



Principals **Ross Mottershead | Murray Godfrey | Ian Purchas | Darren Vardy | Sonia Gibson**

Sydney: Level 12, 88 Pitt Street Sydney, NSW 2000  
Caringbah: Suite 9, 305-307 The Kingsway Caringbah NSW 2229  
Correspondence: GPO Box 4153 Sydney, NSW 2001  
Website: [www.rmgpartners.com.au](http://www.rmgpartners.com.au)

Ph: 02 9231 0889 | Fax: 02 9231 0887  
Ph: 02 9531 8365 | Fax: 02 9531 8367  
Email: [rmg@rmgpartners.com.au](mailto:rmg@rmgpartners.com.au)  
Phone: 1300 720 857

*Ref: KC/AGM 14.5.10/Sec.20*

14 May 2010

**ANNUAL MEETING OF CREDITORS  
PURSUANT TO SECTION 508 OF THE CORPORATIONS ACT**

**SYMAK 2 HOLDINGS PTY LIMITED  
ACN 074 889 302  
(IN LIQUIDATION)**

**TABLE OF INCLUSIONS**

1. **Notice of meeting.**
2. **Appointment of proxy form (please complete and return).**
3. **Form 535 – Formal proof of debt or claim form (please complete and return if not already lodged).**
4. **Liquidator's report to creditors.**
  - i) **Annexure 'A' – Receipts and Payments;**
  - ii) **Annexure 'B' – RMG Partners Business Solutions' charge rates; and**
  - iii) **Annexure 'C' – Remuneration Report**

**If you have any questions or require further copies of the above please contact Mr Kevin Cotter from my office on (02) 9231 0889.**

**FORM 529A**

Paragraph 5.6.12(2)(aa)

**SYMAK 2 HOLDINGS PTY LIMITED  
A.C.N. 074 889 302  
(IN LIQUIDATION) ("THE COMPANY")**

**NOTICE OF MEETING**

NOTICE IS GIVEN that a Meeting of creditors will be held at the offices of RMG Partners Business Solutions, Level 12, 88 Pitt Street, Sydney NSW 2000 on 31 May 2010 at 11.30am.


**AGENDA:**

1. To approve the dissolution of the Committee of Inspection;
2. To consider the report by the liquidator on the conduct of the winding up;
3. To approve the further remuneration of the Liquidator and staff for the period 4 November 2009 to 30 April 2010 on a time basis at the rates prescribed by RMG Partners Business Solutions to a limit of \$70,000 plus GST;
4. To consider the appointment of a Committee of Inspection and if so appointed, who should be the Committee's members; and
5. To consider any matter which may properly be brought before the meeting.

A form of proxy is attached. Proxies to be used at the meeting should be lodged with the Company care of RMG Partners Business Solutions, Level 12, 88 Pitt Street, Sydney NSW 2000 prior to the meeting. A corporate creditor can only be represented by a duly appointed representative appointed under Section 127 and Section 250D.

Creditors wishing to vote at the meeting should establish their debt or claim by completing and lodging the attached Proof of Debt with RMG Partners Business Solutions prior to the date of the meeting.

Dated this 14<sup>th</sup> day of May 2010

  
**I.J. PURCHAS**  
Liquidator

APPOINTMENT OF PROXY

SYMAK 2 HOLDINGS PTY LIMITED
A.C.N. 074 889 302
(IN LIQUIDATION)

I/We \_\_\_\_\_
of \_\_\_\_\_
a creditor of the abovenamed company appoint \_\_\_\_\_
or in his/her absence \_\_\_\_\_ as my/our general/special proxy to
vote at the meeting of creditors to be held on 31 May 2010 at 11.30 am or at any adjournment of
that meeting, and to vote:

[ ] my general proxy to vote on all matters arising at the meeting (including the
appointment of the proxy holder as a member of any Committee of Inspection)

OR

[ ] my special proxy to vote on the following resolutions as specified below:

PLEASE TICK ONE BOX (ONLY) FOR EACH PROPOSED
RESOLUTION

Table with 4 columns: Resolution, For, Against, Abstain. Rows include: 1. To approve the dissolution of the Committee of Inspection, 2. Liquidator's Remuneration, 3. Appointment of Committee of Inspection with \_\_\_\_\_ appointed as a member.

