



**SHERIDANS**  
CHARTERED ACCOUNTANTS

# **SAFA AUTO PARTS PTY LTD**

(Administrator Appointed)

ACN 164 865 507

## **Administrator's Report**

Section 75-225(3) of the  
Insolvency Practice Rules (Corporations) 2016

**13 November 2023**

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## 1. Administrator's appointment

- 1.1 I, Jennifer E. Low, of Sheridans, Chartered Accountants, Level 9, 40 St George's Terrace, Perth, Western Australia, was appointed Administrator of Safa Auto Parts Pty Ltd ("the company") on 17 October 2023 in accordance with a resolution passed at a meeting of the director of the company.
- 1.2 My appointment was confirmed at the first meeting of creditors held on Friday, 27 October 2023.

## 2. Object of administration<sup>1</sup>

- 2.1 Section 435A of the Corporations Act 2001 (Cth) ("the Act") states that the object of the administration provisions of the Act are to provide for the business, property and affairs of an insolvent company to be administered in a way that:
  - a) maximises the chances of the company, or as much as possible of its business, continuing in existence; or
  - b) if it is not possible for the company or its business to continue in existence, results in a better return for the company's creditors and members than would result from an immediate winding up of the company.

## 3. Scope and limitations

- 3.1 This report has been prepared from information obtained from the company, its officer and other relevant parties, in accordance with Section 75-225(3) of the Insolvency Practice Rules (Corporations) 2016 ("IPR").
- 3.2 I have no reason to doubt the information contained in this report. The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading.
- 3.3 Except where otherwise stated, I reserve the right to alter any conclusions reached on the basis of any changed or additional information which may become available to me between the date of this report and the date of the second meeting of creditors.
- 3.4 Neither Sheridans nor any member or employee thereof undertakes responsibility in any way whatsoever to any person in respect of any errors in this report arising from incorrect information provided to the Administrator.
- 3.5 I note that unless otherwise stated "xxxx" refers to the financial year ended 30 June xxxx (for example, 2022 refers to the year ended 30 June 2022).

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<sup>1</sup> ASIC's information sheet INFO 74 - "Voluntary administration: A guide for creditors" is available via ASIC's website, [www.asic.gov.au](http://www.asic.gov.au).

## 4. Sources of information

- 4.1 I have relied upon information provided to me from the following sources (non-exhaustive list) to compile this report:
- (i) Information obtained from the Australian Securities and Investments Commission (“ASIC”).
  - (ii) Financial statements for the company for the financial years 2018 (includes 2017 comparatives) to 2022.
  - (iii) The company’s accounting software, MYOB, containing management accounts for the period 1 January 2014 to 31 December 2022.
  - (iv) Information obtained from the Australian Taxation Office (“ATO”) Business Portal.
  - (v) Bank statements, loan statements and credit card statements for the company.
  - (vi) Discussions with the director of the company, former employees, investors of the company, and the external accountant of the company.

## 5. Independence

- 5.1 I refer to my Declaration of Independence, Relevant Relationships and Indemnities (“DIRRI”) which was previously sent to creditors as part of my Initial Information for Creditors dated 19 October 2023.
- 5.2 The circumstances disclosed in my DIRRI have not changed.

## 6. Meetings of creditors

### *First meeting of creditors*

- 6.1 In accordance with Section 436E of the Act, the first meeting of creditors of the company was held on Friday, 27 October 2023. At this meeting, creditors were advised of the current status and likely future course of the administration.
- 6.2 Creditors had the statutory right to replace the Administrator at the first meeting of creditors. There was no resolution proposed for the replacement of the Administrator.
- 6.3 Also, creditors resolved not to appoint a Committee of Inspection.

### *Second meeting of creditors*

- 6.4 Subsections 439A(1), (2) and (5) of the Act provide that the Administrator must convene a second meeting of the company’s creditors within 20 business days following the day after the administration begins, and hold the meeting five business days before or after the end of the convening period.
- 6.5 Prior to the second meeting of creditors, the Administrator must prepare a report to creditors on the company’s business, property, affairs and financial circumstances.

## 6. Meetings of creditors (cont.)

- 6.6 The report must provide a statement setting out the details of any proposed Deed of Company Arrangement (“DOCA”) and provide a statement setting out which course of action is, in the Administrator’s opinion, in the best interests of creditors, together with the Administrator’s reasons for the opinion.
- 6.7 The purpose of the second meeting of creditors is to consider:
- (i) The Administrator’s report on the company’s business, property, affairs and financial circumstances; and
  - (ii) The Administrator’s statement of opinion as to whether it would be in the interests of the company’s creditors for:
    - the administration to end; or
    - the company to execute a DOCA; or
    - the company to be wound up.
- 6.8 Creditors will decide (by way of a resolution) the future of the company at the second meeting of creditors.
- 6.9 My statement of opinion is set out in Section 19 of this report.
- 6.10 **The second meeting of creditors of the company will be held on Tuesday, 21 November 2023 at 11:00am (WST) at Conference Suite, Level 9, 40 St George’s Terrace, Perth, Western Australia.**
- 6.11 Formal notice of the meeting accompanies this report, together with an Appointment of Proxy form and a Proof of Debt or Claim form.
- 6.12 If you intend to appoint another person to act on your behalf at the meeting, or you are a corporate creditor, you are required to complete and return the enclosed Appointment of Proxy form appointing your representative by no later than **5:00pm (WST) on Monday, 20 November 2023** to Sheridans:

**Post:** PO Box Z5209, Perth WA 6831  
**Facsimile:** (08) 9221 9340  
**Email:** general@sheridansac.com.au

- 6.13 Please note that Section 75-85 of the IPR provides that a creditor is not entitled to vote at a meeting unless the creditor’s claim has been admitted by the Administrator or the creditor has lodged with the Administrator particulars of the debt or claim.
- 6.14 For the purpose of voting at the second meeting of creditors, if you have not yet lodged a formal proof of debt, the enclosed Formal Proof of Debt or Claim form must be completed and returned by no later than **5:00pm (WST) on Monday, 20 November 2023** to Sheridans:

**Post:** PO Box Z5209, Perth WA 6831  
**Facsimile:** (08) 9221 9340  
**Email:** general@sheridansac.com.au

- 6.15 Those creditors who have already lodged a proof of debt are not required to lodge a further proof unless they wish to amend their claim.

## 7. Statutory information

7.1 The company was incorporated in Western Australia on 17 July 2013 as a proprietary company limited by shares.

### *Company officer*

7.2 According to a search of the records maintained by ASIC obtained on 26 September 2023, Mr Suliman Rawi has been the company's director and secretary from the company's incorporation to date.

7.3 The company has had no other officeholders.

### *Shareholders*

7.4 According to records maintained by ASIC, the issued share capital of the company comprises 30 ordinary shares and the company's paid up share capital is \$30.

7.5 Shortly prior to my appointment, the director signed an agreement whereby he acquired all the shares of the company, in exchange for accepting personal liability for investor loans to the company, and providing indemnities to the company's investors and exiting shareholders. The director also agreed to vacate the company's then premises by 21 August 2023.

7.6 The director has since claimed that he signed this agreement under duress, and it appears that the director did not obtain his own independent legal advice prior to signing the agreement.

7.7 As a result of the agreement, ASIC's register shows that the director is now the sole shareholder of the company's 30 ordinary shares.

7.8 Prior to the above agreement, the company's shareholdings were as follows:

Shareholder	Shares held
Suliman Rawi	7
Abdul Jamil	4
Hayatullah Wahdat	5
Khan Mohammad Wardak	14
	30

### *Registered security interests*

7.9 According to a search of the Personal Property Securities Register ("PPSR") on 26 September 2023, the following security interests had been registered against the company's ACN:

Secured creditor	Security interest details
Lumi Finance Pty Ltd	Discharged on 31 October 2023 This creditor has an unsecured claim against the company
Secure Funding Pty Ltd	Purchase Money Security Interest Relates to a motor vehicle
Nissan Financial Services Australia Pty Ltd	Purchase Money Security Interest Relates to a motor vehicle
Pepper Asset Finance Pty Ltd (three registrations)	Purchase Money Security Interest Relate to three separate motor vehicles

## 8. Nature of business carried on by the company

- 8.1 The company operated a car parts and smash repair business. Additionally, the company sold vehicles which had been repaired and restored.
- 8.2 Based on the information provided to me, the company's operations appear to have included:
- Providing replacement car parts and fittings to used vehicles;
  - Repairing and restoring vehicles involved in collisions; and
  - Purchasing written-off vehicles to restore and then re-sell.

