
Administrators' Supplementary Report to Creditors

Pursuant to Section 439A of the Corporations Act 2001 and 75-225 of the Insolvency Practice Rules (Corporations) 2016

Administrators

Alan Walker, Nicholas Charlwood & Glenn Livingstone

12 August 2025

**Finnish Early Childhood Education (Longwarry) Pty Ltd
(Administrators Appointed)
Formerly Trading as "ILO Longwarry Early Education Centre"
"HEI Schools Longwarry Early Learning Centre"
ACN 637 227 546 (the Company)**



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ANNEXURES

All Creditors with claims against the Company are entitled to attend the Resumed Meeting.

ANNEXURE	DESCRIPTION
A	Creditor Information Sheet
B	Notice of the Resumed Meeting of Creditors
C	Administrators' Remuneration Report
D	Proof of Debt Form
E	Proxy Form
F	Summary Receipts and Payments
G	Group Entities in Administration

Creditors who wish to participate in the Resumed Meeting must complete and submit the proof of debt and appointment of proxy forms (**Annexures D and E**) to our office by **4:00pm AEST** on **18 August 2025** by one of the following methods:

Contact name: Billy Foley

By email: finnisheducation@wlpr.com.au

By post: GPO Box 3534, Sydney NSW 2001

GLOSSARY OF TERMS

TERM	DESCRIPTION
\$	Australian Dollars
ACN	Australian Company Number
Act	<i>Corporations Act 2001</i> (Cth)
Administrators	Alan Walker, Nicholas Charlwood and Glenn Livingstone, and (including any references to 'we', 'us' and 'our')
ARITA	Australian Restructuring, Insolvency & Turnaround Association
ASA	Asset Sale Agreement signed 13 June 2025
ASIC	Australian Securities & Investments Commission
ATO	Australian Taxation Office
c	Cents
Code	ARITA Code of Professional Practice
COI	Committee of Inspection
Company	Finnish Early Childhood Education (Longwarry) Pty Ltd ACN 637 227 546
Convening Period	The period in which the Second Meeting / Resumed Meeting must be convened pursuant to the Act
DEWR	Commonwealth Department of Employment and Workplace Relations
DOA	Date of appointment of the Administrators being 27 February 2025
Director	Kam Ming Yu
DIRRI	Declaration of Independence, Relevant Relationships and Indemnities, pursuant to section 436DA of the Act and Code
DOCA	Deed of Company Arrangement
DOE	Australian Department of Education Victoria
DPN	Director Penalty Notices issued by the ATO
EOS	Estimated Outcome Statement
ERV	Estimated Realisable Value
FEG	Fair Entitlements Guarantee
First Meeting	First meeting of creditors held on 12 March 2025
FY	Financial year
Group	16 entities within Finnish Early Childcare group in Administration under the control of the Administrators, as detailed in Annexure G .
GST	Goods and Services Tax payable pursuant to the GST Act
GST Act	A New Tax System (Goods and Services Tax) Act 1999 (Cth)
Head Office	Finnish Early Childhood Education (Australia) Pty Ltd (Administrators Appointed) and ILO Early Learning (Australia) Pty Ltd (Administrators Appointed)
HEI Schools	Helsinki International Schools Group Oy BIC 2722710-9
Holistic	Holistic Development Pty Ltd (Administrators Appointed)
IAS	Instalment Activity Statement
ILO Australia	ILO Early Learning (Australia) Pty Ltd (Administrators Appointed)

Initial Notice	Administrators' initial notice to creditors dated 3 rd March 2025
IPR	<i>Insolvency Practice Rules (Corporations) 2016</i> (Cth)
k	Thousand
M	Million \$
Management Accounts	Accounts maintained by the Company on Quickbooks software.
Management	Senior management group at ILO Australia and Finnish Australia
NES	National Employment Standards
PAYG	Pay as you go
PILN	Payment in Lieu of Notice
PMC	Person with Management or Control with reference to section 5A of the Education and Care Services National Law Act 2010
POD	Proof of debt form
PPSA	<i>Personal Property Securities Act 2009</i> (Cth)
PPSR	Personal Property Securities Register maintained pursuant to the PPSA
Purchaser	Longwarry ELC Unit Trust trading as Twinklekids Early Learning Centre
RBA	Running Balance Account
SOB	Sale of Business
Supplementary Report	This Supplementary Report of 12 August 2025 pursuant to IPR 75-225
Resumed Meeting	Resumed Meeting of Creditors Scheduled for 19 August 2025
ROCAP	Report on Company Activities and Property
Sales Broker	Doug Lilley of Lilley Childcare Sales Pty Ltd
Second Meeting	Second Meeting of creditors which took place on 17 June 2025
Second Report	Second Report to creditors dated 6 June 2025
SOB	Sale of assets and business between Finnish Early Childhood Education (Longwarry) Pty Ltd and Longwarry ELC Unit Trust trading as Twinklekids Early Learning Centre
SRO	State Revenue Office – Victoria
TAA	Tax Administration Act 1953 (Cth)
VIC	Victoria

EXECUTIVE SUMMARY

QUESTION	EXPLANATION
What did the company do?	The Company operated an early learning centre, delivering childcare and kindergarten services from a leased premises located at 26 Bennett Street, Longwarry, VIC 3816. The Company operated under the ILO education framework under licence from HEI Schools. The Company continued to operate the Centre under our control and employed 23 FTE / PTE employees until the sale of the business and assets was completed on 11 July 2025.
What is the current status of the Company?	On 27 February 2025, Alan Walker, Nicholas Charlwood and Glenn Livingstone were appointed as Administrators by the Company's sole Director in accordance with s 436A of the Act.
What has happened to the Company's business and assets?	On appointment, we assessed the Company's short-term viability and considered whether we could preserve its business whilst running an accelerated business sale campaign and / or allow time for a DOCA proposal to be formulated. A review of the Company's and Groups' financial position indicated that the business was not generating sufficient cash flow to fund the Group's operations. To assist with working capital funding, the Administrators firstly funded the payment of wages by providing loans to the Group and secondly by securing external funding from an independent financier to fund working capital. To allow the Centre to continue, the Administrators secured support from the key stakeholders, including the Centre's leadership team, employees, head office staff (from the Group) and families. The business has now been successfully sold to a third party, as detailed below.
Sale of business	Following our appointment, we engaged the Sales Broker who is a specialist business broker with expertise in the childcare sector, to advertise and market the Company's business and assets for sale. The business was marketed for sale over a two-week campaign, with expressions of interest closing on 26 March 2025. There was immediate interest from several parties however an extensive due diligence process was required prior to any external party agreeing to purchase the business. At the conclusion of the campaign, the Administrators accepted an offer of \$660,000 (less adjustments) from the Purchaser and executed a sale agreement on 13 June 2025. The sale was completed on 11 July 2025 after

QUESTION	EXPLANATION
	the successful transfer of the current lease and Service Approval to the Purchaser.
Who is in control of the Company?	On appointment, the Administrators assumed control of the Company's businesses and affairs. Subsequently, the Administrators became registered PMCs for the business. The Director's powers in relation to the Company's property and affairs are suspended during the Administration. The Administrators were also appointed over 15 other entities in the Group (see Annexure G for list of entities).
Why did the Company become insolvent?	Based on the Administrators' investigations and discussions with the Director, the Company's insolvency was primarily caused by the poor financial performance of the Group. Several factors contributed to the Company's failure, including: - Low occupancy levels across majority of the Group's Centres - Head office expenses were significantly higher than what was required for a Group of this size - Fixed licensing costs for the use of the HEI Schools education tools and branding - The loss of state government kindergarten funding for all VIC centres - Staffing issues across multiple centres leading to increased costs in labour staff - Poor strategic management decisions, particularly relating to the rapid expansion of new centres, which placed significant strain on the Group's financial and operational resources - High costs associated with expansion, including leasehold improvements, and staffing expenses when the Group was not able to generate any income prior to receiving its Service Approval.
When do the Administrators consider the Company became insolvent?	Our preliminary analysis of the Management Accounts indicates that the Company initially relied on capital injections at the Group level to meet its own working capital requirements. In later periods, the Company began funding other entities within the Group to support their respective working capital needs. Based on the financial accounts available to the Administrators, it appears the Group became insolvent between April – June 2024 and remained insolvent up to the date of administration. Further details relating to our investigations are set out in section 8 of the Second Report.
Has a DOCA proposal been put forward for creditors to consider?	At the commencement of the Administration, the Director expressed his intention to propose a DOCA for the Group. The Director engaged a specialist business advisory firm to assist in preparing the DOCA proposal and had several meetings with the Administrators as part of this process. The Director put forward several draft proposals which included the Company. Following the sale of several centres within the Group, the

QUESTION	EXPLANATION
	Director withdrew his intention to submit a proposal involving the Company.
When is the Resumed Meeting of creditors?	The Administrators adjourned the Second Meeting of Creditors on 17 June 2025 for a period of up to 45 business days to allow more time to complete the sale of the Company's business and assets. The Second Meeting of creditors will be held on Tuesday, 19 August 2025, at 2:00 PM AEST. A formal notice of this meeting is enclosed at Annexure B. Creditors wishing to attend the meeting are requested to follow the instructions set out in Section 3.5 of this Report and return the completed forms contained at Annexures D and E as soon as possible.
What is the purpose of the Resumed Meeting?	At the Resumed Meeting, creditors will consider this Supplementary Report, together with the Second Report, and decide the Company's future. The options available for the Company is either: - the Administration should end, or - the company be wound up. The Administrators will also be asking creditors to vote on resolutions for our remuneration for acting as Administrators. Further details relating to Administrators' remuneration can be found at Annexure C.
What is the cost of the Administration?	Refer to Section 5 of the Report for information relating to the approval of Administrators' fees.
What is the estimated return to creditors?	Refer to Section 7 of this Report for further details relating to the estimated return to creditors.
What claims will a liquidator investigate?	Please refer to the Section 439A Report for further information relating to claims that a liquidator may be able to pursue.
Where can I get more information?	If you require any further information, please contact Billy Foley. Email: finnisheducation@wlpr.com.au.

THE ADMINISTRATION

3.1 STATUS OF THE ADMINISTRATION

Alan Walker, Nicholas Charlwood and Glenn Livingstone were appointed Administrators on 27 February 2025 by the sole Director of the Company in accordance with Section 436A of the Act.

On 6 June 2025, we issued our Second Report pursuant to IPR 75-225 and section 439A of the Act to provide an update on the Administration to creditors and to convene the Second Meeting, which was held on 17 June 2025. The Chairperson adjourned the Second Meeting for a period of up to 45 business days pursuant to IPR 75-140(1)(b) to:

- Complete the SOB, which was finalised on 11 July 2025, and
- Undertake further investigations into the affairs of the Company

We now provide creditors with this Supplementary Report pursuant to IPR 75-225 and section 439A of the Act prior to the Resumed Meeting of Creditors scheduled to be held **at 2:00 PM AEST on Tuesday, 19 August 2025**.

3.2 OBJECTIVE OF ADMINISTRATION

In a voluntary administration, administrators are empowered by the Act to assume control of an insolvent company, superseding the powers of the directors and officers, to manage the company's affairs and deal with its assets in the interests of its creditors.

