



REPORT TO CREDITORS 1 September 2021

Barefoot Power Pty. Ltd. (In Liquidation) ACN 112 576 397 (“the Company”)

Key Dates
Closure of Voting: 5pm on 23 September 2021

Creditors are referred to my previous reports, in particular my report dated 12 June 2019. (“Previous Report”). I do not intend to revisit matters previously discussed. Copies of my previous reports can be obtained by contacting my office.

I also note that I have left Worrells and set up my own firm, Cathro & Partners. The carriage of this matter has continued with me and all correspondence going forward will come from the offices of Cathro & Partners rather than Worrells.

The purpose of this report is to:

- provide creditors with an update on the progress of the Liquidation
- request that creditors consider my detailed remuneration report and approve my remuneration by way of a proposal without a meeting, to avoid incurring unnecessary costs.

1. Update on the progress of the Liquidation

Examinations

Examinations pursuant to Part 5.9 of the Corporations Act 2001 (Cth) (“the Act”) were conducted before the Federal Court of Australia from 9 November 2020 to 19 November 2020. Five current and former director/officers of the Company were examined during the five days of examinations.

We note that notice was given to creditors of the examinations on 2 November 2020. Creditors can apply to the Federal Court Registry should they wish to obtain a copy of the written record of any day(s) of the examinations. Section 596F(1)(e) of the Act, provides a discretion to the Court to make a direction about access to “records of the examination”.

Claims

I have considered the evidence elicited at the public examinations and investigated the potential recovery actions that may be available to the Company and its Liquidator. This includes insolvent trading claims against the Company’s directors and / or breach of Directors duties.

In my view, there are such claims available to the liquidator against the directors in respect of insolvent trading under section 588M of the Act.

It is reasonably arguable that the Company became insolvent at some point during the second half of 2017 and that there were reasonable grounds for so suspecting. However, if the Company only became insolvent in late 2017, the value of any potential insolvent trading claim is likely to be limited. It is my

view that the costs associated with commencing recovery action at this date of insolvency would likely outweigh the quantum of the claim and as such, the proposed size of the claim appears uncommercial to pursue.

Further investigations would be required to identify whether the Company was insolvent earlier than late 2017, which would encompass the largest unrelated creditor of the Company (SunFunder) in the amount of approximately \$3.25m. My preliminary review of the material suggests an earlier date would be difficult to prove.

The prospects of any insolvent trading claim against the directors must be considered against the availability of any defences to the directors under sections 588GA and 588H of the Act. In that regard, I note that the Company was successful in negotiating payment deferrals and debt restructures and also obtained bridging loans while awaiting further receipts.

I have approached litigation funders and creditors to ascertain their interest to fund further investigation and recovery action. To date, no party has expressed an interest. In the absence of funding, I do not intend to investigate these matters further.

I have not identified any other potential claims against the Directors and/or Officers.

Repayment of Funding

The Director and Officers previously had a D&O policy. Shortly prior to the examinations, the insurer withdrew its coverage under the policy.

During the course of the liquidation, SunFunder funded myself and legal representatives to pursue claims off the back of legal advice that suggested the Directors and Officer could have recourse to the Policy for any successful pursuit of insolvent trading claims. Unfortunately, given that there was a change in the position regarding this advice we entered into a confidential settlement agreement between ourselves and the legal firm, which resulted in SunFunder being repaid some of its funding.

2. Receipts and Payment to Date

A return showing the progress of the administration is lodged with Australian Securities and Investments Commission on an annual basis. This return includes a summary of my receipts and payments. The latest report was made up to 24 July 2021 and can be downloaded from the ASIC website at www.asic.gov.au.

Included in **Appendix A** are details of all receipts and payments in the liquidation to date.

3. Remuneration Approval Request

As a result of additional unforeseen work, I am requesting further fees be approved in the liquidation. Attached at **Appendix A** is a detailed report on my remuneration, called a Remuneration Approval Report. By way of a summary, the increase in costs largely relate to the following aspects:

- Examination days were originally estimated to be held over three days. After advice from Counsel, the examinations were extended to five days.
- Review records obtained from the Orders of Production and prepare a chronology of the Company, which included key events, financial performance, operation decisions. The records obtained were more than first anticipated, in circumstances where additional records were provided by parties who had already been served with provision of records requests.
- Discussions with funders and cost estimates to pursue claims.
- Pursue claim against solicitors and attend to settlement discussions.

The resolutions being sought are set out in **Appendix B**.

I propose to have my remuneration approved by a proposal without a meeting. Information about passing resolutions without a meeting and a voting form is included at **Appendix C**.

If my remuneration is not approved by creditors, I will need to approach the Court.

4. What Happens Next?

Creditors should:

- Write off their debts.
- Return proposals without meeting, to vote on the proposed remuneration resolutions (optional) (see Appendix C).