## 9. Events leading to current situation

- 9.1 From my discussions with the director, former staff and investors of the company, and my investigations to date, I now report my understanding of the events leading to my appointment as Administrator.
- 9.2 The director has advised that the company was significantly adversely affected by the COVID-19 pandemic and associated lockdown restrictions. The director has further advised that the company was facing financial difficulties prior to COVID-19.
- 9.3 From 2020 onwards, the company's borrowings from banks and financiers increased considerably, as did borrowings from the director and shareholders of the company.
- 9.4 A summary of the company's loan borrowings from external financiers from 2020 onwards is as follows:

Date	Creditor	\$
30 August 2019	Secure Funding Pty Ltd	53,708
12 November 2019	Nissan Financial Services Australia Pty Ltd	51,440
7 January 2020	Pepper Asset Finance Pty Ltd	35,952
7 January 2020	Pepper Asset Finance Pty Ltd	36,452
14 December 2020	Pepper Asset Finance Pty Ltd	71,452
24 January 2022	Lumi Finance Pty Ltd	150,000
14 April 2022	Bizfund Pty Ltd (t/as Trucap)	80,000
11 May 2022	Bizfund Pty Ltd (t/as Trucap)	30,000
1 June 2022	Auzcap Pty Ltd	20,000
18 July 2022	Auzcap Pty Ltd	20,000
25 July 2022	Funds Now Pty Ltd	33,500
		582,504

- 9.5 In addition to the above loans, the company obtained several credit cards and overdraft accounts with National Australia Bank, Commonwealth Bank of Australia and Westpac Banking Corporation.
- 9.6 Around the same time that the company increased its borrowings, it failed to maintain payments towards its taxation liabilities, initially in respect of GST and PAYG, and later in regard to its superannuation liabilities.
- 9.7 In an apparent attempt to increase its revenue streams, in 2021 the company began purchasing written-off vehicles at auction, conducting rectification works, and then selling the repaired vehicles. It appears that the company also purchased new, or near new, vehicles on finance, and then sold the vehicles to customers.

## 9. Events leading to current situation (cont.)

- 9.8 Additionally, the company began to reduce its staff in 2022 in an effort to reduce the company's expenses. I note that several former employees of the company have made complaints to the Fair Work Ombudsman regarding unpaid entitlements and their dismissal from the company.
- 9.9 Following several years of consecutive losses or only nominal profits, the company's investors, comprising former shareholders and related parties, advised the director in 2023 that no further working capital would be provided by them for the business to continue operations.
- 9.10 It appears that by this time the company had also exhausted its ability to borrow any further funds from external banks and financiers.
- 9.11 The business ceased trading in July 2023.
- 9.12 Following the business ceasing to trade, the director signed a Deed of Settlement, Shareholders Exit, Undertaking, Indemnity and Release ("the Deed") on 22 August 2023 (see points 7.5 and 7.6 of this report).
- 9.13 Consequently, following the company being unable to borrow further funds or obtain further capital, ceasing to trade and vacating the business premises, the director placed the company into Voluntary Administration on 17 October 2023.

## 10. Financial history

- 10.1 I have been provided with the company's financial statements for the years 2018 to 2022. As is normal in the case of small to medium sized entities, the company's financial statements are unaudited.
- 10.2 The following is a summary of the reported results for each period:

Year	Profit/(Loss) \$	Net assets/ (liabilities) \$
2018	1,875	(35,929)
2019	(47,635)	(116,783)
2020	42,095	(74,688)
2021	(19,020)	(93,708)
2022	(36,333)	(130,041)

- 10.3 I have not done any work of an audit or due diligence nature to establish the veracity and completeness of the company's financial statements.

### *Summary of profit & loss*

- 10.4 See Annexure 1 for a summary of the company's profit and loss statements for the years 2018 to 2022. I note that the company's management accounts for the period 1 July 2022 to the date of my appointment are incomplete and cannot be relied upon for the purpose of this report.
- 10.5 The company recorded losses for the five years to 2022, save for 2020 when a profit of \$42,095 was recorded.



## 10. Financial history (cont.)

### Gross profit

- 10.6 While the company's sales income had increased steadily to 2022 (except for a downturn in 2020), the total amount of the gross profit varied, which affected the gross profit margin in a similar manner:

	2022	2021	2020	2019	2018
Gross profit	\$635,500	\$529,005	\$538,062	\$243,744	\$355,591
Gross profit margin	84.25%	76.55%	154.40%	46.30%	74.22%

- 10.7 For the years 2018, 2021 and 2022, the company recorded a consistent level of gross profit margin.
- 10.8 The financial statements showed a significant decline in the gross profit margin for 2019, and a seemingly impossibly high gross profit margin in 2020 (i.e. closing stock for 2020 was higher than opening stock for that year and purchases in the year). It appears likely that the recorded stock level for 2019 was incorrect (i.e. that it was higher than recorded) which resulted in inaccurate reporting of the gross (and net) profit results for both 2019 and 2020.
- 10.9 The company began incurring additional expenses as cost of sales from 2021 onwards, likely as a result of including the purchases of written-off and near new vehicles to its operations. At the same time, it appears that "purchases" was re-categorised to "parts & cars" to record the expenses together. This cost increased in 2021 and 2022 due to the extra included expenses.
- 10.10 I have not noted any unusual or significant cost of sales items.

### Expenditure

- 10.11 Save for a reduction in 2019, the company's expenditure grew each year. The decrease in 2019 corresponds with the reduction in trading activity/sales income, in line with the director's advice.
- 10.12 Significant expenditure items for the years 2018 to 2022 include delivery, insurance, interest paid, depreciation on motor vehicles, panel beating expenses, rent and outgoings, and wages. In respect of these expenses, I note:
- Delivery was first incurred in 2019 and was significantly reduced in 2022.
  - Insurance was greater in the years 2020 to 2022.
  - Depreciation on motor vehicles appears to have commenced at the time of the company purchasing written-off and near new vehicles.
  - Panel beating expenses were first incurred in 2019 and significantly increased in the following years.
  - It appears the company paid reduced rent in 2019, being perhaps COVID-19 relief from the landlord.
  - Wages remained consistent with the fluctuation of sales income.
- 10.13 With regard to rent, I note that the business operated from premises at 26 Furniss Road, Landsdale, which was owned by the related entity Wardak Pty Ltd (Deregistered) as trustee for the Wardak Unit Trust ("Wardak"). The director Mr Rawi was the sole director and shareholder of Wardak.

## 10. Financial history (cont.)

10.14 The other expenditure items recorded in the company's profit and loss statements appear to have remained relatively stable and appear reasonable for the period 2018 to 2022.

### *Operating losses and other income*

10.15 The primary source of the company's other income was trust distributions. I understand that the distributions were received from Wardak. My review of Wardak's financial statements is ongoing.

10.16 In 2019 the company received a workers' compensation reimbursement in the sum of \$67,840. I have not yet determined the circumstances surrounding the reimbursement.

10.17 In 2020 and 2021, the company also received JobKeeper subsidies from the Federal Government, and what appears to be a government industry grant in 2022.

10.18 The company's other income ameliorated the company's operating losses.

### *Summary of balance sheet*

10.19 See Annexure 2 for a summary of the company's balance sheets for the years 2018 to 2022. As noted at point 10.4 of this report, the company's management accounts for the period 1 July 2022 to the date of my appointment are incomplete.

10.20 See Section 11 for further information in respect of the company's assets and liabilities at the date of administration.

10.21 I note that the company was in an increasing net liability position from at least 2018 onwards (except for a slight reduction in net liabilities in 2020), evidencing that the company's financial position declined in the five years to 2022.

10.22 As would be expected, inventory is the company's largest asset for the years 2018 to 2022. I understand that inventory refers to vehicle parts and other stock materials located at the premises.

10.23 The director's/shareholders' loans and borrowings are the company's most significant liabilities. The loan accounts relate primarily to working capital provided from investors, and I understand that borrowings refers to external finance that the company obtained.

## 11. Assets and liabilities

11.1 When a company is placed into administration, the director has a statutory obligation (pursuant to Section 438B(2) of the Act), to provide a Report on Company Activities and Property ("ROCAP") to the Administrator.

11.2 I have received a completed ROCAP from the director.

11.3 The following information has been compiled from the information supplied in the ROCAP, further information supplied by the director, the company's financial records including financial statements and from information and documentation supplied by external parties (including creditors).

## 11. Assets and liabilities (cont.)

11.4 A summary of the company's assets and liabilities as at 17 October 2023 is as follows:

	Estimated book value \$	Administrator's estimate \$
<b>Assets</b>		
Cash at bank	47	Nil
Receivables	579,731	Unknown
Inventory & PPE	150,000	50,000
Motor vehicles	91,550	91,550
Shares	6,305	305
	827,633	141,855
<b>Liabilities</b>		
Secured creditors	56,000	174,640
Priority creditors	26,160	152,385
Unsecured creditors	774,082	1,012,326
	856,242	1,339,351
<b>Estimated deficiency</b>		<b>(1,197,496)</b>

### Assets

#### Cash at bank

11.5 The company held bank accounts with Commonwealth Bank of Australia ("CBA"), National Australia Bank ("NAB") and Westpac Banking Corporation ("Westpac").

11.6 I am awaiting confirmation from NAB regarding the funds held in the company's bank account. The funds held in the company's CBA and Westpac accounts total \$47.

11.7 I note that the company owes debts to all of the above banks, and therefore, any funds held in the bank accounts will likely be subject to set-off by the relevant banks.

11.8 As a result, it is unlikely that I will be able to realise any of the company's limited bank account funds as at the date of my appointment.

### Receivables

11.9 The director has advised that the trade receivables total approximately \$2,000. From my review of the company's accounting system, I have been unable to date to determine which trade debtors have amounts outstanding, nor the value of any amounts owed to the company.

