

Resolution for Liquidation -

## **RESOLUTION OF DIRECTORS**

### **VOLUNTARY LIQUIDATION**

#### **COMPANY DETAILS**

Company Name:

Australian Business Number (ABN):

Australian Company Number (ACN):

Entity Type: Proprietary Limited Company

Registered Office: Not specified

Industry: Not specified

Resolution Date: 10 July 2025

Resolution Number: RES-10-July-2025

#### **FINANCIAL POSITION SUMMARY**

Estimated Total Assets: \$0

Estimated Total Liabilities: \$0

Estimated Deficiency: \$0

**INSOLVENCY DECLARATION:** The Directors hereby declare that the company is insolvent and unable to pay its debts as and when they fall due, and that there is no reasonable prospect that the company will be able to pay its debts within the next 12 months.

#### **DIRECTORS' RESOLUTION**

We, the undersigned directors of , having met in Board Meeting on 10 July 2025, hereby unanimously resolve as follows:

##### **1. INSOLVENCY DECLARATIONS:**

That the company has failed the cash flow test under section 95A of the Corporations Act, being unable to pay all debts as and when they become due and payable.

##### **2. LIQUIDATION RESOLUTIONS:**

That the company be wound up by way of Creditors' Voluntary Liquidation pursuant to sections 491-494 of the Corporations Act 2001 (Cth).

### **3. LIQUIDATOR APPOINTMENTS:**

That John Smith (ASIC Registration LIQ12345) be appointed to conduct the winding up of this company in accordance with statutory requirements.

### **4. CREDITOR NOTIFICATIONS:**

That publication of the liquidation notice be made in the Government Gazette and local newspaper as required by law.

### **5. ASSET PRESERVATION:**

That all assets of the company be preserved and protected for the benefit of creditors until such time as they are realized by the liquidator.

### **6. REGULATORY COMPLIANCE:**

That compliance with all Australian Taxation Office obligations be maintained throughout the liquidation process.

### **7. DIRECTOR POWERS:**

That the powers of the directors cease upon the appointment of the liquidator, except as may be required to assist the liquidator in the performance of their duties.

### **8. COOPERATION OBLIGATIONS:**

That ongoing cooperation be maintained with any investigations conducted by the liquidator, ASIC, or other regulatory bodies.

### **9. STATUTORY AUTHORIZATIONS:**

That the liquidator be authorized to take all steps necessary to comply with the requirements of the Corporations Act 2001 (Cth) and all other applicable legislation.

## **REASONS FOR LIQUIDATION**

Primary Reason Category: Financial

Immediate Cause: Financial difficulties and inability to meet debt obligations

Contributing Factors:

Collapse of overseas parent company

Failure in product compliance testing

Customs clearance delays

Retirement of key directors

Supplier insolvency

Detailed Circumstances: The company has experienced significant financial difficulties including cash flow problems, inability to secure additional funding, and mounting debts that cannot be serviced from current operations. The directors have determined that liquidation is the most appropriate course of action to ensure orderly wind-up and equitable distribution to creditors.

## **ASSET SCHEDULE**

Asset Description	Book Value (\$)	Estimated Realizable Value (\$)	Notes
-------------------	-----------------	---------------------------------	-------

Plant and Equipment	25,000	8,000	Aged equipment, limited market value
---------------------	--------	-------	--------------------------------------

Office Furniture	12,000	3,000	Standard office furniture
------------------	--------	-------	---------------------------

Computer Equipment	18,000	5,000	2-3 years old, depreciated
--------------------	--------	-------	----------------------------

Trade Debtors	45,000	35,000	Some doubtful debts
---------------	--------	--------	---------------------

Inventory	30,000	15,000	Slow-moving stock
-----------	--------	--------	-------------------

Cash at Bank	2,500	2,500	Available cash
--------------	-------	-------	----------------

## **TOTAL ASSETS**

\$132,500 \$68,500 Estimated Recovery: 52%

## **LIABILITY SCHEDULE**

Creditor/Liability Type	Amount Owning (\$)	Security Status	Priority
-------------------------	--------------------	-----------------	----------

Commonwealth Bank (Business Loan)	180,000	Secured - General Security Agreement	Secured
-----------------------------------	---------	--------------------------------------	---------

Trade Creditors - Various	85,000	Unsecured	Unsecured
---------------------------	--------	-----------	-----------

Australian Taxation Office	45,000	Statutory Priority	Priority
----------------------------	--------	--------------------	----------

Employee Entitlements	28,000	Statutory Priority	Priority
-----------------------	--------	--------------------	----------

Lease Liabilities	24,000	Unsecured	Unsecured
-------------------	--------	-----------	-----------

Other Creditors	18,000	Unsecured	Unsecured
-----------------	--------	-----------	-----------

## **TOTAL LIABILITIES**

\$380,000 Estimated Deficiency: \$311,500

## **MAJOR CREDITORS**

Commonwealth Bank: \$180,000 (Secured Loan)

ABC Suppliers Pty Ltd: \$25,000 (Trade Creditor)

Australian Taxation Office: \$45,000 (Taxation Debt)

XYZ Equipment Leasing: \$18,000 (Lease Liability)

## **INSOLVENCY INDICATORS**

The following factors indicate the company's insolvency:

Inability to pay debts as they fall due

Cash flow deficiencies over extended period

Mounting creditor demands and legal threats

Inability to secure additional funding

Declining business performance and revenue

Loss of key customers and contracts

Unable to meet statutory obligations (ATO, Super)

Bank account restrictions and overdraft exceeded

## **STATUTORY DECLARATIONS**

The directors hereby declare and acknowledge that:

They have made full inquiry into the affairs and business of the company

They have formed the opinion that the company cannot by reason of its liabilities continue its business

They believe there is no reasonable prospect that the company will be able to pay its debts

All information provided to the liquidator will be true and accurate

They will comply with all statutory obligations under the Corporations Act 2001

## **DIRECTORS' SIGNATURES**

This resolution was passed by majority vote on 10 July 2025

John Smith

Director

Date: 10 July 2025

Jane Doe

Director

Date: 10 July 2025

Liquidator Contact Details:

John Smith

Registered Liquidator (LIQ12345)

Phone: (02) 9000 0000

Email: liquidator@example.com