

Bankruptcy Act 1966

18 October 2011

Notification of Bankruptcy

Name: Ian John Broadhurst
Address: 170B Collier Road Embleton WA 6062
Estate Number: WA 1217 of 2011/8
Occupation: Truck Driver
Date of Birth: 9 November 1956

Following my nomination by the Official Trustee as the new Trustee for the bankrupt estate of Ian John Broadhurst, I was appointed Trustee of the Estate on 10 October 2011.

The purpose of this circular is to advise creditors of the Bankruptcy and that further recovery or legal action against the Bankrupt is to be ceased. I have been provided with a Statement of Affairs by the Debtor.

Based on the information to hand, it is unlikely to be any dividend declared in the Estate. If this situation changes, I will be in further contact with Creditors.

Pursuant to section 77A of the Bankruptcy Act (1966), if you hold copies of any statements of assets and liabilities, credit applications or other information you feel may assist the Trustee in completing his investigation would you please return those documents at the same time.

If you have any other information which is relevant to this Debtor's estate, would you please provide it to me in writing.

In the meantime, I will be conducting investigations into the Bankrupt's affairs and will circulate creditors within the next 28 days.

For your information I enclose a Declaration of Independence, Relevant Relationships and Indemnities. I also enclose an Initial Remuneration Notice, describing the remuneration basis of trustee and his staff.

Should you have any information or queries regarding the above named please do not hesitate to contact me.

Yours faithfully



Kimberley S Wallman - Trustee

Declaration of Independence, Relevant Relationships and Indemnities

Ian John Broadhurst
Estate No: WA 1217 of 2011/8

This document requires the Practitioner appointed to an insolvent entity to make declarations as to:

A. Their independence generally;

B. Relationships, including

- i the circumstances of the appointment;
- ii any relationships with the Insolvent and others within the previous 24 months;
- iii any prior professional services for the Insolvent 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 myself, Kimberley Stuart Wallman.

A. Independence

I, Kimberley Stuart Wallman, have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as trustee of Ian John Broadhurst in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to my independence. I am not aware of any reasons that would prevent me from accepting this appointment.

B. Declaration of Relationships

i. Circumstances of appointment

I had no meetings with Ian John Broadhurst prior to my appointment as Trustee on 10 October 2011 by the Official Trustee under Section 181A of the Bankruptcy Act 1966.

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

Neither I, nor my firm, have, or have had within the preceding 24 months, any relationships with Ian John Broadhurst, an associate of Ian John Broadhurst, a former insolvency practitioner appointed to Ian John Broadhurst or any person or entity that has a charge on the whole or substantially whole of Ian John Broadhurst's property.

iii. Prior Professional services to the Insolvent

Neither I, nor my firm, have provided any professional services to Ian John Broadhurst in the previous 24 months.

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 Ian John Broadhurst, an associate of Ian John Broadhurst, a former insolvency practitioner appointed to the Ian John Broadhurst or any person or entity that has a charge on the whole or substantially whole of Ian John Broadhurst's property that should be disclosed.

C. Indemnities and up-front payments

I have not been indemnified in relation to this administration, other than any indemnities that I may be entitled to under statute.

18 October 2011



Kimberley Stuart Wallman.

Note:

1. If circumstances change, or new information is identified, I am/we are required under the Corporations Act and the IPA 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.

Initial Remuneration Notice

Bankrupt Estate of Ian John Broadhurst

Estate Number: WA 1217 of 2011/8

1.0 Remuneration Methods

As trustee of the above named bankrupt estate, I, Kimberley Wallman, advise pursuant to section 162 of the Bankruptcy Act that there are different methods that may be used to calculate a Trustee's remuneration.

2.0 Remuneration Method chosen

Given the nature of this estate I propose that my remuneration be calculated on a *time basis at hourly rates*. This is the most common method of calculating remuneration due to a Trustee. The Trustee adopts a scale of hourly rates, with a rate for the Trustee and other rates for the various categories of personnel employed by the Trustee. Remuneration is calculated by applying these rates to the time spent on the administration by the Trustee and his employees.