11.10 I will investigate this matter further in consultation with the director and the company's accountant, in an effort to realise any trade debts owed to the company.

11.11 According to the company's financial statements, the related entity Wardak owes the company a loan of \$570,374 as at 30 June 2022, with the debt being first incurred in 2018.

## 11. Assets and liabilities (cont.)

- 11.12 I understand that the loan relates to Wardak's purchase of the property which contained the business premises. I note that this property was recently sold by Wardak to other related parties.
- 11.13 I am currently investigating how the loan account arose, and Wardak's recent sale of the business premises property.

### *Inventory, and Property Plant and Equipment ("PPE")*

- 11.14 Upon my appointment, the company's primary assets were the stock and PPE held at the company's former premises.
- 11.15 I engaged a valuer to review the assets stored at the warehouse, as well as the company's various stock listings to ascertain the quantity and values of the assets stored at the premises.
- 11.16 While the director advised that the value of the stock and PPE at the premises was worth at least \$150,000, it became apparent that this was not an attainable sale price due to the company's external administration, and the number of outdated stock items held at the premises.
- 11.17 In consultation with my valuer, it was determined that an auction of the inventory and PPE would not result in the best return for creditors, and it was suggested that all of the stock and PPE should be sold, in situ, to a single purchaser.
- 11.18 I entered into discussions with the premises' current landlord, Mr Mohammad Taher Sahibi, regarding his purchase of the inventory and PPE. Following several rounds of negotiations, a sale of the inventory and PPE was agreed for the total sum of \$50,000 (plus GST) on 3 November 2023.
- 11.19 I confirm that the company received payment in full under the terms of the agreement on 6 November 2023.

### *Motor vehicles*

- 11.20 As at the date of my appointment, and according to the Department of Transport WA's ("DoT") records, the company was the registered owner of the following motor vehicles:

	Motor vehicle	A	B
1.	2005 Hyundai Elantra	✓	
2.	2011 Mazda 3B		
3.	1996 Mitsubishi Triton	✓	
4.	2014 Nissan Pulsar	✓	
5.	2005 Nissan Navara	✓	
6.	2008 Nissan Navra		
7.	2016 Nissan Patrol		✓
8.	2006 Subaru Outback		
9.	2006 Suzuki Vitara		
10.	2019 Toyota Camry	✓	✓
11.	2019 Toyota Camry	✓	✓
12.	2019 Toyota Fortuner	✓	✓
13.	1994 Toyota Hilux	✓	
14.	2020 Toyota Prado		✓

A Motor vehicle has been delicensed.

B Motor vehicle is subject to finance.

## 11. Assets and liabilities (cont.)

- 11.21 It appears that the majority of the vehicles registered to the company have been sold to the company's customers, however, the required transfer of ownership forms have not been submitted to the DoT.
- 11.22 Of the motor vehicles which are subject to finance, I consider that there is significant equity in the 2016 Nissan Patrol, and it is unclear whether there is any equity in the remaining financed vehicles.
- 11.23 The director has advised that all of the financed vehicles have been sold, save for the 2020 Toyota Prado, which currently remains in his possession. Despite repeated requests for further information regarding the sales of the financed vehicles, the director has failed to provide me with any substantive responses.
- 11.24 My investigations into the locations of the vehicles registered in the company's name, as well as the purported sales of these vehicles, are ongoing.

### *Shares*

- 11.25 According to the company's financial statements, the company purchased 200 shares in an entity using reward points earned with Capricorn Society Ltd.
- 11.26 In addition, the company purchased shares worth \$6,000 in an entity noted as "Auswest", which appears to be a related entity of the company, Auswest Rem Pty Ltd (see point 13.31).
- 11.27 I have queried the director regarding the company's shareholdings, however no further information regarding the entities related to the shareholdings has yet been supplied.
- 11.28 My investigations into the company's shareholdings are ongoing.

### *Liabilities*

#### *Secured creditors*

- 11.29 See point 7.9 for further information regarding the security interests registered against the company's ACN.

#### *Lumi Finance Pty Ltd ("Lumi")*

- 11.30 The company entered into a finance agreement with Lumi on 24 January 2022, and the company granted Lumi with an All Present and After Acquired Property security interest, which Lumi registered on the PPSR on 15 May 2023.
- 11.31 Following a review of the finance agreement and Lumi's PPSR registration, I determined that the registration had not been registered within the required timeframe pursuant to Section 588FL of the Act, and therefore vested in the company upon my appointment.
- 11.32 In response to my determination, Lumi discharged its security interest, and has lodged a Proof of Debt for \$124,020 in respect of its unsecured debt.

## 11. Assets and liabilities (cont.)

### Nissan Financial Services Australia Pty Ltd (“NFS”)

- 11.33 The company entered into a finance agreement for its purchase of a 2016 Nissan Patrol on 12 November 2019 for \$50,000, and a Purchase Money Security Interest (“PMSI”) was registered by NFS on the PPSR. I have determined that NFS’ PPSR registration is valid.
- 11.34 As at 23 October 2023, the outstanding amount owing to NFS under the finance agreement was \$13,959.
- 11.35 A desktop valuation estimated that the vehicle may sell for between \$35,000 to \$50,000. Accordingly, it appears that there is significant equity in the vehicle.
- 11.36 The director has advised that another party purchased the vehicle for \$50,000 approximately two years ago. The director has provided me with bank transactions which he asserts evidence the sale of the vehicle.
- 11.37 Based on the information I have sighted to date, I am unable to conclude that the vehicle has been validly sold to the purchaser. The finance owed on the vehicle was not paid out on the purported sale of the vehicle.
- 11.38 Accordingly, in an attempt to locate and secure the vehicle, I have repeatedly requested further information from the director regarding the vehicle’s current location and the identity of the purchaser.
- 11.39 To date, the director has either refused to provide me with the relevant information, provided incomplete or conflicting information, or provided advice which cannot be verified.
- 11.40 I have been unable to date to confirm the location of the vehicle. My attempts to secure and realise the vehicle are ongoing.

### Pepper Asset Finance Pty Ltd (“Pepper”)

- 11.41 Pepper has entered into three separate agreements with the company for its purchase of three motor vehicles, summarised as follows:

Date of agreement	Loan \$	Vehicle	Remaining balance \$
7 January 2020	35,500	2019 Toyota Camry	21,711
7 January 2020	35,500	2019 Toyota Camry	22,548
14 December 2020	70,500	2020 Toyota Prado	60,605

- 11.42 I consider that all three of Pepper’s PPSR PMSI registrations are valid.
- 11.43 The director has advised that the company sold the two 2019 Toyota Camrys within the last two years, but has not provided further information regarding the sales or the parties the vehicles were sold to. The finance owed on these two vehicles was not paid out on the purported sale of the vehicles.
- 11.44 As noted at point 11.23, the director is in possession of the 2020 Toyota Prado.
- 11.45 It is unclear whether there is any equity in the above vehicles in the event that they are realised. Accordingly, further investigations regarding the vehicles’ locations and sales will be undertaken.

## 11. Assets and liabilities (cont.)

### Secure Funding Pty Ltd (“Liberty”)

- 11.46 The company entered into a finance agreement with Liberty for its purchase of a 2019 Toyota Fortuner for \$53,709.
- 11.47 The director has advised that this vehicle was previously sold, but again has not provided me with further information in this regard.
- 11.48 While it appears unlikely that there would be any equity available to the company if the vehicle were to be realised, I will continue to request information regarding the location and sale of the vehicle.

### Priority creditors

- 11.49 The ATO has submitted a Proof of Debt for \$122,715 in respect of the company’s outstanding Superannuation Guarantee Charge (“SGC”), which includes the company’s outstanding superannuation plus interest and charges.
- 11.50 In addition, two former employees have submitted Proofs of Debts which total \$29,670. Based on information currently available to me, it appears that some of the amounts included in this figure may also have been included in the ATO’s claim for SGC.
- 11.51 Prior to any dividend being paid to priority creditors, I will review the company’s financial records to determine the actual amount of superannuation owed to each employee and verify this against the ATO’s supporting documentation.
- 11.52 The director has confirmed that employee entitlements remained owing at the date of administration to the company’s former employees, but has not provided me with information regarding which employee entitlements remain owing, or the total quantum of the debts.
- 11.53 I am not yet aware of any employee entitlements which are owed to “Excluded employees” of the company.
- 11.54 Excluded employees, as defined in Section 556 of the Act, include directors of the company and their relatives. As excluded employees, the priority claim for superannuation and wages of the above related parties is capped at \$2,000 per person and any unpaid annual leave and long service leave entitlements is capped at \$1,500 per person. Any amounts owed that exceed the caps or are in relation to other entitlements will rank as an unsecured claim.
- 11.55 In summary, at this stage I estimate that the company’s outstanding priority creditors are as follows:

	\$
Superannuation Guarantee Charge	122,715
Claims from former employees	29,670
<b>Priority creditors</b>	<b>152,385</b>

- 11.56 If the company’s creditors decide at the second meeting that the company should be placed into liquidation, the company’s employees may be eligible for assistance under the Federal Government’s Fair Entitlements Guarantee scheme (“FEG”). Further information regarding the FEG scheme can be found at the following website, [jobs.gov.au/fair-entitlements-guarantee-feg](http://jobs.gov.au/fair-entitlements-guarantee-feg).