The intention of administration is to maximise the prospects of a company continuing in existence or, if that is not possible, to achieve better returns to creditors than would be achieved by its immediate liquidation. The successful sale of the Company's business and assets has achieved the primary objective of the administration to preserve as much of the Company's business as possible. In addition, the sale has provided a better return to creditors than would have been achieved in a liquidation scenario satisfying the secondary objective of administration.

As Administrators, we are also required to:

- investigate the affairs of the Company
- report to creditors on the Administrators' opinion as to which outcome of the voluntary administration process is in the creditors' best interests, including providing information to the creditors supporting that opinion prior to their voting at the Resumed Meeting

ASIC has produced information sheets for creditors to assist their understanding of common company insolvency procedures. These insolvency information sheets can be downloaded from <https://asic.gov.au> under the regulatory resources tab.

3.3 FIRST MEETING OF CREDITORS AND COMMITTEE OF INSPECTION

Section 436E of the Act requires us to convene the first meeting of creditors within eight business days of our appointment.

The First Meeting was held on 12 March 2025, at which our appointment as Administrators was confirmed for the Company.

The minutes of the First Meeting were lodged to ASIC on 20 March 2025.

3.4 SECOND MEETING OF CREDITORS

The Second Meeting was held on 17 June 2025 at the offices of WLP Restructuring Suite 19.02 Level 19, 1 Castlereagh Street, Sydney NSW 2000. Teleconference facilities were made available.

The Chairman of the meeting being one of the Administrators, adjourned the Second Meeting for a period of up to 45 business days to allow for further time for the sale of the business to be completed.

Minutes of the Second Meeting have been prepared and lodged with ASIC on 30 June 2025.

3.5 RESUMED MEETING OF CREDITORS

The Resumed Meeting will be held at 2:00 PM AEST on **Tuesday, 19 August 2025** at the offices of WLP Restructuring, Suite 19.02, Level 19 1 Castlereagh Street, Sydney NSW 2000. Audio and visual facilities will be available, details of which will be provided on the request of creditors.

At the Resumed Meeting, creditors will decide the future of the Company by voting on one of the following options:

- that the administration should end (in this case control of the Company will revert to the directors)
- that the Company should be wound up
- that creditors approve a DOCA

No DOCA proposal has been put forward for the consideration of creditors. Therefore, there are only two options available to creditors for the future of the Company. We are required to provide creditors with an opinion as to which outcome of the voluntary administration process is in the creditors' best interests for the Company. Our opinion and recommendation for the Company is set out in **Section 10**.

The Notice of Meeting of Creditors is attached (**Annexure B**) along with an Appointment of proxy form (**Annexure E**) and a Proof of debt form (**Annexure D**).

All creditors with a claim(s) against the Company are entitled to attend the Resumed Meeting and vote on the resolutions for the Company.

Creditors who wish to participate in the Resumed Meeting must complete and submit the following forms to this office **by 4:00pm AEST on Monday, 18 August 2025**. Forms can be scanned and emailed to finnisheducation@wlpr.com.au. Teleconference call details will be provided on request once the relevant forms listed below have been submitted.

FORM	COMMENTS	ACTIONED REQUIRED
Appointment of proxy (Form 532)	- Corporate creditors must appoint an individual to act on their behalf. - Individuals voting in person are not required to complete this form unless they are appointing a representative to vote on their behalf. - Proxy forms submitted for the First Meeting are not valid for the Second Meeting. A new proxy form must be submitted.	Proxy forms and proof of debt forms must be completed and returned to finnisheducation@wlpr.com.au to ensure the creditors eligibility to vote to our office before 4:00 pm (AEST) Monday, 18 August 2025.
Proof of debt (Form 535)	- Creditors must submit documentation to support the amount they have claimed. - Creditors who have already submitted a proof of debt are not required to re-submit a proof of	

	debt form unless their claim has changed.	
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3.6 PURPOSE AND BASIS OF THIS REPORT

IPR 75-225 requires Administrators to provide a report to all creditors ahead of the Resumed Meeting, outlining:

- details regarding the business, property, affairs, and financial circumstances of all the entities under administration, and
- the Administrators' opinion and recommendation on each of the options available to creditors for each of those entities.

This Supplementary Report, together with the Second Report informs creditors about the preliminary investigations undertaken by us to date. Accordingly, the views formed in this Supplementary Report are not final and may be subject to change. Any additional material issues that are identified after this Supplementary Report may be subject to a further written report and / or tabled at the Resumed Meeting.

This Supplementary Report has been prepared primarily from information obtained from the Company books and records and discussions with the Director. Although we have conducted certain investigations into the affairs of the Company, there may be matters which we are unaware of because an audit of the Company has not been undertaken.

To complete this Supplementary Report, we have utilised information from the following sources:

- registers maintained by ASIC
- the PPSR
- the Company's book and records
- discussions with the Director and his advisors
- discussions with former employees of the Company
- discussions with creditors of the Company
- other public databases

3.7 SUMMARY OF RECEIPTS AND PAYMENTS

A summary of the receipts and payments in the Administration is attached at **Annexure F**.

3.8 CONTEXT OF THIS SUPPLEMENTARY REPORT

The statements and opinions given in this Supplementary Report are in good faith and in the belief that such statements and opinions are not false or misleading. We reserve the right to alter any conclusions reached based on any changed or additional information which may be provided to us between the date of this Supplementary Report and the date of the Resumed Meeting (except where otherwise stated).

In considering the options available to creditors and formulating our opinion and recommendation, we have necessarily made forecasts of asset realisations and total creditors' claims based on our best assessment of the information to hand. These forecasts and estimates may change as asset realisations progress, and we receive creditor claims. Consequently, the outcome for creditors might differ from the information provided in this Supplementary Report. Creditors should consider seeking their own independent legal advice as to their rights and the options available to them at the Resumed Meeting.

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS, AND INDEMNITIES

In accordance with section 436DA of the Act and the Code, the DIRRI was enclosed with our Initial Notice and tabled at the First Meeting and a copy was lodged with ASIC.

The DIRRI disclosed information regarding our independence, prior personal or professional relationships with the Companies or related parties, and any indemnities received in relation to the appointment. This assessment identified no real or potential risks to our independence.

Following the First Meeting, we were appointed as Administrators on 28 February 2025 of two additional companies in the Group being Waurin Ponds and Longwarry. On 3 March 2025 we issued an updated DIRRI to all known creditors of the Company and lodged a copy with ASIC on 7 March 2025. There has been no change in the declaration since.

There has been no change to the declaration since that time.

ASIC has produced information sheets for creditors to assist their understanding of common company insolvency procedures. These information sheets can be downloaded from <https://asic.gov.au> under the regulatory resources tab.

EXTERNAL ADMINISTRATORS' REMUNERATION

At the Second Meeting, creditors resolved to approve the remuneration of the Administrators for the period from the commencement of the Administration until the second meeting of creditors.

Our remuneration can only be fixed by resolution of a COI, the Company's creditors, or by application to the Court. In accordance with IPR 70-35 and the Code, an Initial Remuneration Notice was provided to creditors with our Initial Notice and tabled at the First Meeting of Creditors.

Details of our proposed remuneration, and other resolutions to be voted upon at the Resumed Meeting, are included in our Remuneration Approval Reports at **Annexure C**. This includes resolutions for our past and future remuneration as voluntary administrators and for our future remuneration as liquidators (as applicable). Creditors should complete the proxy forms enclosed with this report and return them to finnisheducation@wlpr.com.au before 4:00pm on **Monday, 18 August 2025**.

ARITA has issued an "Approving remuneration in external administrations" information sheet providing general information for creditors on the approval of an administrator's fees in a liquidation, a voluntary administration or a DOCA. This information sheet is available from the ARITA website (www.arita.com.au). A summary of the time costs incurred to date and the resolutions proposed as set out in our remuneration report are illustrated below:

A summary of the time costs incurred to date and the resolutions proposed as set out in our Remuneration Approval Report are illustrated below (all figures are excluding GST):

PERIOD	AMOUNT \$
17 June 2025 to 1 August 2025	93,698.00
2 August 2025 to date of Resumed Meeting	20,000.00
TOTAL	113,698.00
IF APPLICABLE	
Liquidation: Commencement to conclusion of the liquidation (if applicable)	50,000.00

Remuneration that was approved by creditors at the Second Meeting is outlined below:

PERIOD	AMOUNT \$	PAID \$
27 February 2025 to 2 June 2025	104,481.50	104,481.50
3 June 2025 to 17 June 2025	30,000.00	30,000.00
TOTAL	134,481.50	134,481.50

INVESTIGATION INTO THE COMPANY'S AFFAIRS

Creditors are referred to **section 8** of the Second Report for details on the status of the Company business and historical affairs, information relating to the history of the Company and reasons for failure, and investigations into potential voidable transactions and other claims potentially available to a Liquidator should one be appointed.

Please note there has been no material developments as our primary focus following the adjournment of the Second Meeting was to complete the SOB.

RETURN TO CREDITORS

7.1 SUMMARY

Illustrated below is a summary of the EOS for creditors for the Company in liquidation (high case and low case) assuming creditors vote to resolve to wind up the Company at the Resumed Second Meeting. There aren't sufficient assets available to make a return to creditors of the Company unless there are realisations from voidable transactions such as breaches of director duty claims and/or insolvent trading claims.

As we advised previously, the Administrators are considering whether a pooling determination should be made for the Group. If creditors of all Group companies resolve to accept the determination, it would create one pool of realisations from the sales of the Group's businesses and pool all creditors' claims. The surplus proceeds would then be distributed to creditors. Initial estimates indicate that priority creditors would be paid in full and there would be a small surplus available for unsecured creditors noting that the estimated pooled outcome is dependent on the successful sale of the Group's St Leonards and Gosford centres, which have not completed yet. When all sales and our investigations are complete, we will provide an update to creditors as to our opinion on the pooling determination and whether it should be put to a vote.

7.2 ESTIMATED OUTCOME STATEMENT FOR THE COMPANY

ESTIMATED OUTCOME	NOTES	LIQUIDATION HIGH \$	LIQUIDATION LOW \$
Assets			
Cash at bank	1	49,925	49,925
Pre-Appointment Debtors	2	30,850	30,850
Working capital surplus / (loss)	3	8,835	8,835
Sale of business proceeds (net)	4	456,730	456,730
Liquidation recoveries	5	TBD	TBD
Total Assets available for creditors		541,128	541,128
Costs of the external administration			
Administrators' fees	6	248,180	248,180
Liquidators' future fees	6	40,000	50,000
Legal fees	7	25,000	35,000
Sales commission	8	30,000	30,000
Administrators' disbursements		2,000	4,000
Working capital loan	9	136,360	136,360
Helsinki IP	10	10,000	10,000
Head Office costs	11	68,182	68,182
Total costs of the external administration		559,722	581,722
Funds available for priority claims		Nil	Nil
Priority employee entitlements	12		
Superannuation		199,375	199,375
Employee Entitlements		52,867	52,867
Total priority employees		252,242	252,242
Estimated return to priority employees		Nil	Nil
Funds available for unsecured creditors		Nil	Nil
Unsecured creditors	13	856,401	856,401
Deficit to creditors		(856,401)	(856,401)

7.2.1 Notes to the Estimated Outcome Statement

1) Cash at bank

It was previously outlined in the Second Report that there was a projected cash at bank of \$36,024.

