking Corporation & Anor v Forum Finance Pty Limited (in liquidation) & ors Federal Court of Australia proceeding number NSD616/2021 [MADG-CURRENT_MATTERS.18091.047678] [ME-ME.FID6264995]
Attachments: 02.11.2021 - Letter to Madgwicks.PDF

Dear Colleagues

Please see the attached correspondence.

Regards

Anthony Sommer

Senior Associate

T +61 2 9921 4182 M +61 431 058 780

anthony.sommer@minterellison.com

MinterEllison Governor Macquarie Tower 1 Farrer Place Sydney NSW 2000

minterellison.com [Follow us on LinkedIn and Twitter](#)



From: Candy Nelson <Candy.Nelson@madgwicks.com.au>
Sent: Friday 29 October 2021 05:01 PM
To: Anthony Sommer <Anthony.Sommer@minterellison.com>
Cc: caitlin.murray@minterellison.com; Melissa Passarelli <Melissa.Passarelli@madgwicks.com.au>; Sazz Nasimi <Sazz.Nasimi@madgwicks.com.au>; Alexandra Lawrence <Alexandra.Lawrence@madgwicks.com.au>
Subject: Westpac Banking Corporation & Anor v Forum Finance Pty Limited (in liquidation) & ors Federal Court of Australia proceeding number NSD616/2021 [MADG-CURRENT_MATTERS.18091.047678]

Dear Mr Sommer,

Please refer to the **attached** correspondence.

Kind regards,

Candy Nelson

Personal Assistant

MADGWICKS
LAWYERS

[Visit our COVID-19 Resources Hub for practical information to assist you through this time](#)

T: +61 3 9242 4748 E: Candy.Nelson@madgwicks.com.au

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www.madgwicks.com.au

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Security Warning: We take cyber security risks seriously. Please confirm any bank transfer details by phone directly before making a payment.

IMPORTANT INFORMATION, PLEASE READ

RETURN TO OFFICE

Public health orders influence our Return to Office Policy in each office jurisdiction. The Policy promotes a vaccinated workplace, and takes effect when professional services employees are permitted to return to the office following lockdown or when borders open to interstate travel without the need to quarantine. When the Policy takes effect in each jurisdiction, only fully vaccinated partners, employees, clients and visitors will have access to our office. [Read more for access procedures.](#)

OTHER MATTERS

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Sensitive: Legal

2 November 2021

BY EMAIL: Sazz.Nasimi@madgwicks.com.au

Sazz Nasimi
Partner
Madgwicks Lawyers
Level 6, 140 William Street
Melbourne VIC 3000

Dear Mr Nasimi

**Westpac Banking Corporation & Anor v Forum Finance Pty Limited (in liquidation) & Ors
Federal Court of Australia proceeding number NSD616/2021 (Proceedings)**

Dear Mr Nasimi

We refer to:

1. our email of 28 September 2021 at 8.26am (**28 September Email**);
2. our letter of 28 October 2021 (**28 October Letter**). Unless otherwise defined, capitalised terms in this letter have the same meaning given in our 28 October Letter; and
3. your letter of 29 October 2021 (**Your Letter**).

For at least the following the reasons below, our clients consider that the position stated in Your Letter is misplaced.

First, neither you nor your client can take a position that you are on the record in the Proceedings but will not respond to our correspondence related to the proceedings nor otherwise communicate with us in a meaningful way. On 22 September 2021, you filed a notice of acting for the third respondent, Vincenzo Frank Tesoriero (**Mr Tesoriero**) in the Proceedings, and accordingly have duties including those under s 37M and s 37N of the *Federal Court of Australia Act 1976 (Cth)* (**Act**). Alternatively, if your client will not or cannot secure funding for your services, then you can cease to act. What is impermissible is to take a position of refusing to engage while solicitor on the record.

Second, none of the issues raised in our 28 October Letter are new to your client. For example, we have been corresponding with Mr Christopher Nehme of Fortis Law, your client's former solicitor, about your client's intended sale of the Property since 11 August 2021. We have corresponded with you regarding the Property since 24 September 2021. As set out in our 28 October Letter, our clients are concerned that your client and the Company are in default of their obligations to our client under the Deed.

Third, the position stated in Your Letter is inconsistent with both our 28 September Email (which attached a copy of our letter dated 20 September 2021 to Dentons on behalf of National Australia Bank Limited) and the statements made to the Court by Senior Counsel for our clients during the hearing on 20 October 2021 regarding the freezing orders against Mr Tesoriero: see Transcript 20.10.21, 3-7. As you know, our client has consistently acknowledged the exception in the freezing orders regarding your client's reasonable legal expenses.

Fourth, the position taken in Your Letter is inconsistent with your client incurring costs in taking an active position in opposing the winding up application in relation to the PL Entities (as defined in the Orders dated 20 October 2021), as indicated in your letter of 27 October 2021 to us and Allens, the solicitors for the provisional liquidators of the PL Entities. It is therefore apparent that your client is currently securing your legal services, and on an ongoing basis, with respect to issues that he is currently prioritising.

In short, our clients consider that the position contended for in Your Letter is wrong and, whether intended or not, impermissibly delaying, specifically, the sale of the Property, and in contravention of your client's and the Company's obligations under the Deed, and more generally, the efficient conduct of the Proceedings.

Separately we are instructed that yesterday your client executed an agency agreement in relation to sale of the Property but has not taken other necessary steps including paying or securing the pre-marketing funding. Given that step and the matters above, our clients require your substantive response to our 28 October Letter by no later than **5.00pm (AEDT) Thursday 4 November 2021**, failing which (as notified to you in our 28 October Letter) our clients may apply to the Court for appropriate orders at the hearing on 12 November 2021 including to enforce the Deed as against your client and the Company under s 22 or s 23 of the Act or that receivers be appointed to take possession of and sell the Property. Our clients intend to rely on this correspondence, together with our previous correspondence regarding this issue, on the question of whether your client and the Company should pay our clients' costs of such application on an indemnity basis.

All of our clients' rights are expressly reserved.

Yours faithfully
MinterEllison

A handwritten signature in cursive script that reads "MinterEllison".

Contact: Anthony Sommer T: +61 2 9921 4182
anthony.sommer@minterellison.com
Partner: Caitlin Murray T: +61 2 9921 4279
OUR REF: 1353397



Forum Group Pty Ltd (Receivers Appointed) (In Liquidation)
ACN 153 336 997

Report to creditors

28 October 2021



McGrathNicol

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1 Introduction

I refer to:

- the appointment of Jason Preston, Kathy Sozou and I as voluntary administrators (**Voluntary Administrators**) of Forum Group Pty Limited (in Liquidation) (Receivers Appointed) (**FG** or **Company**) on 22 July 2021 replacing Domenico Alessandro Calabretta, Grahame Robert Ward and Thyge Trafford-Jones of Mackay Goodwin as administrators (**Former Voluntary Administrators**) of the Company;
- the subsequent appointment of Jason Preston and I as liquidators (**Liquidators**) of the Company on 28 July 2021 by order of the Federal Court of Australia (**Court**) that the Company be wound up; and
- our initial information for creditors dated 24 August 2021 in which we advised you of our appointment as Liquidators and your rights as a creditor in the liquidation, copies of which can be found on our website (<https://www.mcgrathnicol.com/creditors/forum-group-and-associated-entities/>).

The purpose of this report is to:

- provide creditors with an update on the progress of the liquidation; and
- advise creditors of the likelihood of a dividend being paid in the liquidation.

This report has been prepared to comply with the Liquidators' statutory obligation under section 70-40 of the Insolvency Practice Rules (Corporations) 2016 (**IPR**) to report to creditors within three months of their appointment as Liquidators.

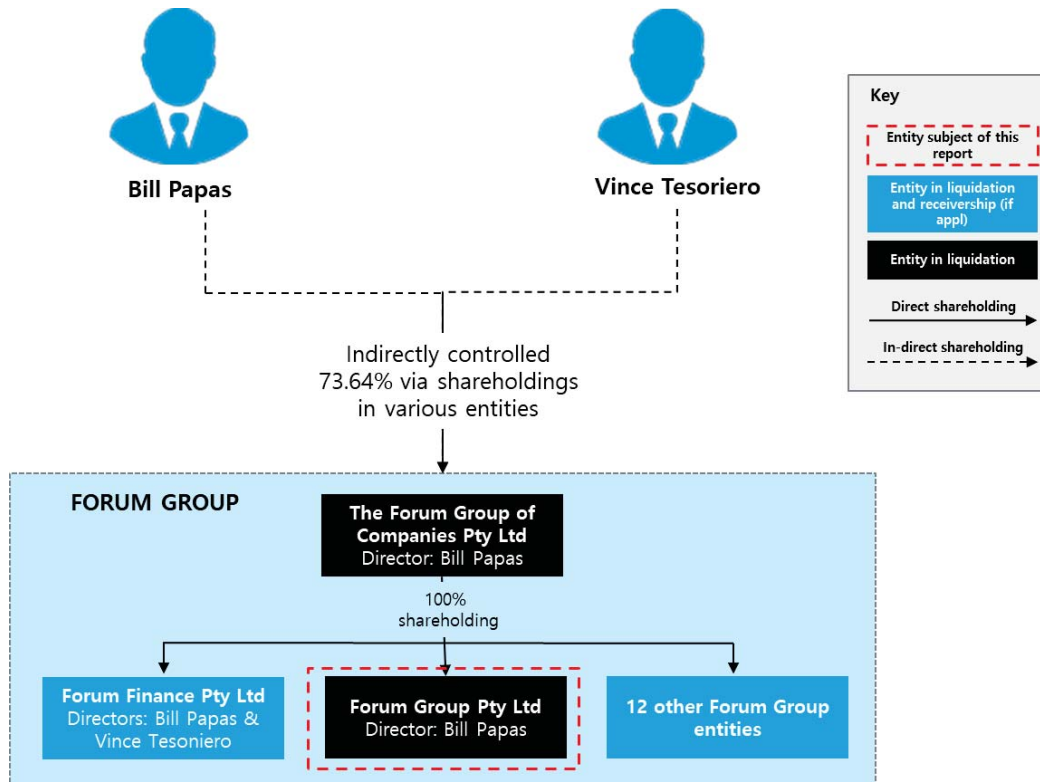
We will also be requesting that you consider our and the Former Voluntary Administrators' detailed remuneration approval reports.

2 Update on the progress of the Liquidations

2.1 Background

2.1.1 Corporate structure

An overview of the corporate structure of FG at our appointment dates is set out below:



Further details on the Company are set out below. The Liquidators note the following in relation to the corporate structure:

- the Company along with thirteen other wholly-owned Australian subsidiaries of The Forum Group of Companies Pty Ltd (In Liquidation) (**FGOC**) were known as the "**Forum Group**".
- Basile Papadimitriou (**Bill Papas/Mr Papas**) and his associate, Vincenzo Francesco Tesoriero (**Vince Tesoriero/Mr Tesoriero**), indirectly control 73.64% of the Company through their interests in various shareholders of FGOC.
- In addition to the "Forum Group" entities, the Liquidators are also the appointed Liquidators/Provisional Liquidators of Forum Group Financial Services Pty Ltd (**FGFS**) and twelve other entities associated with Mr Papas and/or Mr Tesoriero outside the Forum Group (which are not shown in the structure chart above). The wider group of companies to which the Liquidators are appointed, as set out in Enclosure 1 of this report, are collectively referred as the "Appointment Group" (**Appointment Group**).
- Mr Papas, Mr Tesoriero and a number of the Appointment Group entities (including the Forum Group) are currently involved in a range of legal proceedings as a result of allegations of fraudulent behaviour undertaken by (or at the direction of) Mr Papas within the Forum Group

2.1.2 Background of the Company

FG was established in September 2011 and was formerly known as Forum Group (NSW) Pty Ltd. Mr Papas was the sole director of FG (**Director**) at the date of the appointment of the Former Voluntary Administrators.

On 8 July 2021, the Former Voluntary Administrators were appointed as voluntary administrators of the Company by Mr Papas. On 22 July 2021 at a creditors' meeting of the Company, the Former Voluntary Administrators were replaced by the Voluntary Administrators. Our appointment as Voluntary Administrators of the Company ended on 28 July 2021 when Jason Preston and I were appointed Liquidators by order of the Court

On 12 July 2021, Antony Resnick and Mark Robinson of dVT Group were appointed Receivers (**Receivers**) over FG's assets pursuant to a registered general security interest granted to Octet Finance Pty Ltd (**Secured Lender/Octet**) by FG as borrower under a funding facility entered into between the Secured Lender and certain entities within the Forum Group.

FG was the primary trading and employing entity within the Forum Group. FG employed approximately 120 staff at the time of the appointment of the Former Voluntary Administrators, with those staff also providing services to other entities within the Forum Group.

FG's operations primarily consisted of providing IT/print managed services to third party customers under contracts where it acted as principal or where it was formally or informally appointed as outsourced service provider. In this capacity, it undertook supply, maintenance and administrative components of contracts entered into by related parties, primarily Forum Finance Pty Limited (**Forum Finance/FF**) (another Forum Group entity), including invoicing and collections from end customers.

FF would typically enter into contracts with end-customers as principal (and in some cases agent) with the economic interest in and security associated with the contracts usually passed to a range of third party financiers. FF would typically earn commissions as part of those arrangements. As noted, FG usually administered the contracts and associated servicing. Once FG collected regular payments from end-customers it either remitted those funds to FF (after keeping a service fee) who paid the third party financiers, or FG paid those financiers directly. A significant number of the end-customer contracts (although not all) appear to have been fraudulent, with no end-customer and no associated equipment.

On 22 July 2021, prior to our appointment as Voluntary Administrators, Former Voluntary Administrators sold the goodwill of the business to Our Kloud Print Pty Ltd (**Our Kloud**), following which the Company ceased to trade.

At (or around the time of) the sale to Our Kloud, employees either consented to the transfer of their employment to Our Kloud as part of the sale agreement, or were terminated by the Former Voluntary Administrators

Based on the Liquidators' investigations to date, FG received a material amount of funds (accounted for as intercompany loans) from FF and/or FGFS. The majority of the funds within FF and FGFS (and therefore the funds paid to the Company) appear to have been obtained directly or indirectly from fraudulent activities allegedly committed by (or at the direction of) Mr Papas in entities within the Appointment Group

2.2 Reasons for the failure of the Company

The Liquidators have not received a completed Report on Company Activities and Property (**ROCAP**) from the Director that provides an explanation on the failure of the Company. Please refer to section 3.1 for further detail on the ROCAP.



In conversations with Mr Papas, he suggested the failure of FG as part of the broader Forum Group, was as a result of the impact of COVID and the resulting disruption and inability for various companies in the Forum Group to operate effectively. This is inconsistent with our findings.

We consider the following reasons contributed to the Company's failure:

- a number of the purported contracts purportedly related to FG providing IT/print managed and/or administrative services however, it appears that there were no underlying customer and therefore no amounts billed in respect of those contracts;
- the Company did not generate sufficient income from "real" (or non-fraudulent) contracts to meet its liabilities;
- the Company was dependent on funding from FGFS which, based on our investigations FGFS obtained via FF and other Appointment Group entities via the alleged fraud referred to above. We note that FGFS, along with the Company became subject to freezing orders issued by the Court against the assets of Mr Papas and Mr Tesoriero in late June and early July; and
- the abovementioned events resulted in the Company being unable to access further funding to meet its various obligations and liabilities.

Mr Papas departed Australia for Greece in mid-June 2021 shortly after the allegedly fraudulent behaviour was identified and ahead of the various insolvency appointments. Mr Papas appointed the former Voluntary Administrators to the Company (along with other Appointment Group entities) shortly after departing Australia and after the freezing orders. Mr Papas has not returned to Australia despite stating his intention to do so. On 20 October 2021, the Court issued a warrant for Mr Papas' arrest for being in contempt of its orders.

While Mr Papas initially engaged with the Liquidators to a limited extent, he has not provided any meaningful assistance to the Liquidators in respect of our investigations into the wider Appointment Group of companies' affairs and causes of failure. Mr Papas has since shut down the email address that we were using to contact him. Further, Mr Papas is no longer represented in the various proceedings commenced against him in respect of the fraudulent activities.

2.3 Timeline of key events

Below is a timeline of key events leading to the appointment of the Liquidators of the Company and the Appointment Group.

Date	Event
May to June 2021	Westpac Banking Corporation (WBC) identified the alleged fraudulent behaviour of Mr Papas in Forum Finance.
16 June 2021	Mr Papas departed Australia for Greece.
28 June 2021	WBC obtained: <ul style="list-style-type: none"> ▪ freezing orders against Forum Finance and Mr Papas prohibiting them from disposing, dealing with or diminishing the value (i.e. freezing) of all their Australian and New Zealand assets (including the Company) up to the unencumbered value of approximately \$254 million; and ▪ search orders against Forum Finance and Bill Papas.
2 July 2021 to 27 August 2021	WBC obtained a freezing order against Mr Tesoriero freezing all of his Australian assets up to the unencumbered value of approximately \$254 million. The Court amended the freezing orders outlined above on multiple occasions. The current freezing orders against Mr Papas and Mr Tesoriero are as follows: <ul style="list-style-type: none"> ▪ Mr Papas was made on 15 July 2021. It freezes his global assets (including the Company) up to the unencumbered value of approximately \$361 million. ▪ Mr Tesoriero was made on 27 August 2021. It freezes his global assets (including the Company) up to the unencumbered value of approximately \$254 million plus NZ\$44 million.
8 July 2021	The Former Voluntary Administrators were appointed to the Company (along with other associated entities) by resolution of Mr Papas, its sole director.
12 July 2021	The Receivers were appointed over FG's assets pursuant to a registered general security interest granted to Octet.
22 July 2021	The Former Voluntary Administrators sold the goodwill of the Company to Our Kloud and the Company ceased to employ and trade.
22 July 2021	Jason Preston, Kathy Sozou and I were appointed Voluntary Administrators of the Company, replacing the Former Voluntary Administrators.
28 July 2021	The Court made orders appointing the Liquidators to the Company and the other Appointment Entities.

2.4 Liquidators' actions to date

To date, we have undertaken the following:

- Liaised with Mr Papas and his legal advisors at the time, in his capacity as Director of the Company and Mr Bouchahine, in his capacity as CFO of the Forum Group in respect of causes of failure.
- Liaised with personnel of the various Forum Group entities including Mr Craig Rollinson, General Manager of Operations of the Forum Group, to gain an understanding of the business and financial position of the Company.
- Liaised with the Receivers in respect of their asset realisations and appointment generally.
- Liaised with the Former Voluntary Administrators in respect of the administration of their sale process and the eventual sale to Our Kloud and undertook post-completion matters.
- Liaised with the Former Voluntary Administrators in respect of their administration process generally and costs.
- Liaised with the Receivers in respect of their receivership process generally, asset realisations and costs.
- Liaised with customers, financiers and suppliers in respect of the sale and cessation of trading.
- Liaised with and issued requests for information to financiers and other financial institutions in relation to the Company.

- Disclaimed various contracts and leases.
- Reviewed books and records and liaised with the Department of the Attorney General in respect of employee entitlements and FEG claims.
- Gained access to books and records of the Company including electronic accounting and financial records/systems.
- Undertook detailed sources and applications analysis for funds received and utilised by the Company and the Appointment Group entities to understand the flow of funds and relationships as they relate to the Company.
- As part of our investigations within the Appointment Group entities, investigated the circumstances surrounding funds advanced by financiers to FF and/or other Appointment Group entities as a result of allegedly fraudulent food digester and other equipment contracts. Those financiers included WBC, Westpac New Zealand, SMBC Leasing and Finance Inc (**SMBC**) and Societe Generale Group (**SocGen**) (collectively, **the Financiers**) and the investigation showed, in many cases, there was no underlying customer contracts nor equipment. Further details regarding the alleged fraud committed and ongoing investigations undertaken to date by the Liquidators are set out in section **Error! Reference source not found.**4 of this report.
- As part of our investigations within the Appointment Group entities, undertook public examinations of key staff associated with the Forum Group to progress investigations into how and by whom the alleged fraud was perpetrated, how funds had been utilised and to identify any further assets that may be available to creditors.
- As part of our investigations within other Forum and Appointment Group entities, sought legal advice on the public examinations and investigations into the alleged fraud, realisation of assets and approach to deal with the potential competing claims by the financiers and other secured lenders.
- Sought and secured the Company's assets and sought indicative valuations (where applicable) to determine their realisation value. Further details on the assets of the Company are set out in Section 3 of this report.
- Located, secured and sought to deal with leased vehicles registered to the Company.
- Liaised with parties who have registered PPSR security interest over the assets of the Company.
- Carried out preliminary investigations in order to prepare a confidential report which will be lodged with the Australian Securities & Investments Commission (**ASIC**) pursuant to section 533 of the Corporations Act (**Act**) in due course.
- Reported to and filed lodgements with ASIC and creditors.

