

## Annual report to creditors

### Company details

Company name

Wine Investment Services Pty Ltd (Receivers Appointed) (In Liquidation)

ACN / ABN

121 915 366

### Lodgement details

To be completed only where this  
form is lodged with ASIC

#### Who should ASIC contact if there is a query about this form?

Firm / Organisation

McGrathNicol

Contact name/position description

Shaun Robert Fraser

ASIC registered agent number (if applicable)

275605

Telephone Number

+61 2 9338 2600

Postal Address

GPO Box 9986, Sydney NSW 2001

### Liquidator details

Registered liquidator number (if applicable)

275605

Liquidator's Name

Shaun Robert Fraser

Firm Name (if applicable)

McGrathNicol

### Documents attached

Date to which annual report made up

9 October 2015

A copy of the annual report to creditors under s508(3) is attached.

### Signature

This form must be signed by the  
registered liquidator.

Name

Shaun Robert Fraser

Signature

Date Signed

19/02/16

---

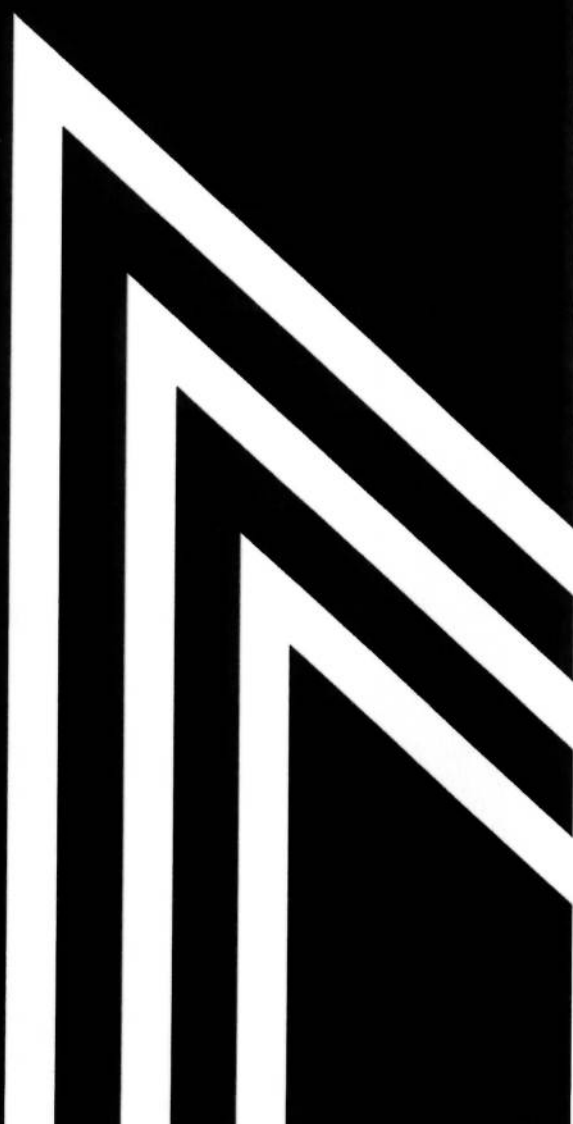
# Second Annual Report to Creditors

Wine Investment Services Pty Ltd ACN 121 915 366  
(All Receivers Appointed)(In Liquidation)

15 February 2016



McGrathNicol



## Contents

1	Introduction.....	2
1.1	Purpose of Report.....	2
2	Key activities undertaken.....	2
2.1	Director offences.....	2
2.2	Court Appointed Receivers.....	2
3	Investigations.....	3
4	Liquidators' Remuneration.....	3
5	Remaining activities in the liquidation.....	4
	Appendix A – Receipts and payments.....	5

## 1 Introduction

### 1.1 Purpose of Report

This is the Second Annual Report ("Report") to the creditors of Wine Investment Services Pty Ltd ("WIS" or "the Company"), prepared by Shaun Robert Fraser and Christopher John Honey, Liquidators of the Company.

As was the case with our First Annual Report to Creditors dated 19 December 2014, pursuant to S508(1)(b)(ii) of the Corporations Act 2001 ("the Act"), the Liquidators have made a determination to prepare a Report rather than convene a meeting of creditors. This Report has been prepared in accordance with S508(3) of the Act and outlines the key activities that have been undertaken over the period 10 October 2014 to 9 October 2015 and has been lodged with ASIC pursuant to S508(4) of the Act.

## 2 Key activities undertaken

The key activities that have been undertaken by the Liquidators over the course of the past twelve months can be summarised into the following broad categories:

- Liaising with ASIC on the investigations into the conduct of the director of the Company;
- Dealing with statutory duties imposed on me as a Liquidator of a company; and
- General creditor correspondence and engagement management.

### 2.1 Director offences

As explained in previous report to creditors, we advised that David James had failed to comply with our various requests to provide assistance or information on the Company, including the books and records. As such, I have reported Mr James to ASIC with a request that they consider taking action in relation to the following alleged director offences:

#### Summary of offences

##### Misconduct

Section 180, 181, 182 & 184 - Breach of Directors and officers general duties

Section 286/344(2) - Breach of obligation to keep financial records

Section 429(2)(b), 438B, 475(1), 530A & 530B - Failure to provide report as to affairs, to help the Liquidator and deliver to the Liquidator the Companies books and records

Section 588G - Breach of duty to prevent insolvent trading

Section 590 - Offences by officers

We have been advised by ASIC that they have discontinued their investigations and have now closed their file in relation to this matter without prosecution.