And generally as he or she determines on my behalf.

Signed

Dated

[Signature box]

[Date box]

Print Name:.....

**NOTES TO PROXY**

- (1) The person(s) appointed proxy may be the Chairperson or such other person as the creditor may approve, and the proxy form, when signed, must be lodged by the time and at the address named for that purpose in the notice convening the meeting at which it is to be used.
  
- (2) Note that any person signing on behalf of a company must be duly authorised by the company.

**WITNESS for blind creditors ONLY**

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.*

DATE .....

Signature of Witness .....

Description .....

Place of Residence .....

FORM 535  
Corporations Act

**FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)**

To the Liquidator of Symak 2 Holdings Pty Limited

1. This is to state that the Company was on 4 November 2008, and still is, justly and truly indebted to \_\_\_\_\_ of \_\_\_\_\_ for \$ \_\_\_\_\_ and \_\_\_\_\_ cents.

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

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following:

Date	Drawer	Acceptor	Amount \$c	Due Date

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

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

Dated this                      day of                      2010

.....  
Signature  
Occupation  
Address

\*Do not complete if this proof is made by the creditor personally.



**RMGPARTNERS**  
BUSINESS SOLUTIONS

*Ref: KC/AGM 14.5.10/Sec.20*

Principals **Ross Mottershead | Murray Godfrey | Ian Purchas | Darren Vardy | Sonia Gibson**

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Phone: 1300 720 857

14 May 2010

**ANNUAL REPORT  
PURSUANT TO SECTION 508 OF THE CORPORATIONS ACT 2001 ("The Act")**

**SYMAK 2 HOLDINGS PTY LIMITED  
ACN: 074 889 302  
(IN LIQUIDATION) ("THE COMPANY")**

I was appointed Liquidator of the Company on 4 November 2008. I report hereunder under the following headings:

- 1. ANNUAL REPORTING REQUIREMENTS TO CREDITORS**
- 2. EXECUTIVE SUMMARY**
- 3. RECEIPTS AND PAYMENTS**
- 4. UNFAIR PREFERENCES**
- 5. COMPLETION OF WINDING UP**
- 6. COMMITTEE OF INSPECTION**
- 7. REMUNERATION**

**1. ANNUAL REPORTING REQUIREMENTS TO CREDITORS**

Pursuant to section 508 of the Act, if the winding up of a company continues for more than one year, I am required, within three months of the anniversary and each subsequent anniversary, to either:

- a) convene an annual meeting of the company's creditors and report on the conduct of the liquidation in the preceding year; or
- b) lodge a report with the Australian Securities and Investment Commission ("ASIC") and, if required, provide a copy to creditors.

A meeting of creditors has been convened for Monday 31 May 2010 at 11.30 am and will be held at the offices of RMG Partners Business Solutions, Level 12, 88 Pitt Street, Sydney NSW 2000.

Accordingly I **attach** the following:

- a. Notice of meeting of creditors;
- b. Form of proxy; and
- c. A formal proof of debt form.

## **2. EXECUTIVE SUMMARY**

Since the distribution of my first report and the creditors meeting held on 14 November 2008 I have identified a number of actions which may be available to provide for recovery of certain funds.

A summary of the pertinent aspects of this liquidation are as follows:

- a) the Company was established as a property developer;
- b) I was appointed Liquidator by the Company on 4 November 2008;
- c) the first meeting of creditors was held on 14 November 2008;
- d) at the meeting of 14 November 2009 the Creditors appointed a Committee of Inspection consisting of three members. Since this date one member has been disqualified pursuant to Section 550 of the Act and the validity of a second member is of concern pursuant to Section 548 and 550 of the Act. As such, at the meeting of creditors to be held on 31 May 2010, I will ask creditors to consider that the Committee of Inspection be dissolved and the formation of a new Committee be considered;
- e) since the distribution of my first report of 5 November 2008 and the creditors meeting held on 14 November 2008 I have conducted investigations which have identified certain actions which, if the evidence is available, certain matters can be proved and the relevant persons / entities are pecunious, may result in the recoveries. I will report on same in detail shortly;
- f) in addition I have identified possible unfair preference transactions with 13 creditors in the six months prior to my appointment, being from 4 May to 4 November 2008. In some instances I have commenced legal action to recover same;
- g) mortgagees have taken possession of the real estate properties owned by the Company for subsequent sale. The sale of each of these properties has not realised sufficient funds to cover the outstanding secured debts; and
- h) I may require funding with respect to potential actions.