I will proceed with the Liquidation, including:

- Obtain remuneration approval (either by proposal of creditors or the Court)
- Statutory lodgements and reports.

I expect to have completed this Liquidation shortly after my remuneration is approved and this will be my last report to creditors.

You can contact my office and speak with Will Evans on (02) 9189 1704 or via email on Will.Evans@cathropartners.com.au.

Yours faithfully


Simon Cathro
Liquidator

Enc

List of attachments

Appendix A – Remuneration Approval Report
Appendix B – Notice of Proposals to Creditors
Appendix C – ARITA Information sheet: Proposals without meetings
Appendix D – Formal Proof of Debt or Claim

Remuneration Approval Report
Barefoot Power Pty. Ltd. (In Liquidation)
ACN 112 576 397 (“the Company”)

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 of the Company.

This report has the following information included:

Part 1: Declaration

Part 2: Executive Summary

Part 3: Remuneration

3.1 Remuneration Claim Proposals

3.2 Explanation of Hourly Rates

3.3 Remuneration Details

3.4 Details of remuneration

3.5 Reconciliation to remuneration previously approved

3.6 Likely impact on dividends

3.7 Remuneration recovered from external sources

Part 4: Disbursements

4.1 External Disbursements

4.2 Internal Disbursements

Part 5: Report on Progress of the Administration

Part 6: Summary of Receipts and Payments

Part 7: Queries

What do you need to do next?

You should read this report and the other documentation that I have sent you.

To minimise the costs in this liquidation, I have elected to seek the approval of creditors for my remuneration without a meeting. Information about the proposals without a meeting process is included at Appendix B of this report.

You can cast your vote by using the included voting forms. These forms then need to be returned to my office by post, scanned and emailed or faxed. I need to receive your forms by 5pm on 23 September 2021 for your vote to count. If you choose to use post, please allow enough time for your voting forms to be delivered.

If you have any questions, or need any assistance with understanding the materials I have sent to you, please contact my office.

Appendix A

Part 1: Declaration

Simon Cathro, of Cathro & Partners, has undertaken a proper assessment of this remuneration claim for his appointment as Liquidator 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, properly performed, or to be properly performed, in the conduct of the liquidation.

In making this declaration, I reviewed the work in progress report for the liquidation and no adjustment was necessary.

Part 2: Executive Summary

Remuneration Sought

I am asking creditors to approve my remuneration via a proposal without a meeting. I am seeking approval for the following remuneration:

Current Remuneration claim:	Report Reference	Amount (incl GST)
Proposal 1: 12 June 2019 to 31 July 2021	3.2 and 3.3(a)	\$29,294.34
Proposal 2: 1 August 2021 to 30 August 2021	3.2 and 3.3(b)	\$4,897.20
Proposal 3: 31 August 2021 to liquidation finalisation *	3.2	\$5,000.00
Total		\$39,191.54

* Based on my current estimates of anticipated work required to finalise the liquidation

Details of the work already done and future work that I intend to do are included in Part 3. Actual proposals to be put to the meeting are also included in Part 3 for your information and appear in the proposal form provided to you.

I anticipate this will be my final remuneration approval request.

Previous Remuneration Approvals

The following remuneration approvals have previously been provided by creditors:

Past remuneration approved:	Report Reference	Amount (incl GST)
25 July 2018 to 6 August 2018		\$17,892.42
7 August 2018 to liquidation Finalisation		\$37,107.58
28 March 2019 to 11 June 2019		\$6,409.58
12 June 2019 to liquidation finalisation		\$70,500.00
Total past remuneration approved		\$131,909.58

A full explanation of remuneration approved compared to additional remuneration required is at Part 3.4.

Previous Disbursement Approvals

Creditors have passed my proposal for an annual administration charge in the amount of \$650.00 inclusive of GST for year one, and \$350.00 inclusive of GST for year two and subsequent years that the administration is ongoing. At this stage, I do not intend to call for a proposal to pass any further annual administration charge nor internal disbursements.

I am not required to seek creditor approval for costs paid to third parties or where I am recovering a cost incurred on behalf of the administration, but I must provide details to creditors. Details of these amounts are included in at Part 4 and in the attached Receipts and Payments at Part 6.

Appendix A

Part 3: Remuneration

3.1 Remuneration Claim Proposals

The following proposals will be put to creditors for their approval. Details to support these proposals are included in Part 3.2 and 3.3.

Proposal 1

That the remuneration of the Liquidator from 12 June 2019 to 31 July 2021 is determined at a sum equal to the costs of time spent by the Liquidator and his partners and staff, calculated by applying the Worrells' Hourly Rates currently set by the firm and detailed in the report to creditors of 1 September 2021 up to a capped amount of \$29,294.34, inclusive of GST, and that the Liquidator can draw the remuneration immediately or as required.