## 11. Assets and liabilities (cont.)

### Unsecured creditors

11.57 The director disclosed the following unsecured creditors in his ROCAP:

Creditor	\$
American Express <sup>2</sup>	17,000
Automotive Imports Pty Ltd	4,178
Auzcap Pty Ltd	25,268
Bankwest	20,000
Bizcap Pty Ltd	56,000
Funds Now Pty Ltd	11,000
Iqumulate Premium Funding Pty Ltd	8,000
Lumi Finance Pty Ltd	150,000
National Australia Bank	110,000
Parking Enforcement Services	65
S. S. S. Auto Parts Pty Ltd	3,848
South Metropolitan TAFE	723
Westpac Banking Corporation	48,000
Mr Khan Wardak	320,000
	774,082

11.58 In addition to the above listing, the company's director has advised that he is a creditor of the company, however he has not yet provided me with details regarding the quantum of his claim.

11.59 West Coast Automotive Supplies has also advised that it is owed amounts from the company, but has not yet quantified its claim.

### Related party creditors

11.60 As noted above, the director has advised that he considers he is a creditor of the company, for amounts lent to the company and company expenses he paid.

11.61 Mr Khan Wardak is a former shareholder of the company. The director has advised that Mr Wardak provided the company with funding of \$320,000 within the last four years.

11.62 Due to insufficient information obtained, I have been unable to date to verify the company's related party claims.

### Australian Taxation Office ("ATO")

11.63 The ATO has submitted a Proof of Debt in the sum of \$142,671 in respect of the company's outstanding GST and PAYG liabilities.

11.64 According to the ATO's records, the company has outstanding BAS lodgements for the quarters ending from September 2022 to September 2023. Accordingly, I would expect that if the ATO estimates the company's BAS returns for this period, the unsecured liability owed to the ATO would increase.

<sup>2</sup> American Express has advised that it is not a creditor of the company.



## 11. Assets and liabilities (cont.)

### Other unsecured creditors

11.65 Excluding the ATO's unsecured Proof of Debt, I have received five Proofs of Debt in the administration totalling \$214,318.

11.66 In summary, I currently estimate that the company's unsecured creditors are as follows:

Creditor	\$
Archa Ltd	18,370
Australian Taxation Office	142,671
Automotive Imports Pty Ltd	4,178
Auzcap Pty Ltd	25,018
Bankwest	20,000
Bizfund Pty Ltd	46,446
Commonwealth Bank of Australia	127,154
Funds Now Pty Ltd	9,166
Iqumulate Premium Funding Pty Ltd	9,668
Lumi Finance Pty Ltd	124,019
National Australia Bank	110,000
Parking Enforcement Services	65
S. S. S. Auto Parts Pty Ltd	3,848
Mr Haider Shah	3,000
South Metropolitan TAFE	723
Mr Khan Wardak	320,000
Westpac Banking Corporation	48,000
	1,012,326

## 12. Receipts and payments

12.1 The following is a summary of the receipts and payments in the administration to date:

	\$
<b>Receipts</b>	
Stock, plant & equipment on hand	50,000.00
GST (net)	4,989.50
	54,989.50
<b>Payments</b>	
Reproduction of bank statements	105.00
<b>Cash at bank</b>	<b>54,884.50</b>

*Balance of page intentionally left blank*

## 13. Investigation

### *Administrator's investigation*

- 13.1 Under the Act, I am required to investigate the company's business, property, affairs and financial circumstances.
- 13.2 Pursuant to Section 75-225(3)(b)(vi) of the IPR, I am also required to investigate and report to creditors on any possible voidable transaction recovery actions that may be available to a Liquidator under Part 5.7B of the Act.
- 13.3 My investigations are at a preliminary stage and I am not in a position to provide conclusive comments about potential offences that may have been committed or amounts of money that may be recoverable in the event of the company being placed into liquidation. Further, a detailed investigation will need to be undertaken by a Liquidator (if appointed), and in all likelihood independent legal advice sought, in order to determine the likely success of any actions contemplated.

### *Overview of Administrator's investigations*

- 13.4 My investigations to date have focused on the following matters:
- (i) Breaches of duties and other offences under the Act by the director and others.
  - (ii) Potential recovery actions by a Liquidator (if appointed).

### *Offences under the Act*

- 13.5 Section 438D of the Act requires an Administrator to lodge a report with ASIC if it appears that:
- (i) A past or present officer or member of the company may have been guilty of an offence in relation to the company; or
  - (ii) A person who has taken part in the formation, promotion, administration, management or winding up of the company may have misapplied money or property of the company or may have been guilty of negligence, default, breach of duty or trust in relation to the company.

### *Books and records*

- 13.6 Failure to maintain adequate books and records may be relied upon by a Liquidator in an application for compensation for insolvent trading and other actions for recoveries pursuant to Division 2 of Part 5.7B of the Act (voidable transactions).
- 13.7 I have taken possession of the company's books and records so that I can carry out my preliminary investigation into the company's affairs for the purpose of preparing this report.
- 13.8 My preliminary view is that there are some deficiencies and inaccuracies with the company's books and records. However, I have not yet formed a view as to whether the company has contravened Section 286 of the Act, with respect to failing to adequately maintain its books and records.

### 13. Investigation (cont.)

#### *Care and diligence, and duty to act in good faith*

- 13.9 The duty to act in good faith includes the requirement to act honestly, exercise powers in the interests of the company and to avoid conflicts of interest.
- 13.10 In the event of liquidation, there are a number of areas which a Liquidator would more closely review, such as any payments to directors at a time when the company was in financial distress.

#### *Potential recovery actions by a Liquidator*

- 13.11 The potential recovery actions available to a Liquidator include:
- (i) voidable transactions
  - (ii) insolvent trading

#### *Voidable transactions*

- 13.12 The potential voidable transactions for a Liquidator are:
- (i) unfair preferences
  - (ii) unfair loans
  - (iii) uncommercial transactions
  - (iv) unreasonable director related transactions
- 13.13 Under the Act there is the potential for a Liquidator to recover payments to creditors that have been preferred above other creditors of the company. That is, if a creditor receives payment in preference to other creditors, the amount paid to that creditor is potentially recoverable by the Liquidator.
- 13.14 From my brief investigation, I have noted several potential voidable transactions.
- 13.15 If the company is placed into liquidation, further investigation will be required into whether any other transactions entered into by the company at a time when it was unable to pay its due debts constitute voidable transactions.

#### *Insolvent trading*

- 13.16 Under the Act, a director is personally liable to the company if the director fails to prevent a company from incurring a debt when, at the time of incurring that debt, the company is insolvent, or becomes insolvent by incurring the debt, and there existed reasonable grounds to suspect that the company was or would become insolvent. A successful claim for insolvent trading requires extensive analysis and would generally require legal action.
- 13.17 Directors have several defences available to them in relation to an insolvent trading claim.
- 13.18 Importantly, for such a claim to succeed, the Liquidator must first be able to show that at the relevant point in time the company was insolvent.

### 13. Investigation (cont.)

- 13.19 The Act states that a company is considered to be solvent if, and only if, the company is able to pay its debts as and when they become due and payable. A company that is not solvent is insolvent.
- 13.20 According to the company's financial statements, the company had a net equity deficiency for each of the last five financial years in which financial statements were prepared i.e. 2018 to 2022 inclusive.
- 13.21 While the company's current ratio (i.e. current assets ÷ current liabilities) for each of the last five financial years was greater than one, this is likely due to an inflated value of inventory being utilised, as well as the categorisation of the loan due from Wardak as a current asset, when it probably should have been included as a non-current asset.
- 13.22 If adjustments were made to the company's inventory and loan receivables, the company's current ratio would be significantly less than one, indicating that the company did not have sufficient liquid assets to meet its upcoming liabilities.
- 13.23 However, it is unclear to what extent the company could have expected to receive further funding from the company's shareholders and investors to allow it to meet its upcoming liabilities.
- 13.24 I understand that the director held the view, until he was advised by the shareholders and investors that no further funding would be made available to the company, that the company could request additional capital from the relevant parties, as required.
- 13.25 As noted earlier, the Act provides directors with a number of defences to a claim for insolvent trading. I am currently unable to conclude as to whether the director would be able to avail himself of any defences.
- 13.26 If the company is placed into liquidation, further investigation will be required to determine the date of insolvency, and whether the director has any liability after taking into account any possible defences.

#### *Financial position of director*

- 13.27 If a recovery action against a director was contemplated, a Liquidator would have to consider, amongst other matters, the financial capacity of the director to meet such a claim.
- 13.28 I note that if any claims are identified, the pursuit of such claims would be drawn-out and significant legal costs are likely to be incurred by all parties. In other words, the director's financial capacity would worsen as a result of defending the claims.
- 13.29 According to the information currently available to me, it is unclear whether the director has the financial capacity to meet any claims for recovery actions.
- 13.30 Searches of RP Data reveal that the director is the sole proprietor of his residence in Carramar, WA. I have not yet determined if this property is encumbered.
- 13.31 I note that Mr Rawi is also a director and shareholder of Auswest Rem Pty Ltd. I have not yet determined the financial position of this entity.