2.5 Funding agreement

Upon our appointment, noting the freezing orders in place, a variety of financier claims and allegations of fraudulent behaviour, there were insufficient funds/assets available to us to undertake our role beyond our basic statutory obligations.

In order for us to undertake a comprehensive investigation and understand the claims or assets that may be available for the benefit of creditors, we engaged with the Financiers in respect of providing funding to allow us to undertake this work.

An in-principle agreement was ultimately reached with Westpac to provide the Liquidators a loan for the purposes of funding the Liquidators' remuneration and expenses incurred in July, August and September 2021 (or other such longer period as agreed in writing) up to a value of \$4.5 million (excluding GST) (**Funding Facility**). The funding was put in place to allow the Liquidators to undertake investigations of the Appointment Group (including the Company) and associated entities, and the identification of possible future sources of asset recoveries. On 7 September 2021, the Liquidators entered into the Funding Facility agreement (following Court approval) on the following terms and conditions:

- interest charged at an interest rate of BBSY Bid plus 3% with any unpaid interest to be capitalised monthly.
- the drawn down amounts together with any interest accrued are to be reduced and repaid once and to the extent that there are sufficient funds in the liquidations of the Forum Group and the Liquidators reasonably form the view that those funds are not required for the purposes of that liquidation.
- the Liquidators' liability to repay the drawdown amounts together with any interest accrued is on a limited recourse basis, with Westpac's recourse being limited to the assets available in the liquidations.
- other financiers who have legal proceedings on foot against various Forum Group entities may accede as a funder to the Funding Agreement, with the written consent of the Liquidators and Westpac, for the purpose of furthering investigations and/or proceedings commenced in respect of entities.

- to ensure that priority employee creditors of the Forum Group are not disadvantaged, the agreement provides that to the extent there are any outstanding employee entitlements (which are afforded priority under sections 556 and 560 of the Corporations Act) in any entity, any recoveries made by that entity must first be used to pay those priority employee entitlements.
- the agreement provides that, regardless of whether the funding was used in the liquidation or provisional liquidation of a particular entity, the Liquidators of each entity are jointly and severally liable for the repayment of all amounts drawn down and any interest accrued under the Funding Facility.

We consider that entering into the Funding Agreement on those terms was in the best interests of Forum Group and its creditors on the basis that:

- there were matters requiring detailed investigation in order to identify assets that may be able to be recovered for the benefit of creditors;
- no other funding has been offered to the Liquidators;
- the agreement retains certain protections discussed above;
- given the security that has been granted and the proprietary claims made (discussed further at Section 3.4.2 below), Forum Finance and FGFS do not have available assets to fund investigations and recovery actions;
- we have not identified any potential prejudice or oppression to the creditors of Forum Finance and FGFS that would arise by reason of entering into the Funding Agreement;
- we consider that the entry into the agreement presents little risk to Forum Finance and FGFS and their creditors; and
- given the absence of any security that can be offered, or the certainty of any recoveries, we consider it very unlikely that funding would be available from any other source. We consider the terms of the Funding Agreement are likely to be more favourable than those that would, in our experience, likely be available from a commercial litigation funder.

Apart from priority employee claims, the effect of the Funding Facility is that all realisations across any of the entities within the Appointment Group will first be applied in repayment of the Funding Facility, and amounts will only become available to unsecured creditors to the extent there is a surplus once the Funding Facility has been repaid in full.

The Funding Facility will only be drawn down based on costs actually incurred and properly approved (and to the extent there are insufficient recoveries in the respective liquidations). Liquidators' remuneration will still require approval by creditors.

3 Assets and liabilities

3.1 Report on Company Activities and Property (ROCAP)

Under section 475 of the Act, Directors, and company officers, can be required to complete a ROCAP, setting out an assessment of a company's asset and liability position and causes of failure.

The Liquidators requested Mr Papas, in his capacity as sole Director of the Company, to submit a ROCAP for FG.

To date, Mr Papas has not supplied a ROCAP as at the date of our appointment which provides an explanation on the causes of failure of the Company. The Act provides for serious consequences for a failure to submit a ROCAP. The Liquidators have reported to ASIC on Mr Papas' non-compliance.

In the absence of a ROCAP that provides an explanation on the Company's causes of failure and the ability to comment on the failure, we have relied on the following information to prepare this Report and comment on Company's asset and liability position:

- books and records of the Company;
- materials relating to the Company produced by third parties in response to subpoenas;
- discussions with former staff of other Appointment Group entities and parties with knowledge of the Company;
- our detailed investigations; and
- company searches and verifiable public information, such as ASIC registers.

3.2 Assets

We have based our analysis below on FG's balance sheet as at 30 June 2021 as extracted from the electronic accounting records. We note that there are a number of manual adjustments that appear to have been made to the accounts in the period between 30 June 2021 and our appointment, however these are without adequate explanation and we have been unable to reconcile the basis of the adjustments.

The table below summarises FG's asset position based on the balance sheet at 30 June 2021 and our investigations.

FGPL - asset summary				
\$'000	Reference	30/06/2021	Liquidators' Est. Amt.	
		Book value	EOS - Low	EOS - High
Cash	3.2.1	2,799	-	<i>Unknown</i>
Accounts receivable	3.2.2	5,535	-	<i>Unknown</i>
Stock	3.2.3	1,247	-	<i>Unknown</i>
Loans to appointment group entities	3.2.4	24,176	-	<i>Unknown</i>
Other circulating assets	3.2.5	636	-	<i>Unknown</i>
Fixed assets	3.2.6	2,331	-	<i>Unknown</i>
Vehicles	3.2.7	20	-	<i>Unknown</i>
Intellectual Property (IP) and goodwill	3.2.8	158	-	<i>Unknown</i>
Shares	3.2.9	1,821	-	<i>Unknown</i>
Clearing accounts - assets	3.2.10	1,424	-	<i>Unknown</i>
Total		40,146	-	<i>Unknown</i>

Please note, all assets are subject to the appointment of the Receivers to FG. The Receivers are in control of the assets and the associated realisation strategy. Any realisable value in the high case is currently unknown as it will be subject to the Octet being repaid either directly from FG or from other Forum Group entities over which Octet holds security. The low case assumes all proceeds are applied to reduce the Octet's debt after meeting priority, proprietary and set off claims in respect of bank guarantees by the account bank.

3.2.1 Cash

FG maintained three bank accounts with National Australia Bank (**NAB**), which held combined balances totalling \$3.2 million on appointment of the Liquidators. FG's balance sheet recorded balances of \$2.8 million at 30 June 2021 across two bank accounts. We understand the current balance of the NAB accounts is c. \$3.4 million.

The balances remain with the account bank and are subject to competing claims so have yet been released to either the Receivers or the Liquidators.

3.2.2 Accounts receivable

FG's accounting records detail a net accounts receivable balance of \$5.5 million comprising mostly outstanding lease receivables in relation to leases in which FG maintained the economic interest (i.e. hadn't been transferred to an external financier).

The Receivers are in control of this asset. We are not in a position to form a view as to the realisable value of this asset. We understand c. \$1.2 million has been collected to date.

3.2.3 Stock

Stock comprised equipment, parts and consumables stored with a third party logistics provider and in the field i.e. with service technicians or on customer sites.

The stock held with the third party logistics provider was sold to Our Kloud under a stock sale agreement negotiated and signed by the Receivers in July and August 2021 recovering a net cash amount of \$0.6m including GST. These funds remain held in trust subject to claims from a related entity within the Appointment Group in respect of any claims it is able to assert in respect of the stock sold. The stock sale agreement also included a contribution amount of \$320k released

directly to the Former Voluntary Administrators to meet outstanding employee liabilities for their trading period. Our Kloud assumed the liability owing to the logistics provider as part of the contract deal.

We are unsure of the current status of realisations of any stock in the field, and are not in a position to form a view as to the realisable value of those assets.

3.2.4 Loans to appointment group entities

FG's accounting records include \$24.2 million of intercompany loans receivable relating to funds advanced by FG to other entities within the Appointment Group that appear to have been used for a wide variety of purposes, including;

- funding repayments to financiers of other Appointment Group entities in relation to financing contracts that are alleged to have been fraudulent, where there was no underlying customer; and
- funding other Appointment Group entities working capital and operating requirements.

Each of these related entities is subject to various insolvency appointments. We expect Proofs of Debt (**POD**) will ultimately be submitted in those insolvency processes in due course. It is unlikely there will be any recoveries in respect of these claims.

3.2.5 Other circulating assets

FG's accounting records detail the following other circulating assets:

- prepayments relating to insurance premiums and IT costs;
- a rental bond; and
- a small amount in respect of payments made to an entity Mr Papas was a director of.

It is unlikely the above have any recoverable value.

3.2.6 Fixed assets

FG's accounting records included fixed assets with a book value of \$2.3 million as at 30 June 2021. This balance is comprised of the following:

- **Internal IT software** totalling \$1.3 million, which the Liquidators understand does not have use for third parties or a realisable value;
- **Office equipment** totalling \$217k net of depreciation; and
- **Leased property improvements/furniture & fittings** totalling \$840k which relate to premises formerly leased by FG (disclaimed following our appointment as Liquidators).

We understand the Receivers are dealing with Our Kloud and a landlord in respect of realising certain fixed assets, but this is unlikely to generate material recoveries.

3.2.7 Vehicles

One leased vehicle was realised at auction. Following payment to the financier the remaining proceeds (circa \$2k) will be used to cover costs incurred securing and realising this asset.

3.2.8 Intellectual Property (IP) and goodwill

FG's accounting records include \$158k in relation to IP, comprised of goodwill and FG's website.

Prior to the Liquidators' appointment, the Former Voluntary Administrators sold FG's goodwill to Our Kloud for \$0.4 million plus the assumption of entitlements of transferring employees. This amount is currently held on trust and is subject to competing claims.

3.2.9 Shares

The accounting records detail equity investments valued at \$1.8 million, as follows:

- \$0.5 million relating to shares in Nationwide Solutions, the former name of Forum Group (VIC) Pty Ltd (an Appointment Group entity). The Liquidators understand this entity has been inactive since early 2019 and do not anticipate any recoverable value in relation to those shares.

- \$1.3 million relating to shares in Crown Business Solutions, which was purchased by another Appointment Group entity in 2014 and subsequently transferred to FG in or around June 2020. From our preliminary investigations, the original purchase did not include the acquisition of any share interest and accordingly we believe the accounting of this purchase should have been recorded as goodwill or fixed assets. Noting the 2014 purchase date we do not anticipate any recoverable value in relation to this acquisition.

3.2.10 Clearing accounts – assets

The balance sheet included clearing accounts with a net asset balance totalling \$1.4 million.

Some of the amounts within these clearing accounts may have been amounts collected from “real” customers regarding equipment rental collections, however we note that based on our investigations, we are aware the wider Appointment Group often used clearing accounts to account for the alleged fraudulent scheme by recording payments to and receipts from financiers in connection with those suspected fraudulent contracts.

We anticipate these represent intercompany/related party balances and do not consider these to be assets with any realisable value.

3.3 Liabilities

The below table summarises FG’s liability position based on the information obtained from the balance sheet from the company’s accounting system as at 30 June 2021 and our investigations.

FGPL - liability summary				
\$'000	Reference	30/06/2021	Liquidators' Est. Amt.	
		Book value	EOS - Low	EOS - High
Trade creditors	3.2.1	8,117	8,117	<i>Unknown</i>
Secured creditors	3.2.2	206	206	<i>Unknown</i>
Employee liabilities	3.2.3	1,995	1,995	1,995
Loans from appointment group entities	3.2.4	17,042	17,042	17,042
Total		27,361	27,361	<i>Unknown</i>

3.3.1 Trade creditors

FG’s accounting records include trade creditors of \$8.1 million which appear to relate to third party trade payables of a wide variety, including ordinary trade creditors, taxes, lease liabilities etc.

The Liquidators have received PODs totalling \$3.2 million from 38 unsecured creditors as at the date of this report.

The Liquidators have not yet called for formal PODs from creditors and accordingly, this amount may change.

3.3.2 Secured creditors

The Company’s accounts detail \$206k owing to secured creditors. This amount appears to relate to hire purchase equipment leases. As we have not yet called for formal PODs, this amount may change, and we anticipate that it is likely the actual claim amount is materially higher than book value.

As detailed in section 2.1.2, the Company provided a guarantee to Octet for a funding facility it entered into with various Forum Group companies.

As discussed earlier in this report, Octet has enforced its general security interest by appointing the Receivers to recover the outstanding facility which is understood to be c. \$2.5 million, comprising approximately c.\$1.9 million as at the Liquidators’ appointment, plus c.\$700k in costs accrued by the Receivers.

Including the ALLPAP to Octet, there are 46 interests registered against the Company on the PPSR, summarised in the table following.

The ALLPAP registration from NAB is in relation to various liabilities including contingent bank guarantee liabilities of approximately \$900k. NAB is the account bank and is seeking to set that exposure off against the cash at bank.

16 other registrations relate to motor vehicles previously financed by FG and subsequently returned or realised.

The remaining secured parties are suppliers of goods. The Receivers have dealt with any retention of title claims and we

Forum Group Pty Ltd - PPSR registrations				
	Motor Vehicle	Other Goods	All PAP	Totals
Altech Computers Corporation Pty Ltd	-	1	-	1
The Trustee For D & H Trust & The Trustee For J & T Family Trust	-	2	-	2
Smartech Systems Oceania Pty Ltd	-	1	-	1
Pepper Asset Finance Pty Ltd	1	-	-	1
Fleet Partners Pty Limited	2	-	-	2
Summit Auto Lease Australia Pty Limited	15	-	-	15
Sektor Pty Limited	-	1	-	1
Octet Finance Pty Limited	-	-	1	1
Alloys International Printer & Hardware Division Pty Ltd; Integrex Systems Pty. Ltd.	-	1	-	1
The Trustee For Zone Q Champion Investments Trust	-	1	-	1
HP Financial Services (Australia) Pty Limited	-	2	-	2
BHD Leasing Pty Limited	-	1	-	1
Purebean Pty Ltd	-	1	-	1
EMPR Australia Pty Ltd	-	1	-	1
De Lage Landen Pty Limited	4	4	-	8
Konica Minolta Business Solutions Australia Pty Ltd	-	1	-	1
Canon Australia Pty. Ltd.	-	1	-	1
Dynamic Supplies Pty. Ltd.	-	1	-	1
Synnex Australia Pty. Ltd.	-	1	-	1
National Australia Bank Limited	-	-	1	1
JB Hi-Fi Group Pty Ltd; Clive Anthonys Pty Ltd	-	1	-	1
Ricoh Australia Pty Ltd	-	1	-	1
Totals	22	22	2	46

have not been made aware of the final outcome of any negotiations in relation to same.

3.3.3 Employee liabilities

FG's accounting records detail \$2 million in outstanding/accrued employee entitlements, including annual leave, long service leave, superannuation (but excluding PILN and redundancy). The Liquidators calculation of current outstanding employee entitlements is \$1.9 million covering outstanding annual leave, long service leave, superannuation, redundancy and payment in lieu of notice, noting additional employee entitlements were transferred to Our Kloud as part of the goodwill sale undertaken by the Former Voluntary Administrators.

3.3.4 Loans from appointment group entities

FG's accounting records include \$17 million in loans from Appointment Group entities, namely FGFS (\$1.1m), Forum Finance (\$14.7m), and Smartprint Fleet Management (\$1.3m).

3.4 Competing claims

We note there are a range of competing claims being asserted over the assets of the Company by various parties, including customers with trust claims (refer to section 3.4.1 below) and lenders that may have proprietary claims to the assets (refer to section 3.4.2 below).

If successful, these claims will reduce the pool of assets available and/or otherwise impact the statutory priorities, and impact the prospect of any dividend to unsecured creditors.

Given the uncertainty and complexities around the validity, extent and impact of these claims, we have not sought to reflect the impact of these claims in the above analysis.

3.4.1 Trust claims

These claims relate to assertions by certain financiers that they are entitled to amounts received from customers pursuant to the terms of their agreements with FG and/or Forum Finance. Specifically, that funds received from customers are held on trust until such time that they were remitted/passed through to the financier (**Trust Claims**).

3.4.2 Proprietary interest claims

We have been put on notice that a number of financiers of the Appointment Group are pursuing proprietary interest claims (**Proprietary Claims**) against assets in the name of the Company. There are currently legal proceedings before the Court in this regard.

These claims have been made on the basis that funding was provided to the Company from FGFS who in turn obtained those funds from Forum Finance, which obtained the funds through the alleged fraudulent behaviour of Mr Papas. The claim asserts that, any funds in bank accounts, or assets acquired or in part funded using funds advanced by the financiers remains the property of the financiers as a result of the Proprietary Claims and is not available to be retained by the Company or its creditors.

We have received PODs totalling \$353 million in relation to the Proprietary Claims to date.

4 Investigations

Creditors will find a summary of offences under the Act, including details of voidable transactions and insolvent trading considerations in the Creditor Information Sheet – Offences, Recoverable Transactions and Insolvent Trading (Enclosure 11).

4.1 Fraudulent scheme

4.1.1 Overview

Following our various appointments to Appointment Entities, we have undertaken a detailed investigation and funds tracing exercise to understand the extent of the alleged fraud and the related actives of individuals to:

- investigate the circumstances surrounding the collapse of the Forum Group (and by extension the Appointment Group);
- determine the extent of the alleged fraud;
- identify how the alleged fraud scheme was committed and who may have been involved;
- trace the application of funds; and
- consider assets that may be available to recover.

Our investigations have been undertaken at a “Group” level for all entities that we have been appointed to (and go beyond FG), given the extent of the alleged fraudulent scheme and the way in which funds were transferred and recycled within the Appointment Group.

An overview of our preliminary findings is set out below.

4.1.2 Investigations undertaken

Our investigations to date have included, amongst other activities:

- analysis of sources and applications of funds, including tracing of funds through associated entities in Australia and overseas, and identification and review of recipient accounts;
- an analysis of over 110,000 transactions across approximately 150 bank accounts held by FG and other Appointment Group entities, associated entities/persons and beneficiaries obtained from financial institutions and in response to subpoenas (focused on the period from July 2018 to June 2021);
- upload and process over 4.9 million documents to an online review platform;
- conduct of targeted searches of key terms and of key individuals and review of relevant materials;
- review of clearing accounts and other accounting records that appear to pertain to or record the alleged fraud;
- compilation and analysis of equipment listings contained in the alleged fraudulent contracts;
- identification of contractual documentation to determine the veracity of same;
- identification of relevant correspondence relating to those contracts to identify the people involved in the production of the alleged fraudulent contracts;

- analysis of the accounting records, data extracted from available systems and bank statements provided by financial institutions for accounts of various Appointment Group entities and accounts of parties subject to subpoena in the proceedings brought by WBC; and
- conducting public examination of:
 - Tony Bouchahine (CFO of the Forum Group) – who had responsibility for the accounts of FG and other Appointment Group entities including FGFS;
 - Craig Rollinson (General Manager of Operations of the Forum Group) – who had responsibility for or knowledge of certain associated entities in Australia and overseas; and
 - Brandon Chin (employee of an associated entity and formerly of FGFS) – who was responsible for accounting entries in FGFS.

