

13 May 2014

TO THE CREDITOR AS ADDRESSED

Dear Sir / Madam

Bankrupt Estate of Ian Leonard Rankin

Please find attached the following;

- Supplementary Report to Creditors;
- Remuneration Approval Notice and
- Notice of Proposal to Creditors for approval of Trustee's remuneration.

Yours faithfully

A handwritten signature in black ink, appearing to read "K S Wallman". The signature is written in a cursive, flowing style.

K S Wallman
Trustee for the Bankrupt Estate of Ian Leonard Rankin
Encls.



SUPPLEMENTARY REPORT TO CREDITORS

**Ian Leonard
Rankin**

No: WA 304 of 2013/7

13 May 2014

SUPPLEMENTARY REPORT TO CREDITORS

Bankruptcy Act 1966 ('the Act')

**Ian Leonard Rankin
WA 304 of 2013/7**

Further to my report to Creditors dated 1 May 2013, I provide an update on the Bankruptcy.

RETURN TO CREDITORS

With reference to the income contributions required from the bankrupt, these have been made regularly since the commencement of the bankruptcy. However, as a result of considerably more work than initially expected on the assessment of the contributions to be made, it is anticipated that there will be no return to unsecured creditors.

TRUSTEES FEES

As mentioned previously, there was a significant amount of additional work done relating to the information required to be obtained, including legal opinion relating to Child Support payments, for the determination of the level of payments to be made by the bankrupt from income earned. I therefore write to request approval for additional Trustee fees for an amount of \$9,999.00 plus GST and plus expenses pursuant to Section 64ZBA of the Bankruptcy Act (where Trustees fees are approved without the need for a creditors meeting). The documentation confirming the work already completed, as well as the anticipated work required to finalise this Bankruptcy, along with the fee calculation is enclosed.

Notice of fee basis

The remuneration of the Trustee (Kim Wallman) is calculated based on the firm charge out rates plus out of pockets plus GST to be drawn on a monthly basis - I estimate a fee in the vicinity of \$9,999.00 plus out of pockets and plus GST.

As the remuneration is calculated by reference to an hourly rate, the notice includes:

- (i) the type of work undertaken by the Trustee and the Trustee's staff; and
- (ii) the number of hours charged by each person; and
- (iii) the hourly rate charged for each person; and
- (iv) the total remuneration claimed;

Notice Regarding Review of Remuneration Regulation 8.12D - Creditors and the Debtor have the right within 28 days of receiving notice of the Controlling Trustees or Trustees claim for remuneration to request that the claim be reviewed by submitting an Application for Review of Trustee Remuneration Form to the Inspector General.

The Trustee's remuneration is fixed upon time spent on the estate's affairs.

It is our normal practice to have the main creditors' meeting approve the basis of fees, however as it is not my present intention for a meeting to be held, I am seeking fee approval via this proposal to Creditors.

My fees are calculated on time spent at rates which are set out below, and it is recommended that such remuneration be calculated at or below the HLB Mann Judd (Insolvency WA) scale of fees applied to the time spent by the principal appointee, his partners, assistants and staff.

HLB Mann Judd (Insolvency WA)	
Rates as at 1 July 2013	
(excluding GST)	\$
Partner	465
Director	445
Manager 1	255
Manager 2	220
Senior	200
Intermediates 1	160
Intermediates 2	150
Secretaries/WP Operators	150
Computer Operators	130
Clerks	95
Typists	65
Juniors	50

I estimate the level of the additional Trustee's fees to be \$9,999.00 (plus out of pockets and plus GST).

Section 64U(5A)

The likely impact of the additional Trustee's remuneration on future dividend payment is less than one cent (0.7 of one cent) in the dollar.