## **3. RECEIPTS AND PAYMENTS**

**Attached** hereto as **Annexure 'A'** is a schedule of Receipts and Payments for the period 4 November 2008 to 14 May 2010. I note cash at bank currently totals \$16.74.

#### 4. UNFAIR PREFERENCE RECOVERIES

I have identified possible unfair preference transactions to 13 creditors in the six months prior to my appointment, being from 4 May to 4 November 2008 of approximately \$246,967. To date I have received \$10,000. The remaining actions were referred to my solicitor and counsel for formal recovery action which have, to date, resulted in the recovery of some \$48,000. These monies remain with my solicitors who have provided invoices totaling approximately \$48,000. I am currently in discussion with them in this regard.

I estimate there is still approximately \$50,000 that may be collectable however further investigation is required.

#### 5. COMPLETION OF WINDING UP

In accordance with Section 508 of the Act, I estimate I will complete the winding up in some 12 to 18 months in the event recoveries noted above are possible. Alternatively, if recovery actions are not pursued the liquidation could be finalised within 12 months.

#### 6. COMMITTEE OF INSPECTION

At the meeting of 14 November 2008 the Creditors appointed a Committee of Inspection consisting of three members. Since this date one member has been disqualified pursuant to Section 550 of the Act and the validity of a second member is of concern pursuant to Section 548 and 550 of the Act. As such, at the meeting of creditors to be held on 31 May 2010, I will ask creditors to consider dissolving the current Committee of Inspection and the forming of a new Committee.

#### 7. REMUNERATION

As detailed in the notice of meeting I will be seeking approval of my remuneration for work performed during the course of the liquidation to date.

My remuneration has been calculated on a time basis in accordance with RMG Partners Business Solutions' standard hourly rates as set from time to time **attached as Annexure 'B'** for reference. A detailed Remuneration Report is **attached as Annexure 'C'**. This Report describes in detail the specific tasks undertaken in the liquidation to date.


Creditors previously approved my remuneration as liquidator to a capped amount of \$30,000 plus GST of which \$26,860 has been drawn to date. Total time costs for the period from 4 November 2008 (date of the liquidation) to 30 April 2010 total \$110,392.

Furthermore, I anticipate that I will incur further fees from 1 May 2010 until the completion of the liquidation. Same will be addressed in future correspondence if appropriate.

At the meeting to be held on 31 May 2010 I will be seeking approval for further remuneration to 30 April 2010 limited to a capped amount of \$70,000 plus GST. Clearly same may only be paid from current cash at bank and recoveries, if any. It is likely a large shortfall will result and be borne by this firm.

Should you have any questions in relation to this matter please contact Mr Kevin Cotter of this office.

Yours faithfully,  
**SYMAK 2 HOLDINGS PTY LIMITED**

  
**I J PURCHAS**  
Liquidator

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# ANNEXURE 'A'

**Annexure 'A'**

**SYMAK 2 HOLDINGS PTY LIMITED  
A.C.N. 074 889 302  
(IN LIQUIDATION)**

**Summary of the Liquidator's Receipts and Payments  
for the Period 4 November 2008 to 14 May 2010**

	\$
<b>RECEIPTS</b>	
Bank Charges Refund	10.20
Contribution from Indemnifying Party	16,500.00
GST Refund	3,255.40
Interest	29.12
Preference Recovery	10,000.00
Rental Income	10,770.51
<b>Total receipts</b>	<b><u>40,565.23</u></b>
<b>PAYMENTS</b>	
Appointee's disbursements	4,447.08
Appointee's remuneration	26,860.00
Bank Charges	10.20
GST Paid	3,526.53
Insurance	2,727.23
IT Support Costs	420.00
Legal Expenses	390.00
Rental Property Management Fees	526.09
Rental Property Expenses	1,640.82
<b>Total payments</b>	<b><u>40,548.49</u></b>
<b>Cash at Bank</b>	<b><u><u>16.74</u></u></b>

I confirm pursuant to Section 539 of the Corporations Act that accounts of Receipts and Payments have been lodged in the prescribed form with the Australian Securities and Investments Commission.

