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15 September 2010

TO CREDITORS

Dear Sir/Madam

CourierNet Pty Ltd. (In Liquidation)
ACN 070 353 570
As Trustee for CourierNet Administration Unit Trust
Formerly Trading As "CourierNet"
("the Company")

I refer to my appointment as Official Liquidator of the abovenamed company on 22 June 2010 pursuant to an Order of the Federal Court of Australia.

I now enclose for your information:-

1. Notice of a Meeting of Creditors to be held at the offices of RSM Bird Cameron Partners, 8 St Georges Terrace Perth WA 6000, on Thursday 30 September 2010 at 10.00am (WST);
2. Report to Creditors dated 15 September 2010;
3. Liquidator's Remuneration Report dated 15 September 2010;
4. Formal Proof of Debt;
5. Proxy form;
6. Declaration of Independence; and
7. ASIC/IPAA information for Creditors on approving fees.

Please note that Proofs of Debt and Proxy forms should be lodged at this office by 4.00pm on the day prior to the meeting.

Should you have any queries regarding the above matter, please contact Lalitha Samykanno of this office on telephone 9261 9395.

Yours faithfully



Mark Conlan
Official Liquidator

FORM 529

CORPORATIONS ACT 2001

Subregulation 5.6.12(6)

NOTICE OF MEETING OF CREDITORS

COURIERNET PTY LTD (IN LIQUIDATION)
ACN 070 353 570 ("the Company")
As Trustee for Couriernet Administration Unit Trust
Formerly Trading As "CourierNet"

NOTICE is hereby given that a meeting of the creditors of the Company will be held at the offices of RSM Bird Cameron Partners, 8 St Georges Terrace Perth WA 6000, on Thursday, 30 September 2010 at 10.00am (WST).

A G E N D A

1. To receive and consider the progress report of the Liquidator as to the administration of the liquidation to date.
2. To consider and, if thought fit, approve the remuneration of the Liquidator, his partners and staff.
3. Any other business that may be lawfully brought forward.

Proxies to be used at the meeting should be lodged at the office of the Liquidator by 4.00pm on the day prior to the meeting. 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.

In accordance with Regulation 5.6.23(1) of the Corporations Regulations, creditors will not be entitled to vote at this meeting unless they have previously lodged particulars of their claim against the Company with the Liquidator.

DATED this 15th day of September 2010.



MARK CONLAN
Official Liquidator

Email: prissha.balakrishnan@rsmi.com.au

15 September 2010

Report to Creditors of:

**Courignet Pty Ltd (In Liquidation)
ACN 070 353 570 (“the Company”)
ABN 37 821 994 531
As Trustee for Courignet Administration Unit Trust
Formerly Trading As “Courignet”**

1. Introduction

- 1.1. I refer to my appointment as Official Liquidator of the Company on 22 June 2010 and to my preliminary report to creditors of the Company dated 16 July 2010.
- 1.2. I have undertaken further investigations into the Company’s affairs and the conduct of its sole director and now provide an update to creditors on the progress of the liquidation.

2. Meeting of Creditors

- 2.1. A meeting of creditors of the Company will be held at 10.00am (WST) on Thursday, 30 September 2010 at the offices of RSM Bird Cameron Partners, 8 St Georges Terrace, Perth WA. A formal notice of the meeting is enclosed with this report.
- 2.2. The balance of this report is set out under the following main headings:

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3. Statutory Information

- 3.1. The records of the Australian Securities and Investments Commission (“ASIC”) at the date of my appointment record Me Dan Bo Jensen of Unit 45, 128 Mounts Bay Road Perth WA 6000 (“the Director”) as the sole director of the Company.
- 3.2. ASIC records also reveal that the issued capital of the Company was \$2.00, being two fully paid ordinary shares held by the Director.
- 3.3. As at the date of my appointment two charges over property of the Company were registered in ASIC records as summarised below in Table 1:-

Chargee	Charge Number	Charge Type	Date Created	Date Registered
Scottish Pacific Business Finance Pty Limited	800383	Fixed & Floating Charge	7 May 2001	16 May 2001
Esanda Finance Corporation Limited	1675604	Fixed Charge	23 July 2008	7 August 2008

Table 2: Summary of Registered Charges

- 3.4. Details of the amounts secured by the charges are set out in paragraphs 5.14 to 5.22 below.

4. Trading History

- 4.1. Financial statements prepared for the Company by external accountants for the financial years ended 30 June 2007 and 30 June 2008 and an electronic MYOB file containing management accounts for the financial year ended 30 June 2009 and for the period to 22 June 2010 have been provided to me.
- 4.2. The financial performance of the Company from these records is summarised below in Table 2:-

	Financial Statements		Management Accounts	
	Year Ended 30 June 2007	Year Ended 30 June 2008	Year Ended 30 June 2009	Period to 22 June 2010
	\$	\$	\$	\$
Total Income	2,205,839	2,522,983	2,369,092	2,191,249
Total Expenses	(2,174,158)	(2,446,370)	(2,375,982)	(1,996,457)
Net Profit/(Loss)	31,681	76,613	(6,890)	194,792

Table 2: Summary of Financial Performance

- 4.3. A detailed statement of financial performance (profit and loss statements) is annexed as Annexure “A”.
- 4.4. The above mentioned records indicate the Company made trading profits during the financial years ended 30 June 2007, 30 June 2008 and for the period 1 July 2009 to 22 June 2010.
- 4.5. My investigations, including a review of bank statements and other records of the Company, indicate that the Company’s expenses were not recorded correctly in the books of the Company. This suggests that the trading results indicated in Table 2 may not be accurate and the Company’s profit position during the period 1 July 2009 to 22 June 2010 may be overstated.

4.6. This is further addressed in paragraph 6.15 of this report.

5. Report as to Affairs (“RATA”)

5.1. A director of a company under external administration must make out, verify and submit a report to a liquidator as to the affairs of the company. The report must disclose the assets and liabilities of the company and the director’s estimated realisable value of the assets, as at the date of winding up of the company.

5.2. In the RATA submitted by the Director on 1 July 2010, he stated that the realisable assets of the Company consisting of debtors, plant and equipment, goodwill and motor vehicles total \$682,039.

