

## **Corporations Act 2001**

### **Section 449E**

**Independent Commission Agents Aust Pty Limited  
ACN 152 251 093  
(Administrators Appointed)**

#### **Remuneration Report**

The Administrators' remuneration report, prepared pursuant to Section 449E of the Corporations Act 2001, takes the following format:

1. Tasks undertaken by the Administrators and remuneration claimed for the period 28 May 2012 to 31 December 2012
2. Administrators' anticipated tasks and estimated remuneration for the period 1 January 2013 to the date of the second meeting of creditors
3. Should the Company be placed into liquidation, the Liquidators' anticipated tasks and estimated remuneration for the period from the date of the second meeting of creditors to the finalisation of the liquidation
4. Summary of the Administrators' disbursements for the period 28 May 2012 to 31 December 2012
5. Summary of the Administrators' receipts and payments for the period 28 May 2012 to 31 December 2012

**1. Summary of work undertaken by Ian Carson, David McEvoy, Craig Crosbie, their partners and staff during the Voluntary Administration process for the period 28 May 2012 to 31 December 2012**

<b>Task Area</b>	<b>General Description</b>	<b>Includes</b>
<b>Administration</b>  <b>19.34 hrs</b> <b>\$6,312.58</b>	Correspondence	<ul style="list-style-type: none"> <li>- Prepared letters to various government departments advising of the appointment of Administrators</li> <li>- Prepared notifications to Directors, including request for completion of Report as to Affairs and questionnaire</li> </ul>
	Document maintenance / file review / checklist	<ul style="list-style-type: none"> <li>- Attended to filing</li> <li>- Updated checklists for statutory duties</li> </ul>
	Insurance	<ul style="list-style-type: none"> <li>- Identified potential issues requiring attention of insurance specialists</li> <li>- Corresponded with Willis regarding initial and ongoing insurance requirements</li> <li>- Obtained and reviewed insurance policies</li> <li>- Corresponded with pre-appointment brokers</li> <li>- Discussed and corresponded with legal advisors regarding existence of Directors and Officers insurance policy</li> </ul>
	Bank account administration	<ul style="list-style-type: none"> <li>- Corresponded with financial institutions to establish new accounts and freeze pre-appointment accounts</li> <li>- Requested bank statements</li> <li>- Prepared bank account reconciliations</li> <li>- Corresponded with bank regarding specific transfers</li> </ul>
	ASIC Form 505, Form 524 and other forms	<ul style="list-style-type: none"> <li>- Prepared and lodged ASIC forms</li> <li>- Corresponded with ASIC regarding statutory lodgements</li> </ul>
	ATO & other statutory reporting	<ul style="list-style-type: none"> <li>- Notified the Australian Taxation Office and State Revenue Office of the appointment of Administrators</li> <li>- Prepared and lodged business activity statements with the ATO</li> <li>- Considered ongoing financial and statutory reporting requirements</li> </ul>
	Planning / Review	<ul style="list-style-type: none"> <li>- Various internal planning meetings</li> <li>- Attended to various media enquiries</li> <li>- Discussed the status/strategy of the administration</li> </ul>
	Books and records / storage	<ul style="list-style-type: none"> <li>- Collected books and records</li> <li>- Prepared detailed listing of books and records</li> <li>- Sent job files to storage</li> </ul>
<b>Assets</b>  <b>9.19 hrs</b> <b>\$4,513.16</b>	Debtors	<ul style="list-style-type: none"> <li>- Reviewed and assessed debtors ledgers</li> </ul>
<b>Creditors</b>  <b>16.81 hrs</b> <b>\$6,152.25</b>	Creditor enquiries	<ul style="list-style-type: none"> <li>- Liaised with Link Market Services to establish telephone hotline and dedicated email address for creditor enquiries</li> <li>- Prepared 'Questions and Answers' document for distribution to Link Market Services client team</li> <li>- Prepared regular updates to creditors as seen on the PPB Advisory website</li> <li>- Received and followed up creditor enquiries via telephone, facsimile and email</li> </ul>
	Creditor reports	<ul style="list-style-type: none"> <li>- Corresponded with legal advisors to prepare multiple applications to Court in relation to the notice and distribution of the first report to creditors and the distribution of the s439A report to creditors</li> <li>- Applied to Court to obtain directions in relation to the notice and distribution of the first report to creditors</li> <li>- Prepared initial report to creditors advising of the appointment of Administrators and convening the first meeting of creditors</li> <li>- Prepared application to Court to obtain directions in relation to the distribution of the s439A report to creditors</li> <li>- Planned, prepared and reviewed s439A report to creditors</li> </ul>

