

Berardo asked to 'please explain' as others suffer



Nicky Moffat | 20th Jun 2015 6:00 AM

FRUSTRATED that poorly managed companies can devastate many other businesses when they collapse, former Noosa restaurant owners Ray and Judy Painter say the reasons for Jim Berardo's business failures must be closely examined.

As reported in the Daily, Noosa Food and Wine Events Pty Ltd, which managed Berardo's Restaurant and Bar and the Noosa International Food and Wine Festival, went into voluntary administration last month.

It left 120 creditors out of pocket according to Worrells Solvency and Forensic Accountants administrator John Cunningham. A creditors meeting with Worrells last Thursday revealed the company had no money with which to honour its debts.

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Berardo's Restaurant and Bar closed its doors immediately when the company was put into administration, leaving its staff out of work and owed wages.

"It's still early days, but if creditors are going to be reliant on the identified assets of the company at this stage then the prospects of them seeing a return is very unlikely," Mr Cunningham told the Daily.

"There will be assets realised and sold but it's unlikely that creditors will see a return."

While the accountants will examine the company's records, their task was to ensure the best outcome for creditors and not to determine what led to the company's demise.

But the Painters and a number of creditors who have contacted the Daily, insisted this was in the public interest.

"Restaurants don't just go broke in a few days or weeks," Mrs Painter said.

Mr Berardo reiterated to the Daily he was "horrified that this had happened".

He said it was "not in any way intentional" and said he was doing everything he could to honour the agreements he had made with creditors. He said he was working on a Deed of Company Arrangement which would outline a proposal for resolving the situation with the creditors.

It is understood this document would likely propose a percentage of debts be repaid to creditors over time.

Mr Cunningham said creditors would vote on this proposal at a second meeting with Worrells, which he would chair early next month.

Creditors to decide

Options available to creditors at next meeting with Worrells

- Wind up the company (liquidate)
- Accept a proposal from Noosa Food and Wine Events director Jim Berardo

Clarification

IN a story published by the Daily on Monday, June 15, 2015, administrator John Cunningham was incorrectly described as the Worrells Solvency and Forensic Accountants representative who held a meeting with creditors of Noosa Food and Wine Events in Mooloolaba. Mr Cunningham's colleague Dane Hammond ran this meeting, which took place on Thursday, June 11.

Worrells Solvency and Forensic Accountants administrator John Cunningham will chair the

second meeting for creditors of Noosa Food and Wine Events.

Mr Cunningham told the Daily this meeting was planned for the first week of July.

Hand the company back to the director.



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