5.3. The Director also stated in the RATA that the Company owed its secured creditors \$205,714, priority creditors \$24,967 and unsecured creditors \$1,013,354.

5.4. The Director therefore estimated a deficiency of \$561,996.

5.5. From my investigations, I estimate the deficiency to be \$901,389 excluding the costs of the winding up. A further explanation of the asset and liability classes, including variances between my estimated realisable values and those of the director begins at paragraph 6.7 below.

5.6. A summary of the RATA and my investigation findings are detailed below in Table 3:-

	Paragraph Reference	RATA Cost or Book Value \$	Director’s Estimated Realisable Value \$	Liquidator’s Estimated Realisable Value \$
<u>Assets</u>				
Sale of Business Assets:				
Plant and Equipment	5.7 – 5.13	19,282	19,282	} 240,000
Motor Vehicles	5.7 – 5.13	97,097	37,735	
Office Equipment	5.7 – 5.13	2,265	2,265	
Two Way Radios	5.7 – 5.13	10,318	2,000	
Goodwill	5.7 – 5.13	51,190	200,000	
Motor Vehicle subject to charge	5.14 – 5.15	4,027	4,027	-
Trade Debtors	5.16 – 5.26	414,654	414,654	94,394
Other Debtors	5.27 – 5.29	2,076	2,076	-
Loan to Director	5.30 – 5.32	Not disclosed	Not disclosed	Unknown
Total Assets		600,909	682,039	334,394
<u>Liabilities</u>				
Secured Creditor – Factored Debtors	5.17 – 5.22	205,714	205,714	-
Priority Creditors	5.33 – 5.38	24,967	24,967	29,691
Unsecured Creditors	5.39 – 5.41	1,060,705	1,013,354	1,076,092
Contingent Creditors	5.42 – 5.44	-	-	130,000
Total Liabilities		1,291,386	1,244,035	1,235,783
Estimated Deficiency*		(690,477)	(561,996)	(901,389)
<i>*Before Liquidation costs</i>				

Table 3: Summary of RATA and Liquidator’s Estimated Realisable Values

Sale of Business Assets

- 5.7. As mentioned in my previous report the Company sold majority of its business assets to a related entity, Freightnet Pty Ltd (“Freightnet”), for a purchase price of \$370,000 on 14 June 2010.
- 5.8. The purchase price included an immediate assignment of liabilities owed to various subcontractor drivers in the amount of \$130,000 to be paid by Freightnet. The balance of the purchase price, being \$240,000, was payable by Freightnet in 30 equal instalments of \$8,000 payable on the 14th of each calendar month.
- 5.9. To secure the compliance by Freightnet of the terms and conditions of the sale of business assets and repayment of Freightnet’s indebtedness to the Company a fixed and floating charge (“Charge”) was granted by Freightnet over all of Freightnet’s property.
- 5.10. The Deed of Charge, signed between Freightnet and the Company, has since been registered with the ASIC in accordance with the Corporations Act 2001 (“the Act”).
- 5.11. To date I have collected three (3) monthly instalments totalling \$24,000 (July, August and September) leaving a balance of \$216,000 owing under the sale agreement. Pursuant to the terms of the sale agreement the final instalment is due to be paid on 14 December 2012.
- 5.12. In addition to the Charge, a Deed of Guarantee and Charge (“Deed”) was signed by the sole Director of Freightnet Mr Dan Jensen (also Director of the Company) providing a personal guarantee in favour of the Company in respect of Freightnet’s indebtedness to the Company.
- 5.13. Pursuant to the terms of the Deed I have lodged a caveat against two (2) properties currently in the name of Mr Jensen.

Motor Vehicle Subject to Charge

- 5.14. A motor vehicle in the name of the Company was secured to Esanda Finance Corporation Limited (Esanda) and the total claim of Esanda at the date of my appointment was \$4,947.
- 5.15. I have disclaimed the motor vehicle on the basis that its value, as determined by a licensed valuer, was less than the debt owed by the Company to Esanda. The balance of Esanda’s claim, after realisation of its security, is an unsecured claim against the Company.

Trade Debtors

5.16. Set out below in Table 4 is a breakdown of the Company’s trade debtors:-

Trade Debtors	Director’s Estimated Realisable Value	Liquidator’s Estimated Book Value	Bad Debts/ Doubtful Debts	Cash collected	Balance Deemed Collectable
	\$	\$	\$	\$	\$
Factored Debtors	314,547*	91,279	12,150	17,482	61,647
Non Factored Debtors	100,107	84,682	69,417	10,265	5,000
Total	414,654	175,961	81,567	27,747	66,647

*less the secured debt owed to SPB

Table 4: Summary of Trade Debtors

Factored Debtors

- 5.17. At the date of my appointment Scottish Pacific Business Finance Pty Ltd ("SPB") held a fixed and floating charge over the Company in respect of certain factored debts.
- 5.18. SPB advised that the factoring facility held by the Company was terminated on 21 June 2010 and the amount owed by the Company at the time of my appointment was \$216,383. At that stage, SPB retained factored debtors totalling \$311,054.
- 5.19. The factoring facility with SPB was paid in full on 26 August 2010 and accordingly all remaining debtors, totalling \$91,279, were reassigned to the Company.
- 5.20. Of this amount SPB received funds totalling \$16,373 from factored debtors and have since remitted these monies to the Company's bank account. In addition, to date, I have collected funds of \$1,109 directly from factored debtors.
- 5.21. A review of the remaining debtors indicates that at least \$12,150 of debts may not be recoverable as the debtors have entered into some form of external administration.
- 5.22. Accordingly there is a factored debtor balance of \$61,647 available to the Company. I have sent demands to the respective debtors requesting payment of outstanding amounts owed to the Company. An assessment of the recoverability of these debts will be undertaken in the near future.

