

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 after careful consideration of the company's financial position, the directors are satisfied that the company is insolvent and cannot meet its obligations as they fall due.

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 be appointed as the official liquidator and be vested with full authority to realize assets and distribute proceeds to creditors.

4. ASSET PRESERVATION:

That no further disposal of company assets occur without the express written consent of the appointed liquidator.

5. STATUTORY AUTHORIZATIONS:

That authorization be given for the liquidator to investigate the company's affairs and report to creditors and ASIC as required by law.

6. DIRECTOR POWERS:

That all director authorities and decision-making powers be transferred to the appointed liquidator with immediate effect.

7. REGULATORY COMPLIANCE:

That environmental compliance and safety obligations continue to be met during the wind-up period.

REASONS FOR LIQUIDATION

Primary Reason Category: Financial

Immediate Cause: Financial difficulties and inability to meet debt obligations

Contributing Factors:

Inherited legacy liabilities

Board decision to exit Australia

Mistakes by financial auditor

Import licensing failure

Poor outsourcing partner performance

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 Owing (\$)	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)

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