### 13. Investigation (cont.)

- 13.32 In discussions with the director regarding his intention to purchase vehicles registered in the company's name, Mr Rawi advised me of his need to borrow further funds (in his own right) to offer a sum for the vehicles.
- 13.33 In addition, the director has obtained several loans in his personal name. While only brief information has been received regarding these loans, I expect that the majority of the loans remain outstanding.
- 13.34 The director also provided personal guarantees for a number of company liabilities, and recently became personally liable for investors' loans to the company (see point 7.5 of this report).
- 13.35 Therefore, it appears that the director has significant personal liabilities, and his residence appears to be his only significant asset. However, further investigations would be required in a liquidation scenario.

### 14. Estimated return in liquidation

- 14.1 In a liquidation, any return to creditors will be from the following sources:
- realisation of assets.
  - recovery actions taken by the Liquidator.
- 14.2 Any recovery action for insolvent trading, breach of director's duties, or any voidable transactions would require further detailed investigation, legal advice regarding the prospects of success of such action prior to the instigation of any legal action, and the consideration of the capacity of the defendant(s) to meet any successful claim.
- 14.3 In addition, I make the following comments:
- (i) In a liquidation scenario, a Liquidator may have very limited funds to pursue any recovery actions, without funding from creditors or a litigation funder.
  - (ii) The director may defend a claim of insolvent trading or breach of director's duties, and if so, it is likely that such legal action would be protracted and costly.
  - (iii) There is no guarantee of a successful outcome to any legal action.
- 14.4 Given the tangible assets of the company have been mostly realised, the funds available in the liquidation will depend on the outcome of a Liquidator's investigations into the motor vehicles outlined at points 11.33, 11.41 and 11.46, and the further investigation of several potential voidable transactions, insolvent trading and the recovery of the related entity loan.
- 14.5 A dividend to priority creditors will be reliant upon the extent to which any recovery actions taken by a Liquidator are successful.
- 14.6 At this stage, I consider it is unclear whether a dividend will be paid to any class of creditor.

## 15. Proposal for deed of company arrangement

15.1 No DOCA proposal has been made.

## 16. Options available to creditors

16.1 The Act provides three possible alternatives to creditors regarding the future of a company under administration. The alternatives available are:

- (i) That the administration should **end**; or
- (ii) That the company execute a **DOCA**; or
- (iii) That the company should be **wound up**.

16.2 The Act also allows creditors to pass a resolution that the second meeting of creditors be adjourned.

16.3 The effect of each of these options is briefly discussed below.

### *That the administration should end*

16.4 If creditors resolve that the administration should end, then control of the company will revert to the director and the moratorium which has existed on actions or proceedings against the company by secured creditors, unsecured creditors, lessors and owners of property in the possession of the company will cease.

16.5 Thus, the company will in effect be placed in the same position as before my appointment on 17 October 2023. Creditors would then have the option of petitioning the Court to have the company wound up, at their own expense.

### *That the company execute a DOCA*

16.6 As noted at Section 15, no DOCA proposal has been made.

### *That the company should be wound up*

16.7 If the creditors resolve at the second meeting to wind up the company, the company will immediately be placed into liquidation and I will become Liquidator of the company pursuant to Section 446A of the Act.

16.8 As Liquidator, I am required to realise and distribute the assets in accordance with the Act. As Liquidator, I would investigate fully the affairs of the company and the conduct of its officer and report my findings to ASIC.

16.9 See Section 14 of this report for my estimate of returns to creditors in liquidation.

### *That the meeting be adjourned*

16.10 Section 75-140 of the IPR provides that a meeting convened under Section 439A of the Act can be adjourned to a day not more than 45 business days after the first day on which the original meeting was held. In my opinion there would appear to be no benefit gained by adjourning the meeting.

## 17. Comparison of liquidation and DOCA scenarios

- 17.1 As no DOCA proposal has been received, a comparison of the estimated outcome for creditors in a liquidation scenario and a DOCA scenario is not relevant.

## 18. Interests of creditors

- 18.1 The primary interest of creditors is to maximise the return on their debt, having regard to the options available to creditors as outlined in Section 16 above.

- 18.2 I make the following comments:

### *Administration should end*

- 18.3 If creditors decide that the administration should end, then the company would be returned to the directors in the same position it was in prior to my appointment.

### *That the company execute a DOCA*

- 18.4 This option is not available to creditors.

### *Liquidation*

- 18.5 At this stage of the administration, if the company is placed into liquidation, I believe that it is possible that a dividend will be paid to priority creditors, but unlikely that a dividend will be paid to unsecured creditors subject to any recoveries a Liquidator is able to achieve.

## 19. Administrator's recommendation and opinion

- 19.1 In view of the above, and the various other matters dealt with in this report, I **recommend to creditors that the company be placed into liquidation**. I will then have the opportunity to realise the company's remaining assets, investigate fully the operations of the company and its officers, and investigate any breaches of the Act.

## 20. Administrator's remuneration

- 20.1 At the second creditors' meeting to be held at 11:00am on Tuesday, 21 November 2023, I will be seeking several resolutions regarding my remuneration.

- 20.2 I have previously provided to creditors my Initial Remuneration Notice.

- 20.3 Please find following at Annexure 3 my Remuneration Approval Report which details the work performed, the fees and costs incurred in this administration to 8 November 2023, the expected work to be performed, the estimated fees and costs up to 21 November 2023 (date of second meeting), the expected work to be performed and the estimated fees in a liquidation scenario.

## 20. Administrator's remuneration (cont.)

20.4 I will therefore be seeking approval of the following:

- (i) That the remuneration of the Administrator for services performed for the period 17 October 2023 to 8 November 2023 be approved in the amount of \$40,850.50 plus GST.
- (ii) That the Administrator's future remuneration be approved for the period 9 November 2023 to the date of the meeting, being 21 November 2023, to a limit of \$5,000 plus GST.
- (iii) That the Administrator's current and future internal disbursements for the period 17 October 2023 to 21 November 2023 to be approved, to a limit of \$1,000 plus GST.
- (iv) If creditors resolve that the company should be wound up, that the Liquidator's future remuneration be approved to a limit of \$60,000 plus GST.
- (v) If creditors resolve that the company should be wound up, that the Liquidator's future internal disbursements be approved to a limit of \$2,500 plus GST.

## 21. Conclusion

- 21.1 Should creditors have any queries regarding any aspect of this report, or the administration in general, please do not hesitate to contact me, Shaun Carrington or Nicholas D'Alesio of this office.

Yours faithfully



JENNIFER E. LOW  
Administrator of  
Safa Auto Parts Pty Ltd



## 22. Annexures

- Annexure 1 - Summary profit and loss statements
- Annexure 2 - Summary balance sheets
- Annexure 3 - Remuneration Approval Report
- Annexure 4 - Form 529 - Notice of Meeting of Creditors

## 23. Enclosures

- Enclosure 1 - Proof of Debt or Claim form
- Enclosure 2 - Appointment of Proxy form

**SAFA AUTO PARTS PTY LTD**  
**(Administrator Appointed) (“the company”)**  
**ACN 164 865 507**

**SUMMARY PROFIT AND LOSS STATEMENTS**

	2022 \$	2021 \$	2020 \$	2019 \$	2018 \$
<b>Income</b>					
Sales income	754,268	691,066	348,492	526,437	479,110
<b>Cost of sales</b>					
Opening finished goods	1,752,490	1,295,000	845,000	800,000	630,011
Parts & cars	456,684	510,198	-	-	-
Fees & charges	42,323	71,581	-	-	-
Delivery costs	27,434	-	-	-	-
Vehicle costs	42,836	37,772	-	-	-
Purchases	-	-	260,431	327,693	343,023
Closing finished goods	(2,203,000)	(1,752,490)	(1,295,000)	(845,000)	(800,000)
	118,768	162,061	(189,569)	282,693	173,034
<b>Gross profit</b>	635,500	529,005	538,062	243,744	306,076
<i>Gross profit margin (%)</i>	84%	77%	154%	46%	74%
<b>Expenditure (see overleaf)</b>	738,051	654,121	523,570	308,821	420,311
<b>Operating profit/(loss)</b>	(102,551)	(125,116)	14,492	(65,077)	(114,235)
<b>Other income</b>					
Government industry	32,980	-	-	-	-
JobKeeper	-	80,100	18,000	-	-
Dividends	-	-	31	105	-
Trust distribution	32,312	25,420	7,853	13,471	22,994
Interest income	810	1	690	3,143	2,392
Freight income	115	575	1,030	724	22,885
Workers' compensation reimbursement	-	-	-	-	67,840
<b>Total other income</b>	66,217	106,096	27,604	17,443	116,111
<b>Profit/(loss) for the year</b>	(36,333)	(19,020)	42,095	(47,635)	1,875