Non Factored Debtors

- 5.23. The Director reported non factored debtors of \$100,107 outstanding in his RATA. The Company's management records however revealed there were book debts (non factored) of \$84,682 at the date of my appointment and I have since written to these debtors requesting payment.
- 5.24. My investigations reveal that a substantial portion of these debts are more than 90 days old and / or have already been paid to the Company prior to its winding up. Correspondence from debtors indicates that the Company had several unresolved disputes in respect of previously issued invoices and the lack of proper supporting documentation.
- 5.25. Having reviewed the available records of the Company I believe the Company has failed to properly maintain its accounts receivable accurately and the debtor balance is highly overstated.
- 5.26. To date I have collected \$10,265 from the non factored debtors and there is an outstanding balance of \$74,417. I anticipate that I will recover only a further \$5,000 from these debtors.

Other Debtors

- 5.27. The Director stated the Company was owed \$2,076 by certain parties who received loans from the Company.
- 5.28. I wrote to the individuals requesting payment and have received correspondence that indicates these parties are owed monies by the Company instead.
- 5.29. Given the information to hand I do not intend to pursue the claims against these parties.

Loan to Director

- 5.30. The financial statements of the Company as at 30 June 2008 showed there was a beneficiary loan owed by the Director to the Company in the amount of \$339,837. A review of the available

Company records indicate the Director made repayments totalling \$143,938 to the Company prior to its liquidation reducing the balance owed by the Director to \$195,899.

- 5.31. In addition to the above loan account my investigations of the Company's electronic accounting system and bank statements reveal that the Director made numerous "Beneficiary Drawings" from the Company's bank account during the year ended 30 June 2009 and period ended 22 June 2010. These amounts increase the Director's loan account by \$376,722.
- 5.32. As such the total loan owed by the Director to the Company is \$572,621. A demand to the Director requesting repayment of this loan will be issued prior to the scheduled meeting of creditors.

Priority Creditors

- 5.33. Employee entitlements are afforded a priority under Section 556 of the Act and include entitlements for wages, superannuation, superannuation guarantee changes, annual leave, pay in lieu of notice, redundancy and long service leave.
- 5.34. The former employees of the Company are entitled to receive outstanding employee entitlements under the Federal Government program known as General Employee Entitlements and Redundancies Scheme ("GEERS"). It should be noted that GEERS does not accommodate superannuation claims.
- 5.35. Former employees of the Company were advised of their rights to make claims through GEERS following my appointment. To date one employee has submitted a GEERS claim with the Department of Education, Employment and Workplace Relations ("DEEWR").
- 5.36. Employees who have yet to submit their claims to DEEWR are encouraged to do so. GEERS claim forms can be downloaded from www.deewr.gov.au.
- 5.37. Based on information available from Company records I estimate these claims to be \$4,711.
- 5.38. In addition to employee claims the Director has disclosed in his RATA that the Company has outstanding superannuation liabilities of \$24,980. I have yet to receive a formal Proof of Debt from the Australian Taxation Office in respect of the superannuation liabilities.

Unsecured Creditors

- 5.39. My current estimate of all known unsecured creditor claims to date is \$1,076,092.
- 5.40. The five (5) major unsecured creditors of the Company comprise of:
- 5.40.1. Australian and New Zealand Banking Corporation - \$337,706;
 - 5.40.2. Jenni Dickson - \$180,000;
 - 5.40.3. ATO - \$149,322;
 - 5.40.4. Sidelifters - \$71,311; and
 - 5.40.5. Bartercard Australia Pty Ltd - \$69,028.
- 5.41. These creditors represent 75% of all known creditor claims.

Contingent Creditors

- 5.42. As noted in paragraph 5.8 the Company had incurred liabilities of \$130,000 comprising of outstanding payments owed to subcontractors.
- 5.43. Pursuant to the sale agreement between Freightnet and the Company the liabilities owed to the subcontractors were to be paid by Freightnet and this obligation was included in the sale price of \$370,000.
- 5.44. At the time of writing this report I am not aware if these obligations have been met by Freightnet. In the event Freightnet is unable to meet the payment obligations the subcontractors may have a claim in the liquidation which I estimate to be at least \$130,000.

6. Investigations into the Company's Affairs

Cause of Failure

- 6.1. The Director has stated that the Company's failure was attributed to the following factors:-
 - 6.1.1. Economic downturn;
 - 6.1.2. Personal problems arising from a marriage breakdown; and
 - 6.1.3. Inability to successfully negotiate a repayment arrangement with the ATO.
- 6.2. Based on my investigations I consider the main reasons for the Company's failure were:
 - 6.2.1. Inadequate cash flow;
 - 6.2.2. Poor management of accounts receivable; and
 - 6.2.3. Poor strategic management of its business by its Director.

Books and Records

- 6.3. I have recovered the available books and records of the Company, including computer records and those held by third parties.
- 6.4. Pursuant to Section 286(1) of the Corporations Act 2001 ("the Act"), a company is required to maintain sufficient books and records which:
 - 6.4.1. Correctly record and explain transactions and the financial position; and
 - 6.4.2. Enable true and fair financial statements to be prepared and audited.
- 6.5. For reasons explained at paragraph 4.5 above I believe the Company's management accounts do not reflect the true financial position of the Company at the date of liquidation. However a review of the general state of available Company's books and records indicate the Company did maintain sufficient records to satisfy the provisions of Section 286 of the Act.

Investigations Undertaken

- 6.6. Various investigative tasks have been undertaken for the purposes of seeking to identify assets and recovery actions for the benefit of creditors, including the following:

- 6.6.1. Numerous searches on both the Company and its Director, including:
 - 6.6.1.1. Current / historical ASIC organisational search on the Company;
 - 6.6.1.2. Land title searches;
 - 6.6.1.3. Business name searches;
 - 6.6.1.4. Motor vehicle searches; and
 - 6.6.1.5. Contacting all the major banks.
- 6.6.2. A review of Company books and records.
- 6.6.3. Investigations of the Company's records to identify possible recoveries including voidable transactions under s588FA to s588FE of the Act for the benefit of creditors.