Yours faithfully



Kim Wallman
Trustee for Bankrupt Estate of: Ian Leonard Rankin
P.O. Box 622
West Perth WA 6872

Remuneration Approval Notice

13 May 2014

Bankrupt Estate of Ian Leonard Rankin
Estate Number: WA 304 of 2013/7

In compliance with the Insolvency Practitioners Association of Australia Code of Professional Practice and the requirements of the Bankruptcy Act, as Trustee of the above named bankrupt, I propose to have my remuneration fixed by creditors or the committee of inspection.

This approval is sought for work undertaken, or to be undertaken from 28 March 2014 to the finalisation of the bankruptcy. The remuneration is fixed upon time spent on the estate's affairs. The basis of the remuneration claim is on the hourly rates of the appointee and his staff, as detailed in the Initial Remuneration Notice dated 22 March 2013.

1.0 Description of Work

The tasks which Trustees undertake can be broadly divided into seven categories. These are:

- Assets
- Creditors
- Employees
- Trade on
- Investigation
- Dividend
- Administration

Information on the seven categories (if work done is applicable) is summarised in this report to enable creditors to understand the type and purpose of work being undertaken.

2.0 Disbursements

Disbursements are divided into three types:

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an **A** disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. They are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. **B2** disbursements are charges at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

The basis upon which disbursements are currently charged is as follows:-

Disbursement	Amount
Advertising	At cost
Storage & Destruction of Books and Records	At cost
Couriers	At cost
Searches	At cost
Printing (externally sourced)	At cost
Printing & Photocopying (internally sourced)	\$0.50 per page
Faxes	\$1.00 per fax
Postage	At cost
Envelopes (C4 size and above only)	\$0.18 per envelope

Storage costs following the finalisation of the administration are calculated by reference to the current costs plus an allowance to cover anticipated price rises.

Any disbursements paid in this administration will be detailed in the receipts and payments section of the report to creditors. Further information in relation to these disbursements will be provided on request. Creditors have the right to question the incurring of the disbursements and can challenge the disbursements in court.

3.0 Remuneration Proposal

Details of tasks that are currently outstanding, in progress and / or that have been completed during the period 28 March 2014 to the finalisation of the bankruptcy, are as follows:-

3.1 Calculation of remuneration for the period 28 March 2014 to finalisation

Employee	Position	\$/hour (ex GST)	Total Hours	Total (\$)	Tasks							
					Assets		Creditors		Investigation		Administration	
					hrs	\$	hrs	\$	hrs	\$	hrs	\$
Wallman, Kim	Trustee	465.00	3.1	1,441.50	1.0	465.00	1.3	604.50	0.8	372.00	-	-
Wallman, Robert	Manager	220.00	31.0	6,820.00	13.0	2,860.00	8.0	1,760.00	4.5	990.00	5.5	1,210.00
Clark, Samuel	Intermediate	170.00	1.0	170.00	-	-	0.5	85.00	-	-	0.5	85.00
Sargeant, Deborah	Secretary	150.00	2.5	387.50	-	-	-	-	-	-	2.5	387.50
Morley, Jess	Secretary	130.00	8.4	1,092.00	-	-	3.0	390.00	-	-	5.4	702.00
McCann, Georgia	Secretary	80.00	1.1	88.00	-	-	-	-	-	-	1.1	88.00
TOTAL			47.1	9,999.00	14.0	3,325.00	12.8	2839.50	5.3	1,362.00	15.0	2,472.50
GST				999.00								
TOTAL (including GST)				10,998.90								
<i>Average hourly rate</i>				<i>212.29</i>		<i>237.50</i>		<i>221.84</i>		<i>256.98</i>		<i>164.83</i>

Expenses (Disbursements)	
Printing	91.00
Postage	7.70
Faxes	
Legal Fees	350.00
Expenses incurred 28 March 2014 to 7 May 2014	448.70
GST on expenses	44.87
TOTAL EXPENSES (including GST)	493.57

Basis of Disbursement Claim	
Advertising	At cost
Envelopes (C4 size and above)	\$0.18/envelope
Faxes	\$1.00 per fax
Photocopying & Printing (internally sourced)	\$0.50 per page
Postage	At cost
Printing (externally sourced)	At cost
Storage & Destruction of Books and Records	At cost
<i>Scale applicable for financial year ending 30 June 2013</i>	