Since the issuance of the Second Report and finalising the SOB, we anticipate recovering \$43,722 from the Company's bank guarantees held over the leased premises. This amount is net of unpaid rent, interest, and legal costs claimed by the landlord.

The Company also held \$6,203 in cash on appointment of the Administrators.

2) Debtors

The Administrators also received \$30,850 in pre appointment debtors.

3) Working capital surplus / (loss)

The Administrators recorded a trading surplus during the period from the DOA to 27 July 2025 as illustrated below:

TRADING PROFIT & LOSS	AMOUNT \$
Revenue – Childcare fees	792,991
Expenses	(784,156)
Trading Profit	8,835

We note that these amounts are subject to the final payment of all liabilities (including Head Office costs) incurred during the Administrators' trading of the Company.

4) Sale of Business proceeds (net)

On 11 July 2025, we completed the SOB with the Purchaser resulting in a sale totalling \$660,000. After adjustments for employee entitlements, revenue in advance, and amounts due to the Head Office and Service Provider, \$456,730 was realised from the SOB.

The successful sale of the Company's business has ensured that the Centre continues to operate, 17 jobs have been saved, creditor claims have been reduced, and value has been secured for the business and assets.

5) Liquidation recoveries

At this stage, we have not quantified the potential claims that may be available against the Director, including insolvent trading, voidable transactions, or breaches of directors' duties. Further investigations are required to determine whether such claims can be pursued, as this is linked to the wider Group's solvency position. Notwithstanding our view that there are strong prospects of these claims, any potential recovery is limited to the value of the net assets available to the target defendant which, as outlined in the Second Report, appears to be insufficient based on our searches of publicly available information.

The Company loaned significant funds to other Group companies, the recoveries of which are not known as the outcome is dependent on the outcome of the other administrations / liquidations.

6) Administrators' / Liquidators' remuneration

Set out in the table below is a summary of the Administrators' remuneration, which has not been approved to date:

APPOINTMENT TYPE	PERIOD	AMOUNT \$
Administrators' fees to Second Meeting	11/02/2025 – 17/06/2025	134,482
Administrators' fees to 1 August 2025	17/06/2025 – 01/08/2025	93,698
Future Administrators' fees to Resumed Meeting	02/08/2025 – Resumed meeting	20,000
Liquidation (if applicable)	Future liquidators' fees	50,000

Refer to our Remuneration Approval Report (**Annexure B**) for further details on our proposed fees in performing the administration of the Company.

7) Legal Fees

During the Administration we have engaged our legal representatives to assist with the following tasks:

- Provide advice concerning the legislation specific to the childcare industry including, licensing, reporting to regulatory / government agencies, government funding, notifications and continuing obligations
- Legal services concerning the SOB, including liaising with the Purchaser's legal representative, drafting the ASA, and assisting with the exiting of the lease for the Premises.
- General advice and legal services required throughout the Administration including attendance at creditors meetings and review of reports, and
- Any other legal services required.

Upon the Company being placed into liquidation, we estimate additional professional fees in attending to the following:

- Legal services concerning the identification and recovery of voidable transactions, and
- Any other legal services required.

We estimate legal fees for the Administration / liquidation to be \$25,000 to \$35,000. We note that of this amount \$24,088 has been paid at the time of drafting this Report.

8) Sales commission

Commission totalling \$30,000 (excluding GST) was paid to the Sales Broker for assisting in the SOB.

9) Working capital loan

In order to account for working capital costs at the Head Office level, each subsidiary company within the Group up streamed funds during the Administration period to reflect the cost of the administrative support received whilst the Administrators traded the business to explore avenues for a potential sale of each business.

10) Helsinki IP

The HEI Schools and ILO branding and intellectual property were not owned by the Group but were utilised under licence arrangements. In lieu of continuing to pay monthly licence fees during the appointment, we negotiated a one-off payment of \$10,000 for the ongoing use of the branding and associated teaching materials, conditional upon the success of the SOB.

11) Head Office Costs

During the Administration period, each subsidiary within the Group remitted funds to Head Office to cover working capital costs associated with administrative support while the Administrators traded the business to pursue potential sale opportunities. We note that these costs have not been finalised at the time of drafting this Report and remain subject to the final quantification of Head Office costs during the appointment.

12) PRIORITY EMPLOYEE CREDITORS

The Director's ROCAP indicated that unpaid superannuation made up the majority of the unpaid employee priority claims with the remainder attributable to annual leave.

Employees with unpaid entitlements are classified as priority creditors and receive payment before unsecured creditors. The following priority (employee) creditor claims are outstanding as at the DOA and/or have since crystallised following the SOB:

ENTITLEMENTS	AMOUNT \$
Leave & Loading	18,407
Redundancy	21,546
PILN	12,914
Superannuation	199,375
TOTAL	252,242

On appointment, we continued the employment of all permanent employees during the Administration. As part of the terms of the ASA, the Purchaser agreed to take on certain employees, however several other staff were made redundant prior to the transfer of the business. As a result, pre-appointment PILN and redundancy have crystallised and are now a priority claim in the Administration.

Pre-appointment annual leave (including leave loading) totalling \$18,407 is a priority claim. All other leave and leave and loading previously reported in the Second Report has been assumed by the Purchaser.

Employees who are owed employee entitlements may make a claim with the DEWR to be paid under FEG scheme (subject to certain eligibility criteria). FEG does not pay unpaid superannuation.

For further information as to whether you are eligible to apply or to make an application, please visit fegonlineservices.dewr.gov.au. The FEG scheme imposes certain limits in respect of the entitlements which a claimant can seek payment of. One of those limits imposes a capped maximum weekly wage (before tax) of \$2,673. Any entitlements accrued at a weekly wage rate exceeding that amount will be capped by FEG. The entitlements pursuant to which a claimant may make a claim are:

- unpaid wages for a maximum period of 13 weeks
- annual and long service leave
- PILN up to a maximum period of five weeks, and
- redundancy capped at a maximum of four weeks per year of service, calculated as per the employee's terms and conditions of employment or their relevant governing instrument.

13) UNSECURED CREDITORS

The unsecured creditors include claims for:

- Ordinary unsecured creditors for services that have been provided to the Companies but remain unpaid at the DOA, and
- Statutory creditors included the ATO, SRO and Gallagher Bassett Services (work cover) debts that accrued prior to Administration.

Our current estimate of these amounts is illustrated below:

CREDITOR NAME	ROCAP \$	POD \$	ADMINISTRATORS' ESTIMATE \$
Related party loans	3,345	-	3,345
ATO	587,569	596,307	596,307
SRO	101,418	-	101,418
Gallagher Bassett	121,664	-	121,664
Other	53,345	17,043	33,667
TOTAL	867,341	613,350	856,401

Creditors that have not submitted details of their claims should do so using the proof of debt form attached at **Annexure D**.

Related party loans

The Director's ROCAP records loans to Group companies and related parties to the amount of \$3,345, while the Management Accounts do not include a payable balance. The Directors have yet to conduct an audit of these payable balances and will be finalised later in the event a dividend to unsecured creditors is declared.

ATO

The Director's ROCAP records the ATO as a creditor for \$587,569. The ATO has filed a claim in the Administration for \$596,307. This amount may change when any outstanding returns are lodged.

SRO

The Director's ROCAP records the SRO as a creditor for \$101,418, however the SRO have yet to file a claim in the Administration. Based on our appointments to other entities within the Group, we understand that a total debt of approximately \$101,418 is owed to the SRO. The SRO may seek to recover this amount from the Company under the grouping provisions of the Payroll Tax Act 2007 (VIC).

Gallagher Bassett

The Director's ROCAP records Gallagher Bassett as a creditor totalling \$121,664. Gallagher Bassett have yet to file a claim in the Administration.

Other

The ROCAP records 18 other creditors with claims totalling \$53,345. We had previously reported four other creditors that have filed a claim in the Administration for \$32,321. This has since updated to three creditors totalling \$17,043. Our estimate for the remaining creditors is calculated based off the Director's ROCAP, less the projected amount to be claimed from the landlord for \$19,678 which has since been settled.

POOLING DETERMINATION

Pursuant to section 571 of the Act, a liquidator may determine that a group of companies is to be treated as a pooled group for the purposes of the liquidation. The effect of such a determination is that each company within the group becomes jointly and severally liable for the debts and claims of the other companies in the group.

A pooling determination takes effect once a resolution approving the determination is passed at a meeting of eligible unsecured creditors. It is noted that such meetings are conducted separately for each company within the group.

Whilst the companies within the Group are separate legal entities operating early learning businesses at different geographic locations, they were, from both an accounting and operational perspective, effectively run as a single economic group. Funds were routinely transferred between entities to meet trading liabilities as they arose. We also note that revenue attributable to individual entities was initially remitted to a central entity within the Group and then disbursed to the others. It is apparent, however, that in some instances revenue was not fully reallocated to the generating entity, but instead diverted to other entities experiencing cash flow shortages.

Accordingly, we consider that, upon the liquidation of the Group companies, it may be appropriate to propose a creditor pooling determination rather than pursuing a Court-ordered pooling arrangement, given the costs associated with the latter. Based on our preliminary investigations, we believe this approach is likely to produce a more equitable outcome for the creditors of each company.

Following the commencement of liquidation of the Group entities, a further report will be issued detailing the effect of the proposed pooling determination, including the anticipated impact on dividend distributions.

STATEMENT BY THE ADMINISTRATORS

9.1 ADMINISTRATORS' OPINION

Pursuant to IPR 75-225(3)(b), we are required to provide creditors with a statement setting out our opinion on whether it is in creditors' interests for the Company for:

- the Administration to end
- the company execute a DOCA
- the company to be wound up

Each of these options is considered and the Administrators below, it is necessary to consider an estimate of the dividend creditors might expect and the likely costs under each option.

9.2 ADMINISTRATION TO END

The Company is insolvent and unable to pay all its debts as and when they fall due.

Accordingly, it **would not be** in the creditors' best interests to resolve to end the administration and return control of the Company to the Director.

9.3 EXECUTE A DOCA

We have not received a DOCA proposal from the Director or a third party and therefore there is no DOCA available to be executed at this time. Accordingly, it **would not be** in the creditors' best interests to resolve to execute a DOCA.

9.4 WINDING UP OF THE COMPANY

We are of the opinion that it **would be** in creditors interests for the Company to be wound up.

This is because the Company is insolvent and there is no DOCA proposal available at this time.

FURTHER INFORMATION AND QUERIES

The ASIC has released several insolvency information sheets to assist creditors, employees and shareholders with their understanding of the insolvency process. You can access the relevant ASIC information sheets at www.asic.gov.au.

We will advise creditors in writing of any additional matter that comes to our attention after the release of this Report, which in our view is material to creditors' consideration and we may, if appropriate, issue an addendum to this report.

Should you have any enquiries, please contact Billy Foley by email at finnisheducation@wlpr.com.au.