	2022	2021	2020	2019	2018
	\$	\$	\$	\$	\$
<b>Expenditure</b>					
Accounting fees	15,652	16,065	12,990	227	3,491
Advertising	31,992	5,453	4,548	4,723	7,432
Bank charges	4,658	5,768	6,759	2,752	1,984
Bank merchant fees	2,354	826	711	2,749	1,009
Borrowing costs	2,934	3,071	-	-	-
Cleaning	1,945	1,547	2,119	1,394	1,171
Commission paid	420	18	-	-	-
Computer expenses	9,663	9,586	8,086	7,781	7,103
Delivery	1,100	20,876	27,408	26,938	-
Depreciation	1,223	1,352	6,502	1,688	2,104
Donations	-	-	-	8	-
Electricity	7,048	5,058	2,003	3,172	3,373
Fees & charges	4,876	1,355	1,301	148	1,250
Filing & registration fees	276	442	267	359	254
Fines	368	-	-	-	-
Fuel & oil	4,630	3,447	4,507	6,402	6,349
Gas expenses	-	-	-	-	(863)
Hire purchase charges	-	8,694	3,580	-	-
Insurance	17,838	21,610	13,581	8,610	8,812
Interest paid	115,715	102,169	79,800	1,764	29,232
Internet fees	236	-	426	2,026	17
Legal costs	500	30	3,794	-	-
Materials & supplies	11,846	8,933	12,907	5,984	7,328
Motor vehicle - Depreciation	36,907	37,413	23,346	660	812
Motor vehicle - Rego/insurance	1,143	1,480	1,228	1,243	1,780
Motor vehicle - Repairs	1,307	1,818	2,369	2,312	1,296
Panel beating expenses	58,731	49,047	43,236	683	-
Postage	481	69	183	353	117
Printing & stationery	433	389	809	1,130	1,435
Protective clothing	-	-	-	23	-
Rates & taxes	5,849	17,554	16,239	14,431	9,676
Rent and outgoings	72,000	72,000	54,000	72,000	91,790
Registration & insurance	-	49	2,917	-	160
Repairs & maintenance	3,775	1,991	772	2,345	6,587
Staff amenities	1,613	1,261	1,087	950	1,597
Subscriptions	1,104	231	67	-	-
Superannuation	25,774	20,448	13,472	7,843	10,285
Telephone	4,870	6,021	8,238	4,812	8,177
Travelling & accommodation	109	178	1,452	1,325	11,647
Uniforms	457	235	618	220	-
Wages	288,223	227,637	162,248	121,765	194,906
	<b>738,051</b>	<b>654,121</b>	<b>523,570</b>	<b>308,821</b>	<b>420,311</b>

**SAFA AUTO PARTS PTY LTD**  
**(Administrator Appointed) (“the company”)**  
**ACN 164 865 507**

**SUMMARY BALANCE SHEETS**

	2022	2021	2020	2019	2018
	\$	\$	\$	\$	\$
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	77	141	20,759	34	360
Receivables	579,731	616,831	585,329	591,898	557,772
Inventory	2,203,000	1,752,490	1,295,000	845,000	800,000
Financial assets	305	305	305	305	-
Current tax assets	-	-	7,274	3,352	3,125
	<u>2,783,113</u>	<u>2,369,767</u>	<u>1,908,667</u>	<u>1,440,589</u>	<u>1,361,257</u>
<b>Non-current assets</b>					
Financial assets	6,000	-	-	-	-
Property, plant and equipment	142,853	180,983	154,748	22,356	24,046
Other assets	-	-	-	-	36,009
	<u>148,853</u>	<u>180,983</u>	<u>154,748</u>	<u>22,356</u>	<u>60,055</u>
<b>Total assets</b>	<u><b>2,931,966</b></u>	<u><b>2,550,750</b></u>	<u><b>2,063,415</b></u>	<u><b>1,462,944</b></u>	<u><b>1,421,312</b></u>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Payables	75,755	71,116	27,492	16,105	11,711
Borrowings	220,663	186,458	191,571	215,174	133,740
Directors’/shareholders’ loans	2,121,080	1,938,886	1,475,733	1,221,401	1,300,026
Current tax liabilities	100,411	39,398	37,807	39,218	11,765
	<u>2,517,910</u>	<u>2,235,858</u>	<u>1,732,604</u>	<u>1,491,899</u>	<u>1,433,766</u>
<b>Non-current liabilities</b>					
Borrowings	544,097	408,600	405,499	87,828	-
	<u>544,097</u>	<u>408,600</u>	<u>405,499</u>	<u>87,828</u>	<u>-</u>
<b>Total liabilities</b>	<u><b>3,062,007</b></u>	<u><b>2,644,458</b></u>	<u><b>2,138,103</b></u>	<u><b>1,579,727</b></u>	<u><b>1,457,241</b></u>
<b>Net assets/(liabilities)</b>	<u><b>(130,041)</b></u>	<u><b>(93,708)</b></u>	<u><b>(74,688)</b></u>	<u><b>(116,783)</b></u>	<u><b>(35,929)</b></u>
<b>Equity</b>					
Share capital	30	30	30	30	30
(Accumulated losses) retained earnings	(130,071)	(93,738)	(74,718)	(116,813)	(35,959)
<b>Total Equity</b>	<u><b>(130,041)</b></u>	<u><b>(93,708)</b></u>	<u><b>(74,688)</b></u>	<u><b>(116,783)</b></u>	<u><b>(35,929)</b></u>

**SAFA AUTO PARTS PTY LTD**  
**(Administrator Appointed) (“the company”)**  
**ACN 164 865 507**

## REMUNERATION APPROVAL REPORT

This Remuneration Approval Report provides you with the information you need to be able to make an informed decision regarding the approval of my remuneration for undertaking the administration and possible liquidation of the company. This report has the following information included:

Part 1: Declaration	1
Part 2: Executive summary	1
Part 3: Remuneration	
3.1 Remuneration claim resolutions	2
3.2 Details of remuneration	2
3.3 Total remuneration reconciliation	6
3.4 Likely impact on dividends	7
Part 4: Disbursements	7
Part 5: Summary of receipts and payments	7
Part 6: Queries	7
Part 7: Approval of remuneration	8

### Part 1: Declaration

I, Jennifer E. Low, of Sheridans, have undertaken a proper assessment of this remuneration claim for my appointment as Administrator of the company in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work to be properly performed in the conduct of the administration.

### Part 2: Executive summary

To date, no remuneration has been approved or paid in this administration. This Remuneration Approval Report details approval sought for the following fees and disbursements:

Period	Reference	Amount (exc. GST) \$
<b><i>Voluntary Administration</i></b>		
Resolution 1: Remuneration 17 October 2023 to 8 November 2023	Part 3	40,850.50
Resolution 2: Remuneration 9 November 2023 to 21 November 2023*	Part 3	5,000.00
Resolution 3: Internal disbursements 17 October 2023 to 21 November 2023*	Part 4	1,000.00
<b><i>Total - Voluntary Administration</i></b>		<b>46,850.50</b>
<b><i>Liquidation (if applicable)</i></b>		
Resolution 4: Remuneration commencement of liquidation to completion*	Part 3	60,000.00
Resolution 5: Internal disbursements commencement of liquidation to completion*	Part 4	2,500.00
*Approval for the future remuneration and internal disbursements sought is based on an estimate of the work necessary to complete the administration. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.		

Please refer to 3.2 below for full details of the calculation and composition of the remuneration approvals sought.

### Part 3: Remuneration

#### 3.1 Remuneration claim resolutions

I will be seeking approval of the following resolutions to approve my remuneration:

- (1) *That the remuneration of the Administrator for services performed for the period 17 October 2023 to 8 November 2023 be approved in the amount of \$40,850.50 plus GST.*
- (2) *That the Administrator's future remuneration calculated on the basis of time spent by the Administrator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved for the period 9 November 2023 to the date of the meeting, being 21 November 2023, to a limit of \$5,000 plus GST, and that the Administrator be authorised to draw her fees on a monthly basis, or as required, beyond which further approval will be required in accordance with the Corporations Act 2001. The standard scale rates will be increased in accordance with the CPI at 1 August each year, rounded up to the nearest \$.*
- (3) *That the Liquidator's remuneration calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved to a limit of \$60,000 plus GST, and that the Liquidator be authorised to draw her fees on a monthly basis, or as required, beyond which further approval will be required in accordance with the Corporations Act 2001. The standard scale rates will be increased in accordance with the CPI at 1 August each year, rounded up to the nearest \$.*

#### 3.2 Details of remuneration

The tables below set out the expected costs for the major tasks that are likely to be performed by the Administrator/Liquidator and her staff. The tables also set out a detailed description of the tasks likely to be performed within each task area.

##### Resolution 1 - 17 October 2023 to 8 November 2023

Task Area	General Description	Specific description
<b>Assets</b> 49.6 hours \$14,786.00	Cash at bank	Correspondence regarding funds held in bank accounts.
	Debtors	Reviewing and assessing debtors' ledgers.
	Insurance	Identification of potential issues requiring attention of insurance specialists. Correspondence with pre-appointment insurers and premium funder regarding previous insurance policies.
	Plant and equipment	Liaising with valuers and interested parties. Reviewing asset listings.
	Stock	Reviewing stock values. Liaising with purchasers.
	Leasing	Reviewing leasing documents. Liaising with owners/lessors. Tasks associated with disclaiming leases.
<b>Creditors</b> 40.6 hours \$10,167.00	Creditor enquiries	Receiving and following up creditor enquiries via telephone. Maintaining creditor enquiry register. Reviewing and preparing correspondence to creditors and their representatives via email.
	Creditor reports	Preparing first report to creditors. Preparing Administrator's report (including the Administrator's opinion).
	Dealing with Proofs of Debt	Receipting and filing Proofs of Debt when not related to a dividend.