Task Area	General Description	Includes
	Meeting of Creditors	<ul style="list-style-type: none"> <li>- Corresponded with legal advisors to prepare multiple applications to Court in relation to the extension of the convening periods for the first and second meetings of creditors</li> <li>- Applied to Court and obtained extension of the convening period for the first meeting of creditors</li> <li>- Prepared meeting notices and advertisements</li> <li>- Organised meeting venues and teleconferencing facilities</li> <li>- Liaised with Link Market Services to establish interactive proof of debt and proxy forms and facilitate the signing in of creditors at the first meeting of creditors</li> <li>- Responded to enquiries in relation to the first meeting of creditors</li> <li>- Prepared meeting file, including agenda, certificate of postage, reports to creditors, advertisement of meeting and draft minutes of meeting</li> <li>- Prepared presentation for first meeting of creditors</li> <li>- Attended and chaired first meeting of creditors</li> <li>- Responded to creditor enquiries immediately following the first meeting of creditors</li> <li>- Prepared and lodged minutes of meetings with the ASIC</li> <li>- Applied to Court and obtained extension of the convening period for the second meeting of creditors</li> <li>- Prepared for second meeting of creditors, including arranging for meeting venues, various discussions with Link Market Services regarding running of second meeting of creditors</li> <li>- Prepared meeting notices and advertisements for second meeting of creditors</li> </ul>
<b>Investigation</b>  <b>4.87 hrs</b> <b>\$2,055.25</b>	Conducting investigation	<ul style="list-style-type: none"> <li>- Prepared investigation strategy</li> <li>- Conducted forensic imaging of computers and servers</li> <li>- Collected and reviewed the Company's books and records</li> <li>- Reviewed and Prepared details of company nature and history</li> <li>- Conducted and summarised statutory searches</li> <li>- Prepared a summary of security interests registered against the company</li> <li>- Prepared comparative financial statements</li> <li>- Conducted insolvent trading review</li> <li>- Investigated reasons for the Company's failure</li> <li>- Reviewed specific transactions to identify offences</li> <li>- Prepared investigations file</li> </ul>
<b>Trade On / Wind Down</b>  <b>4.43 hrs</b> <b>\$2,132.65</b>	Accounting for Indemnity Agreement	<ul style="list-style-type: none"> <li>- Prepared and assessed estimated outcome statement</li> <li>- internal reporting of financial position under the terms of the Indemnity</li> </ul>

**Independent Commission Agents Aust Pty Limited**

**ACN 152 251 093**

**(Administrators Appointed)**

Professional fees for work undertaken by Ian Carson, David McEvoy, Craig Crosbie, their partners and staff during the Voluntary Administration process for the period 28 May 2012 to 31 December 2012.