Proposal 2

That the remuneration of the Liquidator from 1 August 2021 to 30 August 2021 is determined at a sum equal to the costs of time spent by the Liquidator and his partners and staff, calculated by applying the Cathro & Partner's Hourly Rates currently set by the firm and detailed in the report to creditors of 1 September 2021 up to a capped amount of \$4,897.20, inclusive of GST, and that the Liquidator can draw the remuneration on a monthly basis or as required.

Proposal 3

That the future remuneration of the Liquidator from 31 August 2021 to the finalisation of the liquidation is determined at a sum equal to the costs of time spent by the Liquidator and his partners and staff, calculated by applying the Cathro & Partner's Hourly Rates currently set by the firm and detailed in the report to creditors 1 September 2021 up to a capped amount of \$5,000.00, inclusive of GST, and that the Liquidator can draw the remuneration on a monthly basis or as required.

3.2 Explanation of Hourly Rates

Given the nature of this administration, my remuneration is calculated on a time based/hourly rates method. This is because:

- Creditors are only charged for work that is performed;
- The Liquidator is required to perform a number of tasks which do not relate to the realisation of assets, for example responding to creditor enquiries, reporting to ASIC, distributing funds in accordance with the provisions of the Corporations Act; and
- The Liquidator is unable to estimate with certainty the total amount of fees necessary to complete all tasks required in the liquidation.

The rates for my remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the liquidation and the role they take in the liquidation. The rates of Cathro & Partners are consistent with the rates of Worrells. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage. Time is charged in 6-minute increments.

Title	Description	Hourly Rate Ex GST
Partner	Registered Liquidator, bringing their specialist skills and expert knowledge to the administration.	\$600.00
Consultant	Consultants can be professionals or non-professionals with specialist skills in the chosen field. The nature of the consulting work being provided will vary between matters.	\$600.00
Senior Manager	Senior Managers will generally have a minimum of 8 years insolvency experience, broad technical knowledge and commercial judgement. They will have carriage of all but highly complex files, reporting directly to the Partner.	\$540.00

Appendix A

Manager	Managers will generally have minimum of 6 years insolvency experience, well-developed technical knowledge and capable of managing most files. Undertaking or completed ARITA education course, completed CAANZ/CPA (or equivalent). Manages and oversees the team.	\$520.00
Supervisor	Supervisors will generally have minimum of 4 years insolvency experience, undertaking or completed CAANZ/CPA (or equivalent), and may have commenced ARITA education course. Supervises and trains staff.	\$415.00
Senior Consultant	Senior File Accountants generally with two to four years insolvency experience, undertaking CAANZ/CPA (or equivalent) and be able to demonstrate a sound knowledge and application of general insolvency principles.	\$340.00
Consultant	File Accountants are graduates with limited experience in insolvency. They are undertaking further studies and are supervised by more senior staff.	\$295.00
Graduate	Graduates or undergraduates with little to no experience in insolvency. They may be working part time completing their studies. Supervised by more senior staff.	\$255.00
Administrative	Administrative Staff may have varying levels of experience who provide assistance on clerical tasks, processing receipts and payments, marketing and public relations and technical information technology requirements on insolvency files where required.	\$105.00
	These rates are applicable from 1/08/2021	

Appendix C

3.3 Remuneration Details

		Tasks		
		Work already done (incl GST)	Work already done (incl GST)	Future work (incl GST)
Proposals		1	2	3
Period		12 June 2019 to 31 July 2021	1 August 2021 to 30 August 2021	31 August 2021 to liquidation finalisation
Total Amount (incl GST)		\$29,294.34	\$4,897.20	\$5,000.00
Task Area	General Description			
Assets		Time: 6hr 23min Fees: \$3,723.86		
	Claims	Review advice and consider potential claims Consider material to support claim against solicitor Instructing solicitors Settlement negotiations Reporting to funding creditor Collection of settlement funds		
	Other assets	Tasks associated with realising other assets		
Creditors		Time: 2hr 35min Fees: \$1,268.66	Time: 5hr Fees: \$2,996.40	Time: 4hr 30min Fees: \$3,000.00
	Creditor enquiries, requests and directions	Receive and follow up creditor enquiries via telephone Maintaining creditor enquiry register Review and prepare correspondence to creditors and their representatives	Review and prepare correspondence to creditors and their representatives Update and review of creditor returns analysis	Receive and follow up creditor enquiries via telephone Maintaining creditor enquiry register Review and prepare correspondence to creditors and their representatives
	Reports to creditors	Reporting to funding creditor	Preparing general reports to creditors	
	Dealing with Proofs of debt	Receipting and filing POD when not related to a dividend	Receipting and filing POD when not related to a dividend	Receipting and filing POD when not related to a dividend
	Proposals to creditors		Preparing proposal notices and voting forms Forward notice of proposal to all known creditors	Preparation and lodgement of proposal outcome with ASIC
Investigation		Time: 43hr 11min Fees: \$23,080.09	Time: 2hr 24min Fees: \$1,485.00	
	Conducting investigation	Reviewing company's books and records Reviewing records obtained from Orders of Production Preparing chronology summarising key financial, operational and strategic events Review of specific transactions and liaising with banks regarding certain transactions Trace transactions and consider whether for a proper purpose Review POD's submitted and books and records to determine the potential date of insolvency		

