

1 April 2025

TO THE CREDITORS AS ADDRESSED

Dear Sir/Madam

**BRINDABELLA CHRISTIAN EDUCATION LIMITED (ADMINISTRATORS APPOINTED)
TRADING AS BRINDABELLA CHRISTIAN COLLEGE
ACN 100 229 669 (THE “COMPANY”)**

I refer to the appointment of Sal Algeri & myself, Sam Marsden, as joint and several Voluntary Administrators of the Company (**Administrators**) on 5 March 2025 and to the first meeting of creditors held on 17 March 2025 (**First Meeting**).

Federal Court Orders

As foreshowed at the First Meeting, on 31 March 2025, the Administrators filed an Originating Process and a supporting affidavit with the Federal Court of Australia (**Application**).

On even date, the Administrators’ legal counsel appeared before Justice Derrington virtually via Microsoft Teams in respect of the Application and successfully obtained the following orders, amongst various other orders relevant to the Administration (**Court Orders**):

- 1) An order pursuant to section 90-15 of the *Insolvency Practice Schedule (Corporations) 2016* justifying the process adopted by the Administrators in appointing a committee of inspection (**COI**); and
- 2) An order pursuant to section 439A(6) of the *Corporations Act (Act)*, or in the alternative, section 1322(4) of the Act, that the date of the convening period as defined by section 439A(5) of the Act, for the second meeting of creditors of the Company required pursuant to section 439A of the Act, be extended up to and including 3 August 2025.

Please find enclosed a copy of the Court Orders (**Annexure A**), which have also been uploaded to the Deloitte HALO Platform and can be accessed via the link below:

<https://aurestructuring.deloitte-halo.com/service/website/BCC>.

Appointment of COI

I refer to my circular to creditors dated 20 March 2025 where I invited eligible creditors to select up to seven (7) preferred members to be included on the COI from a total of 19 nominations. The voting for the formation of the COI closed Monday, 24 March 2025 at 4.00pm.

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The following seven (7) creditors received the highest number of votes:

CREDITOR NAME	Category	Nominee	Count
Australian Government Department of Education	Government	Jane Mitchell	128
National Australia Bank (NAB)	Secured Creditor	Laura Johns	123
Education Directorate ACT Government	Government	David Matthews	121
Deputy Commissioner of Taxation (ATO)	Government/Unsecured Creditor	Rowanndra Pameijer	117
Geoffrey Roberts	Employee	Geoffrey Roberts	116
Mr K Yau & Ms C Tso	Parents	Kevin Yau	82
Vanessa & Paul Yule	Parents	Vanessa Yule	78

Pursuant to the Court Orders, I declare that a COI has now been formed and that the Committee members are those listed above.

Additional Questions and Answers (Q&A)

Due to constraint of time at the First Meeting, there were a number of questions raised by attendees that remained unanswered at the time of the closure. Enclosed as **Annexure B** is a list of the Additional Q&A for your perusal.

Should you have any questions, please send them via the Deloitte HALO Platform or email to BrindabellaAdmin@deloitte.com.au, alternatively you can contact us via our dedicated hotline on 1800 955 948.

Yours faithfully



Sam Marsden
Joint and Several Administrator

Encl.



Federal Court of Australia

District Registry: New South Wales Registry

Division: General

No: NSD459/2025

SAM ANDREW MARSDEN IN THEIR CAPACITY AS VOLUNTARY ADMINISTRATORS OF BRINDABELLA CHRISTIAN EDUCATION LIMITED (ADMINISTRATORS APPOINTED) ACN 100 229 669 and others named in the schedule
Plaintiffs

ORDER

JUDGE: Justice Derrington

DATE OF ORDER: 31 March 2025

WHERE MADE: Brisbane

THE COURT ORDERS THAT:

Section 560 Loan

1. Pursuant to section 90-15 of the Insolvency Practice Schedule (**IPS**), being Schedule 2 to the *Corporations Act 2001* (Cth) (Act), the first and second plaintiffs (Administrators) were justified in entering into and causing, the third plaintiff, Brindabella Christian Education Limited (Administrators Appointed) ACN 100 229 669 (Company), to enter into and assume obligations under the document titled "Advance for the payment of wages and employee entitlements" dated 10 March 2025 with National Australia Bank (NAB) (Section 560 Loan), including (but not limited to) borrowing loan monies not exceeding \$602,214.42 and receiving funds pursuant to the Section 560 Loan on and from 6 March 2025, prior to its execution.
2. Pursuant to section 447A(1) of the Act and section 90-15 of the IPS, Part 5.3A of the Act is to operate in relation to the Company:
 - (a) as if section 443A(1) of the Act provided that any liabilities incurred by the Administrators arising out of or in connection with the Section 560 Loan are in the nature of debts incurred by the Administrators in the performance and exercise of their functions as Administrators of the Company; and
 - (b) as if section 443A(1) and 443D of the Act provided that the Administrators will not be personally liable to repay any such debts to the extent that the indemnity under section 443D of the Act is insufficient to pay the debts.



Funding Deed

3. Pursuant to section 90-15 of the IPS, the Administrators were justified in causing the Company to enter into and assume obligations under the document titled “Administrators’ Funding Deed” dated 26 March 2025 with NAB (Funding Deed).
4. Pursuant to section 447A(1) of the Act and section 90-15 of the IPS, Part 5.3A of the Act is to operate in relation to the Company:
 - (a) as if section 443A(1) of the Act provided that any liabilities incurred by the Administrators arising out of or in connection with the Funding Deed are in the nature of debts incurred by the Administrators in the performance and exercise of their functions as Administrators of the Company; and
 - (b) as if section 443A(1) and 443D of the Act provided that the Administrators will not be personally liable to repay any such debts to the extent that the indemnity under section 443D of the Act is insufficient to pay the debts.

Government funding

5. Pursuant to section 447A(1) of the Act and section 90-15 of the IPS, Part 5.3A of the Act is to operate in relation to the Company:
 - (a) as if section 443A(1) of the Act provided that any liabilities incurred by the Administrators arising out of or in connection with the Government Funding (as defined in paragraph 62 of the affidavit of Sam Andrew Marsden affirmed 31 March 2025) are in the nature of debts incurred by the Administrators in the performance and exercise of their functions as Administrators of the Company; and
 - (b) as if section 443A(1) and 443D of the Act provided that the Administrators will not be personally liable to repay any such debts to the extent that the indemnity under section 443D of the Act is insufficient to pay the debts.

Employee wages

6. Pursuant to section 90-15 of the IPS, the Administrators were and are justified in paying, on a fortnightly basis, until the earlier of:
 - (a) the conclusion of the administration; or
 - (b) the finalisation of any investigation by the Administrators into the accuracy and reliability of the books and records of the Company insofar as they relate to staff entitlements,

entitlements of a kind referred to in section 560(a) of the Act to the employees of the Company listed in columns A and B of pages 1 to 4 of Confidential Exhibit SAM-2, at the rates referred to in column J of pages 1 to 4 of Confidential Exhibit SAM-2, for the hours worked over the relevant fortnightly pay cycle period.

Committee of inspection

7. Pursuant to section 90-15 of the IPS, the Administrators are justified in appointing a committee of inspection (**COI**) in the manner set out in the affidavit of Sam Andrew Marsden affirmed 31 March 2025, including by:



- (a) proposing a committee of inspection of seven members;
 - (b) receiving nominations for the COI in advance of the meeting of creditors held on 17 March 2025;
 - (c) circulating a ballot paper to creditors on 20 March 2025, with details of each of the 19 COI nominations and inviting creditors to select up to seven preferred members to be include on the COI, with nominations to be received by 4.00 pm on 24 March 2025 (Ballot Process); and
 - (d) forming the COI based on the seven creditors that received the highest number of votes following the Ballot Process.
8. Pursuant to section 80-55(5)(b) of the IPS, NAB has leave to derive any profit or advantage (including by way of any interest and/or fees received) under each of the Section 560 Loan and the Funding Deed.