4.1.3 Key findings

Set out below are key findings based on our investigations to date:

- material funds are alleged to have been fraudulently obtained by Forum Finance, FG and other entities within the Forum Group from financiers through the provision of false documentation;
- primarily the scheme involved contracts being presented to Financiers for financing by Forum Finance where the underlying contracts were never entered into by the named customer (with customer signatures forged or copied and applied without their knowledge) and where there was in fact no underlying customer and/or equipment supplied;
- the alleged fraudulent behaviours appear to have been undertaken over an extended period of time. While we have focused on the period from 1 July 2018 to 30 June 2021 for the purpose of our analysis to date, we have identified materials suggesting similar behaviour was evident in FG as far back as at least 2013;
- while a significant quantum of funds are alleged to have been fraudulently obtained by Forum Finance, the behaviour was also undertaken in FG and other Forum Group entities associated with Mr Papas in Australia and New Zealand with similar schemes operating through those entities;
- the extent of the alleged fraudulent activity and scheme escalated throughout the period of focus between 2018 to 2021, with new financiers being introduced to meet ongoing operational and financial obligations;
- it appears that FGFS was set up in 2017 as the scheme was escalating, predominantly to disguise the source and applications of the funds that had been obtained under the scheme within the Group;
- there were deliberate attempts by Mr Papas and others involved in the scheme to avoid the scheme being uncovered, including:
 - intentionally omitting making entries in the financial accounts of Forum Finance to conceal the funds obtained as part of the scheme;
 - manipulating financial accounts including those of FG, in particular those presented to external parties to conceal the scheme;
 - establishing FGFS outside the Forum Group to account for the alleged fraud and disguise the source of funds, whilst also acting as the Group “treasurer” and ensuring that all financial commitments were met on a monthly basis (despite the lack of underlying customer receipts);
 - leveraging assets acquired using funds obtained through the scheme as a way to conceal the true source of the funds;
 - establishing other overseas entities and implementing contrived structures to disguise the source of funds from financiers and authorities;
 - selecting financing structures that minimise the visibility the financiers have to the underlying customers; and
 - historically refinancing financiers seeking to undertake any level of due diligence regarding the underlying customers and arrangements.
- the scale of the funds obtained in respect of alleged fraudulent contracts across the Forum Group and entities associated with Mr Papas was in excess of \$500 million;

- a significant proportion of the funding obtained was ultimately applied to meeting obligations to financiers arising out of that funding or to repay historical financiers;
- the balance of funds appear to have been utilised for a range of purposes including to:
 - provide unsecured loans to related and associated entities to:
 - > support (loss making) operations;
 - > to establish new businesses or invest in new activities;
 - > fund the acquisition of businesses;
 - > to act as a financier to associated entities;
 - > fund the acquisition of properties; and
 - > fund the acquisition of interests in a soccer club, a range of high end vehicles and race cars, vessels, interests in race horses;
 - provide loans to associates both in Australia and overseas for no commercial reason and on uncommercial terms; and
 - fund a lifestyle and personal expenses for Mr Papas and Mr Tesoriero.

The Liquidators are considering whether these circumstances may amount to breaches of s596 of the Act (Fraud by Officer) and s590 (offences by officers/employees).

4.2 Possible contraventions of the Act

4.2.1 Overview

In addition to the investigations carried out in respect of the alleged fraudulent scheme set out above, the Liquidators have also conducted investigations into the possible statutory offences and/or misconduct by the Directors, officers and employees of the Company and potential Liquidator recoveries.

Based on the Liquidators investigations to date, we have identified a number of possible contraventions of the Act and potential recovery actions available.

4.2.2 Investigations undertaken

The investigations have included:

- review of the pre-appointment Court proceedings, including relevant materials such as affidavits and supporting annexures;
- review of the books and records of the Company which includes accounting records and data extracted from available accounting systems of the Company;
- enquiries with former officers and employees of the Appointment Group in relation to the Company's affairs and transactions;
- review of public register information;
- analysis of bank statements provided by the financial institutions for accounts of the Company and accounts of other Appointment Group entities; and
- public examination of certain officers and employees of the Appointment Group.

Whilst these investigations are at the preliminary stages and are subject to legal advice, the Liquidators provide the following update on the possible contraventions of the Act by the Director, officers and/or employees of the Company.

4.2.3 Books and records

Based on a review of the books and records obtained from the Company, the Liquidators are of the opinion that the financial records maintained by the Company do not correctly record and explain the true financial position and performance of the Company, and the presumption of insolvency can be relied upon.

We have identified a number of instances where income and assets are recorded as being associated with customer contracts, where we have discovered there is in fact no legitimate underlying customer in connection with the contracts. We have separately identified the use of 'clearing accounts' to record the fraudulent scheme, noting there were manual entries reflecting intercompany transactions to conceal this position.

In light of the above, in our opinion the Director of FG has breached sections 286 and 364 of the Act which requires a company to maintain proper financial records that correctly record and explain its transactions and financial position and performance.

4.2.4 Determining date of insolvency

In considering the matters identified to date from the Liquidator's investigations as outlined above, the Liquidators consider that FG was likely insolvent from at least July 2018, and likely earlier, on the following grounds:

- FG generated insufficient revenue and cash flow from its legitimate lease contracts/business to meet its obligations;
- FG obtained funding directly or indirectly through fraudulent leasing agreements and had obligations under those arrangements where there was no underlying income;
- FG was reliant on funds from FF (via FGFS) and escalating fraudulent activities to meet its liabilities; and
- there was no realistic prospect that it could repay the advances from the Financiers and/or FF (directly or indirectly through related party loans) through legitimate means.

4.2.5 Insolvent trading

Pursuant to section 588G of the Act, a director of a company has a duty to ensure that the company does not incur debts that it is unable to pay, i.e. that it does not trade whilst insolvent.

Before a court will order that a person pay compensation in respect of insolvent trading, a liquidator must establish that:

- the person was a director of the company at the time the company incurred the debt which is the subject of the claim;
- the company was insolvent at that time or became insolvent by incurring the debt;
- at that time, there were reasonable grounds for suspecting that the company was insolvent or would become insolvent by incurring the debt; and
- the debt, which is the subject of the claim, was wholly or partly unsecured and the creditors with outstanding amounts suffered loss and damage.

Prior to commencing any recovery action, due consideration needs to be given (in the context of available defences) to:

- the significant costs that may be incurred in prosecuting a potential insolvent trading claim;
- further detail regarding the financial position of the directors and in particular, the value of any assets that could be realised to satisfy any successful judgement; and
- challenges with obtaining funding, and potential exposure to litigation costs.

Any return to creditors from an insolvent trading claim would be delayed until the claim is resolved (either by negotiation or a judgement from a court). If a claim is ultimately commenced and prosecuted to a trial, the Liquidators expect it could be several years from the time of issuing proceedings before assets are recovered.

If proceedings are pursued, there is the risk that the claim will not be established or that a defence will be sustained. Further, even if a judgement is obtained, there is a risk that it cannot be satisfied, or that the amount recovered will be insufficient to meet the costs of investigation and prosecuting the claim.

Directors' defences

There are various statutory defences available to directors in defending an insolvent trading claim, as set out in section 588H of the Act. In summary, these are that the director:

- had reasonable grounds to expect that the company was solvent at the time the debt was incurred;
- had reasonable grounds to believe, and did believe, that a competent, reliable person was responsible for providing adequate information on the company's solvency and that person fulfilled that responsibility and on the basis of such

information, the director believed that at the time the debt was incurred, and considering the other debts existing at the time, the company was solvent and remained solvent;

- was ill (and therefore did not take part in the management of the company) at the time the debt was incurred; or
- took reasonable steps to prevent the debts being incurred.

Possible insolvent trading

Solvency is a question of fact to be ascertained from a consideration of a company's financial position as a whole. However, Australian Court have determined that the primary test of solvency is a cash flow test.

Noting the fraud being a significant source of funds, the Director of the Company has likely breached section 588F of the Act in respect of their duties' to prevent insolvent trading by the Company.

We are currently unable to comment on the likelihood of an insolvent trading claim that could be brought against the Director, however note that the quantum of such claim would likely be substantial, albeit at this stage unquantified and the availability of assets to meet any successful claim highly uncertain.

4.2.6 General Directors' duties

Sections 180 to 184 of the Act set out the duties, obligations and responsibilities imposed on directors, which are designed to promote good governance and ensure that directors act in the interests of a company. These duties include:

- duty of care and diligence;
- duty of good faith;
- duty not to make improper use of position; and
- duty not to make improper use of information.

The Liquidators have undertaken preliminary investigations into whether the Director of the Company has breached their duties set out in the above sections of the Act.

Based on the Liquidators' preliminary investigations, it appears that Mr Papas has likely breached his directors' duties, obligations and responsibilities imposed on him pursuant to section 180 to 184 of the Act on the following grounds:

- Mr Papas engaged in dishonest and deceptive conduct in setting up and perpetrating the fraudulent scheme.
- Mr Papas did not exercise his power and discharge his duties in relation to FG in good faith or for a proper purpose.
- Mr Papas improperly used or concealed information in respect of the Company's position and the fraudulent activities.
- Mr Papas used his powers for his own benefit and for the benefit of his associated entities, by funding substantial personal expenditure and/or investments for related entities on uncommercial terms.

The list of possible contraventions above is not exhaustive as the Liquidators are still carrying out their investigations.

4.3 Recovery actions

Under Part 5.7B of the Act, certain transactions that occurred prior to the Liquidation, including if property was disposed of or dealt with, are potentially recoverable by the Liquidators. This may result in, amongst other things, a requirement for a third party to return property and/or money and thereby increase the assets available to the Liquidation and creditors. These transactions are known as voidable transactions.

It is important to note that a number of voidable transactions can only be recovered if the company in question is proven to be insolvent at the time of the transaction.

The main voidable transactions that require insolvency to be established are:

- **unfair preferences:** transactions between the insolvent entity and a creditor resulting in the creditor receiving from the insolvent entity, in relation to an unsecured debt owed to the creditor, a greater amount than the creditor would have received in relation to the debt in a winding up of the company; and

- **uncommercial transactions:** transactions which a reasonable person in the place of an insolvent entity would not have entered into, taking into account the benefits and the detriment to the insolvent entity, the respective benefits to the other parties involved and any other related matters.

Other voidable transactions which may be claimed regardless of solvency are:

- **unfair loans:** a loan agreement where the interest or charges are considered to be extortionate. Unfair loans made to the entity at any time prior to the appointment of the liquidators may potentially be overturned by a liquidator, whether or not the entity was insolvent at the time the loan was entered into;
- **unreasonable director related transactions:** transactions with a director or a related entity of the director which a reasonable person in the place of the entity would not have entered into, taking into account the benefits and the detriment to the entity, the respective benefits to the other parties involved and any other related matters;
- **creditor defeating dispositions:** transfers of company assets for less than market value (or the best price reasonably obtainable) that prevents, hinders or significantly delay creditors' access to the company's assets; and
- **security interests created within six months of the appointment of the liquidators:** these may be unenforceable under certain circumstances.

Based on the Liquidators' preliminary investigations, we note that the Company has entered into following transactions which may be considered voidable:

- unreasonable director related transactions were entered into as follows:
 - payment of substantial personal expenditures and funding a lifestyle including over \$3m paid in respect of an AMEX in his name;
 - the Company advanced funds to other related entities and to the Director, Director controlled entities and to associates both in Australia and overseas; and
 - arranging for or authorising transactions to associated entities and parties where it does not appear there was a valid underlying benefit to FG.

The Liquidators investigations are ongoing and we may determine other causes of action however, it is unclear whether any of these actions are commercial to pursue given the range of claims against Mr Papas and the other parties involved, and their capacity to meet any judgement.

4.4 Reporting to ASIC

Based on the investigations to date, it is clear that certain Directors, officers and employees of the Company have breached various offence provisions under the Act and possibly other legislations.

The Liquidators intend to complete their statutory investigations and lodge a preliminary investigation report with ASIC pursuant to section 533 of the Act in the coming weeks.

5 Receipts and payment

There have been no receipts or payments in the Liquidations to date.

6 Likelihood of a dividend

A number of factors will impact the likelihood of a dividend being paid to creditors, including:

- the amount of assets realisable and the costs of realising those assets;
- the statutory priority of certain claims and costs;
- the Funding Facility; and
- the value of various classes of claims including secured, priority, trust and unsecured creditor claims.

It is difficult for us to comment on the likely dividend payable however, we consider it will be unlikely that there will be a return to unsecured creditors of the Company on the following grounds:

- the appointment of Receivers over the assets of FG;

- the material employee claims received
- the quantum of the trust and proprietary interest claims being pursued and the extent to which if they are successful, they dissipate some or all of the assets available for unsecured creditors (as set out in section 3.4 of this report);
- that a number of the assets identified may require legal actions to pursue/realise, including in offshore jurisdictions;
- the funding required to conduct investigations and pursue assets; and
- the capacity of the Director and/or other parties to meet any claims/judgment remains unclear.

If a dividend is going to be paid, you will be contacted prior to us processing any payment, and if you have not already done so, you will be asked to lodge a POD. This formalises the record of your claim in the liquidation and is used to determine all claims against the Company and appropriate dividends (if any).

7 Cost of the liquidation

At the Meetings of Creditors, creditors will be asked to consider, and if thought fit, approve remuneration for the periods (as appropriate):

McGrathNicol - Retrospective remuneration approvals sought			
Capacity	Remuneration for	Period	Amount \$ (ex GST)
Voluntary Administrators	Work done	22 July 2021 to 27 July 2021	21,056
Liquidators	Work done	28 July 2021 to 19 September 2021	203,449
Total - McGrathNicol			224,505

Mackay Goodwin - Retrospective remuneration approvals sought			
Capacity	Remuneration for	Period	Amount \$ (ex GST)
Former Voluntary Administrators	Work done - Others	8 July 2021 to 22 July 2021	156,452
Former Voluntary Administrators	Work done - Preservation of assets	8 July 2021 to 22 July 2021	281,118
Total - Mackay Goodwin			437,569

Details of the Liquidators' remuneration is set out in the Remuneration Approval Report (Annexure 1).

8 Meetings of creditors

A meeting of FG's creditors has been convened to be held on **Friday, 12 November 2021 at 11:00am AEDT**. The meeting will be held virtually via webcast/teleconference on Zoom, in order to ensure compliance with any restrictions that may be in place as a result of COVID-19. There will not be an option to attend in person.

The purpose of the meeting is to:

- provide you with an update on the progress of the Liquidation;
- consider and if thought fit, to approve the retrospective fees of the Voluntary Administrators and Liquidators of the Company;
- consider and if thought fit, to approve the retrospective fees of the Former Voluntary Administrators of FG;
- consider the appointment a Committee of Inspection (**COI**) for the Company;
- authorise the Liquidators of FG to compromise debts greater than \$100,000 under section 477(2A) of the Act;
- authorise the Liquidators of FG to enter into agreements that may take longer than three months to complete under section 477(2B) of the Act; and
- discuss any other relevant business which may arise.

Please note that creditors intending to attend the meetings by Zoom webcast/teleconference, should register their intention to do so by sending an email to forum@mcgrathnicol.com or telephone (03) 9038 3148 before 4:00pm AEDT on

Thursday, 11 November 2021. You will be provided with a link on the evening before the meetings which will allow you to join the meetings.

For the purposes of the meeting, please find attached:

- a statutory notice convening the meeting (Enclosure 4);
- proof of debt form and guidance notes (Enclosure 5 and 6);
- proxy form and guidance notes (Enclosure 7 and 8); and
- general information for attending and voting at meeting of creditors (Enclosure 9).

9 Participating and voting in the meeting

To participate in the meeting, you must submit a proof of debt and information to substantiate your claim.

If the creditor is a person and will attend the virtual Zoom meeting, this is all that is required. However, if the creditor is another type of entity (such as a company), they must also appoint a person – a “proxy” or person authorised under a power of attorney – to vote on behalf of the creditor at the virtual Zoom meeting. A proxy should also be appointed if the creditor is a person, but is not available to attend the virtual Zoom meeting.

You can appoint the chairperson of the meeting as your proxy and direct the chairperson how you wish your vote to be cast. If you choose to do this, the chairperson must cast your vote as directed.

Creditors wishing to attend and participate at the meeting must submit a POD and a Proxy (if applicable) before 4:00pm (AEDT) on Thursday, 11 November 2021, and can attend either themselves or by appointing a Proxy to attend on their behalf (both virtually via Zoom).

An information sheet on approving remuneration of an external administrator is provided for your information.

10 Appointment of a Committee of Inspection

Creditors in a liquidation may decide to appoint a Committee of Inspection (**COI**) to act as a representative body of the creditors to monitor the liquidations and give assistance/directions to the Liquidators.

The role of a COI is to amongst others, assist the Liquidators, monitor the conduction of the liquidations and to the extent the Liquidators need to canvas views of creditors, the COI can act as a representative body to consider the matter. A COI can also approve the Liquidators’ remunerations.

It is our opinion that a COI would be helpful for the Liquidation. The main benefits of appointing a COI is that a COI meeting can be called at short notice, and the Liquidators can obtain the COI’s view on urgent matters in respect to the liquidation. In addition, the appointment of a COI will also reduce the costs associated with convening a creditors’ meeting.

In accordance with IPR 80-5, to be eligible to be appointed as a member of the COI, the person must be:

- a creditor of the company; or
- the attorney, or power of attorney of a creditor; or
- a person authorised in writing by a creditor of the company to be a member of the COI; or
- a representative of the Commonwealth if a claim for financial assistance has been made or likely to be made, from the Commonwealth.

Should you wish to be nominated as a member of the COI of the Company, please complete the nomination form in Annexure 10 and return it to the Liquidators by sending an email to forum@mcgrathnicol.com before 4:00pm AEDT on Thursday, 11 November 2021.

The eligible nominees will be tabled at the upcoming meeting on 12 November 2021, and all creditors will have the opportunity to comment on the COI prior to approving the resolution for its appointment.

11 Other resolutions

At the upcoming meeting of creditors, the Liquidators of FG intend to seek creditors approval of the following:



- authorising the Liquidators to compromise debts of the company greater than \$100,000 pursuant to section 477(2A) of the Act; and
- authorising the Liquidators to enter into agreements that may take longer than three months to complete pursuant to section 477(2B) of the Act.

12 What happens next?

We will proceed with the liquidation, which will include:

- recovering any further available property;
- realising the remaining assets;
- completing our investigations into the Company's affairs;
- if identified, pursuing any viable claims for statutory recovery actions subject to the availability of funding; and
- completing our reporting to the corporate insolvency regulator, the Australian Securities and Investments Commission (ASIC).

We will report to creditors or the COI (if appointed at the upcoming meeting of creditors) on progress of the liquidation.

Due to the complex nature of the investigations and potential recovery actions, including uncertainty regarding the duration of legal actions if commenced, we are currently unable to determine when the Liquidation will be completed but anticipate they will remain ongoing for at least 12 months. We will be in a better position to determine the timeframe once we have completed the investigations and determined the approach to realise the assets of the Company.

13 What you should do next?

You should:

- decide whether you are going to participate in the meeting; and if so
- confirm your intention to participate by contacting Walter Jones by email (forum@mcgrathnicol.com) or telephone (03) 9038 3148 before **4:00 PM (AEDT) on Thursday, 11 November 2021**; and
- complete and return your proof of debt and proxy form (if required) by **4:00 PM (AEDT) on Thursday, 11 November 2021**.

14 Where can you get more information?

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

ARITA at www.arita.com.au/creditors.

ASIC at www.asic.gov.au (search for "insolvency information sheets").

If you have any queries, please contact Walter Jones on (03) 9038 3148. For further information about this engagement, please refer to the website <https://www.mcgrathnicol.com/creditors/forum-group-and-associated-entities/>.