Dated this 14<sup>th</sup> day of May 2010.

  
**I J PURCHAS**  
Liquidator

# ANNEXURE 'B'



## Hourly Insolvency Rates from 1 October 2008

	Rate \$	GST 10% \$	Total \$	
Appointee	460.00	46.00	506.00	Official Liquidator Liquidator
Partner / Associate	460.00	46.00	506.00	
Manager 1	380.00	38.00	418.00	7+ years insolv exp 3+ years as manager Qualified Accountant
Manager 2	330.00	33.00	363.00	6-7+ years insolv exp Qualified Accountant
Supervisor	250.00	25.00	275.00	4-6+ years insolv exp Qualified Accountant
Senior 1	220.00	22.00	242.00	2-4+ years insolv exp Completing CA Program
Senior 2	185.00	18.50	203.50	1-2+ years insolv exp Commencing CA Program
Intermediate 1	170.00	17.00	187.00	0-2+ years insolv exp Graduate
Intermediate 2	140.00	14.00	154.00	0-2+ years insolv exp Undergraduate
Secretary / wpo	140.00	14.00	154.00	Appropriate skills
Computer Operator	140.00	14.00	154.00	Appropriate skills
Clerk	100.00	10.00	110.00	Non Qualified Passed HSC
Typist	100.00	10.00	110.00	Appropriate skills
Junior	80.00	8.00	88.00	HSC. Starting degree/Diploma

**Notes:**

- 1) Remuneration is calculated on a time basis in accordance with the above rates.
- 2) The Firm maintains its time records in a computerised system and the information, which is entered into the computer, has its origin in diaries kept by members of the Firm.
- 3) Staff are classified in accordance with academic qualifications and insolvency experience.

# ANNEXURE 'C'

## REMUNERATION REPORT

### **SYMAK 2 HOLDINGS PTY LIMITED**

**A.C.N. 074 889 302**

**(IN LIQUIDATION)**

In compliance with the Insolvency Practitioners Association of Australia Code of Professional Practice and the requirements of the Corporations Act 2001, I set out below my remuneration report for the period 4 November 2008 to 30 April 2010.

This report is set out as follows:

- 1. DESCRIPTION OF WORK**
- 2. CALCULATION OF REMUNERATION**
- 3. GENERAL SUPPORTING INFORMATION.**

Please refer to the **attached** report to creditors for a report on the progress of the Liquidation.

### **1. DESCRIPTION OF WORK**

The tasks which external administrators undertake can be broadly divided into seven (7) categories. These are:

- Assets
- Creditors
- Employees
- Trade On
- Investigation
- Dividend
- Administration.

Information on the seven categories is summarised below to enable creditors to understand the type and purpose of work being undertaken.

Company	Symak 2 Holdings Pty Limited (In Liquidation)
Practitioner	I J Purchas
Firm	RMG Partners Business Solutions
Administration Type	Creditors Voluntary Liquidation
Period	4 November 2008 to 30 April 2010

## 2. CALCULATION OF REMUNERATION

### Fees Incurred

Detailed hereunder tasks undertaken by this office from the date of appointment of Liquidator to 30 April 2010.