Extension of the convening period

9. Pursuant to section 439A(6) of the Act, or in the alternative, section 1322(4) of the Act, the date of the convening period as defined by section 439A(5) of the Act, for the second meeting of creditors of the Company required pursuant to section 439A of the Act (Second Meeting) be extended up to and including 3 August 2025.
10. Pursuant to section 447A of the Act, Part 5.3A of the Act is to operate in relation to the Company as if the Second Meeting may be convened and held at any time during the convening period or within five business days after the end of the convening period, as extended by the orders sought in paragraph 9 above, notwithstanding the provisions of section 439A(2) of the Act.
11. The plaintiffs have leave to apply for any further extension of the convening period referred to in paragraphs 9 and/or 10 above or any other matter arising in the administration of the Company, generally.

Notification of orders

12. The plaintiffs to cause notice of these orders to be given to the creditors of the Company within 48 hours of the making of these orders, by:
- (a) notifying each creditor via email of the making of the orders and providing a link to a website where the creditor may download the orders, using the email address of each creditor at the email address that is recorded in the books and records of the Company;
 - (b) where an email address is not recorded in the books and records of the Company but a postal address is recorded, notifying each such creditor in writing of the making of the orders and providing a link to a website where the creditor may download the orders, using that postal address; and
 - (c) placing the orders on the website maintained by the Administrators at <https://aurestructuring.deloitte-halo.com/service/website/BCC?Pg=3>.

Other orders

13. Pursuant to section 37AF(1)(b)(i) and (iv) of the *Federal Court of Australia Act 1976* (Cth) (FCA Act) and on the grounds referred to in section 37AG(1)(a) the FCA Act,



Confidential Exhibit SAM-2 to the Affidavit of Sam Andrew Marsden affirmed 31 March 2025 is not to be published or disclosed to any person until the conclusion of the administration of the Company.

14. Liberty to apply to any person who can demonstrate sufficient interest, to apply on 48 hours' written notice to the plaintiffs and the Court for an order discharging or varying any orders made in relation to Orders 0 to 13 above.
15. The Administrators' costs of and incidental to this application be costs and expenses in the administration of the Company and be paid out of the assets of the Company.

Date orders authenticated: 31 March 2025


Registrar

Note: Entry of orders is dealt with in Rule 39.32 of the *Federal Court Rules 2011*.



Schedule

No: NSD459/2025

Federal Court of Australia

District Registry: New South Wales Registry

Division: General

Second Plaintiff

SALVATORE ALGERI IN THEIR CAPACITY AS
VOLUNTARY ADMINISTRATORS OF BRINDABELLA
CHRISTIAN EDUCATION LIMITED (ADMINISTRATORS
APPOINTED) ACN 100 229 669

Third Plaintiff

BRINDABELLA CHRISTIAN EDUCATION LIMITED
(ADMINISTRATORS APPOINTED) ACN 100 229 669

ANNEXURE B-Additional Q&A

Question 1 – From ‘Aaron Knight’: *We are a small recruitment agency who have provided a full-time staff member to the childcare centre of Brindabella. This educator we have provided has been an exceptional addition to the Brindabella staff. Being a small business ourselves, these fees can be hugely impactful on our business especially without any vision on timeline when the payment will be made.*

Response: The effect of the appointment of the Administrators is to place a moratorium (freeze) on the payment of amounts due to creditors and employees for debts incurred up to the date of the appointment of Administrators. This allows the Company breathing space whilst the Administrators explore options that will allow the business to continue and maximise the returns to creditors.

As such, all outstanding amounts due to unsecured creditors as at 5 March 2025 form a claim against the Company.

If you have not yet done so, please lodge a claim on the HALO platform. Please refer to our prior correspondence for detailed instructions.