Insolvent Trading Analysis

- 6.7. The Act definition of "insolvent" is determined with reference to the term "solvent" which is defined as "*when a company is able to pay all its debts as and when they fall due.*" By definition, a company is insolvent when it is unable to meet its debts as and when they fall due.
- 6.8. Pursuant to Section 588G of the Act, a director of a company has a duty to prevent a company from incurring a debt when a company is insolvent or there are reasonable grounds to suspect a company is or would become insolvent.
- 6.9. Pursuant to Section 588M of the Act, a liquidator (and in some circumstances a creditor) may recover from a director, losses suffered by creditors from transactions entered into at a time when a company was insolvent.
- 6.10. In order to establish a case for insolvent trading against a director, a liquidator must establish that a director or a reasonable person in the director's position ought to have been aware that the company was insolvent at a particular time.
- 6.11. Further, in assessing whether there is an insolvent trading case against directors, a liquidator needs to consider:
 - 6.11.1. Whether a date of insolvency can be established prior to the relevant date (being the date of filing of the winding-up application with the Court);
 - 6.11.2. The strength of defences available to directors; and
 - 6.11.3. If established, the directors' financial capacity to meet claims for insolvent trading.
- 6.12. The tests of insolvency include the balance sheet test (the net asset position of the Company) and the cash flow test (whether the Company can pay its debts as and when they fall due). The cash flow test is the true test of insolvency.
- 6.13. A summary of the Company's financial position extracted from available financial records of the Company is summarised below in Table 5:-

	Financial Statements		Management Accounts	
	As at 30 June 2007 \$	As at 30 June 2008 \$	As at 30 June 2009 \$	As at 22 June 2010 \$
Current Assets	700,973	728,526	372,057	524,459
Current Liabilities	(707,854)	(840,989)	(780,138)	(968,304)
Working Capital Surplus/ (Deficiency)	(6,881)	(112,463)	(408,081)	(443,725)
Non-Current Assets	162,777	170,124	198,896	187,205
Non-Current liabilities	(98,235)	-	(16,701)	(93,288)
Net Assets / (Liabilities)	57,661	57,661	(225,886)	(349,808)

Table 5: Summary of Financial Position

- 6.14. A detailed statement of the financial position of the Company (balance sheets) is annexed as Annexure “B”.
- 6.15. My investigations reveal that management accounts do not appear to have been maintained accurately prior to the winding up for the following reasons:
 - 6.15.1. Understatement of beneficiary loan account as at 30 June 2009 (closing balance from financial statements for year ended 30 June 2008 was not carried forward to management accounts for year ended 30 June 2009);
 - 6.15.2. Overstatement of non factored debtors (as noted in paragraph 5.25 above); and
 - 6.15.3. Incomplete postings in bank overdraft balance as at 22 June 2010 indicating receipts and payments have not been captured in management accounts.
- 6.16. As shown in Table 5 above the Company’s financial position reveals that the Company operated with a working capital deficiency from 1 July 2007 and was balance sheet insolvent from at least 30 June 2009.
- 6.17. Working capital is representative of a company’s capacity to meet its current liabilities by the application of its current assets. A shortfall in current assets to meet current liabilities is an indicator of cash flow insolvency. A decline in the working capital position is often a pre-cursor to insolvency.
- 6.18. Based on my investigation I believe the Company’s working capital deficiency and net liability position was much higher due to the inaccuracies, highlighted in paragraph 6.15 above, from at least 30 June 2009.
- 6.19. I therefore consider the Company to have been insolvent from at least 30 June 2009.
- 6.20. The Company continued to trade after 30 June 2009, as evidenced by its statement of financial performance, and thereby continued to accrue substantial debts.
- 6.21. I therefore contend a claim exists against the Director for insolvent trading. Significant work will be required to determine the amount of the claim as such a claim only includes the creditors who were incurred after the date of insolvency.
- 6.22. Preliminary investigations reveal that if an insolvency date of 30 June 2009 is used the insolvent trading claim ranges between \$239,463 to \$1,235,783.

- 6.23. My preliminary investigations into the Director's financial position based on limited publicly available information indicate that the Director owns two (2) properties. Both properties have mortgages and caveats registered on them and extent of residual equity, if any, is not known.
- 6.24. I intend to discuss the commercial merits of pursuing this claim at the forthcoming meeting of creditors, including funding options, and seek creditors input in this regard.

Voidable Transactions

- 6.25. Pursuant to Part 5.7B of the Act, a liquidator may void certain transactions of a company in respect of money, property or other benefits for the benefit of creditors. Such voidable transactions may consist of:
- 6.25.1. Unfair Preference (Section 588FA) – these are transactions between the company and a creditor resulting in the creditor receiving more than the creditor would receive if the transactions were set aside and the creditor claimed for this amount in the winding-up. Any such voidable transactions must arise in the period beginning six months prior to the relation back day and ending on the date of liquidation. For the purposes of the Company, the relation back day is 20 May 2010 and the relation back period commences 20 December 2009.
 - 6.25.2. Uncommercial Transactions (Section 588FB) – these are transactions entered into that a reasonable person would not have entered into having regard to the benefit to the company, the detriment to the company and the benefit to the other parties involved in the transaction. In this instance, it is not necessary for a creditor to be a party to the transaction. Such transactions are only voidable if the Company was insolvent at the time of the transaction.
 - 6.25.3. Insolvent Transactions (Section 588FC) – these transactions are unfair preferences or uncommercial transactions (refer above) entered into when the company was insolvent or became insolvent as a result of entering into the transaction. Only unfair preferences which have occurred within six months of the relation back day and uncommercial transactions which have occurred within two years of the commencement of the liquidation can be recovered.
 - 6.25.4. Unfair Loans to a Company (Section 588FD) – representing loans made to the company where interest or other charges on the loan were extortionate. These transactions can be recovered regardless of when they were entered into.
 - 6.25.5. Unreasonable Director-Related Transactions (Section 588FDA) – being transactions that a reasonable person in the company's circumstances would not have entered into having regard to the benefit to the Company (and other parties to the transaction) and the detriment to the Company. These transactions may be voided if they occurred within four years of the relation back day.
 - 6.25.6. Related Party Transactions (Section 588FE(4)) – representing insolvent transactions (unfair preferences or uncommercial transactions) with a related party within four years prior to the relation back day.
 - 6.25.7. Transactions Entered into for the Purpose of Defeating Creditors (Section 588FE(5)) – representing insolvent transactions (unfair preferences or uncommercial transactions) entered into for the purpose of defeating, delaying or interfering with the rights of creditors within ten years prior to the commencement of the liquidation.
- 6.26. My preliminary investigations, based on Company records, revealed a potential unfair preference claim against one creditor in the sum of \$92,520.