Appendix A

		Review PODs to consider claims based on potential dates of insolvency Consider impact of related party claims on the date of insolvency and insolvent trading claim Convert foreign currency proof of debts		
	Examinations	Preparing brief to solicitor Prepare affidavit for public examinations Liaising with solicitor(s) regarding examinations Attendance at examination (5 days) Reviewing examination transcripts Liaising with solicitor(s) regarding outcome of examinations and further actions available Preparation for examination, including application for summons, review and collate records subject to the examination and questions for the relevant examinee Review of further records, transcripts, admissions and facts uncovered during public examination Instructing solicitor and Counsel in respect to examination process Investigate and report on conclusions and findings from examination		
	Litigation / Recoveries	Obtain legal opinion on strength of insolvent trading claim and liaise with solicitor in respect to same Discussions with funders		
Employees		Time: 46min Fees: \$328.53		
	Employee enquiries	Review records and prepare employee separation certificate		
Administration		Time: 1hr 43min Fees: \$893.20	Time: 42min Fees: \$415.80	Time: 3hr 30min Fees: \$2,000.00
	Correspondence	Draft and issue general correspondence		Draft and issue general correspondence
	Document maintenance/file review/checklist	Monthly administration review Filing of documents File reviews Updating checklists	Monthly administration review Filing of documents	Monthly administration review Filing of documents File reviews Updating checklists
	Bank account administration	Bank account reconciliations	Bank account reconciliations	Bank account reconciliations
	ASIC Form and lodgements	Preparing and lodging ASIC forms		Preparing and lodging ASIC forms
	ATO & other statutory reporting	Preparing BAS		Preparing BAS
	Planning / Review	Discussions regarding status of administration	Discussions regarding status of administration	Discussions regarding status of administration

Appendix C

3.4 Details of remuneration

(a) Proposal 1: Time spent by staff on each major task (work already done)

Employee	Current Position	Current Hourly Rate	Total Time		Total Fees	Administration			Assets			Creditors			Employees			Investigations			
			Incl GST	Hours		Minutes	Hours	Minutes	\$	Hours	Minutes	\$	Hours	Minutes	\$	Hours	Minutes	\$	Hours	Minutes	\$
Simon Cathro	Partner	660.00		4	28	2,948.00	-	7	77.00	1	2	682.00	-	5	55.00	-	-	-	3	14	2,134.00
Damien Beven	Senior Manager	594.00		42	20	23,589.05	1	9	657.80	5	16	3,012.53	1	31	867.53	-	16	152.53	34	8	18,898.66
Irving Kwek	Senior Consultant	374.00		7	28	2,628.22	-	5	29.33	-	5	29.33	-	59	346.13	-	30	176.00	5	49	2,047.43
Will Evans	Senior Consultant	374.00		-	22	129.07	-	22	129.07	-	-	-	-	-	-	-	-	-	-	-	-
Total - Time				54	38		1	43		6	23		2	35		-	46		43	11	
Total - Cost						29,294.34			893.20			3,723.86			1,268.66			328.53			23,080.09
Including GST						2,663.12															
Average Hourly Rate								520.31			583.37			491.09			428.52			534.47	

(b) Proposal 2: Time spent by staff on each major task (work already done)

Employee	Current Position	Current Hourly Rate	Total Time		Total Fees	Administration			Creditors			Investigations			
			Incl GST	Hours		Minutes	Hours	Minutes	\$	Hours	Minutes	\$	Hours	Minutes	\$
Simon Cathro	Partner	660.00		1	24	924.00	-	-	-	-	30	330.00	-	54	594.00
Damien Beven	Senior Manager	594.00		6	24	3,801.60	-	42	415.80	4	12	2,494.80	1	30	891.00
Kira Yu	Manager	572.00		-	18	171.60	-	-	-	-	18	171.60	-	-	-
Total - Time				8	6		-	42		5	0		2	24	
Total - Cost						4,897.20			415.80			2,996.40			1,485.00
Including GST						445.20									
Average Hourly Rate								594.00			599.28			618.75	

Appendix C

3.5 Reconciliation to remuneration previously approved

To date, I have drawn \$131,909.58 and applied it in payment of my remuneration. My remuneration has exceeded this amount and in this report I am now seeking approval of a further approval of \$39,191.54 to enable me to complete the liquidation