Position	Hourly Rate	TOTAL		Administration		Assets		Creditors		Dividend		Employees		Investigation		Trade On	
		Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$		
<b><u>Appointees</u></b>																	
Craig Crosbie	675	0.58	393.59	0.11	76.12	0.05	31.44	0.13	88.83	-	-	-	-	0.04	25.60	0.25	171.60
Ian Carson	675	0.08	51.55	0.08	51.55	-	-	-	-	-	-	-	-	-	-	-	-
David McEvoy	675	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b><u>Other Staff</u></b>																	
Partner	675	0.45	305.85	0.15	99.66	0.03	20.62	0.14	94.50	-	-	-	-	0.12	83.51	0.01	7.56
Director / Principal	585	6.72	3,931.75	0.51	297.33	4.12	2,412.69	0.93	541.41	-	-	-	-	0.04	24.27	1.12	656.03
Senior Manager	510	4.96	2,527.74	1.19	607.65	2.25	1,147.70	0.55	280.64	-	-	-	-	0.01	5.58	0.95	486.17
Manager	465	3.22	1,497.42	1.98	922.66	0.73	339.15	0.11	49.48	-	-	-	-	0.06	26.46	0.34	159.68
Supervisor	445	9.87	4,390.40	0.87	387.92	0.28	123.02	5.31	2,361.88	-	-	-	-	2.53	1,125.32	0.88	392.27
Senior Analyst 1	395	7.24	2,860.51	4.32	1,706.47	0.00	0.50	1.22	482.78	-	-	-	-	1.70	669.55	0.00	1.21
Senior Analyst 2	380	4.23	1,606.63	0.63	239.35	0.17	63.15	3.26	1,239.14	-	-	-	-	0.02	9.09	0.15	55.90
Analyst 1	310	1.67	517.49	0.93	289.73	0.21	65.79	0.01	3.55	-	-	-	-	-	-	0.51	158.42
Analyst 2	250	1.42	354.55	0.43	107.07	0.61	153.70	0.02	5.22	-	-	-	-	0.33	81.88	0.03	6.68
Graduate	210	8.23	1,729.24	3.66	768.47	0.74	155.39	3.67	769.91	-	-	-	-	-	-	0.17	35.47
Undergraduate	190	0.52	99.50	0.51	97.81	-	-	-	-	-	-	-	-	0.01	1.69	-	-
Senior Bookkeeper	190	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bookkeeper	180	2.40	456.00	2.40	456.00	-	-	-	-	-	-	-	-	-	-	-	-
Executive Assistant	160	1.93	309.24	0.45	71.43	-	-	1.47	234.92	-	-	-	-	0.01	1.22	0.01	1.67
Administration	120	1.12	134.44	1.11	133.37	-	-	-	-	-	-	-	-	0.01	1.07	-	-
<b>Total</b>		<b>54.64</b>	<b>21,165.89</b>	<b>19.34</b>	<b>6,312.58</b>	<b>9.19</b>	<b>4,513.16</b>	<b>16.81</b>	<b>6,152.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.87</b>	<b>2,055.25</b>	<b>4.43</b>	<b>2,132.65</b>
GST			2,116.59														
<b>Total (incl GST)</b>			<b>\$ 23,282.48</b>														
Average Hourly Rate			387.34														

**2. Summary of anticipated work to be undertaken by Ian Carson, David McEvoy, Craig Crosbie, their partners and staff during the Voluntary Administration process for the period 1 January 2013 to the date of the second meeting of creditors**