Yours faithfully



Alan Walker

Administrator

ANNEXURE A – CREDITOR INFORMATION SHEETS



Creditor Rights in Voluntary Administrations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request information

Information is communicated to creditors in a voluntary administration through reports and meetings.

In a voluntary administration, two meetings of creditors are automatically held. You should expect to receive reports and notice of these meetings:

- The first meeting is held within 8 business days of the voluntary administrator's appointment. A notice of meeting and other information for this meeting will be issued to all known creditors.
- The second, or decision, meeting is usually held within 6 weeks of the appointment, unless an extension is granted. At this meeting, creditors will get to make a decision about the company's future. Prior to this meeting the voluntary administrator will provide creditors with a notice of the meeting and a detailed report to assist in making your decision.

Important information will be communicated to creditors prior to and during these meetings. Creditors are unable to request additional meetings in a voluntary administration.

Creditors have the right to request information at any time. A voluntary administrator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the voluntary administration, and the provision of the information would not cause the voluntary administrator to breach their duties.

A voluntary administrator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed. If, due to the nature of the information requested, the voluntary administrator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

Requests must be reasonable.

They are not reasonable if:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) the information requested would be privileged from production in legal proceedings
- (c) disclosure would found an action for breach of confidence
- (d) there is not sufficient available property to comply with the request
- (e) the information has already been provided
- (f) the information is required to be provided under law within 20 business days of the request
- (g) the request is vexatious

If a request is not reasonable due to (d), (e) or (f) above, the voluntary administrator must comply if the creditor meets the cost of complying with the request.

Otherwise, a voluntary administrator must inform a creditor if their information request is not reasonable and the reason why.

Specific questions about the voluntary administration should be directed to the voluntary administrator's office.

Right to give directions to voluntary administrator

Creditors, by resolution, may give a voluntary administrator directions in relation to a voluntary administration. A voluntary administrator must have regard to these directions, but they are not required to comply with the directions.

If a voluntary administrator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons for not complying.

An individual creditor cannot provide a direction to a voluntary administrator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a voluntary administrator's remuneration or a cost or expense incurred in a voluntary administration. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

The cost of the reviewing liquidator is paid from the assets of the voluntary administration, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the voluntary administrator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

Right to replace voluntary administrator

At the first meeting, creditors have the right to remove a voluntary administrator and appoint another registered liquidator to act as voluntary administrator.

A creditor must ensure that they have a consent from another registered liquidator prior to the first meeting if they wish to seek the removal and replacement of a voluntary administrator.

Creditors also have the opportunity to replace a voluntary administrator at the second meeting of creditors:

- If creditors vote to accept a proposed deed of company arrangement, they can appoint a different registered liquidator as the deed administrator.
- If creditors vote to place the company into liquidation, they can appoint a different registered liquidator as the liquidator.

It is however usual for the voluntary administrator to act as deed administrator or liquidator. It would be expected that additional costs would be incurred by an alternate deed administrator or liquidator to gain the level of knowledge of the voluntary administrator.

Like with the first meeting, a creditor must ensure that they have a consent from another registered liquidator prior to the second meeting if they wish to seek to appoint an alternative registered liquidator as deed administrator or liquidator.

For more information, go to www.arita.com.au/creditors

Specific queries about the voluntary administration should be directed to the voluntary administrator's office.

Version: June 2018

12142 (VA) - INFO - CREDITOR RIGHTS INFORMATION SHEET V2_0

Voluntary Administration

Creditor Information Sheet

Offences, Recoverable Transactions and Insolvent Trading



Offences

A summary of offences under the Corporations Act that may be identified by the administrator:

180	Failure by company officers to exercise a reasonable degree of care and diligence in the exercise of their powers and the discharge of their duties.
181	Failure to act in good faith.
182	Making improper use of their position as an officer or employee, to gain, directly or indirectly, an advantage.
183	Making improper use of information acquired by virtue of the officer's position.
184	Reckless or intentional dishonesty in failing to exercise duties in good faith for a proper purpose. Use of position or information dishonestly to gain advantage or cause detriment. This can be a criminal offence.
198G	Performing or exercising a function or power as an officer while a company is under administration.
206A	Contravening a court order against taking part in the management of a corporation.
206A, B	Taking part in the management of corporation while being an insolvent, for example, while bankrupt.
206A, B	Acting as a director or promoter or taking part in the management of a company within five years after conviction or imprisonment for various offences.
209(3)	Dishonest failure to observe requirements on making loans to directors or related companies.
254T	Paying dividends except out of profits.
286	Failure to keep proper accounting records.
312	Obstruction of an auditor.
314-7	Failure to comply with requirements for the preparation of financial statements.
437D(5)	Unauthorised dealing with company's property during administration.
438B(4)	Failure by directors to assist administrator, deliver records and provide information.
438C(5)	Failure to deliver up books and records to the administrator.
588G	Incurring liabilities while insolvent.
588GAB	Officer's duty to prevent creditor-defeating disposition
588GAC	A person must not procure a company to make a creditor-defeating disposition
590	Failure to disclose property, concealed or removed property, concealed a debt due to the company, altered books of the company, fraudulently obtained credit on behalf of the company, material omission from Report as to Affairs or false representation to creditors.
596AB	Entering into an agreement or transaction to avoid employee entitlements.

Recoverable Transactions

Preferences

A preference is a transaction, such as a payment by the company to a creditor, in which the creditor receiving the payment is preferred over the general body of creditors. The relevant period for the payment commences six months before the commencement of the liquidation. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Where a creditor receives a preference, the payment is voidable as against a liquidator and is liable to be paid back to the liquidator subject to the creditor being able to successfully maintain any of the defences available to the creditor under the Corporations Act.

Creditor-defeating disposition

Creditor-defeating dispositions are the transfer of company assets for less than market value (or the best price reasonably obtainable) that prevents, hinders or significantly delay creditors' access to the company's assets in liquidation. Creditor-defeating dispositions are voidable by a liquidator.

Uncommercial Transaction

An uncommercial transaction is one that it may be expected that a reasonable person in the company's circumstances would not have entered into, having regard to the benefit or detriment to the company; the respective benefits to other parties; and any other relevant matter.

To be voidable, an uncommercial transaction must have occurred during the two years before the liquidation. However, if a related entity is a party to the transaction, the period is four years and if the intention of the transaction is to defeat creditors, the period is ten years. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Unfair Loan

A loan is unfair if and only if the interest was extortionate when the loan was made or has since become extortionate. There is no time limit on unfair loans – they only must be entered into before the winding up began.

Arrangements to avoid employee entitlements

If an employee suffers loss because a person (including a director) enters into an arrangement or transaction to avoid the payment of employee entitlements, the liquidator or the employee may seek to recover compensation from that person or from members of a corporate group (Contribution Order).

Unreasonable payments to directors

Liquidators have the power to reclaim 'unreasonable payments' made to directors by companies prior to liquidation. The provision relates to payments made to or on behalf of a director or close associate of a director. The transaction must have been unreasonable, and have been entered into during the 4 years leading up to a company's liquidation, regardless of its solvency at the time the transaction occurred.

Voidable charges

Certain charges over company property are voidable by a liquidator:

- circulating security interest created within six months of the liquidation, unless it secures a subsequent advance;
- unregistered security interests;
- security interests in favour of related parties who attempt to enforce the security within six months of its creation.

Insolvent trading

In the following circumstances, directors may be personally liable for insolvent trading by the company:

- a person is a director at the time a company incurs a debt;
- the company is insolvent at the time of incurring the debt or becomes insolvent because of incurring the debt;
- at the time the debt was incurred, there were reasonable grounds to suspect that the company was insolvent;
- the director was aware such grounds for suspicion existed; and
- a reasonable person in a like position would have been so aware.

The law provides that the liquidator, and in certain circumstances the creditor who suffered the loss, may recover from the director, an amount equal to the loss or damage suffered. Similar provisions exist to pursue holding companies for debts incurred by their subsidiaries.

A defence is available under the law where the director can establish:

- there were reasonable grounds to expect that the company was solvent and they did so expect;
- they did not take part in management for illness or some other good reason; or
- they took all reasonable steps to prevent the company incurring the debt.

The proceeds of any recovery for insolvent trading by a liquidator are available for distribution to the unsecured creditors before the secured creditors.

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances.

Queries about the voluntary administration should be directed to the administrator's office.

ANNEXURE B – NOTICE OF RECONVENED SECOND MEETING OF CREDITORS

CORPORATIONS ACT 2001
Section 439A

Insolvency Practice Rules (Corporations)
75-10, 75-15 & 75-225

NOTICE OF RECONVENED SECOND MEETING OF CREDITORS OF COMPANY UNDER ADMINISTRATION

**FINNISH EARLY CHILDHOOD EDUCATION (LONGWARRY) PTY LTD (ADMINISTRATORS APPOINTED)
FORMERLY TRADING AS "ILO LONGWARRY EARLY EDUCATION CENTRE"
"HEI SCHOOLS LONGWARRY EARLY LEARNING CENTRE"
ACN 637 227 546 (THE COMPANY)**

1. On 27 February 2025, the Company under Section 436A of the Corporations Act 2001 appointed Alan Walker, Nicholas Charlwood, and Glenn Livingstone of WLP Restructuring, Suite 19.02, Level 19, 1 Castlereagh Street, Sydney NSW 2000 as Joint and Several Administrators of the Company.
2. Notice is now given that a meeting of the creditors of the Company will be held at the office of WLP Restructuring, Suite 19.02, Level 19, 1 Castlereagh Street, Sydney NSW 2000 on **Tuesday, 19 August 2025 at 2:00 PM (AEST)**. Additional details and requirements on how to attend by phone and video conference are included in this notice.

A G E N D A

1. To receive the Report of the Administrators about the business, property, affairs and financial circumstances of the Company.
2. To receive a statement of the Administrators' opinions and reasons for the opinion:
 - a. whether it would be in the creditors' interests for the Administrations to end
 - b. whether it would be in the creditors' interests for the Company to be wound up
3. To receive a statement of such other information known to the administrator as will enable the creditors to make an informed decision about the matters at paragraphs 2(a) – (b) above.
4. To receive details of any transactions that appear to the Administrators to be a voidable transaction in respect of which money, property, or other benefits may be recoverable by a liquidator under part 5.7B of the Corporations Act 2001 (*Cth*).
5. To receive details of any proposed deed of company arrangement
6. For the creditors of the Company to resolve that:
 - a. the Administration(s) should end
 - b. the Company(ies) be wound up
7. To determine the past and future remuneration of the Administrators.
8. To determine the internal disbursements of the Administrators.
9. To determine the remuneration of the deed administrators' / creditors' trustees' and / or liquidators' future remuneration (if appointed).
10. To determine the internal disbursements of the deed administrators/creditors' trustees and / or liquidators (if appointed), and
11. Any other business that may be lawfully brought forward.

Telephone and video conferencing facilities via Microsoft Teams will be available at the meeting. Creditors wishing to attend the meeting by electronic facilities are to contact Billy Foley of this office by email at finnisheducation@wlp.com.au by no later than **4:00 PM AEST on Monday, 18 August 2025** to obtain access details.