<b>Task Area</b>	<b>General Description</b>	<b>Includes</b>
<b>Assets</b> <b>\$18,345.50</b>	Sale of Real Property	Liaising with solicitors and mortgagees Collecting rent
	Assets subject to specific charges	All tasks associated with charged assets
	Debtors	Correspondence with debtors Reviewing and assessing debtors ledgers Liaising with debt collectors and solicitors
	Other Assets	Tasks associated with identifying other assets
<b>Creditors</b> <b>\$28,794.50</b>	Creditor Enquiries	Receive and follow up creditor enquiries Review and prepare correspondence to creditors and their representatives
	Secured creditor reporting	Responding to secured creditors' queries
	Creditor reports	Preparing general reports to creditors
	Dealing with proofs of debt	Receipting and filing PODs
	Meeting of Creditors	Preparation meeting notices, proxies and advertisements Forward notice of meeting to all known creditors Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Preparation and lodgement minutes of meetings with ASIC Respond to stakeholder queries and questions immediately following meeting
<b>Employees</b> <b>\$18.50</b>	Employees enquiry	Receive and follow up employee enquiries
<b>Trade On</b> <b>\$0.00</b>	N/A	N/A
<b>Investigation</b> <b>\$46,140.00</b>	Conducting investigation	Collection of company books and records Reconstruction of financial statements Reviewing company's books and records Review and preparation of company nature and history Conducting and summarising statutory searches Preparation of comparative financial statements Preparation of deficiency statement Review of specific transactions and liaising with director regarding certain transactions

<b>Task Area</b>	<b>General Description</b>	<b>Includes</b>
		Preparation of investigation file notes
	Litigation / Recoveries	Internal meetings to discuss status of litigation Preparing briefs to solicitors Liaising with solicitors regarding recovery actions Attending to negotiations Attending to settlement matters
<b>Dividend \$264.00</b>	Processing proofs of debt	Receipt of PODs
<b>Administration \$16,671.50</b>	Correspondence	General correspondence
	Document maintenance/file review/checklist	First month, then six monthly administration review Filing of documents File reviews Updating checklists
	Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers
	Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations
	ASIC Form 524 and other forms	Preparing and lodging ASIC forms including 505, 524 etc Correspondence with ASIC regarding statutory forms
	ATO & other statutory reporting	Notification of appointment Preparing BAS
	Planning / Review	Discussions regarding status of administration
	Books and records / storage	Dealing with records in storage
<b>Total \$110,392.00</b>		



## Disbursements

Disbursements are divided into three types: **A**, **B1**, **B2**.

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an **A** disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. **B1** disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. **B2** disbursements are charged at cost except for photocopying, faxing, binding, stationery and printing which are charged at a rate which is intended to recoup both variable and fixed costs.

Details of disbursements on this appointment are provided in the **attached** statement of receipts and payments **Annexure 'A'**. Creditor approval for the payment of disbursements is not required, however we must account to creditors. Creditors have the right to question the incurring of the disbursements and can challenge disbursements in court.

Disbursements Category	Amount (excl GST)
A	1,336
B1	6,929
B2	1,980

### 3. **GENERAL SUPPORTING INFORMATION**

As detailed in the notice of meeting I will be seeking approval of my remuneration for work performed during the course of the liquidation to date.

My remuneration has been calculated on a time basis in accordance with RMG Partners Business Solutions' standard hourly rates as set from time to time **attached** as **Annexure 'B'** for reference.

Creditors previously approved my remuneration as liquidator to a capped amount of \$30,000 plus GST of which \$26,860 has been drawn to date. Total time costs for the period from 4 November 2008 (date of the liquidation) to 30 April 2010 total \$110,392.

#### **Summary of Receipts and Payments**

A summary of receipts and payments made up to 14 May 2010 is **attached** as **Annexure 'A'**.

#### **Statement of Remuneration Claim**

At the forthcoming meeting of creditors, creditors will be asked to pass the following resolutions:-

## Liquidator's Past Fees

*"That the further remuneration of the Liquidator and staff for the period 4 November 2009 to 30 April 2010 on a time basis at the rates prescribed by RMG Partners Business Solutions to a limit of \$70,000 plus GST be approved."*

**The Liquidator's previous remuneration claims approved by creditors have been:**

Date	Nature	Amount
14 November 2008	Liquidator's Prospective Fees	\$30,000


## Queries/Information Sheets

The above information is provided to assist creditors consider the appropriateness of the remuneration claim that is being made.

Creditors should feel free to contact the my office to seek further information concerning the remuneration claim if they so need.

The IPA have produced a document entitled "*Creditor Information Sheet: Approving remuneration in external administrations*" that can be downloaded from the IPA web site [www.ipaa.com.au](http://www.ipaa.com.au) or alternatively a copy can be obtained if you contact this office.

Dated this 14<sup>th</sup> day of May 2010.

  
I J PURCHAS  
Liquidator