



## **Declaration of Independence, Relevant Relationships and Indemnities**

### **Brierty Limited (Administrators Appointed)**

#### **ACN 095 459 448 ("the Company")**

Practitioner/s appointed to an insolvent entity are required to make declarations as to:

- A. their independence generally;
- B. relationships, including
  - i the circumstances of the appointment;
  - ii any relationships with the Company and others within the previous 24 months;
  - iii any prior professional services for the Company within the previous 24 months;
  - iv. that there are no other relationships to declare; and
- C. any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of ourselves, Matthew David Woods, Hayden Leigh White and Clint Peter Joseph, our partners and the KPMG Australia Partnership ("KPMG Australia").

#### **A. Independence**

We, Matthew David Woods, Hayden Leigh White and Clint Peter Joseph ("the Administrators") of KPMG Australia have undertaken a proper assessment of the risks to our independence in full accordance with the Corporations Act 2001 ("the Act") and the Australian Restructuring, Insolvency and Turnaround Association Code of Professional Practice for Insolvency Practitioners ("the ARITA Code") prior to accepting the appointment as joint and several Administrators of the Company. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

#### **B. Declaration of Relationships**

##### ***i. Circumstances of appointment***

Representatives of KPMG Australia (now the Administrators) were first contacted by the Company's Chairman, Dalton Gooding, on 25 August 2017 regarding the potential for the Company to require solvency advice and the options available to the company.

KPMG Australia attended a meeting at the offices of the Company, on 28 August 2017, to discuss the Company's financial position and options available. In attendance at the meeting was Mr Ray Bushnell, Managing Director of the Company, Mr Bradley Garside, acting Chief Financial Officer of the Company, Mr Mark Davies, General Counsel and Company Secretary of the Company, Matthew Woods, Partner of KPMG Australia and Rebecca Wilson, Manager of KPMG Australia.

Between 25 August 2017 and 5 September 2017, KPMG Australia held four telephone calls and had email correspondence with the Company on the updated financial position of the Company and likelihood or otherwise of the need to appoint administrators.



KPMG Australia attended a meeting on 5 September 2017 with the Company's Board and Secured Creditor, relating to the current financial position of the Company, and the proposed Voluntary Administration.

KPMG Australia attended a meeting of the board of directors on 6 September 2017 where the board resolved to appoint representatives of KPMG as Administrators.

We have received no remuneration in respect of the above.

In our opinion, the above conduct does not result in a conflict of interest or duty as the communications were conducted over a short period of time and were limited to understanding the Company's financial situation, options available, and effectuating the appointment itself. Such communications are consistent with clause 6.8.1B of the ARITA Code.

We have provided no other information or advice to the Company, its Directors or the Company's Secured Creditor prior to our appointment beyond that outlined in this DIRRI.

**ii. Relevant Relationships (excluding Professional Services to the Insolvent)**

We, or a member of our firm, have, or have had within the preceding 24 months, a relationship with:

Name	Nature of relationship	Reasons
Commonwealth Bank of Australia ("CBA")	<p>CBA, through BankWest, has a registered security interest over some or all of the assets of Brierty Limited.</p> <p>KPMG Australia undertakes work from time to time on behalf of the CBA in both an informal and formal capacity.</p> <p>KPMG Australia also undertakes receivership and investigatory accountants' roles for the CBA.</p>	<p>We believe that such relationships are commonplace in insolvency and does not result in a conflict of interest or duty because the work that KPMG Australia undertakes for the CBA will not influence our ability to be able to full comply with the statutory and fiduciary obligations associated with the Voluntary Administration of the Company in an objective and impartial manner.</p>

**iii. Prior Professional services to the Insolvent**

We, or a member of our firm, have provided the following professional services to the Secured Creditor of the Company in the 24 months prior to the acceptance of this appointment:



Name	Nature of Professional Services	Reasons
Commonwealth Bank of Australia ("CBA" – Secured Creditor of the Company)	<p>KPMG Australia undertook five Investigating Accountants engagements for the CBA, through BankWest, on Brierty Ltd, prior to our appointment as Voluntary Administrators. The purpose of these engagements were to consider and review the performance of the Company's major contracts, its financial position and forecasts. I reported direct to the Bank on the outcome of my investigations.</p> <p>The Investigating Accountants engagements were limited in nature and commenced in November 2015 and the last engagement was completed in May 2017, four months prior to our appointment as Voluntary Administrators. I was paid \$489,640 by the CBA/BankWest for these engagements. I received the last receipt for these engagements on 19 December 2016.</p>	<p>We believe that this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> <li>• The work undertaken during the Investigating Accountants engagement has assisted us in developing an understanding of the Company and its activities. The investigation did not reveal any issues with the validity of the CBA's security in respect of the Company.</li> <li>• The reports that KPMG Australia provided to the CBA are not of the nature that it would be subject to review during the voluntary administration. The work undertaken by our firm for the CBA will not influence our ability to fully comply with the statutory and fiduciary obligations associated with the voluntary administration of the Company in an objective and impartial manner.</li> </ul>

**iv. No other relevant relationships to disclose**

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has security over the whole or substantially whole of the Company's property that should be disclosed.

**C. Indemnities and up-front payments**

The Administrators, have not been indemnified in relation to this Administration other than any indemnities that they may be entitled to under statute. No up-front payments in respect of our remuneration and disbursements have been received.

Dated: 7 September 2017



.....  
Matthew David Woods  
Administrator

.....  
Hayden Leigh White  
Administrator

.....  
Clint Peter Joseph  
Administrator

Note:

1. If circumstances change, or new information is identified, I am/we are required under the Corporations Act 2001 and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with my/our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors.
2. Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.