3.0 Explanation of method chosen

The rates for my remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the administration.

Title	Description	Hourly rate (incl GST)
Registered Trustee	<i>Official Liquidator and Trustee. Extensive experience over more than 25 years. Brings his specialist skills to the administration.</i>	\$495.00
Consultant	<i>Official Liquidator and Trustee, or Registered Liquidator. Extensive experience over more than 25 years. Brings specialist skills to the administration.</i>	\$473.00
Manager	<i>More than seven (7) years' experience in corporate insolvencies. Accountancy and IPA qualification.</i>	\$247.50
Senior 1	<i>Two (2) to three (3) years' experience in corporate insolvencies. Continuing with accountancy degree. Answers to appointee and supervises intermediate.</i>	\$236.50
Senior 2	<i>Two (2) to three (3) years' experience in personal insolvencies. Manages the day to day running of the administration.</i>	\$220.00
Senior 3	<i>Five (5) to six (6) years' experience Continuing with accountancy degree. Manages all aspects of Members' Voluntary Liquidations and assists with personal and corporate insolvencies.</i>	\$198.00
Intermediate 1	<i>Less than one (1) years' experience. Required to assist manager and seniors in all aspects and attends to bookkeeping duties of appointments.</i>	\$154.00
Intermediate 2	<i>Less than one (1) years' experience. Continuing with accountancy degree. Required to assist manager and seniors in all aspects and attends to bookkeeping duties of appointments.</i>	\$143.00
Secretary	<i>Less than 1 year experience in insolvencies. Qualified accountant. Assists in banking duties of administrations.</i>	\$159.50
Clerk	<i>Less than 1 year experience. Required to undertake and assist in general administration duties.</i>	\$132.00

I propose to charge remuneration on a time basis, based on six minute increments, and to calculate the remuneration of myself and my employees by using the hourly rates applicable to the grade or classification set out in the scale of fees charged by HLB Mann Judd (Insolvency WA), the current rates of which are detailed above. I propose to withdraw funds from the bankrupt's estate in respect of such remuneration on no less than a monthly basis.

3.1 Other Remuneration Methods

Other methods that may be used to calculate a Trustee's remuneration are as follows:

- Commission based fee approval, whereby the Trustee's remuneration is based upon money received by the Trustee. The rates of commission are prescribed in the Bankruptcy Act (Reg.8.07).
- Fixed fee based on a quoted fixed amount.
- Contingency fee whereby the Trustee is remunerated in the event that a specific contingent future event occurs or particular circumstances arise.

The commission method of remuneration is considered inequitable, as some assets are easy to realise while others (perhaps less valuable) take more time and effort. Moreover, the commission method makes no allowance for the time which may be required to investigate the bankrupt's affairs.

A fixed fee is only appropriate where all issues that are likely to arise may reasonably be anticipated by the Trustee. Given the nature and complexity of bankruptcy appointments, it is not feasible for the Trustee to anticipate all the possible issues.

A contingency fee is not appropriate as the Trustee, in seeking to achieve the desired outcome, may be perceived as acting in his or her own interests, rather than in the interests of creditors.

3.2 Reasoning for Method chosen

Accordingly, I consider remuneration should be based wholly on time spent as the duties required to be undertaken by the Trustee go beyond asset realisation and encompass a duty to act in the public interest. This may require liaison with creditors and employees and investigations into the affairs of the bankrupt. Furthermore, time based remuneration ensures that creditors are only charged for work that is performed.

4.0 Estimate of Total Remuneration

I expect to claim a total amount of remuneration of approximately \$13,500 (plus GST and expenses) in the administration of this estate.

5.0 What can you do if you are dissatisfied with the contents of this notice?

Contact Rob Wallman, of the Trustee's office, on (08) 9215 7900 to discuss why you are dissatisfied with the contents of this notice. If you remain dissatisfied you may complain to ITSA Regulation or seek a change of trustee.

Dated this 18 day of October 2011



Kimberley S Wallman - Trustee