Dated: 28 October 2021



Jason Ireland
Liquidator

Enclosures:

- 1 Appointment Group – External Appointments
- 2 Remuneration Approval Report
- 3 ARITA Information Sheet – Approving remuneration of an external administrator
- 4 Notice of Meeting
- 5 Proof of Debt (Form 535)
- 6 Proof of debt guidance notes
- 7 Proxy Form
- 8 Proxy form guidance notes
- 9 General information for attending and voting at meetings of creditors
- 10 COI nomination form
- 11 ARITA Information Sheet – Offences, Recoverable Transactions & Insolvent Trading

Forum Group External Administrator Appointments

No.	Entity	ACN	Appointment Type	Appointment Date	Appointees
1	Forum Finance Pty Limited (Receivers Appointed) (In Liquidation)	153 301 172	Court Appointed Liquidation	9/07/2021	Jason Ireland and Jason Preston
2	Forum Group Financial Services Pty Ltd (Provisional Liquidators Appointed)	623 033 705	Court Appointed Provisional Liquidation	15/07/2021	Jason Ireland and Jason Preston
3	Forum Enviro Pty Ltd (Provisional Liquidators Appointed)	607 484 364	Court Appointed Provisional Liquidation	15/07/2021	Jason Ireland and Jason Preston
4	Forum Enviro Pty Ltd (Provisional Liquidators Appointed)	168 709 840	Court Appointed Provisional Liquidation	15/07/2021	Jason Ireland and Jason Preston
5	Forum Group Pty Ltd (Receivers Appointed) (In Liquidation)	153 336 997	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
6	The Forum Group of Companies Pty Ltd (In Liquidation)	151 964 626	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
7	Forum Group (QLD) Pty Ltd (In Liquidation)	103 609 678	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
8	Forum Group (VIC) Pty Ltd (In Liquidation)	153 062 018	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
9	Forum Fleet Pty Limited (In Liquidation)	155 440 994	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
10	Forum Direct Pty Ltd (In Liquidation)	054 890 710	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
11	lugis Pty Ltd (In Liquidation)	632 882 243	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
12	lugis Investments Pty Ltd (In Liquidation)	647 627 745	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
13	lugis Waste Solutions Pty Ltd (In Liquidation)	647 212 299	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
14	Imagetec Financial Services Pty Ltd (In Liquidation)	111 978 182	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
15	Imagetec Solutions Australia Pty Ltd (In Liquidation)	074 715 718	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
16	Onesource Australia Holdings Pty Limited (In Liquidation)	120 463 541	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
17	Smartprint Fleet Management Pty Ltd (Receivers Appointed) (In Liquidation)	132 807 080	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
18	Orca Enviro Solutions Pty Ltd (In Liquidation)	626 552 645	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
19	Orca Enviro Systems Pty Ltd (In Liquidation)	627 597 782	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
20	Aramia Holdings Pty Ltd (In Liquidation)	114 958 717	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
21	Eros Management Pty Ltd (In Liquidation)	622 298 346	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
22	Intrashield Investment Group Pty Ltd (In Liquidation)	645 578 829	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
23	Intrashield Pty Ltd (In Liquidation)	133 426 534	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
24	Spartan Consulting Group Pty Ltd (In Liquidation)	168 989 544	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
25	5 Bulgara Street Pty. Ltd. (Receivers and Managers Appointed) (In Liquidation)	630 982 160	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
26	6 Bulgara Street Pty Ltd (Receivers and Managers Appointed) (In Liquidation)	639 734 473	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
27	14 James Street Pty Ltd (Receivers and Managers Appointed) (In Liquidation)	638 449 206	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston
28	26 Edmonstone Road Pty. Ltd. (Receivers and Managers Appointed) (In Liquidation)	622 944 129	Court Appointed Liquidation	28/07/2021	Jason Ireland and Jason Preston

Remuneration Approval Report

Forum Group Pty Ltd (Receivers Appointed) (In
Liquidation)

ACN 153 336 997

28 October 2021



McGrathNicol

This remuneration approval report provides you with information to assist you to make an informed decision regarding the approval of our proposed remuneration for undertaking the Voluntary Administration and Liquidation of Forum Group Pty Limited (Receivers and Managers Appointed) (In Liquidation).

The report has the following information:

- 1 Executive Summary2
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1 Executive Summary

We are asking creditors to approve the following remuneration and disbursements in relation to Forum Group Pty Ltd (Receivers Appointed) (In Liquidation) (**FGPL or Company**):

Remuneration Sought		
Remuneration	Amount \$ (ex GST)	Disbursements \$ (ex GST)
Retrospective Voluntary Administration	21,056	-
Retrospective Liquidation	203,449	2,037
Total	224,505	2,037

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

Creditors will be asked to approve our remuneration at the meeting on 12 November 2021.

We estimate that the total cost of the voluntary administration and liquidation (**the Appointment**) will be \$344,000. This has increased from our previous estimate as the level of work required to conduct our Appointment, complete our investigations, and attend to our statutory duties is higher than originally expected.

We expect that there will be further remuneration approval requests made in relation to the Company within the next 12 months once we have completed our investigations and have realised the assets of the Company.

For the avoidance of doubt this report covers the period when we were appointed Voluntary Administrators of the Company on 22 July 2021 and our subsequent appointment as Liquidators on 28 July 2021. Remuneration for the Former Voluntary Administrators' of the Company, Domenico Alessandro Calabretta, Grahame Robert Ward and Thyge Trafford-Jones of Mackay Goodwin is detailed in the remuneration approval reports attached separately to the report to creditors dated 28 October 2021.

Please note that any defined terms in this report have the same meaning as those contained in the main body of the report to creditors dated 28 October 2021.

2 Declaration

We, Jason Preston and Jason Ireland of McGrathNicol have undertaken a proper assessment of this remuneration and disbursements claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration and disbursements claimed is in respect of work properly performed in the conduct of these matters.

Noting that the Company is part of the Forum Group of entities (as set out in the Statutory Report dated 28 October 2021) we have reviewed the work in progress (WIP) report for the Appointment Group to ensure that remuneration is only being claimed for necessary and proper work performed and have made the following adjustments as detailed below:

- Written off a total of \$44,600 from the recorded work in progress (WIP) (being 10.1% of the unreviewed time cost recorded, pre reallocations required as set out below) including:
 - general administrative matters including training, remuneration preparation and other non-chargeable time;
 - time incurred by McGrathNicol employees who have undertaken less than 10 hours work across the liquidations to remove intermittent time and any perceived inefficiencies incurred; and
 - time incurred by McGrathNicol undergraduate employees to remove any perceived inefficiencies incurred by junior members of the team.
- Reallocated time for tasks relating to the other entities within the broader Appointment Group on an appropriate pro rata basis as set out below:
 - tasks relating to creditor reporting and PPSR related correspondence across all entities subject to our appointment; and
 - tasks relating to dealing with employee related issues where it is not directly referable to a specific entity, has been charged in proportion to the number of employees per employing entity.

3 Remuneration sought

The remuneration we are asking creditors to approve is as follows:

Remuneration Sought				
Remuneration	Period	Amount \$ (ex GST)	Rates to apply	When it will be drawn
Work we have already done - Voluntary Administration	22 July to 27 July 2021	21,056	Provided in my initial Remuneration Notice sent to creditors on 24 August.	Immediately, when funds are available.
Work we have already done - Liquidation	28 July to 19 September 2021	203,449	Provided in my initial Remuneration Notice sent to creditors on 24 August.	Immediately, when funds are available.
Total		224,505		

Details of the work already done and future work that we intend to do 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.

Actual resolutions to be put to the meeting are detailed below for your information. These resolutions also appear in the proxy form provided to you as an attachment to the report to creditors dated 28 October 2021.

Resolution 1: Retrospective remuneration during the voluntary administration of Forum Group Pty Ltd for the period 22 July 2021 to 27 July 2021:

"That the remuneration of the voluntary administrators for the period 22 July 2021 to 27 July 2021, calculated at hourly rates as detailed in the Initial Remuneration Notice dated 24 August 2021, is determined in the sum of \$21,056, exclusive of GST."

Resolution 2: Retrospective remuneration during the liquidation of Forum Group Pty Ltd for the period 28 July 2021 to 19 September 2021:

"That the remuneration of the liquidators for the period 28 July 2021 to 19 September 2021, calculated at hourly rates as detailed in the Initial Remuneration Notice dated 24 August 2021, is determined in the sum of \$203,449, exclusive of GST."

4 Disbursements sought

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

5 Likely impact on dividends

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

The impact of the approval of the Appointment remuneration is that the remuneration will then be paid in accordance with the terms of the Funding Facility referred to in Section 6 below. The remuneration and/or repayment of the Funding Facility will be paid from those funds that are generated prior to the payment of most creditors in the Liquidation.

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

If a dividend or distribution is to be paid to stakeholders, there is also necessary work that must be undertaken by the Liquidators to properly adjudicate on claims and distribute any available funds.

6 Funding received for remuneration and disbursements

6.1 Funding Agreement

On 7 September 2021 the Liquidators entered into a Funding Agreement with Westpac following receipt of the Court's approval. The Funding Agreement is to provide the Liquidators a loan for the purposes of funding the Voluntary Administrators and Liquidators' remuneration and expenses incurred in July, August and September 2021 (or other such longer period as agreed in writing) up to a value of \$4.5 million (ex GST) (**Funding Facility**).

The funding was put in place to allow us to undertake our investigations of the Forum Group and associated entities and the identification of possible future sources of asset recoveries. Apart from priority employee claims, the effect of this Funding Agreement is that all realisations across any of the entities subject to our appointment will first be applied in repayment of the Facility, and amounts will only become available for unsecured creditors to the extent there is a surplus once the Facility has been repaid in full.

The Funding Facility terms and conditions are detailed in section 2.5 of the report to creditors dated 28 October 2021.

6.2 FEG

The Liquidators have an agreement with the Department of the Attorney General (**Department**) to perform employee entitlement verification services for the Department in respect of employee entitlements and Fair Entitlement Guarantee (FEG) claims.

The Liquidators have agreed remuneration payments directly from FEG in the amount of \$12,740 (ex GST) under the Fair Entitlements Guarantee Act to perform these services. The total time incurred to perform these verification services to 19 September 2021 was \$21,529. The amounts for which we are seeking creditor approval only includes a shortfall of \$8,789.

7 Summary of receipts and payments

There have been no receipts or payments in the Appointment to date.

8 Queries

If you have any queries regarding the information in this report, please contact Richard Fernando Bahamondez on (02) 9338 2676.

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

- ARITA at www.arita.com.au/creditors
- ASIC at www.asic.gov.au (search for "INFO 85").

Further supporting documentation for our remuneration claim can be provided to creditors on request.

Dated: 28 October 2021



Jason Ireland
Liquidator

Attachments:

Schedule A – Details of work

Schedule B – Time spent by staff on each major task

Schedule C – Disbursements

Schedule D – Schedule of hourly rates

Schedule A – Details of work

			Resolution 1: Retrospective remuneration for the voluntary administration
Period		22 July 2021 to 27 July 2021	
Amount (ex GST)		\$21,056	
Task Area	General Description	Tasks	
Assets 5.6 hours \$4,191	Circulating and non-circulating	<ul style="list-style-type: none"> Review asset listings and balance sheets to determine if any assets can be realised 	
	Sale of Business as a Going Concern	<ul style="list-style-type: none"> Liaise with the Former Administrators in relation to the sale of business 	
Creditors 4.2 hours \$2,983	Creditor Enquiries, Requests & Directions	<ul style="list-style-type: none"> Receive and respond to creditor enquiries Establishing and monitoring functional mailbox, attending to inbound creditor queries 	
	Creditor Reports	<ul style="list-style-type: none"> Preparing initial creditor circular and notice Consider requirements of Statutory Report by Administrators 	
	Secured creditor reporting	<ul style="list-style-type: none"> Notify PPSR registered creditors of appointment Prepare PPSR master register 	
Employees 12.4 hours \$7,612	Employee queries	<ul style="list-style-type: none"> Initial correspondence with employees Prepare letters to employees advising of their options Prepare correspondence in response to employee's queries 	
Trade on 1.1 hours \$726	Trade On Management	<ul style="list-style-type: none"> Dealings with counterparties to understand the business model Dealings with the Former Administrators in relation to the sale process of Forum Group 	
Investigation Nil	n/a	n/a	
Dividend Nil	n/a	n/a	
Administration 10.0 hours \$5,544	Correspondence	<ul style="list-style-type: none"> Attending to statutory obligations in connection with appointment including notifying various stakeholders of appointment 	
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> Updating checklists 	
	Insurance	<ul style="list-style-type: none"> Identify potential issues requiring attention of insurance specialists 	
	Bank account administration	<ul style="list-style-type: none"> Prepare correspondence in relation to accounts 	
	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 	
	Planning/Review	<ul style="list-style-type: none"> Discuss status of external administration 	
	Books and records/storage	<ul style="list-style-type: none"> Obtain access to the books and records 	
Dealing with Directors	<ul style="list-style-type: none"> Send initial request to directors and officer for Report on Company Activities & Property (ROCAP) 		

Resolution 2: Retrospective remuneration for the liquidation		
Period	28 July 2021 to 19 September 2021	
Amount (ex GST)	\$203,449	
Task Area	General Description	Tasks
Assets 12.7 hours \$8,257	Circulating and non-circulating	<ul style="list-style-type: none"> ▪ Review asset listings and balance sheets to determine if any assets can be realised ▪ Developing and maintaining master asset schedule ▪ Investigations into assets based on financial and other information available
	Assets subject to specific charges and security interests	<ul style="list-style-type: none"> ▪ Prepare and issue correspondence to security interest holders ▪ Liaise with suppliers regarding PPSR ▪ Dealings with the Former Administrators in relation to the sale process of Forum Group ▪ Dealings with DVT Group in relation to any assets subject to their appointment
	Stock	<ul style="list-style-type: none"> ▪ Consider stock sale contract
	Leasing	<ul style="list-style-type: none"> ▪ Review leasing documents ▪ Liaise with owners/lessors ▪ Disclaim leases
Creditors 33.7 hours \$18,375	Creditor Enquiries, Requests & Directions	<ul style="list-style-type: none"> ▪ Receive and respond to creditor enquiries ▪ Manage and monitor functional mailbox, attending to inbound creditor queries ▪ Consider reasonableness of creditor information requests ▪ Compile information requested by creditors ▪ Prepare initial correspondence to creditors and their representatives
	Secured creditor reporting	<ul style="list-style-type: none"> ▪ Notify PPSR registered creditors of appointment ▪ Respond to PPSR registered creditor's queries
	Creditor reports	<ul style="list-style-type: none"> ▪ Prepare Statutory Report by Liquidator ▪ Maintain and review creditor position/lists
	Deal with proofs of debt (POD)	<ul style="list-style-type: none"> ▪ Receive PODs from claimants and maintain POD register ▪ Correspond with claimants regarding PODs
Employees 170.3 hours \$90,363	Employee queries	<ul style="list-style-type: none"> ▪ Receive and follow up employee enquiries in relation to the appointment and employee entitlements following the sale undertaken by the Former Administrators ▪ Prepare letters to employees advising of their entitlements and options available ▪ Reconcile superannuation accounts and calculate amounts owed ▪ Manage and monitor functional mailbox, attending to inbound employee queries
	Fair Entitlements Guarantee (FEG)	<ul style="list-style-type: none"> ▪ Correspond with FEG ▪ Prepare strategy and approach with FEG ▪ Prepare verification spreadsheet ▪ Prepare FEG quotations ▪ Complete FEG questionnaires ▪ Dealings with DVT Group in relation to employees
	Calculation of entitlements	<ul style="list-style-type: none"> ▪ Review employee files and company's books and records ▪ Calculate employee entitlements ▪ Review awards
Trade on 26.8 hours \$15,429	Trade On Management	<ul style="list-style-type: none"> ▪ Attend site ▪ Prepare lease disclaimer ▪ Liaise with customers ▪ Liaise with ex management and staff

		<ul style="list-style-type: none"> ▪ Dealings with counterparties to understand the business model ▪ Dealings with the Former Administrators in relation to the sale process of Forum Group
Investigation 24.1 hours \$13,555	Conduct investigations	<ul style="list-style-type: none"> ▪ Review company's books and records ▪ Review specific transactions ▪ Prepare investigation analysis ▪ Conduct sources and application analysis
	Technology and data investigations	<ul style="list-style-type: none"> ▪ Identifying securing, processing and retrieval of data (across numerous live systems and backups) for use across all other workstreams
Dividend Nil	n/a	n/a
Administration 103.6 hours \$57,471	Correspondence	<ul style="list-style-type: none"> ▪ Attending to statutory obligations in connection with appointment including notifying various stakeholders of appointment
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▪ Maintaining project task lists ▪ Updating checklists ▪ Review of checklists to determine outstanding tasks and timelines
	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
	Bank account administration	<ul style="list-style-type: none"> ▪ Prepare correspondence to open accounts ▪ Request bank statements ▪ Perform bank account reconciliations
	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 ▪ Monitoring ATO portal in relation to correspondence
	Legal actions	<ul style="list-style-type: none"> ▪ Preparing and swearing various affidavits ▪ Supporting applications including provision liquidation appointments
	Planning/Review	<ul style="list-style-type: none"> ▪ Discuss status of external administration ▪ Discuss strategy
	Dealing with Directors	<ul style="list-style-type: none"> ▪ Send initial request to directors and officer for Report on Company Activities & Property (ROCAP)
	Books and records/storage	<ul style="list-style-type: none"> ▪ Obtain access to the Company books and records ▪ Maintaining backups of key information

Schedule B1 – Time spent by staff on each major task (Retrospective: Voluntary Administration)

Resolution 1: from 21 July 2021 to 27 July 2021

Forum Group Pty Ltd (Administrators Appointed) - Remuneration for the period 22 July 2021 to 27 July 2021																		
Staff	Position	Rate	Total		Assets		Creditors		Employees		Trade on		Investigations		Dividend		Administration	
			Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)
Jason Ireland	Appointee	770	5.5	4,251	4.5	3,465	0.0	16	-	-	-	-	-	-	-	-	1.0	770
Jason Preston	Appointee	770	2.6	2,002	-	-	2.6	2,002	-	-	-	-	-	-	-	-	-	-
	Partner	770	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Director	660	9.8	6,453	1.1	726	0.7	485	4.9	3,262	1.1	726	-	-	-	-	1.9	1,254
	Senior Manager	620	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Manager	580	10.0	5,807	-	-	0.3	181	7.5	4,350	-	-	-	-	-	-	2.2	1,276
	Assistant Manager	530	0.5	283	-	-	0.5	283	-	-	-	-	-	-	-	-	-	-
	Senior Accountant	480	3.7	1,792	-	-	0.0	16	-	-	-	-	-	-	-	-	3.7	1,776
	Accountant	390	1.2	468	-	-	-	-	-	-	-	-	-	-	-	-	1.2	468
	Senior Client Admin	370	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (ex GST and disbursements)			33.4	21,056	5.6	4,191	4.2	2,983	12.4	7,612	1.1	726	-	-	-	-	10.0	5,544

Notes

- 1 On the basis that work undertaken was not solely applicable to a particular corporate entity and had application to each of, or a subset of the other Forum Group companies and the other entities associated with Mr Papas outside the Forum Group subject to our appointment as Liquidators, WIP was apportioned on an appropriate pro rata basis as set out below section 2 of the Remuneration Approval Report
- 2 Number of hours multiplied by hourly rates will not exactly equal the recorded amount claimed for remuneration due to the pro rata application.