Task	Fees already approved as at 12 June 2019 \$	Approval sought for work already done \$	Approval sought for future work \$	Total per task \$
Assets	23,802.99	3,723.86		27,526.85
Creditors	23,661.26	4,265.06	3,000.00	30,926.32
Employees	2,754.32	328.53	-	3,082.85
Trade On	-			-
Investigation	79,863.30	24,565.09		104,428.39
Dividend	123.75			123.75
Administration	1,703.96	1,309.00	2,000.00	5,012.96
TOTAL*	131,909.58	34,191.54	5,000.00	171,101.12
<i>Total remuneration previously approved</i>				<i>131,909.58</i>
<i>Difference (see table below for further explanation)</i>				<i>39,191.54</i>

In this table I compare, on a task basis, the difference between my previous remuneration report and this report, together with explanations for the difference.

Task	Fees already approved as at 12 June 2019 \$	Total per task (from previous table) \$	Difference \$	Reasons for differences
Assets	23,802.99	27,526.85	3,723.86	Pursue and settle claims against solicitor
Creditors	23,661.26	30,926.32	7,265.06	Draft further reports to creditors to provide an update on the additional matters Reporting to funding creditor on status of investigations
Employees	2,754.32	3,082.85	328.53	N/A
Trade On	-	-	-	N/A
Investigation	79,863.30	104,428.39	24,565.09	Review records obtain from Orders of Production Attendance at examinations and review transcripts thereafter (5 days and 5 examinees) Discussions with potential funders Obtain legal advice as to strength of claim
Dividend	123.75	123.75	-	N/A
Administration	1,703.96	5,012.96	3,309.00	Update to funding creditor in respect to the abovementioned tasks Prepare and submit funding requests
TOTAL	131,909.58	171,101.12	39,191.54	

Appendix A

This differs to the estimate of costs provided in my report to creditors dated 12 June 2019, which estimated a cost to finalisation of the liquidation of \$131,909.58 (including GST). I note that the increase in costs largely relate to the following tasks:

- Examination days were originally estimated to be held over three days. After advice from Counsel, the examinations were extended to five days.
- Review records obtained from the Orders of Production and prepare a chronology of the Company, which included key events, financial performance, operation decisions. The records obtained were more than first anticipated, in circumstances where additional records were provided by parties who had already been served with provision of records requests.
- Discussions with funders and cost estimates to pursue claims.
- Pursue claim against solicitors and attend to settlement discussions.

I anticipate this will be my final remuneration approval request.

I have provided an explanation of tasks remaining to be completed, including my estimated costs to complete those tasks, to support my current remuneration approval request, at section 3.2 of the report.

3.6 Likely impact on dividends

The Corporations Act sets the order for payment of claims against the company, and it provides for remuneration of the Liquidator to be paid in priority to other claims. This ensures that when there are sufficient funds, the Liquidator receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds. Even if creditors approve my remuneration, this does not guarantee that I will be paid, as I am only paid if sufficient assets are recovered.

Any dividend to creditors will also be impacted by the amount of assets that I am able to recover, and the amount of creditor claims that are admitted to participate in any dividend, including any claims by priority creditors such as employees.

There are not expected to be sufficient funds to pay a dividend to any class of creditors. If creditors do not approve my remuneration, I will approach the Court for its approval.

3.7 Funding received for remuneration and disbursements

As disclosed in my DIRRI, David Hind, a Director of the Company, has provided \$20,000.00 towards my remuneration and expenses of the administration. This money will be held in a bank account set up for the purposes of the administration. There are no conditions on the conduct or outcome of the administration attached to the provision of these funds.

Creditors would also be aware that I have entered into funding agreement with Sunfunder Empowerment Fund II LLC. Given the confidentiality clauses, I am unable to disclose the amount of funding that has been provided.

Part 4: Disbursements

Disbursements are divided into three types:

- **External professional services** - these are recovered at cost. An example of an externally provided professional service is legal fees. It does not include insolvency services, as insolvency services are claimed as remuneration.
- **External non-professional costs** - these are recovered at cost. Examples of external non-professional expenses include travel, accommodation and search fees.
- **Firm non-professional costs** – such as photocopying, printing and postage. These costs, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

Appendix A

4.1 External Disbursements

I am not required to seek creditor approval for expenses paid to third parties or for disbursements where I am recovering a cost incurred on behalf of the administration, but I must account to creditors. I must be satisfied that these expenses and disbursements are appropriate, justified and reasonable.

I am required to obtain creditor's consent for the payment of a disbursement where I, or a related entity of ourselves, may directly or indirectly obtain a profit. In these circumstances, creditors will be asked to approve my disbursements prior to these disbursements being paid from the administration.