### 2.2 Court Appointed Receivers

As previously advised, we were appointed on 4 November 2014 as the Court Appointed Receivers of wine stock under the control of PriceWaterHouseCoopers and Deloitte ("Wine Stock"). This is the wine owned by customers ("Wine Holders") and stored by WIS. Various orders of the Court imposed on us instructions to adjudicate and deal with all claims in relation to the wine stock and run a process to either sell or return the Wine Stock to the Wine Holders.

I note that as Receivers we have now undertaken the following:

- adjudicated on all Wine Holder claims;
- written to all Wine Holders advising of their admitted claims;
- determined the Recovery Charge and sought approval from the Court;
- advised Wine Holders of the Recovery Charge and options for either collecting their wine or selling their wine; and
- distributed the wine to Wine Holders who elected to collect their wine and commenced the sale process of the remaining wine elected to be sold by Wine Holders.

We hope to conclude the sale of wine by 31 March 2016 and will report to Creditors shortly thereafter.

### 3 Investigations

As noted in section 2.1 above, we have reported David James for suspected breaches of the Corporations Act. In addition to this, we have also now quantified that there is a material value of customer wine missing and possibly stolen.

As a result of the adjudication process conducted by me as Court appointed Receiver, we have established details of wine owned by Wine Holders which was missing at the time of the Company's collapse.

We have reported the missing wine to the New South Wales Police who have commenced an official Police investigation. As you will appreciate, given the sensitivity of this investigation I cannot provide creditors with further information at this time. Should creditors wish to discuss their missing wine with the Police directly, I am able to provide contact details.

### 4 Liquidators' Remuneration

Details of the Liquidators' remuneration for the Company is summarised as follows:

Wine Investment Services (Receivers Appointed)(In Liquidation)				
Actual fees incurred from 1 November 2014 to 31 October 2015				
(\$ Excluding GST	Fees incurred	Fees approved	Fees drawn	Outstanding fees
Wine Investment Services	25,155	-	-	25,155
<b>Total</b>	<b>25,155</b>	<b>-</b>	<b>-</b>	<b>25,155</b>

Wine Investment Services (Receivers Appointed)(In Liquidation)				
Actual fees incurred from appointment (10 October 2013) to 31 October 2015				
(\$ Excluding GST	Fees incurred	Fees approved	Fees drawn	Outstanding fees
Wine Investment Services	152,221	100,000	-	152,221
<b>Total</b>	<b>152,221</b>	<b>100,000</b>	<b>-</b>	<b>152,221</b>

Preliminary approval for our remuneration was sought and granted at the meeting of creditors held on 25 October 2013 up to a sum of \$100,000.

As the costs of the winding up are beyond the amount for which fee approval was sought, we will either seek approval for additional fees from the Committee of Inspection, creditors at a subsequent meeting of creditors or through the Court.

## 5 Remaining activities in the liquidation

Section 508(3) of the Act requires that a Liquidator provide:

- A description of the acts and dealings that remain to be carried out; and
- An estimate of when the winding up is likely to be completed.

We will continue as the Court Appointed Receivers over the Wine Stock until all stock is sold and funds distributed in accordance with the Orders of the Supreme Court. I am currently in the process of selling the remaining Wine Stock and expect this process to be completed by 31 March 2016.

Following the sale of the remaining Wine Stock, I will look to make a distribution to Wine Holders who elected to sell their wine and wine holders who have paid the Recovery Charge. I expect this process to be completed by 31 May 2016.

I will also continue to liaise with the Police and assist where necessary with their investigations. As creditors would appreciate, it is difficult to estimate timeframes within which these issues may be finalised.

Should you have any queries in relation to the above, please contact Mr Johnathon Tawil of this office on (02) 9338 2607.

Dated 15 February 2016



Shaun Fraser

Liquidator

## Appendix A – Receipts and payments

### Wine Investment Services (Receivers Appointed)(In Liquidation)

Receipts and payments for the period from 10 October 2014 to 9 October 2015

Description	Amount (\$ inc GST)
<b>Receipts</b>	
Interest income	3
<b>Total receipts for the period</b>	<b>3</b>
<b>Payments</b>	
(No payments during the period)	-
<b>Total payments for the period</b>	<b>-</b>
<b>Net receipts (payments) for the period</b>	<b>3</b>
Opening cash at bank as at 10 October 2014	588
<b>Closing cash at bank as at 9 October 2015</b>	<b>591</b>

### Wine Investment Services (Receivers Appointed)(In Liquidation)

Receipts and payments for the period from appointment (10 October 2013) to 9 October 2015

Description	Amount (\$ inc GST)
<b>Receipts</b>	
Pre Appointment balance transfer	585
Interest income	6
<b>Total receipts for the period</b>	<b>591</b>
<b>Payments</b>	
(No payments during the period)	-
<b>Total payments for the period</b>	<b>-</b>
<b>Net receipts (payments) for the period</b>	<b>591</b>
Opening cash at bank as at 10 October 2013	-
<b>Closing cash at bank as at 9 October 2015</b>	<b>591</b>