Schedule B2 – Time spent by staff on each major task (Retrospective: Liquidation)

Resolution 2: from 28 July 2021 to 19 September 2021

Forum Group Pty Ltd (In Liquidation) - Remuneration for the period 28 July 2021 to 19 September 2021																		
Staff	Position	Rate	Total		Assets		Creditors		Employees		Trade on		Investigations		Dividend		Administration	
			Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)	Hours	\$ (AUD)
Jason Ireland	Appointee	770	99	7,638	3.8	2,926	0.7	503	2.7	2,052	0.5	385	-	-	-	-	2.3	1,771
Jason Preston	Appointee	770	10.1	7,802	-	-	0.0	25	-	-	-	-	-	-	-	-	7.3	5,621
	Partner	770	1.7	1,334	-	-	1.7	1,334	-	-	-	-	-	-	-	-	-	-
	Director	660	69.9	46,162	4.3	2,845	4.6	3,065	11.0	7,252	8.5	5,610	-	-	-	-	41.0	27,060
	Senior Manager	620	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Manager	580	116.2	67,368	1.1	621	7.2	4,150	102.3	59,359	-	-	-	-	-	-	4.5	2,610
	Assistant Manager	530	66.8	35,412	3.5	1,864	12.0	6,336	3.8	2,036	17.8	9,434	-	-	-	-	10.0	5,300
	Senior Accountant	480	1.9	916	-	-	0.1	52	-	-	-	-	-	-	-	-	1.8	864
	Accountant	390	91.2	35,559	-	-	7.5	2,910	50.4	19,663	-	-	-	-	-	-	33.3	12,987
	Senior Client Admin	370	3.4	1,258	-	-	-	-	-	-	-	-	-	-	-	-	3.4	1,258
Total (ex GST and disbursements)			371.2	203,449	12.7	8,257	33.7	18,375	170.3	90,363	26.8	15,429	24.1	13,555	-	-	103.6	57,471

Notes

1 On the basis that work undertaken was not solely applicable to a particular corporate entity and had application to each of, or a subset of the other Forum Group companies and the other entities associated with Mr Pappas outside the Forum Group subject to our appointment as Liquidators, WIP was apportioned on an appropriate pro rata basis as set out below section 2 of the Remuneration Approval Report

2 Number of hours multiplied by hourly rates will not exactly equal the recorded amount claimed for remuneration due to the pro rata application.



Schedule C – Disbursements

Costs paid to third parties

Costs paid to third parties are recovered at cost. Creditors are not required to approve these types of costs, but details are provided to account to creditors, including the basis of charging for these types of costs. Creditors are entitled to question the incurring of the costs and can challenge the costs in Court.

The following costs have been paid by McGrathNicol to third parties and relate to the Appointment. These amounts will be reimbursed to McGrathNicol at cost from the Liquidators bank account:

Costs paid to third parties for the period 28 July to 19 September 2021		Amount (\$) (GST exclusive)
Other incidental disbursements		\$41
Searches		\$1,996
Total		\$2,037

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

Cost type	Rate (GST exclusive)
Postage	At cost
Stationery and other incidental disbursements	At cost
Conference call phone charges	At cost
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.

Further explanation of data hosting costs

In the conduct of the Appointment we may use McGrathNicol's Forensic Technology team to extract, aggregate, electronically process and/or host electronic data, which could be used for the:

- trade or sale of the business or assets; and/or
- investigations regarding transactions or potential recoveries available to creditors.

If data hosting is required and we choose not to use the services of McGrathNicol's Forensic Technology team, we will otherwise have to purchase those services from an alternative provider and/or use another method to achieve the same end, which will not be as efficient as using these available internal services.

We note that the data hosting rates above are no more than our standard commercial pricing available for the same services when they are provided to external parties.



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

McGrathNicol reviews its hourly rates on either 31 December or 30 June. Creditors will be advised of any change to the hourly rates for this external administration.

**Insolvency Practice Rules (Corporations) 2016
Rules 70-35 and 75-130
REMUNERATION APPROVAL REQUEST REPORT**

**FORUM GROUP PTY LTD (IN LIQUIDATION)
ACN 153 336 997
("the Company")**

This remuneration report provides you with the information you need to be able to make an informed decision regarding the approval of our remuneration for undertaking the Administration of the Company.

This report has the following information included:

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Creditors' requirements for meeting of creditors

You should read this report and the other documentation that have been sent to you and attend the meeting of creditors in order to voice your opinion by casting your vote on the resolutions put to the meeting. The meeting will also give you an opportunity to ask any questions that you may have.

Alternatively, should you be unable to attend the meeting, you may also appoint a representative to attend on your behalf by lodging a proxy form (i.e the Chairperson). Lodging a specific proxy form allows you to specify how your proxy must vote. Lodging a general proxy form allows your representative to choose how your vote is exercised. Creditors should direct all forms and queries in respect to the meeting to McGrathNicol's office.

Part 1: Declaration

We, Domenic Calabretta and Grahame Ward, of Mackay Goodwin, have undertaken a proper assessment of this remuneration claim for our appointment as Administrators of the Company in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the Administration.

Part 2: Executive Summary

At the initial meeting of creditors held on 22 July 2021, creditors resolved that Kathy Sozou, Jason Ireland and Jason Preston of McGrathNicol replace us as Administrators. This report has been prepared as a part of McGrathNicol's Statutory Report to Creditors.

Creditors are advised that Domenic Calabretta, Thyge Trafford-Jones and Grahame Ward of Mackay Goodwin are herein commonly referred to as 'the Administrators' throughout this remuneration report which is in respect to our time costs incurred during the Administration period.

In our other remuneration report, we claimed a lien on the funds to the extent of the remuneration time costs incurred in relation to collecting and preserving the assets of the Company, predominantly being the goodwill and business of the Company. This is in line with the Universal Distributing Principle in *Universal Distributing Company Limited (In Liquidation) (1933)* 48 CLR 171. This includes time costs incurred in the categories of Trade-On, Sale of Business, Assets, Insurance and Employees (as they were required in trading on and the preservation of the business operations).

There are other costs incurred incidental to the Administration which are not subjected to the Universal Distributing Principle. These costs are outlined in this report.

Creditors should note that any queries in respect to the Meeting of Creditors or the Statutory Report to Creditors are to be directed to McGrathNicol. Any queries in respect to this remuneration report prepared by us is to be directed to Thanatorn Phadermchit of Mackay Goodwin at tphadermchit@mackaygoodwin.com.au.

Remuneration currently claimed is summarised below:

Period	Report Reference	Amount (\$) (excluding GST)
Voluntary Administration		
Resolution 1 – 8 July 2021 to 22 July 2021	3.1.1	156,451.99
Total - Voluntary Administration		156,451.99

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

Part 3. Remuneration

3.1 Remuneration claim resolutions

3.1.1 Resolution 1 – 8 July 2021 to 22 July 2021

That the remuneration of the Administrators, their partners and staff from 8 July 2021 to 22 July 2021 be approved up to a maximum amount of \$156,451.99 plus GST, calculated in accordance with the Mackay Goodwin hourly rates as attached and that the Administrators be authorised to draw the remuneration as required.”

3.2 Details of remuneration

The basis of calculating the remuneration claims, the details of the major tasks performed and the costs associated with each of those major tasks are contained below.

3.2.1 Resolution

The below table sets out time charged to each major task area by staff members working on the Administration for the periods 8 July 2021 to 22 July 2021 which is the basis of the Resolution 1 claim. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are detailed below.

Task Area	General Description	Includes
Creditors Hours: 212.36 Cost: \$90,420.59	Creditor Enquiries	Receiving and following up creditor enquiries via telephone and email. Reviewing and prepare correspondence to creditors and their representatives via facsimile, email and post.
	Creditor reports	Preparing initial report to creditors, including annexures. Discussions with the company staff regarding the relevant information required for the reports to creditors.
	Secured Creditors	Liaising with secured creditors regarding status of appointment and ongoing correspondence.
	Dealing with claims, lodgements and proofs of debts	Receipting and filing Proof of Debt (“POD”) when not related to a dividend. Reviewing the PODs and the supporting documents. Corresponding with creditors regarding POD when not related to a dividend.

Task Area	General Description	Includes
		Review of related entity claims including shareholder claims and the nature of same.
	Meeting of Creditors	<p>Preparation meeting notices, proxies and advertisements.</p> <p>Forwarding notice of meeting to all known creditors.</p> <p>Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting.</p> <p>Attendance at initial meeting of creditors and subsequent adjournments of the initial meeting of creditors.</p> <p>Attending to roll call of creditors during the initial meeting of creditors and subsequent adjournments of the initial meeting of creditors.</p> <p>Dealing with creditor queries following meeting.</p> <p>Preparation and lodgement of minutes of meeting with ASIC.</p> <p>Provided copy of minutes of the initial meeting to creditors as requested.</p>
Investigation Hours: 97.20 Cost: \$48,472.50	Conducting investigations	<p>Discussions with Company staff with respect to the Company's financial affairs.</p> <p>Reviewing the Company's books and records.</p> <p>Review and preparation of Company nature and history.</p> <p>Conducting and summarising statutory searches.</p> <p>Reviewing bank statements for possible voidable transactions available in a Administration scenario.</p> <p>Review of specific transactions and liaising with Company staff regarding same.</p> <p>Discussions with Company staff to establish the history of the Company.</p>
	Preference Payments and Voidable Transactions	Conducting a review of the Company's records with respect to potential preference payments and/or voidable transactions and assessment of their potential recovery cross referenced to

Task Area	General Description	Includes
		third party records. Collecting relevant documentation in support of any potential claim.
	Insolvent Trading	Conducting a review of the potential insolvent trading claims identified and assessment of recovery. Collecting relevant documentation in support of any potential claim.
Administration Hours: 41.26 Cost: \$17,558.90	General matters	Client setup
	Document maintenance/file review/checklist	Filing of documents File reviews Updating checklists
	ASIC forms	Preparing and lodging ASIC forms including forms 505 and 531. Preparing and lodging ASIC advertisements.
	ATO & other statutory reporting	Notification of appointment. Correspondence with ATO to collect RFD information.
	Planning / Review	Internal communication concerning administration. Discussions regarding status of administration.
	Bank account administration	Preparing correspondence opening accounts. Liaising with banking institutions Requesting bank statements.

Part 3.1 A - Resolution 1 - Calculation of Remuneration

FORUM GROUP PTY LTD (Administrators Appointed) - Calculation of Remuneration												
For Remuneration Not Associated with the Preservation of Assets for the period 08 July 2021 to 22 July 2021												
Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task Area						Total	
					Creditors		Investigations		Administration			
					hrs	\$	hrs	\$	hrs	\$	hrs	\$
Domenic Calabretta	Appointee	750	27.30	20,475.00	15.00	11,250.00	10.90	8,175.00	1.40	1,050.00		
Grahame Ward	Appointee	750	21.20	15,900.00	5.20	3,900.00	13.00	9,750.00	3.00	2,250.00		
Thyge Trafford-Jones	Appointee	750	6.90	5,175.00	5.40	4,050.00	-	-	1.50	1,125.00		
Mitchell Ball	Director	750	4.90	3,675.00	-	-	4.70	3,525.00	0.20	150.00		
Andrew Ngo	Director	675	9.80	6,615.00	9.80	6,615.00	-	-	-	-		
Edwin Narayan	Director	675	4.90	3,307.50	0.40	270.00	3.60	2,430.00	0.90	607.50		
Nelson Huang	Senior Manager	620	12.00	7,440.00	6.70	4,154.00	4.20	2,604.00	1.10	682.00		
Matthew Moldrich	Manager	525	20.30	10,657.50	20.10	10,552.50	-	-	0.20	105.00		
Andrew Quinn	Manager	525	6.50	3,412.50	4.10	2,152.50	1.80	945.00	0.60	315.00		
Farees Azzam	Manager	525	9.80	5,145.00	3.40	1,785.00	5.50	2,887.50	0.90	472.50		
Rachel Brown	Supervisor	480	10.10	4,848.00	3.80	1,824.00	4.70	2,256.00	1.60	768.00		
Jack Michie	Supervisor	480	19.40	9,312.00	19.40	9,312.00	-	-	-	-		
Lily Safa	Supervisor	480	13.80	6,624.00	6.50	3,120.00	7.30	3,504.00	-	-		
Thanatorn Phadernchi	Senior Analyst	350	12.60	4,410.00	3.70	1,295.00	8.70	3,045.00	0.20	70.00		
Harrison Greaves	Senior Analyst	350	17.20	6,020.00	16.30	5,705.00	0.50	175.00	0.40	140.00		
Christopher Knight	Senior Analyst	350	3.70	1,295.00	3.70	1,295.00	-	-	-	-		
Jordan Brittain	Senior Analyst	375	5.50	2,062.50	3.40	1,275.00	0.60	225.00	1.50	562.50		
Katherine Hines	Analyst 1	290	19.70	5,713.00	4.20	1,218.00	9.50	2,755.00	6.00	1,740.00		
Abby Xu	Analyst 1	290	24.70	7,163.00	6.80	1,972.00	10.10	2,929.00	7.80	2,262.00		
Felix Bidwell	Analyst 2	270	6.60	1,782.00	4.20	1,134.00	-	-	2.40	648.00		
George Huxtable	Analyst 2	270	6.70	1,809.00	6.70	1,809.00	-	-	-	-		
Ian Moffat	Analyst 2	270	8.20	2,214.00	0.20	54.00	4.50	1,215.00	3.50	945.00		
Jana Jozczyk	Analyst 2	270	45.50	12,285.00	45.50	12,285.00	-	-	-	-		
Nelson Wells	Analyst 2	270	12.60	3,402.00	-	-	7.60	2,052.00	5.00	1,350.00		
Maria Boniao	Secretary	190	5.50	1,045.00	4.60	874.00	-	-	0.90	171.00		
Jonathan and Daniel	Secretary	190	0.10	29.00	-	-	-	-	0.10	29.00		
Sasiamol Sumphan	Secretary	190	5.05	959.50	4.80	912.00	-	-	0.25	47.50		
Wanida Sraksa	Secretary	190	4.97	944.49	4.31	819.09	-	-	0.66	125.40		
Wasumon Jaterujikan	Secretary	190	5.30	1,007.00	4.15	788.50	-	-	1.15	218.50		
TOTAL HOURS			350.82		212.36	90,420.59	97.20	48,472.50	41.26	17,558.90		
TOTAL REMUNERATION				156,451.99								
GST				15,645.20								
TOTAL (including GST)				172,097.19								

3.3 Likely impact on dividends

We note the following with respect to the dividend:

- Pursuant to Section 556 of the Corporations Act 2001 (“the Act”), the Administrators have priority over all claims of creditors with respect to their remuneration incurred.
- The work the Administrators are entitled to be remunerated for in accordance with the Act is necessary to ensure the greatest possible return to creditors.
- The estimated dividend is subject to the recovery of voidable transactions and insolvent trading claims is detailed in McGrathNicol’s statutory report to creditors.

3.4 Remuneration recovered from external sources

We have not been provided with any upfront payments or indemnity for the conduct of this Voluntary Administration.

Part 4: Disbursements

Disbursements are divided into three (3) types:

- A Externally provided professional services - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- B1 Externally provided non-professional costs - these are recovered at cost. Examples of externally provided non-professional costs are travel, accommodation, and search fees.
- B2 Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis. Details of the basis of recovery of each of these costs is discussed below.

We are required to seek creditor approval for disbursement types A and B1, but must provide a full summary of account of disbursements to creditors. We must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to seek creditor approval prior to the payment of internal disbursements (B2) where there may be a profit or advantage. Creditors will be asking to approve our internal disbursements where there is a profit or advantage prior to these disbursements being paid in the Administration.

Part 5: Report on Progress of the Administration

This remuneration report should be read in conjunction with the McGrathNicol's Statutory Report to Creditors which outlines the progress of the external administration.

Part 6: Summary of Receipts and Payments

A Summary of the Administrators' receipts and payments made up to 22 July 2021 is attached

Part 7: Queries

If you have any queries in relation to the information in this report, please contact Thanatorn Phadermchit of Mackay Goodwin via email at tphadermchit@mackaygoodwin.com.au. Any queries in respect to the statutory report or the progress of the external administration should be directed to McGrathNicol.

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

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

Part 8: Approval of remuneration and internal disbursements

As previously mentioned throughout this report, the resolutions will be put forward at the meeting of creditors. Please refer to the notice of meeting enclosed with McGrath Nicol's Statutory Report to Creditors for information regarding the meeting to be convened and the resolutions which will be put forward for creditor approval.

Dated this 26th day of October 2021



Domenic Calabretta
JOINT AND SEVERAL ADMINISTRATOR

FORUM GROUP PTY LTD
(Administrators Appointed)
Joint and Several Administrators' Summary of Receipts and Payments
To 22 July 2021

RECEIPTS	Total (AUD)
Cash at Bank	459,239.21
Goodwill	394,847.50
Novated Leases Payable	2,310.23
Superannuation Payable	39,486.98
GST Payable	39,484.75
	935,368.67
PAYMENTS	
Superannuation	38,063.98
Wages & Salaries	421,175.23
Withholding Tax (PAYG)	(109,013.00)
	350,226.21
Balances in Hand	585,142.46
	935,368.67

Title	Description	Hourly Rate (excl GST)
Appointee	Registered liquidator. Brings his or her specialist skills to the administration or insolvency task.	\$750
Director / Consultant	Typically CA/CPA or ARITA qualified with significant restructuring experience.	\$675
Senior Manager	Typically more than 7 years' insolvency experience, more than 3 years as a manager, qualified accountant. Answerable to the appointee but otherwise responsible for all aspects of administration.	\$620
Manager	Typically 6-7 years, qualified accountant, with well-developed technical and commercial skills.	\$525
Supervisor	Typically 4-6 years, CA/CPA or ARITA complete. Assists planning and control of medium to larger jobs.	\$480
Senior Analyst 1	Typically completed or near completion of CA, CPA or ARITA qualifications with 3-5 years insolvency experience. Assists in planning and control of smaller matters as well as performing more difficult tasks on larger matters.	\$375
Senior Analyst 2	Typically CA/CPA would normally be commenced during this period, with 1-2 years insolvency experience. Required to control the fieldwork on small jobs and is responsible for assisting complete fieldwork on medium to large jobs.	\$350
Analyst 1	Typically, would have qualifications with insolvency experience. Works under supervision of more senior staff in performing day-to-day field work. 0-2 years insolvency experience.	\$290
Analyst 2	Trainee undertaking a business related degree or newly qualified graduate. Required to assist in day-to-day fieldwork under supervision of more senior staff. 0-1 years insolvency experience.	\$270
Clerical Assistant	Administration staff supporting professional staff	\$290
Junior Analyst	Junior staff member who has completed or near completion of a university degree. Works under supervision of more senior staff in performing Day-to-day field work	\$240
Secretary	Appropriate secretarial skills	\$190

**Insolvency Practice Rules (Corporations) 2016
Rules 70-35 and 75-130
REMUNERATION APPROVAL REQUEST REPORT
FOR TIME COSTS RELATING TO THE PRESERVATION AND SECURING OF
COMPANY'S ASSETS**

**FORUM GROUP PTY LTD (IN LIQUIDATION)
ACN 153 336 997
("the Company")**

This remuneration report provides you with the information you need to be able to make an informed decision regarding the approval of our remuneration for undertaking the Administration of the Company.

This report has the following information included:

Part 1: Declaration	2
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Creditors' requirements for meeting of creditors

You should read this report and the other documentation that have been sent to you and attend the meeting of creditors in order to voice your opinion by casting your vote on the resolutions put to the meeting. The meeting will also give you an opportunity to ask any questions that you may have.

Alternatively, should you be unable to attend the meeting, you may also appoint a representative to attend on your behalf by lodging a proxy form (i.e the Chairperson). Lodging a specific proxy form allows you to specify how your proxy must vote. Lodging a general proxy form allows your representative to choose how your vote is exercised. Creditors should direct all forms and queries in respect to the meeting to McGrathNicol's office.

Part 1: Declaration

We, Domenic Calabretta and Grahame Ward, of Mackay Goodwin, have undertaken a proper assessment of this remuneration claim for our appointment as Administrators of the Company in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the Administration.

Part 2: Executive Summary

At the initial meeting of creditors held on 22 July 2021, creditors resolved that Kathy Sozou, Jason Ireland and Jason Preston of McGrathNicol replace us as Administrators. This report has been prepared as a part of McGrathNicol's Statutory Report to Creditors.