Please note under Insolvency Practice Rules (Corporations) (IPR) 75-35 if you wish to participate in the meeting using such facilities you must give to the convene no later than **4:00 PM on Monday, 18 August 2025**:

- (a) A written statement setting out:
 - (i) the name of the person and of the proxy or attorney (if any); and
 - (ii) an address to which notices to the person, proxy or attorney may be sent; and
 - (iii) a method by which the person, proxy or attorney may be contacted for the purposes of the meeting.

Proxies to be used at the meeting should be given to us as Joint and Several Administrators. A creditor can only be represented by proxy or by an attorney pursuant to IPR 75-150 & 75-155 and if a body corporate by a representative appointed pursuant to Section 250D.

Creditors will not be entitled to vote at this meeting unless they have previously lodged particulars of their claim against the Company in accordance with IPR 75-85 and that claim has been admitted for voting purposes wholly or in part by the Joint and Several Administrators.

Dated this 12th day of August 2025



Alan Walker

Joint and Several Administrator

WLP Restructuring Pty Ltd
Suite 19.02, Level 19
1 Castlereagh Street
Sydney NSW 2000

***Voting at a Meeting the effect of Insolvency Practice Rules (Corporations) 75-85:
Entitlement to vote at meetings of creditors**

- (1) A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
- (2) Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
- (3) A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - (a) his or her debt or claim has been admitted wholly or in part by the external administrator; or
 - (b) he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 - (i) those particulars; or
 - (ii) if required—a formal proof of the debt or claim.
- (4) A creditor must not vote in respect of:
 - (a) an unliquidated debt; or
 - (b) a contingent debt; or
 - (c) an unliquidated or a contingent claim; or
 - (d) a debt the value of which is not established;
unless a just estimate of its value has been made.
- (5) A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - (a) treat the liability to him or her on the instrument or security of a person covered by subsection (b) as a security in his or her hands;
 - (c) estimate its value;
 - (c) for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
- (6) A person is covered by this subsection if:
 - (a) the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
 - (b) the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - (c) the person is not an insolvent under administration or a person against whom a winding up order is in force.

ANNEXURE C – ADMINISTRATORS’ REMUNERATION REPORT

Schedule 2 to the Corporations Act 2001, Section 70-50
Insolvency Practice Rules (Corporations) 2016, Section 70-45

**FINNISH EARLY CHILDHOOD EDUCATION (LONGWARRY) PTY LTD (ADMINISTRATORS APPOINTED)
FORMERLY TRADING AS “ILO LONGWARRY EARLY EDUCATION CENTRE”
“HEI SCHOOLS LONGWARRY EARLY LEARNING CENTRE”
ACN 637 227 546 (THE COMPANY)**

REMUNERATION APPROVAL REPORT

This report contains the following information:

- Part 1: Declaration
- Part 2: Approval of remuneration
- Part 3: Executive summary
- Part 4: Remuneration
- Part 5: Disbursements
- Part 6: Report on progress of Administration and summary of receipts and payments
- Part 7: Queries

Next steps for creditors:

- Please review the contents of this report, which sets out the resolutions to be approved by creditors at a meeting of creditors;
- Refer to the accompanying Report to Creditors dated 12 August 2025 for details as to how you can participate in the meeting.

PART 1 DECLARATION

We, Alan Walker, Nicholas Charlwood, and Glenn Livingstone of WLP Restructuring Pty Ltd, have undertaken an assessment of this remuneration and disbursements claim in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work properly performed, or to be properly performed, in the conduct of the Administration.

PART 2 APPROVAL OF REMUNERATION

REMUNERATION METHODS

There are four basic methods that can be used to calculate the remuneration charged by an insolvency practitioner as follows:

1. Time based / hourly rates

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.

2. Fixed Fee

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.

3. Percentage

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

4. Contingency

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

METHOD CHOSEN

Given the nature of this Administration, we propose that our remuneration be calculated on time based/hourly rates due to the following:

- Given the size of the Company and wider Group, it is appropriate to charge on an hourly basis and only when tasks are required to be completed by a team member.
- It ensures actual time is billed at an hourly rate applicable to staff experience.
- It ensures that remuneration claimed is only for necessary work properly performed in the Administration.
- We will only be paid for work if sufficient realisations are made from the Company's assets.
- We have a time recording system that can produce a detailed analysis of time spent on each task by each team member enabling creditors to better understand what time has been spent completing each task providing full accountability.

HOURLY RATES

The hourly rates for our 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. The hourly rates encompass the total cost of providing professional services and should not be compared to an hourly wage.

Creditors are advised that two separate hourly rate schedules apply, as outlined in the tables below.

Effective from 1 July 2025, WLP Restructuring's hourly rates were increased to reflect current market conditions. These rates are reviewed annually, with the previous rate adjustment having occurred on 1 July 2024.

Accordingly:

- Remuneration costs incurred during the period from 27 February 2025 (being the commencement of the voluntary administration) to 30 June 2025 have been charged in accordance with the Schedule of Hourly Rates effective from 1 July 2024.
- Remuneration costs incurred from 1 July 2025 onwards are charged in accordance with the updated Schedule of Hourly Rates effective from that date.

The applicable hourly rate schedules are detailed in the tables below:

Schedule of Hourly Rates - 1 July 2024

TITLE	RATE \$/HR	EXPERIENCE
Appointee/ Partner	\$750	Registered Liquidator. Appointee bringing his or her specialist skills to the Administration or insolvency task.
Director	\$685	More than 9 years insolvency experience. Answerable to the appointee but otherwise responsible for all aspects of Administration. Very competent. Control staff and their training.
Senior Manager	\$625	More than 7 years insolvency experience, more than 3 years as a manager, qualified accountant. Answerable to the appointee but otherwise responsible for all aspects of Administration. Experienced at all levels and considered very competent. Control staff and their training.
Manager	\$550	6-7 years, qualified accountant, with well-developed technical and commercial skills. Self-sufficiently conducts small insolvency appointments and takes a supervisory role on work streams in larger matters.
Assistant Manager	\$480	4-6 years. Chartered Accountant (CA) program or equivalent complete. Will have had conduct of minor administrations and experience in control of 1-3 staff. Assists planning and control of medium to larger jobs.
Senior Analyst	\$450	Post graduate qualification (or equivalent) would normally be completed within this period. Assists planning and control of small to medium sized jobs as well as performing some of the more difficult work on larger jobs.
Analyst	\$405	Undertaking or about to undertake Chartered Accountant's qualification or comparable relevant qualification with less than one year of experience. Assists with tasks within work streams and appointments under supervision.
Junior Analyst	\$300	Undertaking university degree, but not yet qualified. Assist with tasks within work stream and appointments under supervision.
Administration	\$265	Appropriate skills, including books and records management and accounts processing particular to the Administration.

Schedule of Hourly Rates - 1 July 2025

TITLE	RATE \$/HR	EXPERIENCE
Appointee/ Partner	\$790	Registered Liquidator. Appointee bringing his or her specialist skills to the Administration or insolvency task.
Director	\$720	More than 9 years insolvency experience. Answerable to the appointee but otherwise responsible for all aspects of Administration. Very competent. Control staff and their training.
Senior Manager	\$655	More than 7 years insolvency experience, more than 3 years as a manager, qualified accountant. Answerable to the appointee but otherwise responsible for all aspects of Administration. Experienced at all levels and considered very competent. Control staff and their training.

TITLE	RATE \$/HR	EXPERIENCE
Manager	\$575	6-7 years, qualified accountant, with well-developed technical and commercial skills. Self-sufficiently conducts small insolvency appointments and takes a supervisory role on work streams in larger matters.
Assistant Manager	\$500	4-6 years. Chartered Accountant (CA) program or equivalent complete. Will have had conduct of minor administrations and experience in control of 1-3 staff. Assists planning and control of medium to larger jobs.
Senior Analyst	\$475	Post graduate qualification (or equivalent) would normally be completed within this period. Assists planning and control of small to medium sized jobs as well as performing some of the more difficult work on larger jobs.
Analyst	\$425	Undertaking or about to undertake Chartered Accountant's qualification or comparable relevant qualification with less than one year of experience. Assists with tasks within work streams and appointments under supervision.
Junior Analyst	\$320	Undertaking university degree, but not yet qualified. Assist with tasks within work stream and appointments under supervision.
Administration	\$265	Appropriate skills, including books and records management and accounts processing particular to the Administration.

Notes:

- The hourly rates are exclusive of GST.
- The guide to staff experience is intended only as a general guide to the qualifications and experience of staff engaged in the liquidation. Staff may be engaged under a classification considered appropriate for their experience.
- Time is recorded and charged in six-minute increments.

PART 3 EXECUTIVE SUMMARY

3.1 Summary of remuneration approval sought for the Company

The Administrators' remuneration for the period of commencement to the date of the second meeting of creditors was previously approved by creditors at the second meeting of Creditors held on 17 June 2025 for \$134,481.50 (excl GST).

Details on our approved remuneration in the Administration are as follows:

PERIOD	FOR	AMOUNT APPROVED (EX GST) \$	AMOUNT PAID (EX GST) \$
VOLUNTARY ADMINISTRATION			
27 February 2025 to 2 June 2025	Work already performed	104,481.50	104,481.50
*3 June 2025 to the Date of the Second Meeting of Creditors	Future work	30,000.00	30,000.00
Total Voluntary Administration		134,481.50	134,481.50

This remuneration report details approval sought for the following remuneration:

PERIOD	AMOUNT (EX GST) \$
VOLUNTARY ADMINISTRATION	
17 June 2025 to 1 August 2025	93,698.00
2 August 2025 to date of Resumed Meeting	20,000.00
Total Voluntary Administration	113,698.00
LIQUIDATION (if applicable)*	
From commencement to the end of the liquidation	50,000.00
Total Liquidation	50,000.00

** Approval for the future remuneration sought is based on an estimate of the work necessary to the completion of the liquidation. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.*

Details of the work already completed and work to be completed in the future are included at **Schedule A**.

Schedule B includes a breakdown of time spent by staff members on each major task for work we have already completed.

Actual resolution to be put to the meeting are set out at **Schedule C** for your information. Creditors of the Company are to vote on the resolutions at the upcoming meeting of creditors. Please refer to **Section 2** of the accompanying Report for the voting details.

3.2 Comparison to estimate of costs provided to creditors in the Initial Remuneration Notice

We estimate that remaining unapproved remuneration for the Voluntary Administration will be \$113,698.00 (ex GST).

The estimate has increased from our previous estimates provided in our Initial Remuneration Notice dated 13 February 2025 and Administrator's Remuneration Approval Report dated 6 June 2025. This is because of greater than estimated time spend in the following task areas:

- Preparation of extensive due diligence documents for the sale of business process
- Transitioning the business and assets to the Buyer, including liaising with various regulatory bodies, hosting meetings with employees and other key stakeholders
- Dealing with competing interested parties for the sale of business
- Drafting various correspondence concerning the sale of business and transfer of service approval
- Managing trading operations across multiple centres, noting that the Company's revenue was intertwined with other entities within the Group
- Attending to multiple redundancies
- Matters relating to a delay in receiving service approval from the DOE for transfer of the business and assets to the Purchaser
- Matters relating to the assignment of lease for the Company's former trading premises to the Purchaser, including negotiations, engaging legal representatives, and preparing contracts
- Receiving and responding to shareholder queries
- Drafting and finalising this supplementary report to creditors including ancillary documents
- Dealing with enquiries from management and employees; and
- Reconciling outstanding superannuation liabilities.