The following disbursements have been paid by the Administration to my firm. Where amounts have been paid to my firm for externally provided services and costs, that is in reimbursement of a cost previously paid by our firm either due to a lack of funds in the Administration at the time the payment was due or the direct invoicing of my firm by the supplier. All of the below transactions appear in the receipts and payments listing attached to this report as Appointee disbursements. Where payments to third parties are paid directly from the Administration bank account, they are only included in the attached listing of receipts and payments.

Disbursement	Description	Total
Internal		
Internal Disbursements	unit	\$1,350.00
External Professional		
Consulting		1,168.75
External Non-Professional		
Advertising		\$1,945.00
Outsourced Printing		\$119.24
Postage - General	Envelope	\$366.10
Searches		\$1,068.93
Travel		\$14.77
		\$6,032.79

4.2 Internal Disbursements

I am required to obtain creditor's consent for the recovery of internal disbursements, which are expenses incurred in the Liquidation, where I, or a related entity of myself, may directly or indirectly obtain a profit.

I recover internal disbursements by way of an annual administration charge. This is set based on an estimate of the internal disbursements likely to be incurred each year to the completion of the administration.

Creditors have passed my proposal to pass the annual administration charge in the amount of \$650.00 inclusive of GST for year one, and \$350.00 inclusive of GST for year two and subsequent years that the administration is ongoing. At this stage, I do not intend to call for a proposal to pass any further annual administration charge nor internal disbursements.

Part 5: Report on Progress of the Administration

Please refer to the general report to creditors accompanying this remuneration approval report.

Part 6: Summary of Receipts and Payments as at Date of Report

Account	Gross
Receipts	
Indemnity Funding	284,062.35
Litigation Funding	11,393.16

Appendix A

Miscellaneous Income (2) - No GST	4,089.00
Cash At Bank	479.98
Sale of Assets	100,000.00
Bank Interest	484.14
Settlement Of Claims	100,000.00
Secured Chargeholder	40.00
GST Clearing Account	15,922.00
Total Receipts (inc GST)	516,470.63

Payments

Advertising	1,945.00
Stationery & Printing	460.84
Sundry Expenses	1,168.75
Secured Chargeholder	12,599.00
Repayment of Indemnity	93,907.65
Bank Charges	0.20
Legal Fees GST	244044.58
Liquidators Remuneration	132,367.40
Liquidators Expenses	1,374.50
Travelling Expenses	14.77
Search Fees	961.11
Total Payments (inc GST)	488,843.80
BALANCE IN HAND	\$27,626.83

Part 7: Queries

If you have any queries in relation to the information in this report, please contact Will Evans on (02) 9189 1702 or Will.Evans@cathropartners.com.au.

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

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

ARITA's website also contains its Code of Professional Practice for Insolvency Professionals which applies to ARITA members. Partners of Cathro & Partners are members of ARITA and the firm conforms with the code.

NOTICE OF PROPOSAL TO CREDITORS

Barefoot Power Pty. Ltd. (In Liquidation) ACN 112 576 397 (“the Company”)

Proposal No. 1 for creditor approval

That the remuneration of the Liquidator from 12 June 2019 to 31 July 2021 is determined at a sum equal to the costs of time spent by the Liquidator and his partners and staff, calculated by applying the Worrells’ Hourly Rates currently set by the firm and detailed in the report to creditors of 1 September 2021 up to a capped amount of \$29,294.34, inclusive of GST, and that the Liquidator can draw the remuneration immediately or as required.

Reasons for the proposal and the likely impact it will have on creditors if it is passed

- The Liquidator is seeking to have his remuneration approved for necessary work, properly performed, or to be properly performed, in the conduct of the liquidation.
- A Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties.
- I am unable to pay my remuneration without the approval of the Committee of Inspection (if one has been appointed), Creditors, or the Court.
- Approval by Creditors is efficient and timely, and is less costly than an application to the Court.
- Approval of my remuneration will allow me to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.

Vote on the Proposal No. 1

Please select the appropriate Yes, No or Object box referred to below.

- Yes I approve the proposal
No I do not approve the proposal
Object I object to the proposal being resolved without a meeting of creditors

Creditor Details

Name of Creditor.....ACN/ABN

Please advise your relationship with the Company:

- I am **not** a related creditor of the Company
 I am a related creditor of the Company, relationship:
*eg Director, relative of Director, related company, beneficiary of a related trust.

Address.....

Signature..... Name

Date

Next Steps

For your vote to count, your claim against the Company must have been admitted for the purposes of voting by the Liquidator. Please select the option that applies to you:

- I have previously submitted a proof of debt form and supporting documents
 I have enclosed a proof of debt form and supporting documents with this proposal form

You must complete this document and return it together with any supporting documents by no later than 5pm on 23 September 2021, by email to Will Evans at Will.Evans@cathropartners.com.au or GPO Box 3368, Sydney NSW 2001. You should allow sufficient time to arrive before the vote closes.