Creditors are advised that Domenic Calabretta, Thyge Trafford-Jones and Grahame Ward of Mackay Goodwin are herein commonly referred to as 'the Administrators' throughout this remuneration report which is in respect to our time costs incurred during the Administration period.

We hereby claim a lien on the funds to the extent of the remuneration time costs incurred in relation to collecting and preserving the assets of the Company, predominantly being the goodwill and business of the Company. This is in line with the Universal Distributing Principle in *Universal Distributing Company Limited (In Liquidation) (1933)* 48 CLR 171. This includes time costs incurred in the categories of:

- Assets
- Sale of business
- Trade on
- Insurance
- Employees (as they were required in trading on and the preservation of the business operations).

Creditors should note that any queries in respect to the Meeting of Creditors or the Statutory Report to Creditors are to be directed to McGrathNicol. Any queries in respect to this remuneration report prepared by us is to be directed to Thanatorn Phadermchit of Mackay Goodwin at tphadermchit@mackaygoodwin.com.au.

Remuneration currently claimed is summarised below:

Period	Report Reference	Amount (\$) (excluding GST)
Voluntary Administration		
Resolution 1 – 8 July 2021 to 22 July 2021	3.1.1	281,117.50
Total - Voluntary Administration		281,117.50

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

Part 3. Remuneration

3.1 Remuneration claim resolutions

3.1.1 Resolution 1 – 8 July 2021 to 22 July 2021

“That the remuneration of the Administrators, their partners and staff incidental to the collecting, securing and preserving the Company’s assets from 8 July 2021 to 22 July 2021 be approved up to a maximum amount of \$281,117.50 plus GST, calculated in accordance with the Mackay Goodwin hourly rates as attached and that the Administrators be authorised to draw the remuneration as required.”

3.2 Details of remuneration

The basis of calculating the remuneration claims, the details of the major tasks performed, and the costs associated with each of those major tasks are contained below.

3.2.1 Resolution

The below table sets out time charged to each major task area by staff members working on the Administration for the periods 8 July 2021 to 22 July 2021 which is the basis of the Resolution 1 claim. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are detailed below.

Task Area	General Description	Includes
Assets: Hours: 247.60 Cost: \$169,810.00	Cash at Bank	Liaising with financial institutions regarding freezing of pre-appointment bank accounts and obtaining bank statements. Liaising with banking institutions in relation to the balance of funds held in the Company’s pre-appointment bank accounts Review of management account linked bank statements.
	Debtors	Review debtors as per Company records and assess recoverability. Identification of possible collectible pre-appointment debtors Correspondence with Receivers regarding pre-appointment debtors Meeting with receivers regarding ownership of debtors

	Plant and Equipment	<p>Liaising with Company staff in relation to the Company’s plant and equipment.</p> <p>Review of the plant and equipment ledger.</p> <p>Meetings with receivers regarding ownership of plant and equipment</p> <p>Liaise with valuer regarding stocktake and valuation of company plant and equipment.</p> <p>Liaise with valuer regarding the collection of company equipment</p> <p>All tasks associated with securing plant and equipment.</p>
	Motor Vehicle	<p>Liaising with the Roads and Maritime Services (“RMS”) and VicRoads with respect to current and historical motor vehicle searches.</p> <p>Liaising with valuer regarding the valuation and collection of motor vehicles</p>
	Stock	<p>Liaising with Company staff regarding stock on hand and locations.</p> <p>Review of stock ledger and its value.</p> <p>Dealing with warehouse operator with respect to the release of stock</p> <p>Dealing with the receiver regarding the ownership of stock</p> <p>All tasks associated with securing stock.</p>
	Sale of Business as a Going Concern	<p>Preparation of confidentiality agreement.</p> <p>Liaising with Xclusive Business Sales as the agent to facilitate the sales campaign.</p> <p>Preparation of information to be provided to prospective purchasers.</p> <p>Review and internal discussions in respect to offers from prospective purchasers.</p> <p>Generate reports associated with the sale of business</p> <p>Organise data room</p> <p>Attending to the negotiation for the sale of business.</p> <p>Attending to the settlement and sale of the business.</p>
	Other Assets	<p>All tasks associated with identifying other assets.</p>

<p>Trade On Hours: 153.20 Cost: \$89,371.00</p>	<p>Trade on Management</p>	<p>Liaising with Management and Staff. Attendance on site. Issue correspondence to all utility providers advising of the Administrators appointment and continuing trade. Liaising with suppliers to facilitate the setup of new accounts. Prepare exposure statements. Dealing with NAB regarding releasing of funds to meet wages Attend to the payment of wages as required. Prepare cheque requisitions in relation to trading expenses. Authorisation in relation to trading expenses and employee wages. Internal meetings regarding ongoing trade of the Company. Preparing trading statement. Authorising payments to suppliers. Issue correspondence to creditors regarding the company status. Liaising with superannuation funds regarding contributions and reconciliation of liabilities. Continue to monitor the Company's operations. Discussions in respect to the Company's trading position. Liaising with the Company's staff in relation to payment of trading liabilities. Continue to update cash flows and exposure statement as required. Continued to provide updates as required.</p>
	<p>Processing Receipts and Payments</p>	<p>Entering receipts and payments into accounting systems.</p>
	<p>Budgeting and Financial Reporting</p>	<p>Reviewing Company's budgets and financial statements. Preparing cash flow spreadsheet and discussions with Company key staff and accountants. Maintaining cash flow spreadsheet.</p>
<p>Employees Hours: 39.90 Cost: \$21,390.50</p>	<p>Employee Enquiries</p>	<p>Receive and return employee enquiries via telephone and email. Maintain employee enquiry register. Review and prepare correspondence to creditors and their representatives via facsimile, email and post</p>

	FEG	Liaising with FEG in respect to a potential funding of trade on operations to preserve employees' jobs and entitlements
	Employee Claims	Liaising with Company staff and former employees in relation to outstanding employee entitlements and PODs received.
Administration Hours: 0.80 Cost: \$546.00	Insurance	Identification of potential issues requiring attention of insurance specialists. Correspondence with Insurer regarding initial and ongoing insurance requirements. Liaising with insurance brokers regarding insurance coverage and lodgement of forms and insurance providers.

Part 3.1 A - Resolution 1 - Calculation of Remuneration

FORUM GROUP PTY LTD (Administrators Appointed) - Calculation of Remuneration													
For Remuneration For the Preservation of Company's Assets for the period 08 July 2021 to 22 July 2021													
Employee	Position	\$/hour (ex GST)	Total actual hours	Task Area									
				Assets		Trade On		Employees		Administration			
				hrs	\$	hrs	\$	hrs	\$	hrs	\$		
Domenic Calabretta	Appointee	750	60.20	52.20	39,150.00	7.40	5,550.00	7.90	5,925.00	0.60	450.00		
Grahame Ward	Appointee	750	42.00	33.50	25,125.00	8.50	6,375.00	2.00	1,500.00	-	-		
Thyge Trafford-Jones	Appointee	750	45.60	10.90	8,175.00	34.70	26,025.00	0.30	225.00	-	-		
Mitchell Ball	Director	750	80.90	71.80	53,850.00	9.10	6,825.00	0.30	225.00	-	-		
Andrew Ngo	Director	675	0.20	-	135.00	0.20	135.00	2.30	1,552.50	-	-		
Anthony Lucic	Consultant	675	26.00	26.00	17,550.00	-	-	-	-	-	-		
Michael Bouge	Consultant	675	14.70	14.70	9,922.50	-	-	-	-	-	-		
Nelson Huang	Senior Manager	620	29.00	5.40	3,348.00	23.60	14,632.00	-	-	-	-		
Matthew Mldrich	Manager	525	1.80	0.40	210.00	1.40	735.00	13.80	7,245.00	-	-		
Andrew Quinn	Manager	525	9.20	8.20	4,305.00	1.00	525.00	-	-	-	-		
Rachel Brown	Supervisor	480	2.50	0.50	240.00	1.80	864.00	-	-	0.20	96.00		
Jack Michie	Supervisor	480	5.10	2.60	1,248.00	2.50	1,200.00	3.70	1,776.00	-	-		
Lily Safa	Supervisor	480	42.90	-	-	42.90	20,592.00	0.40	192.00	-	-		
Harrison Greaves	Senior Analyst 2	350	4.30	3.30	1,155.00	1.00	350.00	-	-	-	-		
Christopher Knight	Senior Analyst 2	350	0.20	0.20	70.00	-	-	4.70	1,645.00	-	-		
Jordan Brittain	Senior Analyst 1	375	7.70	5.70	2,137.50	2.00	750.00	-	-	-	-		
Katherine Hines	Analyst 1	290	11.30	1.50	435.00	9.80	2,842.00	1.60	464.00	-	-		
Abby Xu	Analyst 1	290	25.60	-	-	-	-	0.90	261.00	-	-		
Felix Bidwell	Analyst 2	270	8.50	8.50	2,295.00	-	-	-	-	-	-		
George Huxtable	Analyst 2	270	2.20	2.20	594.00	-	-	-	-	-	-		
Nelson Wells	Analyst 2	270	7.30	-	-	7.30	1,971.00	-	-	-	-		
Sasiwimol Sumtiphon	Secretary	190	0.50	-	-	-	-	0.50	95.00	-	-		
Wanida Siraksa	Secretary	190	0.40	-	-	-	-	0.40	76.00	-	-		
Wasumon Jaterujikan	Secretary	190	1.10	-	-	-	-	1.10	209.00	-	-		
TOTAL HOURS			441.50	247.60	169,810.00	153.20	89,371.00	39.90	21,390.50	0.80	546.00		
TOTAL REMUNERATION					281,117.50								
GST					28,111.75								
TOTAL (Including GST)					309,229.25								

3.3 Likely impact on dividends

We note the following with respect to the dividend:

- Pursuant to Section 556 of the Corporations Act 2001 (“the Act”), the Administrators have priority over all claims of creditors with respect to their remuneration incurred.
- The work the Administrators are entitled to be remunerated for in accordance with the Act is necessary to ensure the greatest possible return to creditors.
- Creditors should refer to details of a likelihood of dividend as detailed in the statutory report to creditors issued by McGrathNicol.

3.4 Remuneration recovered from external sources

We have not been provided with any upfront payments or indemnity for the conduct of this Voluntary Administration

Part 4: Disbursements

Disbursements are divided into three (3) types:

- A Externally provided professional services - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- B1 Externally provided non-professional costs - these are recovered at cost. Examples of externally provided non-professional costs are travel, accommodation and search fees.
- B2 Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis. Details of the basis of recovery of each of these costs is discussed below.

We are required to seek creditor approval for disbursement types A and B1, but must provide a full summary of account of disbursements to creditors. We must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to seek creditor approval prior to the payment of internal disbursements (B2) where there may be a profit or advantage. Creditors will be asking to approve our internal disbursements where there is a profit or advantage prior to these disbursements being paid in the Administration.

Part 5: Report on Progress of the Administration

This remuneration report should be read in conjunction with the McGrathNicol's Statutory Report to Creditors which outlines the progress of the external administration.

Part 6: Summary of Receipts and Payments

A summary of the Administrators' receipts and payments made up to 22 July 2021 is attached.

Part 7: Queries

If you have any queries in relation to the information in this report, please contact Thanatorn Phadermchit of Mackay Goodwin via email at tphadermchit@mackaygoodwin.com.au. Any queries in respect to the statutory report or the progress of the external administration should be directed to McGrathNicol.

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

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

Part 8: Approval of remuneration and internal disbursements

As previously mentioned throughout this report, the resolutions will be put forward at the meeting of creditors. Please refer to the notice of meeting enclosed with McGrath Nicol's Statutory Report to Creditors for information regarding the meeting to be convened and the resolutions which will be put forward for creditor approval.

Dated this 26th day of October 2021



DOMENIC CALABRETTA
FORMER JOINT AND SEVERAL ADMINISTRATOR

FORUM GROUP PTY LTD
(Administrators Appointed)
Joint and Several Administrators' Summary of Receipts and Payments
To 22 July 2021

RECEIPTS	Total (AUD)
Cash at Bank	459,239.21
Goodwill	394,847.50
Novated Leases Payable	2,310.23
Superannuation Payable	39,486.98
GST Payable	39,484.75
	935,368.67
PAYMENTS	
Superannuation	38,063.98
Wages & Salaries	421,175.23
Withholding Tax (PAYG)	(109,013.00)
	350,226.21
Balances in Hand	585,142.46
	935,368.67

Title	Description	Hourly Rate (excl GST)
Appointee	Registered liquidator. Brings his or her specialist skills to the administration or insolvency task.	\$750
Director / Consultant	Typically CA/CPA or ARITA qualified with significant restructuring experience.	\$675
Senior Manager	Typically more than 7 years' insolvency experience, more than 3 years as a manager, qualified accountant. Answerable to the appointee but otherwise responsible for all aspects of administration.	\$620
Manager	Typically 6-7 years, qualified accountant, with well-developed technical and commercial skills.	\$525
Supervisor	Typically 4-6 years, CA/CPA or ARITA complete. Assists planning and control of medium to larger jobs.	\$480
Senior Analyst 1	Typically completed or near completion of CA, CPA or ARITA qualifications with 3-5 years insolvency experience. Assists in planning and control of smaller matters as well as performing more difficult tasks on larger matters.	\$375
Senior Analyst 2	Typically CA/CPA would normally be commenced during this period, with 1-2 years insolvency experience. Required to control the fieldwork on small jobs and is responsible for assisting complete fieldwork on medium to large jobs.	\$350
Analyst 1	Typically, would have qualifications with insolvency experience. Works under supervision of more senior staff in performing day-to-day field work. 0-2 years insolvency experience.	\$290
Analyst 2	Trainee undertaking a business related degree or newly qualified graduate. Required to assist in day-to-day fieldwork under supervision of more senior staff. 0-1 years insolvency experience.	\$270
Clerical Assistant	Administration staff supporting professional staff	\$290
Junior Analyst	Junior staff member who has completed or near completion of a university degree. Works under supervision of more senior staff in performing Day-to-day field work	\$240
Secretary	Appropriate secretarial skills	\$190

Information sheet: Approving remuneration of an external administrator



If you are a creditor in a liquidation, voluntary administration or deed of company arrangement you may be asked to approve the external administrator's remuneration. An external administrator can be a liquidator, voluntary administrator or deed administrator. The process for approving the remuneration for each of these is the same.

This information sheet gives general information to help you understand the process of approving an external administrator's remuneration and your rights in this process. The following topics are covered in this information sheet:

- About external administrations
- External administrator's remuneration and costs
- Calculating remuneration
- Information you will receive
- Approving remuneration
- Who may approve remuneration
- Deciding if remuneration is reasonable
- What can you do if you decide the remuneration is unreasonable?
- Reimbursement of out of pocket costs
- Queries and complaints
- More information.

About external administrations

If a company goes into liquidation, voluntary administration or enters into a deed of company arrangement, an independent person is appointed to oversee the administration. They are called an external administrator and include a liquidator, voluntary administrator and deed administrator, depending on the type of administration involved. In this information sheet they are simply referred to as an external administrator.

The duties of an external administrator are specified in legislation and they must adhere to certain standards while conducting the administration.

All external administrators are required by law to undertake certain tasks which may not benefit creditors directly (e.g. investigating whether any offences have been committed and reporting to the Australian Securities and Investments Commission (ASIC)).

External administrator's remuneration and costs

External administrators are entitled to be paid for the necessary work they properly perform in the administration.

An external administrator is entitled:

- to be paid reasonable remuneration, for the work they perform, once this remuneration has been approved,
- to be paid for internal disbursements they incur in performing their role (these costs do need approval), and
- to be reimbursed for out-of-pocket costs incurred in performing their role (these costs do not need approval).

Common internal disbursements are stationery, photocopying and telephone costs.

Commonly reimbursed out-of-pocket costs include:

- legal fees
- a valuer's, real administration agent's and auctioneer's fees
- postage costs
- retrieval costs for recovering the company's computer records, and
- storage costs for the company's books and records.

Creditors have a direct interest in the amount of an external administrator's remuneration and costs, as these will generally be paid from the administration before any payments are made to creditors.

Remuneration and internal disbursements must be approved in accordance with the Corporations Act and Insolvency Practice Rules (Corporations) before it can be paid.

If there is a shortfall between the external administrator's remuneration and the assets available from the administration, in certain circumstances the external administrator may arrange for a third party to pay the shortfall. As a creditor, you will be provided details of any such arrangement.

If there are not enough assets to pay the external administrator's remuneration and costs, and there is no third party payment arrangement, the external administrator remains unpaid.

Calculating remuneration

An external administrator may calculate their remuneration using one (or a combination) of a number of methods, such as:

- on the basis of time spent working on the administration, according to hourly rates
- a quoted fixed fee, based on an estimate of the costs
- a percentage (usually of asset realisations), or
- a contingent basis on a particular outcome being achieved.

Charging on the basis of time spent is the most common method used. External administrators have a set of hourly rates that they will seek to charge. These rates are set to reflect the seniority, skills and experience of staff and, where applicable, the complexity and risks of the bankruptcy. They cover staff costs and overheads.

If remuneration is being charged on a time basis, the external administrator must keep time sheets noting the number of hours spent on the tasks performed.

Creditors have a right to question the external administrator about the remuneration and the rates to be charged. They also have a right to question the external administrator about the fee calculation method used and how the calculation was made. The external administrator must justify why the chosen fee calculation method is appropriate for the administration.

Information you will receive

There are different types of remuneration reports that you may receive during the course of an external administration. The following table details the reports and when you might receive them.

Document	Information it contains	When you will receive it
Initial Remuneration Notice (IRN)	<ul style="list-style-type: none"> • A brief explanation of the types of methods that may be used to calculate fees. • The external administrator's chosen fee calculation method(s) and why it is appropriate. • Details of the external administrator's rates, including hourly rates if time spent basis is used. • An estimate of the external administrator's remuneration. • The method that will be used to calculate disbursements. 	<p>Voluntary Administration – with the notice of first meeting.</p> <p>Creditors' voluntary liquidation – within 10 business days of appointment.</p> <p>Court liquidation – within 20 business days of appointment.</p>
Remuneration Approval Report (RAR)	<ul style="list-style-type: none"> • A summary description of the major tasks performed, or likely to be performed. • The costs associated with each of those major tasks and the method of calculation. • The periods at which the external administrator proposes to withdraw funds from the administration for remuneration. • An estimated total amount, or range of total amounts, of the external administrator's remuneration. • An explanation of the likely impact of that remuneration on the dividends (if any) to creditors. • Where internal disbursements are being claimed, the external administrator will report to creditors on the amount and method of calculation of these disbursements. 	<p>Sent at the same time as:</p> <ul style="list-style-type: none"> • the notice to creditors of the meeting at which approval of remuneration will be sought; or • the notice to creditors of the proposal without a meeting by which approval of remuneration will be sought <p>If approval of remuneration is not being sought, a RAR will not be provided.</p>

Approving remuneration

The meeting of creditors (or committee of inspection) gives a chance for those participating to ask questions about the external administrator's remuneration. Fees are then approved by a vote of the creditors. Alternatively, the external administrator may seek approval of remuneration via a proposal without a meeting. Whichever method is used, the external administrator must provide the same report to creditors about their remuneration (Remuneration Approval Report).

Creditors may be asked to approve remuneration for work already performed and/or remuneration estimate for work not yet carried out. If the work is yet to be carried out, the external administrator must set a maximum limit (cap) on the future remuneration approval. For example, 'future remuneration is approved, calculated on hours worked at the rates charged (as set out in the provided rate scale) up to a cap of \$X'.

If the remuneration for work done then exceeds this figure, the external administrator will have to ask the creditors to approve a further amount of remuneration, after accounting for the amount already incurred.

If an external administrator can't get the creditors' approval, an application can be made to the Court to determine their remuneration.

When there are limited funds available in the administration, or the external administrator's remuneration is below a statutory threshold, an external administrator is entitled to draw a one-off amount of up to that threshold plus GST, without creditor approval. This amount is currently \$5,000 (indexed).