- 6.27. I intend to issue a demand to the creditor in the near future.
- 6.28. Other than the unfair preference claim highlighted above my preliminary investigations have not found any other potential voidable transactions.

7. Dividend

- 7.1. Ongoing debtor recoveries and unresolved claims of at least \$955,788 exist in the liquidation. Details of these claims and expected costs of realisation, including liquidator's costs, are detailed in the dividend estimate attached as Annexure "C". Creditors should note the dividend range of 2 to 63 cents in a dollar is an estimate.
- 7.2. Based on current estimates I anticipate that priority creditors will be paid in full and a dividend to unsecured creditors is dependant on successful recovery of the remaining assets of the Company and/or recovery of the claims of the liquidator as outlined in the body of this report.

8. Report to Australian Securities and Investments Commission

- 8.1. In accordance with the Act, I intend to lodge a report with the ASIC in which I will report on the conduct of the Director in relation to insolvent trading and other matters related to potential breaches of his statutory duties.

9. Summary of Receipts and Payments

- 9.1. Annexed as Annexure "D" is a Statement of Receipts and Payments for the period from the date of my appointment to 31 August 2010.

10. Conclusion

- 10.1. I intend to issue a further report to creditors in the next six (6) months, detailing outcomes of my recovery actions and quantum of a dividend distribution, if available.

In the meantime should you have any queries please contact Lalitha Samykanno on (08) 9261 9395.

Yours faithfully



MARK CONLAN
Official Liquidator

Couriernet Pty Ltd (In Liquidation)
ACN 070 353 570
As Trustee for Couriernet Administration Unit Trust

Statement of Financial Performance

	Financial Statements		Management Accounts	
	Year Ended 30-Jun-07	Year Ended 30-Jun-08	Year Ended 30-Jun-09	Period to 22-Jun-10
	\$	\$	\$	
Total Income	2,205,839	2,522,983	2,369,092	2,191,249
Expenses				
Accountancy	17,300	12,300	21,028	30,730
Advertising and Promotion	12,027	9,784	14,364	5,672
Agents - Payments	1,320,610	1,462,087	1,469,669	1,362,803
Bad Debts	25	1,281	5,153	133
Bank Fees and Charges	4,855	6,787	17,645	25,046
Bartercard & E-Banc Fees	19,312	12,458	13,909	10,641
Borrowing Expenses	241	542	-	-
Cleaning/Rubbish Removal	137	104	269	492
Computer Expenses	16,501	3,693	2,263	6,980
Consultants Fees	6,500	9,909	-	-
Depreciation	4,785	4,918	-	-
Discounts Allowed	103	62	-	-
Donations	-	50	-	-
Electricity & Gas	2,987	2,949	3,342	2,887
Entertainment	2,533	5,043	-	-
Factoring Expenses	18,285	19,658	40,860	21,797
Fees & Charges	174	-	-	-
Filing Fees	212	212	-	-
Fines	375	-	-	-
Hire of Equipment	17,966	25,311	-	222
Insurance	8,820	16,767	11,674	1,541
Interest	26,274	52,726	21,030	7,809
Lease Payments	9,856	11,779	11,779	6,210
Legal Fees	1,712	-	277	627
Motor Vehicles	132,469	135,073	157,995	99,233
Printing Stationery & Postage	5,479	11,216	12,663	11,760
Rates & Land Taxes	1,830	2,536	1,790	3,064
Rent	18,501	22,695	22,695	54,065
Repairs & Maintenance	7,703	5,362	500	2,537
Salaries - Ordinary	347,024	586,487	502,248	289,873
Security	875	416	769	1,806
Strata Levies	2,323	2,448	2,615	-
Superannuation - Associated Persons	140,748	4,837	10,000	-
Telephone	25,616	16,880	27,365	36,829
Other Expenses	-	-	4,080	13,700
Total Expenses	2,174,158	2,446,370	2,375,982	1,996,457
Net Profit/(Loss)	31,681	76,613	(6,890)	194,792

Couriernet Pty Ltd (In Liquidation)
ACN 070 353 570
As Trustee for Couriernet Administration Unit Trust

Statement Of Financial Position

	Financial Statements		Management Accounts	
	Year Ended 30-Jun-07	Year Ended 30-Jun-08	Year Ended 30-Jun-09	Period to 22-Jun-10
	\$	\$	\$	\$
<u>Current Assets</u>				
Trade Debtors	410,531	388,689	274,176	414,658
Other Debtors	3,229	-	3,229	3,229
Beneficiary Loan: Dan Jensen	287,213	339,837	40,151	40,151
Loan - J Jensen	-	-	-	4,238
Empire Trade	-	-	1,422	375
Other Assets	-	-	842	9,691
Loans - Agents	-	-	52,237	52,237
Total Current Assets	700,973	728,526	372,057	524,579
<u>Current Liabilities</u>				
Trade Creditors	349,588	333,083	248,662	359,041
Australian Taxation Office Debts	39,766	96,360	40,242	53,092
Credit Card Debts - Company	2,109	14,873	2,189	661
Credit Card Debts - Dan	-	-	9,123	2,163
Bartercard Debts	21,950	4,456	16,820	59,451
E-Banc Account	(7,530)	(9,062)	-	-
Factoring Debts	255,429	220,748	180,868	19,728
Bank Overdraft / Bank Loan	46,542	180,531	282,234	474,168
Employee Liabilities	-	-	-	-
Total Current Liabilities	707,854	840,989	780,138	968,304
Working Capital/(Deficiency)	(6,881)	(112,463)	(408,081)	(443,725)
<u>Non-Current Assets</u>				
Loans - Other Persons	17,572	47,215	20,510	6,287
Low Value Pool (Net)	-	3,076	-	-
Plant & Equipment (Net)	19,282	12,489	19,282	19,282
Motor Vehicles (Net)	74,010	54,467	97,097	97,097
Office Equipment	-	-	2,265	2,265
Two Way Radios	-	-	7,786	10,318
Goodwill	50,000	50,000	50,000	50,000
Preliminary Expenses	1,190	1,190	1,190	1,190
Borrowing Expenses (Net)	723	1,687	766	766
Total Non-Current Assets	162,777	170,124	198,896	187,205
<u>Non-Current Liabilities</u>				
Loan - J Kenna	98,235	-	-	-
Loan - Freightnet	-	-	2,952	13,761
Loan - Sidelifters	-	-	-	71,311
Loan - Other Persons	-	-	6,961	3,872
Esanda Loan	-	-	6,788	4,344
Total Non-Current Liabilities	98,235	0	16,701	93,288
Net Assets: Surplus/(Deficiency)	57,661	57,661	(225,886)	(349,808)