<b>Task Area</b>	<b>General Description</b>	<b>Includes</b>
<b>Administration</b>  <b>4.20 hrs</b> <b>\$1,680.00</b>	Document maintenance / file review / checklist	<ul style="list-style-type: none"> <li>- Attendance to filing</li> <li>- Updating checklists for statutory duties</li> </ul>
	Insurance	<ul style="list-style-type: none"> <li>- Corresponding with Willis regarding ongoing insurance requirements</li> </ul>
	Bank account administration	<ul style="list-style-type: none"> <li>- Requesting bank statements</li> <li>- Preparing bank account reconciliations</li> <li>- Corresponding with bank regarding specific transfers</li> </ul>
	ATO & other statutory reporting	<ul style="list-style-type: none"> <li>- Preparing and lodging business activity statements with the ATO</li> <li>- Considering ongoing financial and statutory reporting requirements</li> </ul>
	Processing receipts and payments	<ul style="list-style-type: none"> <li>- Preparing and authorising receipt and payment vouchers</li> <li>- Entering receipts and payments into accounting system</li> </ul>
	Planning / Review	<ul style="list-style-type: none"> <li>- Various internal planning meetings</li> <li>- Attending to media enquiries</li> <li>- Discussing the status/strategy of the administration</li> </ul>
<b>Creditors</b>  <b>14.00 hrs</b> <b>\$5,600.00</b>	Creditor enquiries	<ul style="list-style-type: none"> <li>- Liaising with Link Market Services regarding creditor enquiries received through the telephone hotline and dedicated creditor email address relating to the second meeting of creditors</li> <li>- Preparing and updating 'Questions and Answers' document for distribution to Link Market Services client team</li> <li>- Providing regular updates to creditors to be published on the PPB Advisory website</li> <li>- Receiving and following up creditor enquiries via telephone, facsimile and email</li> <li>- Assisting creditors via telephone to complete proof of debt and proxy forms for the second meeting of creditors</li> </ul>
	Dealing with proofs of debt	<ul style="list-style-type: none"> <li>- Receipting and filing proof of debt forms relating to the second meeting of creditors</li> </ul>
	Creditor reports	<ul style="list-style-type: none"> <li>- Finalising the s439A report to creditors</li> </ul>
	Meeting of Creditors	<ul style="list-style-type: none"> <li>- Internal planning meetings in preparation for the second meeting of creditors</li> <li>- Responding to enquiries in relation to the second meeting of creditors</li> <li>- Preparing meeting file, including agenda, certificate of postage, reports to creditors, advertisement of meeting and draft minutes of meeting</li> <li>- Prepared for second meeting of creditors, including arranging for meeting venues, various discussions with Link Market Services regarding running of second meeting of creditors</li> <li>- Prepared meeting notices and advertisements for second meeting of creditors</li> </ul>
<b>Investigation</b>  <b>0.60 hrs</b> <b>\$240.00</b>	Conducting investigation	<ul style="list-style-type: none"> <li>- Completing preliminary investigations and finalising investigations file</li> </ul>
<b>Trade On / Wind Down</b>  <b>1.20 hrs</b> <b>\$480.00</b>	Accounting for Indemnity Agreement	<ul style="list-style-type: none"> <li>- Internal reporting of financial position under the terms of the Indemnity</li> <li>- Updating estimated outcome statement</li> </ul>

3. Summary of anticipated work to be undertaken by Ian Carson, David McEvoy, Craig Crosbie, their partners and staff during the Liquidation process for the period from the date of the second meeting of creditors to the completion of the liquidation