Should creditors decide to wind up the companies, we estimate that our remuneration for the period of the liquidation will be \$50,000.00 (excl GST) for the Company. We also note that for the period of the liquidation, we feel that it would be appropriate for the Liquidators' remuneration to be charged on a Time-Based/Hourly rate basis.

At this stage, based on the information available, it is not anticipated that any further remuneration approval requests will be required (in addition to the proposed resolutions in this report) for the voluntary administration or any subsequent liquidation.

PART 4 DISBURSEMENTS SOUGHT

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

We are required to obtain creditor's consent for the payment of a disbursement where we, or a related entity of ourselves, may directly or indirectly obtain a profit. In these circumstances.

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 such as company searches, land title searches and PPSR searches.
- **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.

4.1 Disbursement claim

To date, the internal disbursement for the period of the Voluntary Administration was previously approved by creditors at the second meeting of Creditors held on 17 June 2025 for \$1,000.00 (excl GST).

We are seeking creditors to approve our internal disbursements as follows:

PERIOD	AMOUNT (EXCL GST)
LIQUIDATION (IF APPLICABLE)	
For the period of the liquidation for the Company	\$1,000.00

4.2 Disbursement resolutions

The actual resolutions for approval by creditors are included in **Schedule C**. Creditors of the Company are to vote on the resolutions at the upcoming meeting of creditors. Please refer to Section 3 of the accompanying Report for the voting details.

4.3 Future basis of disbursements

The relevant rates for internal disbursements are set out below:

DISBURSEMENT TYPE	CHARGES (EXCL GST)
Advertising	At cost
ASIC industry funding model levy – metric events	At prescribed ASIC rates
Couriers	At cost
eDiscovery services	Variable
Photocopying / printing (outsourced)	At cost
Postage	At cost
Searches	At cost
Staff travel / out of pocket costs	At cost
Storage and storage transit	At cost
Telephone calls	At cost

PART 5 PREVIOUS AND FUTURE APPROVALS AND ESTIMATES

5.1 Previous approval requests

The Company's creditors previously approved the Administrator's remuneration for the period of 27 February 2025 to the date of the second meeting of creditors for \$134,481.50 (excl. GST) as well as the Administrators' internal disbursements for the period of the Administration for \$1,000.00 (excl GST) during the second meeting of creditors held on 17 June 2025.

5.2 Future estimates and expectation of further remuneration approval requests

We are seeking approval for our future remuneration as Administrators of the company. We estimate our total remuneration for acting as Administrators to be \$248,179.50 (excl GST).

Should the company enter into liquidation, we estimate our total remuneration for acting as liquidators to the company will be \$50,000.00 (ex GST).

At this stage, based on the information available, it is not anticipated that any further remuneration approval requests (in addition to the proposed resolutions in this report) will be required for any subsequent deed administration or liquidation. However, should matters not proceed as expected, it may be necessary to seek approval of further remuneration. If so, details would be provided to creditors in a subsequent report to help explain why the estimated remuneration amount has changed and what the new estimate will be.

5.3 Likely impact on dividends

An external administrator (including a voluntary administrator, deed administrator or liquidator) is entitled to receive remuneration for necessary work properly performed in relation to the external administration. The Act generally provides for the remuneration of an external administrator to be paid in priority to other creditor claims. This ensures that where there are sufficient funds available, an external administrator can be paid for the work they perform.

External administrators must distribute any property realised in accordance with the prescribed order and priorities set by the law. The value of creditors' claims that are admitted to participate in any distribution is also relevant.

Because the remuneration of external administrators is afforded payment ahead of distributions to creditors, any such payment of remuneration approved by creditors will reduce the funds available for distribution to creditors by the amount of that remuneration approved.

Creditors should refer to the Voluntary Administrators' Report to creditors for details of anticipated dividends to creditors.

5.3 Remuneration recoverable from external sources

There is no other remuneration that has been received or is recoverable from external sources for the administration.

PART 6 REPORT ON PROGRESS OF ADMINISTRATION AND SUMMARY OF RECEIPTS AND PAYMENTS

This Remuneration Approval Request must be read in conjunction with the Report to Creditors dated 11 August 2025.

A summary of receipts and payments for the duration of our appointment is at **Annexure F** of the Report.

PART 7 QUERIES

For any queries in respect of this remuneration approval request, please contact Mr Billy Foley by email at finnisheducation@wlpr.com.au.

Dated this 12th day of August 2025



Alan Walker
Joint and Several Administrator

ATTACHMENTS

SCHEDULE	DESCRIPTION
A	Details of work done and work to be completed
B	Time spent by staff on each major task already completed
C	Resolutions

SCHEDULE A – DETAILS OF WORK

Resolution 1: Administrators remuneration (1 June 2025 to 1 August 2025)

Resolution 2: Administrators future remuneration (2 August 2025 to date of resumed meeting)

The table below contains detailed descriptions of the tasks performed / to be performed within each task area by the Administrators and their staff. The amounts below are exclusive of GST.

TASKS		
PERIOD	17 June 2025 to 1 August 2025	2 August 2025 to date of resumed meeting
BALANCE TO BE	\$93,698.00	\$20,000.00
APPROVED	159.70 hrs	40.00 hrs
TASK AREA	GENERAL DESCRIPTION	
ASSETS	\$27,489.00 44.40 hrs	\$2,000.00 4.00 hrs
Leasing	Liaising with owners/lessors Reviewing lease documents	Continue liaising with owners/lessors
Cash at bank	Liaising with financial institutions concerning pre-appointment accounts, including account identification, access to bank statements Correspondence with pre-appointment financial institution, ongoing request for funds to be transferred to the administration accounts.	Continue liaising with financial institutions concerning transfers of funds from pre-appointment accounts.
Sale of business	Procure information to be supplied as due diligence. Engage and liaise with Sales Broker concerning strategy, information requests, offers etc Internal discussions concerning sale of business updates, strategy, offers etc. Calculation of settlement adjustments for revenue in advance, supplier costs and employee entitlements Discussions with management. Implement transfer of service approval and transition of business to the Purchaser. Liaison with legal representatives to ensure ASA terms complied.	Liaise with Purchaser relating to transfer of business.
Related party loan accounts	Reviewing and assessing loan account ledgers. Liaising with Company's management regarding identified related party loan account.	Further review and investigation into the loan account ledgers.
Other assets	Recovery of bank guarantee for leased premises including	Tasks associated with realising other assets.

TASKS		
	reconciling amount owed, engaging solicitors, liaison with landlord. Tasks associated with realising other assets.	
CREDITORS	\$13,423.50 23.50 hrs	\$9,000.00 18.00 hrs
Creditor Enquiries, Requests & Directions	Receive and follow up creditor enquiries via telephone and email. Maintaining creditor enquiry register Review and prepare correspondence to creditors and their representatives via email and post.	Receive and follow up creditor enquiries via telephone and email. Maintaining creditor enquiry register Review and prepare correspondence to creditors and their representatives via email and post.
Reports to creditors	Preparing a report to creditors as per s 439A of the Act, including this remuneration approval report.	Finalising this report to creditors including remuneration approval reports and annexures.
Secured creditor reporting	General PPSA creditor correspondence and property matters. Responding to secured creditor queries.	General PPAS creditor correspondence. Responding to secured creditor queries.
Meeting of creditors	Preparation of meeting documents and notices and forwarding these to all known creditors. All applicable meeting preparation including venue, documents, registers, reports and mailing, meeting advertisements, recording details of proxies received and draft minutes/agenda preparation Considering claims for voting purposes. Prepare for and attend/hold the meeting of creditors. Preparation and lodgement of minutes of meetings with ASIC. Responding to stakeholder queries and questions immediately following meeting. All applicable meeting preparation for the second meeting of creditors up to the convening of the meeting.	Preparation of meeting documents and notices and forwarding these to all known creditors. All applicable meeting preparation including venue, documents, registers, reports and mailing, meeting advertisements, recording details of proxies received and draft minutes/agenda preparation. Considering claims for voting purposes Prepare for and attend/hold the meeting of creditors. Preparation and lodgement of minutes of meetings with ASIC. Responding to stakeholder queries and questions immediately following meeting. All applicable meeting preparation for the second meeting of creditors up to the convening of the meeting and any adjourned meeting.
Dealing with proofs of debt	Receipting and filling POD's when not related to a dividend.	Correspondence to/from creditors regarding details of debts and claims in the Administration. Receiving and recording formal/informal proofs of debt lodged.
EMPLOYEES	\$11,614.00 20.90 hrs	\$3,000.00 6.00 hrs
Enquiries and correspondence	Correspondence and meetings with employees about the conduct and status of the Administration, their employment and entitlements	Correspondence and meetings with employees about the conduct and status of the Administration, their employment and entitlements including letters, emails and/or calls.

TASKS		
	including letters, emails and/or calls.	
Entitlements	Reviewing employee files, payroll details, records and calculations of employee entitlements. Reviewing and considering contracts, awards and other relevant agreements.	Further reviewing employee files, payroll details, records and calculations of employee entitlements. Attending to employee redundancies prior to the transfer of the business.
Fair Entitlements Guarantee (FEG)	Correspondence with FEG	Correspondence with FEG
TRADE ON	\$33,669.50 56.00 hrs	\$2,000.00 4.00 hrs
Trade on management	Decisions and strategy meeting. Customer and supplier correspondence and liaison. Management and staff liaison. Day-to-day operations management and oversight. Attendance on site and site visits as required, including meetings with employees to discuss the status of the Administration Process matters including authorisations of payments and receipts. Liaising with the directors and management concerning operations Employee manpower plans and requirements. Employee trade on matters including wages and payroll.	Matters relating to the transfer of operations to the purchasers. All matters associated with closing accounts and settling all costs incurred whilst trading.
General accounting	All applicable accounting tasks and processes supporting continued operations.	All applicable accounting tasks and processes supporting continued operations.
Budgets and reporting	Preparing budgets. Preparing weekly financial reports. Reviewing company's budgets and financial statements. Trading/operating budgets and forecasts. Cash flow preparation and monitoring. Financial reporting including financial position and performance. Meetings and reviews around financial results and estimated outcomes.	Finalising weekly P&L and cashflow for administration period. Closing off costs relating to Administration and subsequent correspondence with purchasers relating to future outstanding costs.
INVESTIGATION	\$1,265.00 2.30 hrs	\$3,000.00 6.00 hrs
Conducting investigation	Collection of books and records from the company, directors and other parties. Performing all applicable land title searches and other statutory searches as needed.	Reviewing books and records, company background and history. Reviewing management accounts, financial statements and associated information.