Should you have any queries in relation to this matter, please contact (02) 9189 1700.

NOTICE OF PROPOSAL TO CREDITORS

Barefoot Power Pty. Ltd. (In Liquidation) ACN 112 576 397 (“the Company”)

Proposal No. 2 for creditor approval

That the remuneration of the Liquidator from 1 August 2021 to 30 August 2021 is determined at a sum equal to the costs of time spent by the Liquidator and his partners and staff, calculated by applying the Cathro & Partner’s Hourly Rates currently set by the firm and detailed in the report to creditors of 1 September 2021 up to a capped amount of \$4,897.20, inclusive of GST, and that the Liquidator can draw the remuneration on a monthly basis or as required.

Reasons for the proposal and the likely impact it will have on creditors if it is passed

- The Liquidator is seeking to have his remuneration approved for necessary work, properly performed, or to be properly performed, in the conduct of the liquidation.
• A Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties.
• I am unable to pay my remuneration without the approval of the Committee of Inspection (if one has been appointed), Creditors, or the Court.
• Approval by Creditors is efficient and timely, and is less costly than an application to the Court.
• Approval of my remuneration will allow me to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.

Vote on the Proposal No. 2

Please select the appropriate Yes, No or Object box referred to below.

- Yes [] I approve the proposal
No [] I do not approve the proposal
Object [] I object to the proposal being resolved without a meeting of creditors

Creditor Details

Name of Creditor.....ACN/ABN

Please advise your relationship with the Company:

- [] I am not a related creditor of the Company
[] I am a related creditor of the Company, relationship:
*eg Director, relative of Director, related company, beneficiary of a related trust.

Address.....

Signature..... Name

Date

Next Steps

For your vote to count, your claim against the Company must have been admitted for the purposes of voting by the Liquidator. Please select the option that applies to you:

- [] I have previously submitted a proof of debt form and supporting documents
[] I have enclosed a proof of debt form and supporting documents with this proposal form

You must complete this document and return it together with any supporting documents by no later than 5pm on 23 September 2021, by email to Will Evans at Will.Evans@cathropartners.com.au or GPO Box 3368, Sydney NSW 2001. You should allow sufficient time to arrive before the vote closes.

Should you have any queries in relation to this matter, please contact (02) 9189 1700.

NOTICE OF PROPOSAL TO CREDITORS

Barefoot Power Pty. Ltd. (In Liquidation) ACN 112 576 397 (“the Company”)

Proposal No. 3 for creditor approval

That the future remuneration of the Liquidator from 31 August 2021 to the finalisation of the liquidation is determined at a sum equal to the costs of time spent by the Liquidator and his partners and staff, calculated by applying the Cathro & Partner’s Hourly Rates currently set by the firm and detailed in the report to creditors 1 September 2021 up to a capped amount of \$5,000.00, inclusive of GST, and that the Liquidator can draw the remuneration on a monthly basis or as required.

Reasons for the proposal and the likely impact it will have on creditors if it is passed

- The Liquidator is seeking to have his remuneration approved for necessary work, properly performed, or to be properly performed, in the conduct of the liquidation.
• A Liquidator is entitled to be fairly remunerated for undertaking statutory and other duties.
• I am unable to pay my remuneration without the approval of the Committee of Inspection (if one has been appointed), Creditors, or the Court.
• Approval by Creditors is efficient and timely, and is less costly than an application to the Court.
• Approval of my remuneration will allow me to progress further investigations in a timely manner to ensure the prospect of any dividends can be maximised.

Vote on the Proposal No. 3

Please select the appropriate Yes, No or Object box referred to below.

- Yes [] I approve the proposal
No [] I do not approve the proposal
Object [] I object to the proposal being resolved without a meeting of creditors

Creditor Details

Name of Creditor.....ACN/ABN

Please advise your relationship with the Company:

- [] I am not a related creditor of the Company
[] I am a related creditor of the Company, relationship:
*eg Director, relative of Director, related company, beneficiary of a related trust.

Address.....

Signature..... Name

Date

Next Steps

For your vote to count, your claim against the Company must have been admitted for the purposes of voting by the Liquidator. Please select the option that applies to you:

- [] I have previously submitted a proof of debt form and supporting documents
[] I have enclosed a proof of debt form and supporting documents with this proposal form

You must complete this document and return it together with any supporting documents by no later than 5pm on 23 September 2021, by email to Will Evans at Will.Evans@cathropartners.com.au or GPO Box 3368, Sydney NSW 2001. You should allow sufficient time to arrive before the vote closes.

Should you have any queries in relation to this matter, please contact (02) 9189 1700.

Information sheet: Proposals without meetings

You may be a creditor in a liquidation, voluntary administration or deed of company arrangement (collectively referred to as an external administration).

You have been asked by the liquidator, voluntary administrator or deed administrator (collectively referred to as an external administrator) to consider passing a proposal without a meeting.