Dividend estimate as at 31.8.10

	High \$	Low \$	
Cash at bank as at 31.8.10	43,197.90	43,197.90	
Recoveries Expected			
Unfair Preference	92,520.00	92,520.00	
Debtors	66,646.98	30,000.00	
Freightnet - Sale of Assets	224,000.00	100,000.00	
Beneficiary Loan	572,621.00	Unknown	
	<u>955,787.98</u>	<u>222,520.00</u>	
Total Expected Receipts	998,985.88	265,717.90	
Less Expenses:			
Liq's fees and costs up to 31.8.10	89,341.91	89,341.91	
Future Liq's fees	90,495.00	90,495.00	
Future Liq's costs	5,000.00	5,000.00	
Legal Fees	25,000.00	25,000.00	
	<u>209,836.91</u>	<u>209,836.91</u>	
Potential Available Funds for Creditors	789,148.97	55,880.99	
Priority Creditors (known to date)	<u>29,691.00</u>	<u>29,691.00</u>	
Funds available for unsecured creditors	<u>759,457.97</u>	<u>26,189.99</u>	
Unsecured creditors (known to date)	1,206,092.00	1,206,092.00	*
Estimated Dividends	0.63	0.02	Cents/\$

* Includes Contingent Creditors - Subcontractors

Couriernet Pty Ltd (In Liquidation)
ACN 070 353 570

Annexure "D"

Summary of Receipts and Payments
For the period from 22 June 2010 To 31 August 2010

	\$
RECEIPTS	
Sale of Business Assets - Freightnet	16,000.00
Non Factored Debtors	10,265.31
Factored Debtors	17,482.11
Other Assets- Refunds	46.96
Bank Interest	12.32
TOTAL RECEIPTS	<u>43,806.70</u>
PAYMENTS	
Agents/Valuers Fees	500.00
Bank Charges	58.80
GST Paid	50.00
TOTAL PAYMENTS	<u>608.80</u>
Cash at Bank 31 August 2010	<u><u>43,197.90</u></u>

Email: prishha.balakrishnan@rsmi.com.au

LIQUIDATOR'S REMUNERATION REPORT

CourierNet Pty Ltd (In Liquidation)
ACN 070 353 570
As Trustee for CourierNet Administration Unit Trust
Formerly Trading As "CourierNet"
("the Company")

1. Statement of Remuneration Claim

- 1.1. This Remuneration Report is prepared in accordance with the Insolvency Practitioners Association of Australia Code of Professional Practice, for the purpose of providing creditors with meaningful disclosure on the work undertaken to allow creditors to make an informed decision on approving the Liquidator's current and future remuneration resolutions.

Current Remuneration Claim

- 1.2. At the forthcoming meeting of creditors, the Liquidator will be seeking creditors' approval for the remuneration of the Liquidator, his partners and his staff for the period 22 June 2010 to 10 September 2010 in the amount of \$85,899.01 (plus GST).
- 1.3. Creditors will be asked to consider and, if deemed appropriate, resolve:-

"That the remuneration of the Liquidator, his partners and his staff is hereby fixed on a time basis in accordance with the hourly rates set by RSM Bird Cameron Partners from time to time for the period 22 June 2010 to 10 September 2010 in the sum of \$85,899.01 (plus GST), and such remuneration be approved and paid."

- 1.4. A description of the work completed and a calculation of the remuneration claimed for the period 22 June 2010 to 10 September 2010 are attached as Annexure "A" and Annexure "B" respectively.
- 1.5. Detailed timesheets and supporting documentation are available for inspection at a mutually convenient time.

Estimated Future Remuneration of the Liquidator

- 1.6. At the forthcoming meeting, the Liquidator will also seek creditors' approval for the future remuneration of the Liquidator, his partners and his staff for the period 11 September 2010 to the finalisation of the Liquidation in the amount of \$90,495.00 (plus GST).

L:\Clients\CourierNet Pty Ltd - C901292\Creditors\Creditor Reports\0009-rpt.doc

- 1.7. Creditors will be asked to consider, and if appropriate, resolve:

"That the future remuneration of the Liquidator, his partners and his staff from 11 September 2010 is hereby fixed on a time basis in accordance with the hourly rates set by RSM Bird Cameron Partners from time to time subject to an overall limit for the time being of \$90,495.00 (plus GST) and the Liquidator be at liberty to seek further approval and be authorised to make payments on account of such accruing remuneration".

- 1.8. A description of work expected to be undertaken and a calculation of my expected remuneration from 11 September 2010 to the finalisation of the liquidation is attached as Annexure "C".
- 1.9. The description of work and associated costs are estimates only. These estimates are based on my understanding of the Company's affairs. Actual tasks undertaken and associated costs will be dependent on the matters encountered in finalising the liquidation.

2. Remuneration Methods

- 2.1. There are four basic methods that can be used to calculate the remuneration charged by an Insolvency Practitioner. They are:

Time based / hourly rates

- 2.2. This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

Fixed Fee

- 2.3. The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a Practitioner will finalise an administration for a fixed fee.

Percentage

- 2.4. The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of asset realisations.

Contingency

- 2.5. The practitioner's fee is structured to be contingent on a particular outcome being achieved.

Method chosen

- 2.6. Given the nature of this administration I propose that my remuneration be calculated on a time basis in accordance with RSM Bird Cameron Partners' scale of fees and hourly rates for staff of various levels of skill and experience.
- 2.7. This is because calculation of remuneration based on a time basis takes into account all tasks performed by the Practitioners and their staff. This includes tasks which may not be represented if remuneration was calculated using another method. The method therefore results in greater transparency and a more accurate reflection of the time necessarily incurred by the Practitioners and their staff.