**Part 3: Remuneration (cont.)**

Task Area	General Description	Specific description
<b>Creditors (cont.)</b>	Meeting of creditors	Preparing meeting notices, proxies and advertisements. Forwarding notice of meeting to all known creditors. Preparing meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisements of meeting and minutes of meeting.
	Secured creditor reporting	Notifying PPSR registered creditors of appointment. Responding to PPSR registered creditors' enquiries. Verifying validity of PPSR registered creditors' registrations.
<b>Employees 1.3 hours \$242.50</b>	Employee enquiries	Receiving and following up employee enquiries via telephone. Reviewing and preparing correspondence to employees via email.
	Other employee issues	Correspondence with Child Support. Correspondence with Centrelink.
<b>Investigation 26.1 hours \$6,598.50</b>	Conducting investigation	Collection of company's books and records. Reviewing company's books and records. Review of director's ROCAP and making enquiries. Reviewing the history of the company. Conducting and summarising statutory searches. Preparing comparative financial statements. Reviewing specific transactions and liaising with director regarding certain transactions. Investigation into significant events during the period the company operated and the effect these events had on the company. Investigation into related entities. Investigation into potential voidable transactions.
<b>Administration 38.9 hours \$9,056.50</b>	ASIC forms	Preparing and lodging ASIC forms
	ATO and other statutory reporting	Notification of appointment.
	Bank account administration	Preparing correspondence opening bank account. Requesting bank statements. Bank account reconciliations.
	Correspondence	General correspondence
	Document maintenance / file review / checklist	Filing of documents. Updating checklists. Preparation of voluntary administration timetable.
	Planning/review	Discussions regarding planning and status of administration.

**Resolution 2 - 9 November 2023 to 21 November 2023**

Task Area	General Description	Specific description
<b>Assets \$2,000</b>	General	Further investigations regarding the vehicles registered in the company's name and the recoverability of the loan owed to the company.
<b>Creditors \$1,000</b>	Creditor enquiries	Receiving and following up creditor enquiries via telephone. Maintaining creditor enquiry register. Reviewing and preparing correspondence to creditors and their representatives via email.
	Dealing with Proofs of Debt	Receipting and filing Proofs of Debt when not related to a dividend.
	Meeting of creditors	Preparing meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisements of meeting and minutes of meeting.
<b>Investigations \$1,000</b>	Conducting investigation	Further review of the company's books and records. Conducting and summarising statutory searches. Review of specific transactions Liaising with director regarding certain transactions.
<b>Administration \$1,000</b>	Planning/review	Discussions regarding planning and status of administration.
	Document maintenance / file review / checklist	Filing of documents. File reviews. Updating checklists.

### Part 3: Remuneration (cont.)

#### Resolution 3 - Commencement of liquidation to completion

Task Area	General Description	Specific description
Assets \$10,000	Motor vehicles	Correspondence with purported purchasers of the vehicles and investigation of the vehicle sales. Liaise with valuers and agents regarding the collection and sale of the vehicles. Receipting proceeds resulting from the sales of the vehicles.
	Loan receivable	Review of the particulars regarding the loan owed to the company. Determining the recoverability of the loan and correspondence with the Trust. Attending to settlement conferences (if applicable). Receipting payments from the Trust.
Creditors \$15,000	Creditor enquiries	Receiving and following up creditor enquiries via telephone. Maintaining creditor enquiry register. Reviewing and preparing correspondence to creditors and their representatives via email and post.
	Creditor reports	Preparing general reports to creditors.
	Dealing with Proofs of Debt	Receipting and filing Proofs of Debt when not related to a dividend. Correspondence with ATO regarding Proofs of Debt when not related to a dividend.
	Secured creditor reporting	Notifying PPSR registered creditors of appointment. Responding to PPSR registered creditors' enquiries.
Employees \$5,000	Employee enquiries	Receiving and following up employee enquiries via telephone. Reviewing and preparing correspondence to employees and their representatives via email and post. Preparation of letters to employees advising of their entitlements and options available. Receiving and preparing correspondence in response to employee's objections to leave entitlements.
	FEG	Correspondence with FEG. Preparing verification spreadsheet. Preparing FEG quotations. Completing FEG questionnaires.
	Calculation of entitlements	Calculating employee entitlements. Reviewing employee files and company's books and records. Reconciling superannuation accounts. Reviewing relevant awards.
Dividend (if applicable) \$5,000	Dividend procedures	Preparation of correspondence to creditors advising of intention to declare dividend. Advertisement of intention to declare dividend. Preparation of dividend calculation. Preparation of correspondence to creditors announcing declaration of dividend.
	Processing Proofs of Debt	Preparation of correspondence to potential creditors inviting lodgement of Proof of Debt. Maintaining Proof of Debt register. Adjudicating Proofs of Debt. Requesting further information from claimants regarding Proof of Debt. Preparation of correspondence to claimant advising outcome of adjudication.
Investigation \$20,000	ASIC reporting	Preparing statutory investigation reports. Liaising with ASIC.
	Conducting investigation (more detailed than investigation during voluntary administration period)	Reviewing company's books and records. Reviewing and preparing history of the company. Conducting and summarising statutory searches. Preparing comparative financial statements. Reviewing specific transactions and liaising with director regarding certain transactions. Preparing investigation file. Lodging initial report with ASIC. Preparing and lodging supplementary report (if required).



**Part 3: Remuneration (cont.)**

<b>Task Area</b>	<b>General Description</b>	<b>Specific description</b>
<b>Administration \$10,000</b>	ASIC Form 5602 other forms	Preparing and lodging ASIC forms. Correspondence with ASIC regarding statutory forms.
	ATO and other statutory reporting	Notification of appointment. Preparing BAS.
	Bank account administration	Preparing correspondence opening and closing accounts. Requesting bank statements. Bank account reconciliations. Correspondence with the bank regarding specific transfers.
	Books and records - storage	Dealing with records in storage. Sending job files to storage.
	Correspondence	General correspondence.
	Document maintenance / file review / checklist	Six-monthly and final administration reviews. Filing of documents. File reviews. Updating checklists.
	Finalisation	Notifying ATO of finalisation. Cancelling ABN/GST/PAYG registration. Completing checklists. Advising director of finalisation.
	Planning/review	Discussions regarding planning and status of administration.

*Balance of page intentionally left blank*

**Part 3: Remuneration (cont.)****3.3 Total remuneration reconciliation****Resolution 1 - 17 October 2023 to 8 November 2023**

Employee	Position	\$ /hour (excl. GST)	Total Hrs	Total \$	Task area									
					Assets		Creditors		Employees		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
J. Low	Administrator	540	17.9	9,666.00	10.2	5,508.00	4.1	2,214.00	0.0	0.00	1.0	540.00	2.6	1,404.00
D. Blanchett	Director	435	8.0	3,480.00	0.0	0.00	2.0	870.00	0.0	0.00	4.8	2,088.00	1.2	522.00
M. Ledger	Manager	310	4.1	1,271.00	0.1	31.00	0.2	62.00	0.0	0.00	0.0	0.00	3.8	1,178.00
S. Carrington	Senior 1	245	74.8	18,326.00	34.4	8,428.00	18.9	4630.50	0.5	122.50	9.3	2,278.50	11.7	2,866.50
N. D'Alesio	Intermediate 1	185	10.5	1,942.50	2.4	444.00	2.3	425.50	0.0	0.00	1.2	222.00	4.6	851.00
M. Ryan	Graduate	150	39.7	5,955.00	2.5	375.00	13.1	1,965.00	0.8	120.00	9.8	1,470.00	13.5	2,025.00
R. Read	Secretary	140	1.5	210.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	1.5	210.00
<b>Total</b>			<b>156.5</b>	<b>40,850.50</b>	<b>49.6</b>	<b>14,786.00</b>	<b>40.6</b>	<b>10,167.00</b>	<b>1.3</b>	<b>242.50</b>	<b>26.1</b>	<b>6,598.50</b>	<b>38.9</b>	<b>9,056.50</b>
GST				4,085.05										
Total (incl. GST)				44,935.55										
Average hourly rate				261.03		298.10		250.42		186.54		252.82		232.81

**Note**

- No Calculation of Remuneration spreadsheet is required in respect of the resolution in respect of prospective fees.
- Sheridans' Scale of Fees is increased on 1 August each year in line with the CPI amount. Sheridans' current Scale of Fees is available from Sheridans' office on request.

### Part 3: Remuneration (cont.)

#### 3.4 Likely impact on dividends

An external administrator is entitled to receive remuneration for necessary work that has been properly performed in relation to the administration(s).

An external administrator must distribute any property realised in accordance with the prescribed order and priorities set out by Section 556 of the Corporations Act 2001. Given that an external administrator's remuneration is generally afforded priority ahead of any distribution to creditors, any such payment of remuneration approved by creditors will reduce the funds available for distribution to creditors.