Task Area	General Description	Includes
<b>Administration</b>  <b>10.00 hrs</b> <b>\$4,000.00</b>	Document maintenance / file review / checklist	<ul style="list-style-type: none"> <li>- Attendance to filing</li> <li>- Updating checklists for statutory duties</li> </ul>
	Insurance	<ul style="list-style-type: none"> <li>- Corresponding with Willis regarding insurance policies</li> <li>- Arranging the finalisation of insurance policies</li> </ul>
	Processing receipts and payments	<ul style="list-style-type: none"> <li>- Preparing and authorising receipt and payment vouchers</li> <li>- Entering receipt and payments into accounting system</li> </ul>
	Bank account administration	<ul style="list-style-type: none"> <li>- Preparing correspondence to close bank accounts</li> <li>- Requesting bank statements</li> <li>- Preparing bank account reconciliations</li> <li>- Correspondence with bank regarding specific transfers</li> </ul>
	ASIC Form 524 and other forms	<ul style="list-style-type: none"> <li>- Preparing and lodging forms with the ASIC</li> <li>- Correspondence with the ASIC regarding statutory forms</li> </ul>
	ATO & other statutory reporting	<ul style="list-style-type: none"> <li>- Lodging business activity statements with the ATO</li> <li>- Considering ongoing financial and statutory reporting requirements</li> </ul>
	Finalisation	<ul style="list-style-type: none"> <li>- Notifying ATO of finalisation</li> <li>- Cancelling ABN / GST / PAYG registration</li> <li>- Completing finalisation checklists</li> </ul>
	Planning / review	<ul style="list-style-type: none"> <li>- Various internal meetings regarding status of liquidation</li> <li>- Attending to media enquiries</li> </ul>
	Books and records / storage	<ul style="list-style-type: none"> <li>- Dealing with records in storage</li> <li>- Sending job files to storage</li> </ul>
<b>Creditors</b>  <b>10.00 hrs</b> <b>\$4,000.00</b>	Creditor enquiries	<ul style="list-style-type: none"> <li>- Preparing regular updates to creditors to be published on the PPB Advisory website</li> <li>- Receiving and following up creditor enquiries via telephone, facsimile and email</li> <li>- Reviewing and preparing correspondence to creditors and their representatives via facsimile, email and post</li> </ul>
	Creditor reports	<ul style="list-style-type: none"> <li>- Preparing general reports to creditors</li> <li>- Preparing reports to the members of the Committee of Inspection (Col), should one be appointed</li> </ul>
	Dealing with informal proofs of debt	<ul style="list-style-type: none"> <li>- Receipting and filing proofs of debt when not related to a dividend</li> </ul>
	Meetings of creditors	<ul style="list-style-type: none"> <li>- Preparing notices relating to general meetings of creditors</li> <li>- Responding to creditor enquiries related to general meetings of creditors</li> <li>- Preparing meeting file, including agenda, attendance register, list of creditors, reports to creditors and draft minutes of meeting</li> <li>- Attending and chairing creditors meetings</li> <li>- If a Col is appointed: <ul style="list-style-type: none"> <li>o Preparing notices relating to meetings of the Col</li> <li>o Preparing meeting file, including agenda, attendance register, list of Col members, reports to the Col and draft minutes of meeting</li> <li>o Attending and chairing Col meetings</li> </ul> </li> <li>- Preparing and lodging minutes of meetings with the Australian Securities and Investments Commission (ASIC)</li> </ul>
<b>Investigation</b>  <b>2.50 hrs</b> <b>\$1,000.00</b>	Conducting investigation	<ul style="list-style-type: none"> <li>- Investigations regarding insolvent trading and voidable transactions</li> <li>- Reviewing financial statements and trading history</li> <li>- Obtaining and reviewing Company's books and records</li> <li>- Preparing investigations file</li> </ul>
	ASIC reporting	<ul style="list-style-type: none"> <li>- Lodgement of s533 investigation report with the Australian Securities and Investments Commission (ASIC)</li> <li>- Preparing and lodging supplementary s533 report with the ASIC (if required)</li> <li>- Liaising with the ASIC</li> </ul>
<b>Trade On / Wind Down</b>  <b>2.50 hrs</b> <b>\$1,000.00</b>	Accounting for Indemnity Agreement	<ul style="list-style-type: none"> <li>- Internal reporting of financial position under the terms of the Indemnity</li> <li>- Updating and finalising estimated outcome statement</li> </ul>

#### 4. Summary of the Administrators' disbursements for the period 28 May 2012 to 31 December 2012

Disbursements incurred by the Administrators during the Voluntary Administration process for the period 28 May 2012 to 31 December 2012.

Disbursement Category	\$
A	-
B1	56.86
B2	256.15
<b>Total</b>	<b>313.01</b>
GST	31.30
<b>Total (incl GST)</b>	<b>\$ 344.31</b>

#### 5. Summary of the Administrators' receipts and payments for the period 28 May 2012 to 31 December 2012

Administrators' receipts and payments during the Voluntary Administration process for the period 28 May 2012 to 31 December 2012.

	\$
<b>RECEIPTS</b>	
Advance from Banking Syndicate	18,877.50
GST Received	356.00
Interest Income	8.59
<b>Total Receipts</b>	<b>19,242.09</b>
<b>PAYMENTS</b>	
Administrators' Costs	(299.38)
Advertising	(585.25)
Bank Charges	(4.15)
Insurance	(250.00)
Legal Fees	(6,114.68)
Third Party Service Providers	(2,201.05)
Venue Hire and Incidentals	(626.52)
<b>Total Payments</b>	<b>(10,081.03)</b>
<b>Net Receipts / (Payments)</b>	<b>9,161.06</b>