TASKS		
	Reviewing books and records, company background and history Preparation of comparative financial statements. Meetings and/or discussions with officers, employees and/or other parties on general company matters. Reviewing management accounts, financial statements and associated information. Reviewing and determining the date of insolvency. Conduct investigations into the existence of voidable transactions and evidence of any insolvency trading. Summarising and documenting work performed and matters requiring additional review and investigation.	Summarising and documenting work performed and matters requiring additional review and investigation.
ASIC reporting	Liaising with ASIC. Drafting and preparing investigative reports to ASIC.	Preparing and finalising investigative reports to ASIC – including providing subsequent assistance to ASIC (if requested).
ADMINISTRATION	\$6,239.00 12.80 hrs	\$1,000.00 2.00 hrs
General correspondence	Other general correspondence with respect to the conduct and furtherance of the administration.	Other general correspondence with respect to the conduct and furtherance of the administration.
Document maintenance/file review/checklist	Filing of documents. File reviews. Updating checklists.	Ongoing file reviews. Electronic and hard copy filing Ongoing review and updating file materials and checklists.
ASIC Form 524, 5602, 5603 and other statutory lodgements	Preparing and lodging ASIC forms including 531, 438D, 533 etc. Correspondence with ASIC regarding statutory forms.	Preparing and lodging all required ASIC forms. Other company / industry specific reports and statutory requirements.
Bank account and accounting	Preparing correspondence opening term deposit and at call accounts. Accounts & bank account reconciliations. Correspondence with bank regarding specific transfers. Bank account reconciliations.	Bank account reconciliations. All other general bookkeeping and accounting matters for the administration.
Planning / Review	Discussions regarding status of Administration.	Discussions regarding status of Administration.
Insurance	Reviewing policies and discussions with management. Determining insurance needs. Providing information to/discussions with our brokers. Ongoing monitoring and review of insurance needs.	Ongoing monitoring and review of insurance needs. Liaising with insurance brokers.

TASKS		
ATO reporting	Preparing BAS's. Preparing and lodging GST / PAYG registration forms.	Preparing BAS's.

Resolution 5: Liquidators' Remuneration - From commencement to the end of the liquidation (as required)

The table below contains more detailed descriptions of the tasks performed within each task area by the Administrators and their staff for each of the companies listed above. The amounts below are exclusive of GST.

TASKS	
LIQUIDATION	Commencement of the liquidation to completion
TOTAL AMOUNT (EX GST)	\$50,000.00 100.0 hrs
TASK AREA	GENERAL DESCRIPTION
ASSETS	\$5,000.00 10.0 hrs
Related party loans	Further review and investigation into the loan account ledgers and amounts owing from other FEC entities.
Debtors	Reviewing debtor ledgers Issuing letters of demand to pre-appointment debtors Compiling information required to formally recover outstanding debts. Engaging solicitors / debt recovery agents to assist with recovering debtors.
Sale of business	Finalisation of the ASA process including, queries from the Buyer, accounting for debtor collections and payment of sale of business amounts to other Group entities.
Other assets	Tasks associated with realising other assets.
CREDITORS	\$10,000.00 20.0 hrs
Creditor Enquiries, Requests & Directions	Receive and follow up creditor enquiries via telephone and email. Maintaining creditor enquiry register. Review and prepare correspondence to creditors and their representatives via email and post.
Creditor reports	Preparing and distributing further updates and circulars/reports to creditors. Preparing remuneration reports.
Secured creditor reporting	General PPSA creditor correspondence and property matters. Responding to secured creditor queries.
Dealing with proofs of debts and claims	Correspondence to/from creditors regarding details of debts and claims in the Administration. Receiving and recording formal/informal proofs of debt lodged.
EMPLOYEES	\$10,000.00 20.0 hrs

TASKS	
Enquiries and correspondence	Correspondence and meetings with employees about their entitlements including letters, emails and/or calls.
Entitlements	Finalisation of employee entitlements. Reviewing employee files and Company's books and records. Reconciling superannuation accounts. Reviewing awards. Further reviewing employee files, payroll details, records and calculations of employee entitlements.
FEG	Correspondence with FEG and providing details, responding to queries and aspects of entitlements verification (excluding time and costs reimbursed by FEG) Preparing FEG verification sheet.
TRADE ON	\$5,000.00 10.0 hrs
Trade on management	All tasks required to finalise trade-on matters. Payment of final accounts & trading invoices. Management and staff liaison. Completing accounting tasks and finalising employee / payroll matters.
INVESTIGATION	\$10,000.00 20.0 hrs
Conducting investigation	Collection of Company books and records. Reviewing Company's books and records. Review and preparation of Company nature and history. Preparation of comparative financial statements. Preparation of deficiency statement. Review of specific transactions and liaising with the director regarding certain transactions. Preparation of investigation file. Continuation of investigations into the affairs of the company regarding the date of insolvency, existence of voidable transactions and evidence of any insolvency trading.
Litigation / recoveries (preliminary stage only)	Summarising and documenting work performed and matters requiring additional review and investigation. Internal meetings to discuss status of litigation. Preparing brief to solicitors. Liaising with solicitors regarding voidable transaction claims or insolvent trading claims. Decisions and strategy on litigation and recovery matters (where applicable).
ASIC reporting	Liaising with ASIC.

TASKS	
	Drafting and preparing investigative reports to ASIC including supplementary report pursuant to Section 533(2) of the Act, if requested.
DIVIDEND	\$7,000.00 60.0 hrs
Proofs of debts and claims	Correspondence to/from creditors regarding lodgement of proofs of debt for dividend purposes. Receiving and recording proofs of debt. Review and adjudication of debts and claims and requesting further particulars from creditors. Updating registers. Review and adjudication of all applicable proofs of debt and claims and notifying creditors of outcomes.
Dividend procedures	Dividend process for claims including timetable, correspondence, notices, review and adjudication of all applicable proofs of debt and claims. Obtaining ATO clearance. Issuing all notices, advertisements, acceptance/rejection of claims to creditors. Performing final dividend calculations. Calculating ATO dividend adjustments. Dividend payments and notices to creditors.
ADMINISTRATION	\$3,000.00 6.0 hrs
General correspondence	Other on-appointment notices and administrative set up tasks for the liquidation. Other general correspondence with respect to the conduct and furtherance of the liquidation.
Document maintenance/file review/checklists	Ongoing file reviews. Electronic and hard copy filing. Ongoing review and updating file materials and checklists.
Bank accounts and accounting	Bank account reconciliations. All other general bookkeeping and accounting matters for the Administration.
Statutory matters and lodgements	Preparing and lodging all required ASIC forms, notification of appointment of liquidators, liquidation specific lodgements and periodic receipts and payments. Other company / industry specific reports and statutory requirements.
Specific / other ATO reporting	Preparing and lodging BAS. Preparing and lodging all required taxation returns as required by or requested from the ATO.

TASKS	
Planning / Review	Discussions regarding status of Administration.
Finalisation matters	Finalisation processes and final file reviews. Final notifications and lodgements (ASIC and ATO). Cancelling tax and other registrations as applicable. File Administration and closure processes.
Books and records / storage	All aspects of recording and listing company books and records. File Administration and closure processes.

SCHEDULE B – TIME SPENT BY STAFF ON EACH MAJOR TASK ALREADY COMPLETED

The tables below outline the time charged for each major task area performed by the Administrators and their staff during the period 17 June 2025 to 1 August 2025, which form the basis of Resolution 1, as referred to in **Schedule c**. Please refer to **Schedule A** for further details with respect to the tasks performed.

EMPLOYEE NAME	POSITION	RATE		TOTAL		ASSETS		CREDITORS		EMPLOYEE		TRADE ON		INVESTIGATIONS		ADMINISTRATION	
		\$/hr	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS	\$	HRS
Alan Walker	Appointee	750.00	1.60	1,200.00	1.30	975.00	0.30	225.00	-	-	-	-	-	-	-	-	-
Alan Walker	Appointee	790.00	2.30	1,817.00	2.30	1,817.00	-	-	-	-	-	-	-	-	-	-	-
Glenn Livingstone	Appointee	790.00	0.10	79.00	-	-	-	-	-	-	-	-	-	-	-	-	-
John Thompson	Director	685.00	14.30	9,795.50	0.30	205.50	1.00	685.00	-	-	-	13.00	8,905.00	-	-	-	-
John Thompson	Director	720.00	31.20	22,464.00	7.00	5,040.00	4.80	3,456.00	2.20	1,584.00	-	15.20	10,944.00	-	-	2.00	1,440.00
Neil Small	Director	720.00	6.70	4,824.00	5.30	3,816.00	-	-	-	-	-	1.40	1,008.00	-	-	-	-
Angus Fraser	Manager	550.00	6.90	3,795.00	6.50	3,575.00	-	-	-	-	-	-	-	-	-	0.40	220.00
Billy Batbilleg	Manager	550.00	4.40	2,420.00	-	-	-	-	-	-	-	4.40	2,420.00	-	-	-	-
Billy Batbilleg	Manager	575.00	7.90	4,542.50	0.20	115.00	-	-	-	-	-	7.70	4,427.50	-	-	-	-
Billy Foley	Manager	550.00	9.90	5,445.00	6.00	3,300.00	0.90	495.00	0.90	495.00	-	1.60	880.00	0.50	275.00	-	-
Billy Foley	Manager	575.00	39.90	22,942.50	15.00	8,625.00	9.10	5,232.50	11.70	6,727.50	-	2.60	1,495.00	1.00	575.00	0.50	287.50
Oliver Moss	Assistant Manager	480.00	0.70	336.00	-	-	-	-	-	-	-	-	-	0.70	336.00	-	-
Anshu Agrawal	Senior Analyst	450.00	2.40	1,080.00	-	-	-	-	-	-	-	-	-	-	-	2.40	1,080.00
Anshu Agrawal	Senior Analyst	475.00	6.40	3,040.00	-	-	2.20	1,045.00	-	-	-	-	-	-	-	4.20	1,995.00
Jody Kwee	Senior Analyst	450.00	1.20	540.00	-	-	-	-	0.10	45.00	-	1.10	495.00	-	-	-	-
Jody Kwee	Senior Analyst	475.00	2.40	1,140.00	-	-	0.10	47.50	1.90	902.50	-	0.40	190.00	-	-	-	-
Vlendya Karman	Senior Analyst	475.00	8.70	4,132.50	-	-	5.10	2,422.50	3.60	1,710.00	-	-	-	-	-	-	-
Oscar Bush	Analyst	405.00	0.30	121.50	-	-	-	-	-	-	-	-	-	-	-	0.30	121.50
Oscar Bush	Analyst	425.00	1.30	552.50	-	-	0.40	170.00	-	-	-	0.80	340.00	-	-	0.10	42.50
Taylor O'Neill	Analyst	425.00	2.90	1,232.50	0.20	85.00	-	-	-	-	-	1.00	425.00	-	-	1.70	722.50
Ege Dogan	Junior Analyst	320.00	1.70	544.00	-	-	-	-	-	-	-	1.10	352.00	-	-	0.60	192.00
Harry Brown	Junior Analyst	300.00	1.60	480.00	-	-	-	-	-	-	-	1.60	480.00	-	-	-	-
Harry Brown	Junior Analyst	320.00	4.30	1,376.00	-	-	-	-	-	-	-	3.90	1,248.00	-	-	0.40	128.00
Taylor O'Neill	Junior Analyst	300.00	2.20	660.00	0.50	150.00	0.60	180.00	0.50	150.00	-	0.20	60.00	-	-	0.40	120.00
Total (excl. GST)			161.30	94,559.50	44.60	27,703.50	24.50	13,958.50	20.90	11,614.00		56.00	33,669.50	2.30	1,265.00	13.00	6,349.00
Total remuneration previously approved on 17 Jun 25 (excl. GST)																	
			159.70	93,698.00	44.40	27,487.00	23.50	13,423.50	20.90	11,614.00		56.00	33,669.50	2.30	1,265.00	12.80	6,239.00
GST				9,369.80													
Total (incl. GST)				103,067.80													
Remaining fees to be approved (excl. GST)																	
Average Rate (\$/hr)				586.71		619.08		571.21		555.69			601.24		550.00		487.42

SCHEDULE C - RESOLUTIONS

REMUNERATION RESOLUTIONS

Resolution 1: Administrators' Current Remuneration (17 June 2025 to 1 August 2025)

"That the remuneration of the Administrators from 17 June 2025 to 1 August 2025 is determined at a sum equal to the cost of time spent by the Administrators and the Administrators' partners and staff, calculated at the hourly rates as detailed in the remuneration report dated 12 August 2025 and such sum to be capped at the amount of \$93,698.00 exclusive of GST, and that the Administrators may draw the remuneration on a monthly basis or as required."