The quantum (if any) of the dividend to creditors is ultimately impacted by the external administrator's remuneration, the asset realisations achieved by the external administrator and the value of creditor claims admitted to participate in the dividend.

### Part 4: Disbursements

Please refer to my Initial Remuneration Notice annexed to my Initial information for creditors report dated 19 October 2023 for details of the types of disbursements.

I have undertaken a proper assessment of disbursements claimed for the company, in accordance with the law and applicable professional standards. I will be seeking approval of the following resolutions to approve my internal disbursements for the period 17 October 2023 to the conclusion of the administration, and if applicable, from the commencement of the company's liquidation to its conclusion:

- (1) *That the Administrator's internal disbursements, charged at the standard rates set by Sheridans, plus any applicable GST, for work of this nature, be approved for the period 17 October 2023 to the date of the meeting, being 21 November 2023, to a limit of \$1,000 plus GST, and that the Administrator be authorised to draw her disbursements on a monthly basis, or as required. The standard rates will be calculated on a cost basis, or a reasonable estimate of cost, and may therefore be amended from time to time.*
- (2) *That the Liquidator's internal disbursements, charged at the standard rates set by Sheridans, plus any applicable GST, for work of this nature, be approved to a limit of \$2,500 plus GST, and that the Liquidator be authorised to draw her disbursements on a monthly basis, or as required. The standard rates will be calculated on a cost basis, or a reasonable estimate of cost, and may therefore be amended from time to time.*

### Part 5: Summary of receipts and payments

Please refer to Section 12.1 of the Section 75-225(3) report for a summary of the receipts and payments in the administration to date.

### Part 6: Queries

If you have any queries in relation to the information in this report, please contact Shaun Carrington or Nicholas D'Alesio of this office.

General information is also available on the ARITA and ASIC websites.<sup>①</sup>

<sup>①</sup> ASIC's information sheet INFO 85 - "Approving fees: a guide for creditors" is available via ASIC's website, [www.asic.gov.au](http://www.asic.gov.au).

### Part 7: Approval of remuneration

Approval of my remuneration, as detailed in this Remuneration Approval Report, will be sought at the upcoming second creditors' meeting on 21 November 2023. Refer to Sections 6.4 to 6.6 of the Section 75-225(3) report for further details regarding attending and voting at the second creditors' meeting.

If you require any assistance regarding voting on my remuneration at the second creditors' meeting, please contact Shaun Carrington or Nicholas D'Alesio of this office.

**SAFA AUTO PARTS PTY LTD**  
**(Administrator Appointed) (“the company”)**  
**ACN 164 865 507**

**FORM 529 - NOTICE OF MEETING OF CREDITORS**

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Notice is now given that a second meeting of the creditors of the company will be held at the Conference Suite, Level 9, 40 St George’s Terrace, Perth WA 6000 on Tuesday, 21 November 2023 at 11.00 a.m. (WST).

**AGENDA**

1. To consider the Report of the Administrator pursuant to Section 75-225(3) of the Insolvency Practice Rules (Corporations) 2016 in relation to the company’s business, property, affairs and financial circumstances.
2. To consider and if thought fit, resolve:
  - (a) that the administration should end; or
  - (b) that the company be wound up; or
  - (c) that the company should execute a deed of company arrangement; or
  - (d) that the meeting be adjourned.
3. To consider and if thought fit, approve the remuneration and internal disbursements of the Administrator, and if appropriate, the remuneration and internal disbursements of the Deed Administrator or the Liquidator.
4. If the company is wound up:
  - (a) To consider the appointment of a Committee of Inspection, and where desired, to appoint members to that Committee.
  - (b) To authorise the Liquidator to destroy, at her discretion, the books and records of the company within a period of five years after dissolution of the company, subject to obtaining prior approval from the Australian Securities & Investments Commission.
5. To consider any other matter which may properly be brought before the meeting.

*Creditors will not be entitled to vote at this meeting unless they have previously lodged particulars of their claim against the company in accordance with Section 75-85 of the Insolvency Practice Rules (Corporations) 2016 and that claim has been admitted for voting purposes wholly or in part by the Administrator.*

Dated this 13<sup>th</sup> day of November 2023



.....  
JENNIFER E. LOW  
Administrator of  
Safa Auto Parts Pty Ltd

**SAFA AUTO PARTS PTY LTD  
ACN 164 865 507  
(Administrator Appointed) (“the company”)**

**PROOF OF DEBT OR CLAIM**

This is to state that the company was on 17 October 2023 and still is justly and truly indebted to \_\_\_\_\_ for:

\$ \_\_\_\_\_ and \_\_\_\_\_ cents

Date	Consideration (how the debt arose)	Amount \$	Remarks (include details of voucher substantiating payment)

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 \$	Due date

I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. ①

I am the creditor’s agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. ①

① *Delete both if this proof is made by the creditor personally. Otherwise, strike out or leave, as appropriate.*

**Please ensure this proof is signed for completion, before lodgement.**

**Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Occupation:** \_\_\_\_\_

**Creditor’s address:** \_\_\_\_\_

I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act 2001 at the following email address:

\_\_\_\_\_

FORM 532

IPR (Corporations) 2016  
Section 75-25

SAFA AUTO PARTS PTY LTD  
ACN 164 865 507  
(Administrator Appointed) (“the company”)

APPOINTMENT OF PROXY

\*I/\*We ①..... of ②..... a creditor of Safa Auto Parts Pty Ltd, appoint ③..... or in his or her absence ..... as \*my/\*our \*general/\*special proxy to vote at the second meeting of creditors to be held on Tuesday, 21 November 2023, or at any adjournment of that meeting, and to vote ④:

VOTING

	YES	NO
A. To vote generally on all matters arising at the meeting:	<input type="checkbox"/>	<input type="checkbox"/>

AND / OR ALTERNATIVELY

B. To vote specifically in the following manner:

	FOR	AGAINST	ABSTAIN
1. In relation to the future of the company:			
(a) That the administration should end.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(b) That the company should be wound up.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(c) That the company execute a Deed of Company Arrangement.	N/A	N/A	N/A
(d) That the meeting be adjourned.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. In relation to remuneration:			
(a) That the remuneration of the Administrator for services performed for the period 17 October 2023 to 8 November 2023 be approved in the amount of \$40,850.50 plus GST.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(b) That the Administrator’s future remuneration calculated on the basis of time spent by the Administrator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved for the period 9 November 2023 to the date of the meeting, being 21 November 2023, to a limit of \$5,000 plus GST, and that the Administrator be authorised to draw her fees on a monthly basis, or as required, beyond which further approval will be required in accordance with the Corporations Act 2001. The standard scale rates will be increased in accordance with the CPI at 1 August each year, rounded up to the nearest \$.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(c) That the Liquidator’s remuneration calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved to a limit of \$60,000 plus GST, and that the Liquidator be authorised to draw her fees on a monthly basis, or as required, beyond which further approval will be required in accordance with the Corporations Act 2001. The standard scale rates will be increased in accordance with the CPI at 1 August each year, rounded up to the nearest \$.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FOR      AGAINST      ABSTAIN

3. In relation to internal disbursements:

- (a) That the Administrator's internal disbursements, charged at the standard rates set by Sheridans, plus any applicable GST, for work of this nature, be approved for the period 17 October 2023 to the date of the meeting, being 21 November 2023, to a limit of \$1,000 plus GST, and that the Administrator be authorised to draw her disbursements on a monthly basis, or as required. The standard rates will be calculated on a cost basis, or a reasonable estimate of cost, and may therefore be amended from time to time.
- (b) That the Liquidator's internal disbursements, charged at the standard rates set by Sheridans, plus any applicable GST, for work of this nature, be approved to a limit of \$2,500 plus GST, and that the Liquidator be authorised to draw her disbursements on a monthly basis, or as required. The standard rates will be calculated on a cost basis, or a reasonable estimate of cost, and may therefore be amended from time to time.

4. If the company is wound up:

- (a) That this meeting determines not to appoint a Committee of Inspection.
- (b) To authorise the Liquidator to destroy, at her discretion, the books and records of the company within a period of five years after dissolution of the company, subject to obtaining prior approval from the Australian Securities & Investments Commission.

Signature .....

Signature ⑤ of individual or person authorised ⑥ by corporate resolution to represent the corporation.

Dated this ..... day of ..... 2023

**CERTIFICATE OF WITNESS**

*This certificate is to be completed **only where the person giving the proxy is blind or incapable of writing.** The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.*

I,..... of ..... certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this .....day of..... 2023

Signature of witness .....

Description .....

Place of residence .....

**Notes:**

\* Delete as applicable

- 1. If a firm, strike out "I" and set out the full name of the firm.
- 2. Address of creditor.
- 3. Name, address and description of the person appointed.
- 4. If a special proxy add the words "to vote for" or the words "to vote against" and specify the particular resolution.

- 5. The signature of the creditor or member is not to be attested by the person nominated as proxy.
- 6. A corporation may only be represented by proxy or by an attorney appointed pursuant to Corporations Regulations 5.6.28 and 5.6.31A respectively or, by a representative appointed under Section 250D of the Corporations Act 2001. Copy of authority/power of attorney to be annexed.