Prospects of any returns on creditors’ unsecured claims will be reported on in the upcoming Report to Creditors pursuant to Section 75-225 of *Insolvency Practice Rules (Corporations) 2016* (the **Second Report to Creditors**).

Question 2 – From ‘Sofie Sum’: *How many parent representatives are suggested to attend and vote in future meetings?*

Response: Any eligible creditors of the Company may attend and vote at future meetings of creditors. Attendance at the meeting of creditors is not mandatory and will not prevent you from lodging a claim against the Company or affect any of creditors’ rights as against the Company that may exist as at the date of the appointment.

Question 3 – From ‘Rowanndra’ (On behalf of the ATO): *What type of sale process is being put to market, the assets, or the business as a whole?*

Response: Based on our experience, the best outcome for creditors is usually achieved by selling the business as a whole. This approach is desired to ensure the school can continue operating and the employees remain employed. As discussed during the initial creditors’ meeting, a sale/recapitalisation campaign is already underway, with active engagement from a number of interested parties.

Question 4 – From ‘Ray Perera’: *Is there or will there be a process for unsecured debts/creditors?*

Response: Voluntary Administration is a process designed to resolve a company’s future direction quickly and to administer the affairs of the company in a way that results in a better return to creditors (including unsecured creditors) than they would have received if the company had instead been placed straight into liquidation. For further information regarding the Voluntary Administration process, please refer to <https://asic.gov.au/regulatory-resources/insolvency/insolvency-for-creditors/voluntary-administration-a-guide-for-creditors/>.

Question 5 – From ‘Tracy’: *Noting the proposed extension to the convening period, what arrangements will be put in place for payment of T2 and T3 fees? Do these fees become available to creditors upon payment?*

Response: Tuition fees prepaid by parents during the Administration are not available to the Company’s creditors. These prepayments are classified as “unearned revenue”, a liability that is gradually reduced as the Company delivers education in ordinary course.

The Administrators will write to parents approximately 1 week ahead of Term 2’s commencement, requesting that tuition up to and including Term 2 is paid in full.

Question 6 – From ‘Calvin Dospate’: *What is the total money BCC owes to creditors?*

Response: Our investigations are ongoing. Figures will be included in the second report to creditors.

Question 7 – From ‘Anonymous’: *Are discussions with Deloitte private and confidential. Do NDA’s prevent past employees from talking with Deloitte in the role as Administrator?*

Response: The Administrators have not sighted copies of any NDAs so you should seek your own legal advice. However, generally speaking, as the Voluntary Administrators act as agents for the Company, any NDA to which the Company is a party should not prevent the relevant parties from speaking to the Administrators.

Question 8 – From ‘Greg Zwajgenberg’ (Via Lawyer): *We understand the Administrators propose to trade the school on an ongoing basis. Can the Administrators explain why the existing Principal (with years of experience) was dismissed following their appointment?*

Response: We will not comment on specifics of individual employees/employment, however generally speaking, where the administrators have become aware of roles which are no longer required in the College these positions have been made redundant.

Question 9 – From ‘Anny’: *So, the elective my son chose does not have a teacher so would you hire more teachers, or would you allow students to choose other electives due to the absence of teachers?*

Response: During this process, it is the Administrators’ intention to cause as little disruption to the school as possible and are working closely with Peter Reuben (College Principal) and his team and providing support where we can to ensure the operations continue as normal.

Question 10 – From ‘Mohd Adiem Hpefs’: *What is the status intention of lease asset? School still uses it. HPE*

Response: As creditors are aware, the Administrators have taken control of the business and operations of the College. They are continuing to trade the College’s business on a business-as-usual basis. If there are any changes, lessors will be contacted by the Administrators in advance.

Question 11 – From ‘Greg Zwajgenberg’ (Via Lawyer): *Have interested parties attending the creditors’ meeting been allowed to vote?*

Response: Only creditors with admitted claims are entitled to vote at creditor meetings.