Who may approve remuneration?

Committee of inspection approval

A committee of inspection will generally only be established where there are a large number of creditors and/or complex matters which make having a committee desirable. Committee members are chosen by a vote of all creditors and work with the external administrator to represent the creditors' interests.

If there is a committee, the external administrator will ask it to approve the remuneration. A committee makes its decision by a majority in number of its members present in person at a meeting, but it can only vote if a majority of its members attend.

In approving the remuneration, it is important that committee members understand that they represent all the creditors, not just their own individual interests.

Creditors' approval

Creditors approve remuneration by passing a resolution at a creditors' meeting. Creditors may vote according to their individual interests.

To approve an external administrator's remuneration, a resolution is put to the meeting to be decided on the voices or by a 'poll' (if requested by the external administrator or a person participating and entitled to vote at the meeting). A poll requires a count of each vote and its value to be taken and recorded for each creditor present and voting.

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

A creditor will sometimes appoint the external administrator as a proxy to vote on the creditor's behalf. An external administrator is only able to vote on remuneration if they hold a special proxy.

There are provisions for a resolution to be passed by creditors without a meeting. This still requires a majority in value and number of creditors voting to vote in favour of the resolution. Creditors representing at least 25% in value of those responding to the external administrator's proposal can object to the proposal being resolved without a meeting of creditors.

Deciding if remuneration is reasonable

If you are asked to approve an external administrator's remuneration, your task is to decide if the amount of remuneration is reasonable, given the work carried out in the administration and the results of that work.

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

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

ARITA's Code of Professional Practice ('the Code') outlines the steps external administrators should take to make sure they fulfil their responsibilities to creditors when asking creditors to approve remuneration, including when those creditors are acting in their capacity as committee members. The Code is available on the ARITA website at www.arita.com.au.

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

What can you do if you think the remuneration is unreasonable?

If you think the remuneration being claimed is unreasonable, you should raise your concerns with the external administrator. It is your decision whether to vote in favour of, or against, a resolution to approve remuneration. You may also choose to not vote on the resolution (abstain).

You also have the power to put a resolution to the meeting. For example, you could put forward a resolution to change the way the external administrator charges for remuneration, or the periods at which the external administrator may withdraw funds. Any amending resolution must occur before the vote being taken on the resolution to approve remuneration. If the amended proposal is passed, the resolution is binding on the external administrator. However, such an amendment may result in the external administrator seeking to be replaced by another external administrator.

If the external administrator is seeking approval of remuneration via a resolution without a meeting and more than 25% in value of the creditors responding object using the form provided by the external administrator, the proposal will not pass. If the external administrator wants the proposal passed, a meeting will need to be convened and any creditor entitled to participate in the meeting has the right, before the vote is taken, to put a resolution to the meeting as mentioned above.

A creditor may apply to Court for a review of an external administrator's remuneration. Creditors also have the power to appoint, by resolution, a reviewing liquidator to review any remuneration approved within the six months and any disbursements incurred in the 12 months before the reviewing liquidator's appointment. The cost of a reviewing liquidator is paid from the assets of the external administration. An individual creditor may also appoint a reviewing liquidator with the external administrator's consent. An individual creditor seeking the appointment of a reviewing liquidator must pay the cost of the reviewing liquidator.

Reimbursement of out-of-pocket costs

An external administrator should be very careful incurring costs that must be paid from the administration; as careful as if they were incurring the expenses on their own behalf. Their report on remuneration sent to creditors must also include information on the out-of-pocket costs of the administration (disbursements).

Where these out-of-pocket costs are internal disbursements paid to the external administrator's firm (for example photocopying and phone calls) the external administrator must request creditor approval of these amounts. The external administrator may also ask for approval of internal disbursements in advance. If they do so, they will set the rates for those disbursements and a cap on the maximum amount that can be drawn.

If you have questions about any of these costs, you should ask the external administrator and, if necessary, bring it up at a creditors' or committee meeting. If you are still concerned, you have the right to seek the appointment of a reviewing liquidator (refer above).

Queries and complaints

You should first raise any queries or complaints with the external administrator or their firm.

If this fails to resolve your concerns, including any concerns about their conduct, you can lodge a complaint with ARITA at www.arita.com.au or with ASIC at www.asic.gov.au. ARITA is only able to deal with complaints in respect of their members.

More information

The [ARITA website](http://www.arita.com.au) contains the ARITA Code of Professional Practice which is applicable to all its members. ARITA also provides general information to assist creditors at www.arita.com.au/creditors.

ASIC includes information on its website which may assist creditors. Go to www.asic.gov.au and search for 'insolvency information sheets'.

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances.



Notice of Meeting

Forum Group Pty Ltd (Receivers Appointed) (In Liquidation)
ACN 153 336 997
(the Company)

NOTICE OF MEETING OF CREDITORS OF COMPANY UNDER EXTERNAL ADMINISTRATION

1. Notice is now given that a meeting of the creditors of the Company will be held virtually on **12 November 2021 at 11:00 AM (AEDT)**.
2. The meeting will be held virtually using Zoom webcast/teleconference, in order to ensure compliance with any restrictions that may be in place as a result of COVID-19. The online conference can be joined from a computer (preferred) or telephone. Questions can be typed or asked verbally during the meeting. Voting will be conducted by taking a poll by an electronic survey accessible by computer or mobile device. There will not be an option to attend in person.
3. Should you wish to attend, or nominate someone to attend by proxy or attorney on your behalf, please register your intention to do so by sending an email to forum@mcgrathnicol.com or call (03) 9038 3148 before 4.00 PM on 11 November 2021 and you will be provided with detailed instructions on how to participate in the meeting during the evening of 11 November 2021.
4. The purpose of the meeting is to:
 - a. provide an update on the progress of the Liquidation;
 - b. consider and if thought fit, approve the remuneration of the Voluntary Administrators and Liquidators;
 - c. consider and if thought fit, approve the remuneration of the Former Voluntary Administrators (Mackay Goodwin);
 - d. consider the appointment of a Committee of Inspection;
 - e. authorise the Liquidators to compromise debts greater than \$100,000 under section 477(2A) of the Act;
 - f. authorise the Liquidators to enter into agreements that may take longer than three months to complete under section 477(2B) of the Act; and
 - g. discuss any other relevant business which may arise.
5. The effect of Insolvency Practice Rules (Corporations) section 75-85 (entitlement to vote as creditor at meetings of creditors) is:
 - a. A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
 - b. Subject to subsections (c), (d) and (e), each creditor is entitled to vote and has one vote.
 - c. A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - i. his or her debt or claim has been admitted wholly or in part by the external administrator;
 - or



- ii. he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 - those particulars; or
 - if required—a formal proof of the debt or claim.
 - d. A creditor must not vote in respect of:
 - i. an unliquidated debt; or
 - ii. a contingent debt; or
 - iii. an unliquidated or a contingent claim; or
 - iv. a debt the value of which is not established;
unless a just estimate of its value has been made.
 - e. A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - i. treat the liability to him or her on the instrument or security of a person covered by subsection (f) as a security in his or her hands;
 - ii. estimate its value;
 - iii. for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
 - f. A person is covered by this subsection if:
 - i. the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor;
 - ii. the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - iii. the person is not an insolvent under administration or a person against whom a winding up order is in force.
6. Proofs of debt and proxies must be submitted by email to forum@mcgrathnicol.com before **4.00 PM (AEDT) on 11 November 2021**.

Dated: 28 October 2021

Jason Ireland
Liquidator

McGrathNicol
GPO Box 9986
Sydney NSW 2001
+61 2 9338 2600

FORM 535

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

Forum Group Pty Ltd
 (Receivers Appointed) (In Liquidation)
 ACN 153 336 997
 "the Company"

To the Liquidator/Administrator of the Company

1. This is to state that the Company was on 8 July 2021 _____, and still is, justly and truly indebted to:
 _____ (name of creditor)
 of _____ (address of creditor)
 for \$ _____ and _____ cents (GST inclusive) GST amount _____

Date	Consideration (state how the Debt arose)	Amount \$ c	Remarks (include details of voucher substantiating payment)

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

Date	Drawer	Acceptor	Amount \$c	Due Date

3. Select which of the below applies (choose one):

- | | |
|---|---|
| <p><input type="checkbox"/> The creditor is a company and I am signing as a director of the company</p> <p><input type="checkbox"/> The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company</p> <p><input type="checkbox"/> I am an individual and I am signing in my personal capacity (which includes employees)</p> <p><input type="checkbox"/> The creditor is a sole trader and I am signing as the proprietor</p> | <p><input type="checkbox"/> The creditor is a partnership and I am signing as a partner of the partnership</p> <p><input type="checkbox"/> I am signing in my personal capacity as a member or contributory of the Company</p> <p><input type="checkbox"/> Other: _____</p> |
|---|---|

4. If you are a related party, state your relationship _____

5. Is this debt claimed on the basis of an assignment? Yes No

If so, what consideration was paid for the debt? _____

This debt was incurred for the consideration stated and the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature Dated

Name: _____

Address: _____

I nominate to receive electronic notifications of documents in accordance with Section 600G of the Corporations Act at the following email address

Email: _____



Proof of Debt Guidance Notes

(Please read carefully before filling in Form 535 or Form 536)

It is a creditor's responsibility to prove their claim to our satisfaction.

When lodging claims, creditors must ensure:

- the proof of debt form is properly completed in every particular; and
- evidence, as set out under "Information to support your claim", is attached to the Form 535 or Form 536.

Directions for completion of a Proof of Debt

1. Insert the full name and address of the creditor.
2. Under "Consideration" state how the debt arose, for example "goods sold to the company on _____".
3. Under "Remarks" include details of any documents that substantiate the debt (refer to the section "Information to support your claim" below for further information).
4. Where the space provided for a particular purpose is insufficient to contain all the information required for a particular item, please attach additional information.

Information to support your claim

Please note that unless you provide evidence to support the existence of the debt, your debt is not likely to be accepted. Detailed below are some examples of debts creditors may claim and a suggested list of documents that should accompany a proof of debt to substantiate the debt.

Trade Creditors

- Invoice(s) and statement(s) showing the amount of the debt; and
- Advice(s) to pay outstanding invoice(s) (optional).

Guarantees/Indemnities

- Executed guarantee/indemnity;
- Notice of Demand served on the guarantor; and
- Calculation of the amount outstanding under the guarantee.

Judgment Debt

- Copy of the judgment; and
- Documents/details to support the underlying debt as per other categories.

Deficiencies on Secured Debt

- Security Documents (eg. mortgage);
- Independent valuation of the secured portion of the debt (if not yet realised) or the basis of the creditor's estimated value of the security;
- Calculation of the deficiency on the security; and
- Details of income earned and expenses incurred by the secured creditor in respect of the secured asset since the date of appointment.

Loans (Bank and Personal)

- Executed loan agreement; and



- Loan statements showing payments made, interest accruing and the amount outstanding as at the date of appointment.

Tax Debts

- Documentation that shows the assessment of debts, whether it is an actual debt or an estimate, and separate amounts for the primary debt and any penalties.

Employee Debts

- Basis of calculation of the debt;
- Type of Claim (eg. wages, holiday pay, etc);
- Correspondence relating to the debt being claimed; and
- Contract of Employment (if any).

Leases

- Copy of the lease; and
- Statement showing amounts outstanding under the lease, differentiating between amounts outstanding at the date of the appointment and any future monies.

PROXY FORM

Forum Group Pty Ltd (Receivers Appointed) (In Liquidation)

ACN: 153 336 997

APPOINTMENT OF PROXY

I/We (if a firm, strike out "I" and set out the full name of the firm) _____ of

_____ (insert address)

a creditor of **Forum Group Pty Ltd (Receivers Appointed) (In Liquidation)** appoint

_____ (insert name, address and description of the person appointed)

or in his or her absence

_____ (insert name, address and description of the person appointed)

as my/our (choose one):

general proxy

special proxy

to vote at the meeting of creditors to be held on Friday, 12 November 2021 at 11:00 AM (AEDT) or at any adjournment of that meeting.

Resolution (only complete where appointing a special proxy)	For	Against	Abstain
Voluntary Administrators' remuneration (McGrathNicol)			
1 That the remuneration of the voluntary administrators for the period 22 July 2021 to 27 July 2021, calculated at hourly rates as detailed in the Initial Remuneration Notice dated 24 August 2021, is determined in the sum of \$21,056, exclusive of GST.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Liquidators' remuneration			
2 That the remuneration of the Liquidators for the period from 28 July 2021 to 19 September 2021, calculated at hourly rates as detailed in the Initial Remuneration Notice dated 24 August 2021, is determined in the sum of \$203,449, exclusive of GST.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Former Voluntary Administrators' remuneration (Mackay Goodwin)
That the remuneration of the Administrators, their partners and staff from 8
3 July 2021 to 22 July 2021 be approved up to a maximum amount of
\$156,451.99 plus GST, calculated in accordance with the Mackay Goodwin
hourly rates as attached and that the Administrators be authorised to draw
the remuneration as required.

**Former Voluntary Administrators' remuneration (Mackay Goodwin) –
Preservation and securing of company's assets**
That the remuneration of the Administrators, their partners and staff
4 incidental to the collecting, securing and preserving the Company's assets
from 8 July 2021 to 22 July 2021 be approved up to a maximum amount of
\$281,117.50 plus GST, calculated in accordance with the Mackay Goodwin
hourly rates as attached and that the Administrators be authorised to draw
the remuneration as required.

Appointment of Committee of Inspection
5 That a Committee of Inspection be formed and the members of which are to
be determined at the meeting.

Liquidators' ability to compromise debts
That so far as necessary for the beneficial winding up of Forum Group Pty
6 Ltd, the Liquidators are hereby authorised pursuant to subsections 506(1A),
477(2A) and 477(2B) of the Corporations Act 2001 to compromise any debts
greater than the prescribed amount.

Liquidators' ability to enter into agreements
That so far as necessary for the beneficial winding up of Forum Group Pty
7 Ltd, the Liquidators are hereby authorised to enter any agreements on behalf
of Forum Group Pty Ltd involving a term or obligations extending for more
than three months.

DATED this _____ day of _____ 2021

Name _____

Signature _____

Select which of the below applies (choose one):

The creditor is a company and I am signing as
a director of the company

The creditor is a partnership and I am signing
as a partner of the partnership

The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company

I am signing in my personal capacity as a member or contributory of Forum Group Pty Ltd

I am an individual and I am signing in my personal capacity (which includes employees)

Other: _____

The creditor is a sole trader and I am signing as the proprietor

Proxy forms should be completed and returned by no later than 4.00PM on Thursday, 11 November 2021.

RETURN TO: **Forum Group Pty Ltd (Receivers Appointed) (In Liquidation)**
of care of McGrathNicol
Email: forum@mcgrathnicol.com
Address: GPO Box 9986, Sydney NSW 2001
Phone: +61 2 9338 2600
Fax: +61 2 9338 2699



Proxy Guidance Notes

- Insert full name and address of creditor, contributory or member on the top line.
- On the second line, insert the address of the creditor, contributory or member.
- On the next line insert the name of the person you appoint as your proxy. You may insert "the Chairperson of the meeting" if you wish.
- You may appoint an alternate proxy on the fourth line who may act if your first appointed proxy cannot attend the meeting. You may insert "the Chairperson of the meeting" if you wish.
- Make sure you select whether the proxy is a general or special proxy.
- A general proxy is where you leave it to the proxy to decide how to vote on each of the resolutions put before the meeting.
- A special proxy is where you specify how the proxy is to vote on each resolution and the proxy must vote in accordance with that instruction.
- If the proxy is a special proxy, the form must include details of each resolution and whether the proxy holder is to cast their vote in favour or against each resolution or abstain from voting.
- Date and sign the Proxy form, indicating in which capacity you are signing the form. The person signing must be authorised to do so.



Forum Group Pty Ltd (In Liquidation) (Receivers Appointed)
ACN 153 336 997

General Information for Attending and Voting at Meetings of Creditors

Time and Place of Meeting

Pursuant to *Insolvency Practice Rules (Corporations) (IPR) 75-30*, a meeting of creditors must be convened at the time and place the Chairperson believes are convenient for the majority of creditors entitled to receive notice of the meeting.

Virtual Meeting

The meeting will be held virtually using online video conferencing. There will be no in person meeting held for the company.

Quorum

Pursuant to IPR 75-105, unless a quorum is present, a meeting must not act for any purpose other than:

- the election of a chairperson; and
- the proving of debts; and
- the adjournment of the meeting.

A quorum is present if two (2) or more persons are entitled to vote and at least two (2) persons are present at the meeting in person, by proxy or by power of attorney.

A quorum is present if only one (1) person is entitled to vote and that person is present at the meeting in person, by proxy or by power of attorney.

A person who participates in the meeting using electronic facilities is taken to be present in person at the meeting.

A meeting is sufficiently constituted if only one (1) person is present in person, if the person represents personally or by proxy or otherwise a number of persons sufficient to constitute a quorum.

Chairperson

Pursuant to IPR 75-50, the external administrator is appointed Chairperson of the meeting. Alternatively, pursuant to IPR 75-50 and IPR 75-152 the external administrator may appoint someone else to act as chairperson of the meeting and authorise that person to use any proxies held by the external administrator on the external administrator's behalf.

Voting

Pursuant to IPR 75-85, creditors will not be eligible to vote at the meeting unless they have lodged particulars of their debt or claim prior to or at the meeting.

Accordingly, creditors who intend to vote at the meeting should ensure that they lodge a formal proof of debt with the external administrator prior to or at the meeting.

For meetings held virtually, voting must be decided by way of a poll. In this regard, please note the meeting may be adjourned by the chairperson for a short time should time be required to consider votes for each of the proposed resolutions.



Pursuant to IPR 75-115:

- a resolution is passed if a majority in number and a majority in value vote in favour of the resolution; and
- a resolution is not passed if a majority in number and a majority in value vote against the proposed resolution.

In the event of a deadlock, the chairperson may exercise a casting vote. In such situations, the minutes of the meeting must specify the chairperson's reasons for exercising, or not exercising, their casting vote.

Proxies

Pursuant to IPR 75-150, a person entitled to vote at a meeting may, in writing, appoint an individual as their proxy to attend and vote at the meeting on their behalf.

Accordingly, creditors who are unable to attend the meeting but who wish to be represented should ensure that a validly executed proxy form is lodged with the external administrator prior to the meeting.

Corporate Creditors

Corporate creditors who wish to attend the meeting should note that an individual may only represent them if the corporation validly grants that person a proxy or power of attorney.

Committee of Inspection

Pursuant to IPR 80-5, a person may only serve as a member of a Committee of Inspection if the person is:

- a creditor of the company personally; or
- the attorney of a creditor under a general power of attorney; or
- authorised in writing by a creditor; or
- a representative of the Commonwealth if a FEG claim has been, or the Commonwealth considers a claim is likely to be, made in relation to unpaid employee entitlements.

Corporate creditors who are members of a Committee of Inspection may be represented by an individual authorised in writing by the member to represent the member on the committee.



Forum Group Pty Ltd (In Liquidation) (Receivers Appointed)
ACN 153 336 997

Tips for Attending Virtual Meetings

1. **Arrive at least 30 minutes prior to the meeting.** To ensure the meeting can commence in accordance with the time specified on the agenda, please ensure you have logged into the virtual meeting at least 30 minutes prior to the meeting and familiarise yourself with the meeting software/functionality for voting.
2. **Please ensure you are on mute.** Background noise disrupts the meeting and might prevent creditors from hearing the information presented by the chairperson. Please choose a quiet location and use the mute button when you are not speaking.
3. **Questions for the chairperson.** Please, if possible, save your questions until the end of each segment. The chairperson will open the meeting for questions at the end of each segment.
4. **Identify yourself.** Before you start to speak, please state your name and company (if applicable).
5. **Speak slowly and clearly.** Please try not to talk over another speaker. Be considerate and try to speak one at a time so that the chairperson can follow your point in its entirety.