This information sheet is to assist you with understanding what a proposal without a meeting is and what your rights as a creditor are.

What is a proposal without a meeting?

Meetings of creditors were previously the only way that external administrators could obtain the views of the body of creditors. However, meetings can be very expensive to hold.

A proposal without a meeting is a cost effective way for the external administrator to obtain the consent of creditors to a particular course of action.

What types of proposals can be put to creditors?

The external administrator is able to put a range of proposals to creditors by giving notice in writing to the creditors. There is a restriction under the law that each notice can only contain a single proposal. However, the external administrator can send more than one notice at any single time.

What information must the notice contain?

The notice must:

- include a statement of the reasons for the proposal and the likely impact it will have on creditors if it is passed
- invite the creditor to either:
 - vote yes or no to the proposal, or
 - object to the proposal being resolved without a meeting, and
- specify a period of at least 15 business days for replies to be received by the external administrator.

If you wish to vote or object, you will also need to lodge a Proof of Debt (POD) to substantiate your claim in the external administration. The external administrator will provide you with a POD to complete. You should ensure that you also provide documentation to support your claim.

If you have already lodged a POD in this external administration, you do not need to lodge another one.

The external administrator must also provide you with enough information for you to be able to make an informed decision on how to cast your vote on the proposal. With some types of proposals, the law or ARITA's Code of Professional Practice sets requirements for the information that you must be provided.

For example, if the external administrator is asking you to approve remuneration, you will be provided with a Remuneration Approval Report, which will provide you with detailed information about how the external administrator's remuneration for undertaking the external administration has been calculated.

What are your options if you are asked to vote on a proposal without a meeting?

You can choose to vote yes, no or object to the proposal being resolved without a meeting.

How is a resolution passed?

A resolution will be passed if more than 50% in number and 50% in value (of those creditors who did vote) voted in favour of the proposal, but only so long as not more than 25% in value objected to the proposal being resolved without a meeting.

What happens if the proposal doesn't pass?

If the proposal doesn't pass and an objection is not received, the external administrator can choose to amend the proposal and ask creditors to consider it again or the external administrator can choose to hold a meeting of creditors to consider the proposal.

The external administrator may also be able to go to Court to seek approval.

What happens if I object to the proposal being resolved without a meeting?

If more than 25% in value of creditors responding to the proposal object to the proposal being resolved without a meeting, the proposal will not pass even if the required majority vote yes. The external administrator will also be unable to put the proposal to creditors again without a meeting.

You should be aware that if you choose to object, there will be additional costs associated with convening a meeting of creditors or the external administrator seeking the approval of the Court. This cost will normally be paid from the available assets in the external administration.

This is an important power and you should ensure that it is used appropriately.

Where can I get more information?

The Australian Restructuring Insolvency and Turnaround Association (ARITA) provides information to assist creditors with understanding external administrations and insolvency.

This information is available from ARITA's website at artia.com.au/creditors.

ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at asic.gov.au (search for "insolvency information sheets").

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Liquidator of Barefoot Power Pty. Ltd. (In Liquidation)

1. This is to state that the company was, on 25 July 2018 (1) and still is, justly and truly indebted to(2) (full name):

(‘Creditor’)

of (full address)

for \$ dollars and cents.

Particulars of the debt are:

Table with 5 columns: Date, Consideration(3) state how the debt arose, Amount \$, GST included \$, Remarks(4) include details of voucher substantiating payment

Note: supporting documentation, such as invoices, statement of accounts and contracts should be attached.

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

Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Table with 5 columns: Date, Drawer, Acceptor, Amount \$ c, Due Date

- I am not a related creditor of the Company (5)
I am a related creditor of the Company (5) relationship:

If the form is being used for the purpose of voting at a meeting:

Is the debt you are claiming assigned to you?

No [] Yes []

If yes, attach written evidence of the debt, the assignment and consideration given.

[] Attached

If yes, what value of consideration did you give for the assignment (eg, what amount did you pay for the debt?) \$

3A.(6)* I am employed by the creditor and authorised(6) 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, still remains unpaid and unsatisfied.

3B.(6)* I am the creditor's agent authorised to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this day of 2021

Signature of Signatory.....

NameOccupation

EmailAddress

Appendix D

Proof of Debt Form Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Related Party / Entity: Director, relative of Director, related company, beneficiary of a related trust.
- (6) If the Creditor is a natural person and this proof is made by the Creditor personally. In other cases, if, for example, you are the director of a corporate Creditor or the solicitor or accountant of the Creditor, you sign this form as the Creditor's authorised agent (delete item 3A). If you are an authorised employee of the Creditor (credit manager etc), delete item 3B.

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
 - (a) have an identifying mark;
 - (b) and be endorsed with the words:
 - i) "This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
 - (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.