3. Explanation of Hourly Rates

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

Classification	Rate from 1 August 2010 (\$) (Excl. GST)	Experience
Partner/Appointee	400.98	The Partner/Appointee is a registered Liquidator and member of the ICAA and IPAA bringing specialist skills to the administration or insolvency task. For specific experience and other details of the appointee/s, please visit our website at www.rsmi.com.au
Director	334.15	Generally, minimum of 12 years experience at least 2 years of which is to be at Manager level. University degree; member of the ICAA and IPAA with deep knowledge and lengthy experience in relevant insolvency legislation and issues.
Manager I	289.59	Generally, more than 7 years experience with at least 2 years as a Manager. University degree; member of the ICAA and IPAA; very strong knowledge of relevant insolvency legislation and issues.
Manager II	256.18	Generally, 5 – 7 years chartered accounting or insolvency management experience. University degree; member of the ICAA and IPAA; sound knowledge of relevant insolvency legislation and issues.
Supervisor	211.63	Generally, 4 – 6 years chartered accounting or insolvency management experience. University degree; member of the ICAA; completing IPAA Insolvency Education Program. Good knowledge of relevant insolvency legislation and issues.
Senior I	167.07	Generally, 2 – 4 years chartered accounting or insolvency management experience. University degree; completing the ICAA's CA program. Good knowledge of basic insolvency legislation and issues.

Senior II	155.94	Generally, 2 – 3 years chartered accounting or insolvency management experience. University degree, ICAA’s CA program commenced.
Intermediate I	144.80	0 to 2 years experience. Has completed or substantially completed a degree in finance/accounting. Under supervision, takes direction from senior staff in completing administrative tasks.
Intermediate II	122.52	0 – 1 year experience. Undertaking a degree part-time in finance/accounting. Under supervision, takes direction from senior staff in completing administrative tasks.
Personal Assistant	167.07	Appropriate skills including machine usage.
Secretary	129.20	Appropriate skills including machine usage.

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.*
3. *Staff are classified in accordance with academic qualifications and insolvency experience.*

4. Disbursements

4.1. 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, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

4.2. Particulars of disbursements, both current and estimated future, are set out in the attached Annexures, as follows:

4.2.1. Annexure “A” - Disbursements for the period 22 June 2010 to 10 September 2010;

4.2.2. Annexure “C” - Estimated disbursements for the period 11 September 2010 to the end of the Liquidation;

RSM Bird Cameron Partners

Chartered Accountants

Should you have any queries please do not hesitate to contact Ms Lalitha Samykanno of my office on (08) 9261 9395.

Dated this 15th day of September 2010

Yours faithfully



MARK CONLAN
Official Liquidator

Couriernet Pty Ltd (In Liquidation)
ACN: 070 353 570

Remuneration Report

Part 1: Description of Work Completed

Period From 22 June 2010 to 10 September 2010

Task Area	General Description	Includes
Assets [\$33,713.77]	Plant and Equipment	Preparation of asset list Liaising with valuers Valuation Report
	Debtors	Reviewing and assessing debtors ledgers Correspondence with debtors
	Assets subject to specific charges	Review of security documents / liaising with secured creditor Valuation of asset Equity assessments Liaising with valuers
	Other Assets	All tasks associated with realising other assets
	Sale of Business as going concern	Assessment of sale agreement
Creditors [\$8,933.51]	Creditor Reports	Preparing investigation, meeting and general reports
	Creditor Enquiries	Receive and follow up creditor enquiries via telephone / email Review and prepare correspondence to creditors via letter/fax/email
	Secured Creditor Reports	Liaising with secured creditors via telephone / email Responding to secured creditor queries
	Proofs of Debts - Receipt	Receipting and filing POD's
Employees [\$2,312.20]	Employees Enquiries	Receive and reply to employee queries Preparation of letters to employees regarding entitlements and options
	GEERS	Correspondence with GEERS Preparing notification spreadsheet and quotation to GEERS Preparing GEERS distributions
Trade On [\$1,948.27]	Trade On Tasks	Liaising with statutory authorities (ATO)
	Processing Receipts	Preparation of receipt forms for input into internal computer system
	Processing Payments	Preparation of payment forms for input into internal computer system
Investigation [\$25,093.48]	Conducting Investigation	Collection / copying relevant company books and records Searches (property, charges, ASIC) ASIC correspondence regarding acces to RATA and records Review of company records / financial statements Review of cashbook for voidable transactions Preparation of investigation file
	Litigation / Recoveries	Determination of potential actions
	ASIC Reporting	Preparation of statutory investigation reports (eg 476/533) Liaising with ASIC
Administration [\$13,897.78]	Checklists / File Review	Initial and bi monthly reviews File review Checklist completion
	Appointment Documents	Court order / Bank appointment docs Liaising with solicitors
	RATA / SAF	Liaising with Director re preparation Receipt and lodgement at ASIC Processing into internal computer system
	Directors / Officers	Correspondence and meetings with Directors including interviews Directors questionnaire
	ASIC Forms	Preparing and lodgement of ASIC forms including 524,505 etc Correspondence with ASIC regarding statutory forms
	ATO & other statutory reporting	Notification of appointment and registration Preparation and lodgement of BAS returns
	Bank Account Administration	Opening and closing administration bank accounts Bank account reconciliations Bank correspondence
	Insurance	Notification to Willis
Books and Records / Storage	Dealing with records in storage Sending job files to and from storage	
TOTAL [\$85,899.01]		