**Forum Group Pty Ltd (In Liquidation) (Receivers Appointed)
Nomination Form for Membership of a Committee of Inspection**

Requirements: To be eligible for membership of a Committee of Inspection, a person must be: (i) a creditor of the company in liquidation; or (ii) the attorney of a creditor of the company by virtue of a general power of attorney given by the creditor; or (iii) a person authorised in writing by a creditor of the company to be a member; or (iv) a representative of the Commonwealth.

Company	Forum Group Pty Ltd (In Liquidation) (Receivers Appointed) (Forum Group)
Name of Creditor	
Name of nominated representative (if creditor is a company)	
Position of nominated representative	
Organisation of nominated representative (if different to Creditor)	
Creditor / organisation address	
Estimated value of debt owed by Forum Group (in AUD or AUD equivalent)	

Signature of Creditor (or authorised company rep)	
Position	
Date	

Signature of Nominee (if applicable)	
Position	
Date	

Please return by email to: Attention: Walter Jones, Email: forum@mcgrathnicol.com

Information Sheet: Committees of Inspection

You have been elected to be, or are considering standing for the role of, a member of a Committee of Inspection (COI) in either a liquidation, voluntary administration or deed of company arrangement of a company (collectively referred to as an external administration).

This information sheet is to assist you with understanding your rights and responsibilities as a member of a COI.

What is a COI?

A COI is a small group of creditors elected to represent the interests of creditors in the external administration. The COI advises and assists the external administrator and also has the power to approve and request certain things – this is discussed in more detail below.

Membership of the COI is a voluntary, unpaid position.

Who can be elected to a COI?

To be eligible to be appointed as a member of a COI, a person must be:

- A creditor
- A person holding the power of attorney of a creditor
- A person authorised in writing by a creditor; or
- A representative of the Commonwealth where a claim for financial assistance has, or is likely to be, made in relation to unpaid employee entitlements.

If a member of the COI is a company, it can be represented by an individual authorised in writing to act on that creditor's behalf. It also allows the creditor to maintain its representation if a change in the individual is required

A COI usually has between 5 and 7 members, though it can have more, or less, depending on the size of the external administration.

A member of a COI can be appointed by:

- resolution at a meeting of creditors
- an employee or a group of employees owed at least 50% of the entitlements owed to employees of the company
- a large creditor or group of creditors that are owed at least 10% of the value of the creditors' claims,

If an employee or group of employees, or a large creditor or group of creditors, appoints a member to the COI, they cannot vote on the general resolution of creditors to appoint members to the COI. Each of these groups also have the power to remove their appointed member of the COI and appoint someone else.

If you are absent from 5 consecutive meetings of the COI without leave of the COI or you become an insolvent under administration, you are removed from the COI.

What are the roles and powers of a COI?

A COI has the following roles:

- to advise and assist the liquidator, voluntary administrator or deed administrator (collectively referred to as the external administrator)
- to give directions to the external administrator
- to monitor the conduct of the external administration.

In respect of directions, the external administrator is only required to have regard to those directions. If there is a conflict between the directions of the COI and the creditors, the directions of the creditors prevail. If the external administrator chooses not to comply with the directions of the COI, the external administrator must document why.

A COI also has the power to:

- approve remuneration of the external administrator after the external administrator has provided the COI with a Remuneration Approval Report (a detailed report setting out the remuneration for undertaking the external administration)
- approve the use of some of the external administrator's powers in a liquidation (compromise of debts over \$100,000 and entering into contracts over 3 months)
- require the external administrator to convene a meeting of the company's creditors
- request information from the external administrator
- approve the destruction of the books and records of the external administration on the conclusion of the external administration
- with the approval of the external administrator, obtain specialist advice or assistance in relation to the conduct of the external administration
- apply to the Court for the Court to enquire into the external administration.

An external administrator is not required to convene a meeting of creditors if the request by the COI is unreasonable, or provide requested information if the request is unreasonable, not relevant to the administration or would cause the external administrator to breach their duties.

A request to convene a meeting of creditors is unreasonable if:

- it would substantially prejudice the interests of a creditor or third party
- there are insufficient funds in the external administration to cover the cost of the request
- a meeting of creditors dealing with the same matters has already been held or will be held within 15 business days, or
- the request is vexatious.

If a request for a meeting is reasonable, the external administrator must hold a meeting of creditors as soon as reasonably practicable.

A request for information is unreasonable if:

- it would substantially prejudice the interests of a creditor or third party
- the information would be subject to legal professional privilege
- disclosure of the information would be a breach of confidence
- there are insufficient funds in the external administration to cover the cost of the request
- the information has already been provided or is required to be provided within 20 business days, or
- the request is vexatious.

If the request for information is not unreasonable, the external administrator must provide the requested information within 5 business days, but the law provides for further time in certain circumstances.

An external administrator must inform the COI if their meeting or information request is not reasonable and the reason why.

How does the COI exercise its powers?

A COI exercises its powers by passing resolutions at meetings of the COI. To pass a resolution, a meeting must be convened and a majority of the members of the COI must be in attendance.

A meeting is convened by the external administrator by giving notice of the meeting to the members of the COI. Meetings of the COI can be convened at short notice.

The external administrator must keep minutes of the meeting and lodge them with ASIC within one month of the end of the meeting.

ASIC is entitled to attend any meeting of a COI.

What restrictions are there on COI members?

A member of a COI must not directly or indirectly derive any profit or advantage from the external administration. This includes by purchasing assets of the company or by entering into a transaction with the company or a creditor of the company. This prohibition extends to related entities of the member of the COI and a large creditor(s) that appoints a member to the COI.

Creditors, by resolution at a meeting of creditors, can resolve to allow the transaction. The member of the COI or the large creditor(s) that appoints a member to the COI is not allowed to vote on the resolution.

Where can you get more information?

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

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

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

Creditor Information Sheet

Offences, Recoverable Transactions and Insolvent Trading



Offences

A summary of offences under the Corporations Act that may be identified by the administrator:

180	Failure by company officers to exercise a reasonable degree of care and diligence in the exercise of their powers and the discharge of their duties.
181	Failure to act in good faith.
182	Making improper use of their position as an officer or employee, to gain, directly or indirectly, an advantage.
183	Making improper use of information acquired by virtue of the officer's position.
184	Reckless or intentional dishonesty in failing to exercise duties in good faith for a proper purpose. Use of position or information dishonestly to gain advantage or cause detriment. This can be a criminal offence.
198G	Performing or exercising a function or power as an officer while a company is under administration.
206A	Contravening a court order against taking part in the management of a corporation.
206A, B	Taking part in the management of corporation while being an insolvent, for example, while bankrupt.
206A, B	Acting as a director or promoter or taking part in the management of a company within five years after conviction or imprisonment for various offences.
209(3)	Dishonest failure to observe requirements on making loans to directors or related companies.
254T	Paying dividends except out of profits.
286	Failure to keep proper accounting records.
312	Obstruction of an auditor.
314-7	Failure to comply with requirements for the preparation of financial statements.
437D(5)	Unauthorised dealing with company's property during administration.
438B(4)	Failure by directors to assist administrator, deliver records and provide information.
438C(5)	Failure to deliver up books and records to the administrator.
588G	Incurring liabilities while insolvent
588GAB	Officer's duty to prevent creditor-defeating disposition
588GAC	A person must not procure a company to make a creditor-defeating disposition
590	Failure to disclose property, concealed or removed property, concealed a debt due to the company, altered books of the company, fraudulently obtained credit on behalf of the company, material omission from Report as to Affairs or false representation to creditors.
596AB	Entering into an agreement or transaction to avoid employee entitlements.

Recoverable Transactions

Preferences

A preference is a transaction, such as a payment by the company to a creditor, in which the creditor receiving the payment is preferred over the general body of creditors. The relevant period for the payment commences six months before the commencement of the liquidation. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Where a creditor receives a preference, the payment is voidable as against a liquidator and is liable to be paid back to the liquidator subject to the creditor being able to successfully maintain any of the defences available to the creditor under the Corporations Act.

Creditor-defeating disposition

Creditor-defeating dispositions are the transfer of company assets for less than market value (or the best price reasonably obtainable) that prevents, hinders or significantly delay creditors' access to the company's assets in liquidation. Creditor-defeating dispositions are voidable by a liquidator.

Uncommercial Transaction

An uncommercial transaction is one that it may be expected that a reasonable person in the company's circumstances would not have entered into, having regard to the benefit or detriment to the company; the respective benefits to other parties; and any other relevant matter.

To be voidable, an uncommercial transaction must have occurred during the two years before the liquidation. However, if a related entity is a party to the transaction, the period is four years and if the intention of the transaction is to defeat creditors, the period is ten years. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Unfair Loan

A loan is unfair if and only if the interest was extortionate when the loan was made or has since become extortionate. There is no time limit on unfair loans – they only must be entered into before the winding up began.

Arrangements to avoid employee entitlements

If an employee suffers loss because a person (including a director) enters into an arrangement or transaction to avoid the payment of employee entitlements, the liquidator or the employee may seek to recover compensation from that person or from members of a corporate group (Contribution Order).

Unreasonable payments to directors

Liquidators have the power to reclaim '*unreasonable payments*' made to directors by companies prior to liquidation. The provision relates to payments made to or on behalf of a director or close associate of a director. The transaction must have been unreasonable, and have been entered into during the 4 years leading up to a company's liquidation, regardless of its solvency at the time the transaction occurred.

Voidable charges

Certain charges over company property are voidable by a liquidator:

- circulating security interest created within six months of the liquidation, unless it secures a subsequent advance;
- unregistered security interests;
- security interests in favour of related parties who attempt to enforce the security within six months of its creation.

Insolvent trading

In the following circumstances, directors may be personally liable for insolvent trading by the company:

- a person is a director at the time a company incurs a debt;
- the company is insolvent at the time of incurring the debt or becomes insolvent because of incurring the debt;
- at the time the debt was incurred, there were reasonable grounds to suspect that the company was insolvent;
- the director was aware such grounds for suspicion existed; and
- a reasonable person in a like position would have been so aware.

The law provides that the liquidator, and in certain circumstances the creditor who suffered the loss, may recover from the director, an amount equal to the loss or damage suffered. Similar provisions exist to pursue holding companies for debts incurred by their subsidiaries.

A defence is available under the law where the director can establish:

- there were reasonable grounds to expect that the company was solvent and they did so expect;
- they did not take part in management for illness or some other good reason; or
- they took all reasonable steps to prevent the company incurring the debt.

The proceeds of any recovery for insolvent trading by a liquidator are available for distribution to the unsecured creditors before the secured creditors.

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances.

Queries about the voluntary administration should be directed to the administrator's office.

Mackenzie Preston

From: Melissa Passarelli
Sent: Friday, 5 November 2021 7:09 PM
To: anthony.sommer@minterellison.com
Cc: Sazz Nasimi; Alexandra Lawrence; caitlin.murray@minterellison.com
Subject: NSD616/2021 - Westpac Banking Corporation & Anor v Forum Finance Pty Limited (in liquidation) & ors [MADG-CURRENT_MATTERS.18091.047678]
Attachments: 211105 Letter from Madgwicks to Minter Ellison Rv.pdf

Dear Mr Sommer

Please see **attached** for your attention.

Regards

Melissa Passarelli
Associate

MADGWICKS
LAWYERS

[Visit our COVID-19 Resources Hub for practical information to assist you through this time](#)

T: +61 3 9242 4780 E: Melissa.Passarelli@madgwicks.com.au

Level 6, 140 William Street, Melbourne VIC 3000
www.madgwicks.com.au

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Security Warning: We take cyber security risks seriously. Please confirm any bank transfer details by phone directly before making a payment.

Anthony Sommer
Senior Associate
Minter Ellison
Level 40 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Date: 5 November 2021
File No: 047678
Partner: Sazz Nasimi
Your Ref: 1353397

By email: anthony.sommer@minterellison.com

Dear Mr Sommer

**Westpac Banking Corporation & Anor v Forum Finance Pty Limited (in liquidation) & ors
Federal Court of Australia proceeding number NSD616/2021 (Proceedings)**

We refer to the numerous articles published in the print media concerning the investigative report commissioned by your client and undertaken by KWM Lawyers.

For convenience, below are links to some of these articles.

<https://www.theaustralian.com.au/business/peter-king-says-westpac-took-correct-staff-action-after-forum-finance-fraud-review/news-story/505ef6d53fec3bc7a16141536c2573fe>



[Peter King says Westpac took correct staff action after Forum Finance fraud review](https://www.theaustralian.com.au/business/peter-king-says-westpac-took-correct-staff-action-after-forum-finance-fraud-review/news-story/505ef6d53fec3bc7a16141536c2573fe)

Westpac chief executive Peter King is adamant the bank has taken appropriate actions against a group of its own staff, after assessing the findings of a sweeping investigation into how it was ...
www.theaustralian.com.au



MADGWICKS
ABN 82 199 611 971

Level 6
140 William Street
Melbourne VIC 3000
Australia
DX 485

T: +61 3 9242 4744
F: +61 3 9242 4777
E: madgwicks@madgwicks.com.au
W: madgwicks.com.au



<https://www.mpamag.com/au/news/general/westpac-probes-employees-over-alleged-forum-fraud/311217>



[Westpac probes employees over alleged Forum fraud | Mortgage Professional Australia](#)

Westpac and law firm King & Wood Mallesons are conducting a probe of the bank's staff to determine if disciplinary action should be taken in the wake of an alleged \$300 million fraud.. Citing ...

www.mpamag.com

We are of the view that the investigation commissioned by your client is relevant to the present proceedings concerning our client and to this extent we request that we be provided a copy of the Investigative Report, together with all annexures and attachments contained within the Report.

We would be grateful if you could provide this to us well in advance of the next return date.

Please contact me should you have any concerns.

Yours faithfully
MADGWICKS

A handwritten signature in black ink, appearing to read 'Sazz Nasimi', written over a light blue horizontal line.

Sazz Nasimi
Partner

T: 03 9242 4741


E: Sazz.Nasimi@madgwicks.com.au

Liability limited by a scheme approved under Professional Standards Legislation

Copy to: caitlin.murray@minterellison.com

Peter King says Westpac took correct action after Forum Finance fraud review

By **JOYCE MOULLAKIS**, SENIOR BANKING REPORTER

10:17PM NOVEMBER 1, 2021 •  3 COMMENTS

Westpac chief executive Peter King is adamant the bank has taken “appropriate actions” against a group of its own staff, after assessing the findings of a sweeping investigation into how it was allegedly defrauded of \$300m.

The bank’s 2021 annual report said “a range of remuneration and other consequences were applied” to current and former Westpac employees, relating to the potential fraud against the bank by Forum Finance and its founder, Bill Papas. Sources said the consequences included the partial or full docking of bonuses, while some employees have departed the bank as a result of the review.

The Australian [in September revealed](#) law firm King & Wood Mallesons was assisting Westpac with a staff review to determine accountability and if disciplinary action should be applied after the bank fell victim to the equipment leasing fraud. It is understood the review did not uncover any evidence of Westpac employees assisting Forum in the alleged fraud, but given the size of the loss to the bank there were issues raised under its consequence management framework.

When asked about the accountability measures, Mr King said: “We’ve done a thorough review of what happened, including looking at individuals ... we’ve taken appropriate actions where warranted, but I can’t talk to you about individuals.”

Pressed on whether the review led to dismissals, Mr King said: “It depends on the individual’s seniority and what they did, what the action was, but I can’t go into individual outcomes.”

The fraud allegations are linked to claims Forum used fake invoices, sometimes with forged signatures, to secure finance from the bank, often for goods that did not exist. It is another lapse in

Westpac's systems, which have been under intense pressure for lax compliance with anti-money-laundering and other laws.

Westpac has made a provision for the claimed Forum fraud in its accounts, as the matter is being pursued by the bank in the Federal Court. Offshore-based banks Societe Generale and Sumitomo Mitsui Banking Corporation have also separately lodged civil actions against Forum.

Federal Court judge Michael Lee [last month made an order](#) for the warrant, arrest and detention of Forum founder Mr Papas due to his failure to co-operate with court orders. Justice Lee cited an extradition treaty between Australia and Greece, given Mr Papas has been residing in Greece since June.

Westpac, which is undertaking a multi-year turnaround program to boost compliance functions, admitted in its annual report it had a way to go. The report showed that on a pay scorecard Westpac's executives achieved 40 per cent of a maximum short-term bonus outcome on measures to fix and boost the bank's systems, compliance and culture.

"Significant risk incidents arose: APRA's (Australian Prudential Regulation Authority's) prudential standards on liquidity, potential fraud by Forum Finance, ASIC (corporate regulator) proceedings in relation to the 2016 Ausgrid transaction and the Reserve Bank of New Zealand requiring reviews into risk governance practices," the report said.

Westpac's executives scored better on perform and simplify measures, measuring 47 per cent and 57 per cent of the maximum bonus outcome.

The average 2021 short-term bonus outcome for the executive team was 48 per cent of the available pool, with individual outcomes ranging from zero bonus to 70 per cent of the available payment. Last year, there were no short-term cash bonuses paid across Westpac's executives as they took joint responsibility for the anti-money-laundering scandal that led to the bank paying a record \$1.3bn penalty to Austrac.

Mr King's take-home pay rose to \$3.4m for the 12 months to September 30, up from \$2.4m a year earlier. This year's pay included fixed remuneration of \$2.4m, a cash bonus of \$840,000 and vesting of prior year deferred bonuses.

Mr King was awarded 47 per cent of his available short-term bonus, while his long-term incentives for 2018 lapsed because hurdles were not met.

The annual report showed consumer and business banking boss Chris de Bruin and financial crime and compliance executive Les Vance received pay increases of 11 per cent respectively, due to taking on expanded roles.

The notice for Westpac's December annual general meeting outlined a board review of Mr King's 2022 pay package, which determined a 3 per cent increase to "align with market".

Westpac is separately seeking shareholder approval to award Mr King a 2022 potential long-term bonus reflecting a maximum grant of 127,401 performance share rights valued at \$3.25m. That is subject to the CEO meeting performance hurdles and other vesting criteria.

The annual report showed Westpac managed 1306 employee conduct matters in 2021, with 95 staff exiting the business due to disciplinary outcomes.

JOYCE MOULLAKIS, SENIOR BANKING REPORTER

Joyce Moullakis is a senior banking reporter. Prior to joining The Australian, she worked as a senior banking and deals reporter at The Australian Financial Review.

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Westpac probes employees over alleged Forum fraud

The bank is conducting an investigation to determine whether any employees are culpable in the alleged \$300 million scam



By [Ryan Smith](#)

27 Sep 2021 / [Share](#)

[Westpac](#) and law firm King & Wood Mallesons are conducting a probe of the bank's staff to determine if disciplinary action should be taken in the wake of an alleged \$300 million fraud.

Citing anonymous sources, *The Australian* reported that the employee probe was already well underway. The review is focused on determining if any staff or managers – largely in the leasing unit exposed to the alleged fraud – are culpable.

The \$300 million fraud was allegedly perpetrated by Forum Finance and its founder, Bill Papas. Westpac claims that Papas and Forum used phony documents and forged signatures to scam it out of

about \$300 million in loans. Two other banks, France's Société Générale and Japan's Sumitomo, have also accused Papas and Forum of defrauding them.

Westpac's investigation centers on whether managers conducted proper spot checks and ongoing due diligence of Forum, and the goods underpinning the equipment leases involved in the alleged fraud, *The Australian* reported. In some cases, the goods that were the subject of the leases appeared to be non-existent, yet financing was still secured.

The probe has reportedly found no evidence as yet that any employee conspired with Forum or Papas to perpetrate the alleged fraud. However, if the investigation finds that a Westpac employee did not adequately conduct their duties, the bank is considering disciplinary action and possible termination, according to *The Australian*.

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Westpac has also reportedly given key material to regulators and the NSW Financial Crimes Squad.

Westpac's investigation has not triggered potential consequences under the Banking Executive Accountability Regime since it isn't targeting group executives that report to CEO Peter King, *The Australian* reported.

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