As detailed in Part 2 above, our remuneration for the period 27 February 2025 to 30 June 2025, which is relevant to a portion of the time spent above) was charged in accordance with the WLP Restructuring Schedule of Hourly Rates effective from 1 July 2014. Our remuneration sought for the balance of time (including Resolution 2 and Resolution 3 below) will be charged in accordance with WLP Restructuring's Schedule of Hourly Rates effective 1 July 2025.

Resolution 2: Administrators' Future Remuneration (2 August 2025 to date of resumed meeting)

"That the future remuneration of the Administrators from 2 August 2025 to date of the resumed meeting is determined at a sum equal to the cost of time spent by the Administrators and the Administrators' partners and staff, calculated at the hourly rates as detailed in the remuneration report dated 12 August 2025 and such sum to be capped at the amount of \$20,000.00 exclusive of GST, and that the Administrators may draw the remuneration on a monthly basis or as required."

Resolution 5: Proposed Liquidators' Future Remuneration (as required)

"That the remuneration of the Liquidators from the commencement to the conclusion of the Liquidation is determined at a sum equal to the cost of time spent by the Liquidators and the Liquidators' partners and staff, calculated at the hourly rates as detailed in the remuneration report dated 11 August 2025 and such sum to be capped at the amount of \$50,000.00 exclusive of GST, and that the Liquidators may draw the remuneration on a monthly basis or as required."

DISBURSEMENT RESOLUTIONS

Resolution 6: Liquidators' Disbursements (as required)

"That the internal disbursements of the Liquidators are determined at the costs incurred and such sum to be capped at the amount of \$1,000.00, exclusive of GST, and that the Liquidators may pay the internal disbursements on a monthly basis or as required"

ANNEXURE D – PROOF OF DEBT FORM

FORM 535 CORPORATIONS ACT 2001

Section 600G
Sub-regulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Administrators of Finnish Early Childhood Education (Longwarry) Pty Ltd (Administrators Appointed) ACN 637 227 546

1. This is to state that the company was, on 27 February 2025 ⁽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:

Date	Consideration ⁽³⁾ state how the debt arose	Amount \$	GST included \$	Remarks ⁽⁴⁾ include details of voucher substantiating payment

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any 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:

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 ☐
☐ Attached

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

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 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 2025

Signature of Signatory

NAME IN BLOCK LETTERS

Occupation

Address

Email

OFFICE USE ONLY POD No:		ADMIT (Voting / Dividend) - Ordinary	\$
Date Received:	/ /	ADMIT (Voting / Dividend) – Preferential	\$
Entered into CORE IPS:		Reject (Voting / Dividend)	\$
Amount per ROCAP	\$	Object or H/Over for Consideration	\$
Reason for Admitting / Rejection			
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED / /			

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.

A reference to an annexure includes a document that is with a form

ANNEXURE E – PROXY FORM

CORPORATIONS ACT 2001
Insolvency Practice Rules (Corporations)
75-25 & 75-150

APPOINTMENT OF PROXY CREDITORS MEETING

**FINNISH EARLY CHILDHOOD EDUCATION (LONGWARRY) PTY LTD (ADMINISTRATORS APPOINTED)
FORMERLY TRADING AS "ILO LONGWARRY EARLY EDUCATION CENTRE"
"HEI SCHOOLS LONGWARRY EARLY LEARNING CENTRE"
ACN 637 227 546 (THE COMPANY)**

*I/*We ⁽¹⁾	
Of	
being a creditor of the Company, appoint ⁽²⁾ or in his or her absence	
to vote for me/us on my/our behalf at the meeting of creditors to be held on Tuesday, 19 August 2025 at 2:00PM , or at any adjournment of that meeting.	

Proxy Type: ☐ **General** (proxy holder to vote as they determine on my/our behalf)

OR

Proxy Type: ☐ **Special** (proxy holder to vote as per the specific votes I have marked below)

NB: If a special proxy, please mark your vote/s in the boxes below with an ☒

Proxy Type: ☐ General ☐ Special

	For	Against	Abstain
Resolution 1: Administrators' Current Remuneration (17 June 2025 to 1 August 2025) "That the remuneration of the Administrators from 17 June 2025 to 1 August 2025 is determined at a sum equal to the cost of time spent by the Administrators and the Administrators' partners and staff, calculated at the hourly rates as detailed in the remuneration report dated 12 August 2025 and such sum to be capped at the amount of \$93,698.00 exclusive of GST, and that the Administrators may draw the remuneration on a monthly basis or as required."	☐	☐	☐
Resolution 2: Administrators' Future Remuneration (2 August 2025 to date of resumed meeting) "That the future remuneration of the Administrators from 2 August 2025 to date of the resumed meeting is determined at a sum equal to the cost of time spent by the Administrators and the Administrators' partners and staff, calculated at the hourly rates as detailed in the remuneration report dated 12 August 2025 and such sum to be capped at the amount of \$20,000.00 exclusive of GST, and that the Administrators may draw the remuneration on a monthly basis or as required."	☐	☐	☐

CERTIFICATE OF WITNESS

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

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

Dated:

Signature of Witness:

Description:

Place of Residence:

* Strike out if inapplicable

- (1) If a firm, strike out "I" and set out the full name of the firm.
- (2) Insert the name, address and description of the person appointed.

ANNEXURE F – SUMMARY RECEIPTS AND PAYMENTS

FINNISH EARLY CHILDHOOD EDUCATION (LONGWARRY) PTY LTD (ADMINISTRATORS APPOINTED)
TRADING AS “ILO LONGWARRY EARLY EDUCATION CENTRE”
“HEI SCHOOLS LONGWARRY EARLY LEARNING CENTRE”
ACN 637 227 546 (THE COMPANY)

Receipts and Payments for the period from 27 February 2025 to 31 July 2025

Receipts and Payments Account	Net \$	GST \$	Gross \$
Receipts			
Proceeds from Sale of Business	600,374.88	0.00	600,374.88
Childcare Subsidy Income	665,854.94	0.00	665,854.94
Childcare Gap Fee	158,346.80	0.00	158,346.80
Miscellaneous Income	656.32	0.00	656.32
Purchases GST Free	828.00	0.00	828.00
Loan Monies Paid/Received	112,057.02	0.00	112,057.02
Cash at Bank	6,202.77	0.00	6,202.77
Total Receipts	1,544,320.73	0.00	1,544,320.73
Payments			
Proceeds from Sale of Business	3,644.43	0.00	3,644.43
Purchases	15,168.36	1,031.41	16,199.77
Bank Charges	783.24	0.00	783.24
Electricity	1,228.45	122.84	1,351.29
Water	1,533.50	0.00	1,533.50
Insurance	14,617.49	1,461.74	16,079.23
Management Fee	68,181.82	6,818.18	75,000.00
Cleaning & Waste Removal	17,765.31	1,776.52	19,541.83
Professional Services	1,020.00	102.00	1,122.00
Rates Council (Council)	3,000.17	0.00	3,000.17
Rent Paid (Commercial)	63,569.57	6,356.96	69,926.53
Repairs & Maintenance	5,055.37	482.21	5,537.58
Stationery & Printing	172.07	17.21	189.28
Sundry Expenses	231.88	23.19	255.07
Superannuation	62,339.18	0.00	62,339.18
Software Subscriptions	2,937.23	293.72	3,230.95
Wages & Salaries	563,007.01	0.00	563,007.01
Employee Allowances	1,785.03	0.00	1,785.03
Loan Monies Paid/Received	104,494.22	0.00	104,494.22
Utilities	1,616.01	132.34	1,748.35
Brokerage - Sale of Centre	30,000.00	3,000.00	33,000.00
Food Supplies	4,099.71	407.85	4,507.56
Food Supplies - No GST	10,920.61	0.00	10,920.61
Parent Refunds	584.58	0.00	584.58
Payroll Tax	6,490.81	0.00	6,490.81
Legal Fees GST	21,897.92	2,189.79	24,087.71
Preparation of ROCAP	2,727.27	272.73	3,000.00
Administrators Remuneration	134,481.50	13,448.15	147,929.65
Administrators Expenses	427.00	30.23	457.23

Other Government Charges	482.00	0.00	482.00
Working Capital Loan Repaid	136,360.00	0.00	136,360.00
Superannuation Accrual	(8,532.91)	0.00	(8,532.91)
GST Clearing Account	31,698.00	0.00	31,698.00
PAYG Withholding Tax	(97,590.13)	0.00	(97,590.13)
Total Payments	1,206,196.70	37,967.07	1,244,163.77
Surplus Funds on Hand			300,156.96

The trading costs have not been finalised yet as we are waiting for final invoices and confirmation of the final payroll tax, work cover and BAS liabilities which will be paid from surplus funds.

ANNEXURE G – SUMMARY OF GROUP ENTITIES IN ADMINISTRATION

COMPANY	ACN
Finnish Early Childhood Education (Australia) Pty Ltd	630 629 435
ILO Early Learning (Australia) Pty Ltd	649 081 069
ILO Early Learning (Kurunjang) Pty Ltd	649 106 909
Finnish Early Childhood Education (St. Leonards) Pty Ltd	645 781 460
Finnish Early Childhood Education (Dandenong) Pty Ltd	630 411 675
Finnish Early Childhood Education (Hampton Park) Pty Ltd	637 712 951
ILO Early Learning (Ballan) Pty Ltd	652 090 465
Holistic Development Pty Ltd	621 106 287
Finnish Early Childhood Education (Norlane) Pty Ltd	630 411 791
Finnish Early Childhood Education (Gosford) Pty Ltd	643 367 720
Finnish Early Childhood Education (Charlotte) Pty Ltd	646 582 881
Finnish Early Childhood Education (Waurrn Ponds) Pty Ltd	638 461 579
Finnish Early Childhood Education (Brunswick East) Pty Ltd	641 722 607
Finnish Early Childhood Education (Ballarat Central) Pty Ltd	649 365 006
Finnish Early Childhood Education (Armstrong Creek) Pty Ltd	660 849 374
Finnish Early Childhood Education (Longwarry) Pty Ltd	637 227 546