Couriernet Pty Ltd (In Liquidation)
ACN: 070 353 570

Remuneration Report

Part 1: Calculation of Remuneration

Period From 22 June 2010 to 10 September 2010

Employee	Position	Average \$ / hour (ex GST)	Total actual hours	Total (\$)	Task Area						
					Assets (\$)	Creditors (\$)	Employees (\$)	Trade on (\$)	Investigation (\$)	Administration (\$)	
Andy Gilmour	Partner	450.00	0.3	135.00	135.00						
Greg Dudley	Partner	392.84	45.9	18,031.35	8,380.45	1,965.99	199.01	39.73	6,856.56	589.61	
Mark Conlan	Partner	393.99	2.2	966.77	826.67		40.10			100.00	
Clare Hayman	Manager 1	277.60	0.1	27.76						27.76	
Lalitha Samykanno	Supervisor	247.64	77.4	19,167.36	6,542.56	3,607.88	765.94	536.80	6,846.22	867.96	
Gordon Bentley	Senior 2	155.00	1.0	155.00					155.00		
Miranda Ho	Senior 2	165.74	9.7	1,607.66	115.88				631.02	860.76	
Prissha Balakrishnan	Senior 2	153.81	199.6	30,700.13	12,283.27	2,415.35	1,307.15	710.15	9,627.23	4,356.98	
Jerome Mohen	Intermediate 1	144.08	26.1	3,760.52	1,496.40	289.33		100.96	936.38	937.45	
Johnathon Busing	Intermediate 1	118.06	8.7	1,027.12	446.23					580.89	
Mei Huang	Intermediate 1	125.13	14.2	1,776.85	43.04				28.69	1,705.12	
Corey Turner	Intermediate 2	121.35	35.5	4,307.82	2,367.71					1,940.11	
Hayley Forshaw	Secretary	127.74	11.4	1,456.26	538.80	204.80		129.20	12.38	571.08	
Michelle Mason	Secretary	100.00	0.9	86.67	86.67						
Terri Hoy	Secretary	166.22	16.2	2,692.74	451.09	450.16		431.43		1,360.06	
TOTAL (excluding GST)		191.24	449.2	85,899.01	33,713.77	8,933.51	2,312.20	1,948.27	25,093.48	13,897.78	
GST				\$8,589.90							
TOTAL (including GST)				\$ 94,488.91							

Disbursements

Type	\$
Type A	1,935.00
Type B1	936.60
Type B2	571.30
TOTAL	3,442.90
GST	344.29
TOTAL (Including GST)	3,787.19

Couriernet Pty Ltd (In Liquidation)

ACN 070 353 570

General Description of Work to be Completed from 11 September 2010 to Finalisation of Liquidation

Task Area	General Description	Includes
Assets [\$29,793] [136.6 hours]	Debtors	Reviewing and assessing debtors ledgers Correspondence with debtors
	Other Assets	All tasks associated with realising other assets
Creditors [\$30,012] [142.2 hours]	Creditor Reports	Preparing reports, investigation, meeting and general reports
	Creditor Enquiries	Receive and follow up creditor enquiries via telephone / email Review and prepare correspondence to creditors via letter/fax/email
	Proofs of Debts - Receipt	Receipting and filing POD's
Investigations [\$25,529] [117.0 hours]	Conducting Investigation	Review of company records / financial statements Review of cashbook for voidable transactions Preparation of investigation file
	Litigation / Recoveries	Determination of potential actions
	ASIC Reporting	Preparation of statutory investigation reports (eg 533)
Administration [\$5,161] [29.1 hours]	Checklists / File Review	Initial and bi monthly reviews File review Checklist completion
	ASIC Forms	Preparing and lodgement of ASIC forms
	ATO & other statutory reporting	Preparation and lodgement of BAS returns
	Bank Account Administration	Bank account reconciliations Bank correspondence
	Books and Records / Storage	Dealing with records in storage Sending job files to and from storage
Total [\$90,495] [424.8 hours]		

Estimated Future Disbursement - For the Period 11 September 2010 to Finalisation

A	Legal Fees \$25,000
B1	Advertising and searches \$3,500
B2	Faxes, postage, stationery and printing \$1,500

The above listed tasks and associated costs are estimates only. These estimates are based on our limited understanding of the Company's affairs. Actual tasks undertaken and associated costs will be dependent on the matters encountered.

FORM 535
CORPORATIONS ACT 2001

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

ACN 070 353 570

To the Liquidator of Couriernet Pty Ltd (In Liquidation)

1. This is to state that the company was, on 22 June 2010 ⁽¹⁾ and still is, justly and truly indebted to ⁽²⁾

 for
dollars and cents.

Particulars of the debt are:

Date	Consideration ⁽³⁾	Amount \$	GST included \$	Remarks ⁽⁴⁾

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:⁽⁵⁾
3. ^{(6)*} 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, still remains unpaid and unsatisfied.
3. ^{(6)*} I am the creditor's agent authorised in writing 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 2010

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation

Address

See Directions overleaf for the completion of this form

OFFICE USE ONLY

POD No:		ADMIT - Ordinary	\$
Date Received:	/ /	ADMIT - Preferential	\$
Entered into IPS/Computer:		Reject	\$
Amount per RATA	\$	H/Over for Consideration	\$
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED	/ /		

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) 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:

Date	Drawer	Acceptor	Amount	Date Due
	\$	¢		

-
- (6) If proof is made by the creditor personally, strike the two (2) paragraphs numbered 3.
-

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:

"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.

Declaration of Independence, Relevant Relationships and Indemnities

Couriernet Pty Ltd
ACN 070 353 570 ("the Company")

Independence

I, Mark Anthony Conlan, of RSM Bird Cameron Partners have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as Liquidator of Couriernet Pty Ltd. This assessment identified no real or potential risks to my independence. I am not aware of any reasons that would prevent me from accepting this appointment.

Relevant Relationships

Neither myself, nor my Firm, have, or have had within the preceding 24 months, any relationships with the Company, a former insolvency practitioner appointed to the Company or any person or entity that has a charge on the whole or substantially whole of the Company's property.

There are no other prior professional or personal relationships that should be disclosed.

Prior Engagements with the Insolvent

Neither myself, nor my Firm, have undertaken any prior engagements for the Company.

Indemnities

I have not been indemnified in relation to this liquidation, other than any indemnities that I may be entitled to under statute.

Dated: 19/05/2010



.....
MARK CONLAN
Official Liquidator

NOTE: If circumstances change, or new information is identified, I am required under the IPA Code of Professional Practice to update this Declaration and provide a copy to creditors with my next communication as well as table a copy of any replacement declaration at the next meeting of the company's creditors.