3.2 Description of tasks in progress and / or completed during the period 28 March 2014 to finalisation

Area of work		Specific Tasks
Assets 14.0 hours \$3,325.00	<ul style="list-style-type: none"> • Income Assessments 	<ul style="list-style-type: none"> • Preparation of income contribution assessments for each year of the bankruptcy. • Pursuing income contributions as required. • Assessing income contributions and request additional information as required.
Creditors 12.8 hours \$2839.50	<ul style="list-style-type: none"> • Creditor Enquiries 	<ul style="list-style-type: none"> • Attend to creditor enquiries via email, fax, telephone and mail as required. • Correspondence with the ATO as required. • Update and maintain creditor dividend database and claims register. • Review and prepare ongoing correspondence to creditors and their representatives via facsimile, email and post as required. • Receive initial notification of creditor's intention to claim.
	<ul style="list-style-type: none"> • Creditor Reports 	<ul style="list-style-type: none"> • Preparation of Remuneration Claim Notices. • Preparation of reports to creditors.
Investigation 5.3 hours \$1,362.00	<ul style="list-style-type: none"> • Conduct Investigations 	<ul style="list-style-type: none"> • Follow up and discussion with Bankrupt regarding documentation to be completed. • Reviewing books and records of the Bankrupt.
Administration 15.0 hours \$2,472.50		<ul style="list-style-type: none"> • Process disbursements. • Maintain checklist. • Filing of papers and emails, manage incoming and outgoing emails and mail. • Printing, photocopying, faxing, and scanning. • Preparing correspondence with bank as required. • Manage bank account and account reconciliation. • Arrange closure of account upon finalisation of the Bankruptcy. • Notifying AFSA and the ATO of finalisation • Sending job files to storage and arrange for destruction as required.

4.0 Resolutions to be put to Creditors

The costs incurred, or to be incurred, are necessary and reasonable having regard to the value and complexity of the administration.

Given the above, I request that creditors approve the following:

“That the remuneration of the Trustee and his staff for the period commencing 28 March 2014 until the finalisation of the bankruptcy, calculated at hourly rates detailed in this report, be approved in the sum of \$9,999.00 plus GST and plus expenses, to be drawn from available funds on no less than a monthly basis.”

Pursuant to subsection 64U(5A) of the Bankruptcy Act 1966, I advise that I estimate the total remuneration to be \$9,999.00, plus GST and plus expenses. The impact of this remuneration on any dividend to creditors is that the dividend will be reduced by less than one cent in the dollar.

Should matters change which prevent me from being able to complete my duties, as the Trustee of the bankrupt for this amount of remuneration, I will report to creditors.

5.0 Receipts & Payments

Please see below details of receipts and payments made in the estate for the period 22 March 2013 to 7 May 2014.

	\$
Receipts	
Debtor Contribution's	13,000.00
Interest Income	3.31
Total Receipts	<u>13,003.31</u>
Payments	
AFSA charges	132.16
Legal Fees – Carles Solicitors	385.00
Total Payments	<u>517.16</u>
Cash Balance as at 7 May 2014	<u><u>12,486.15</u></u>

6.0 Queries/Information Sheets

The above information is provided to assist creditors consider the appropriateness of the remuneration claim that is being made.

Creditors should feel free to contact the Trustees' office to seek further information concerning the remuneration claim if they so need.

The IPA have produced a document entitled "*Creditor Information Sheet: Approving remuneration in external administrations*" that can be downloaded from the IPA website www.ipaa.com.au or alternatively a copy can be obtained if you contact this office.

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

Should you be dissatisfied with the contents of this notice, please do not hesitate to contact Robert Wallman of this office. If you remain dissatisfied, you may abstain or vote against the resolution/proposal for approval of the Trustee remuneration, complain to AFSA Regulation or seek a change of Trustee.

Note that if the resolution/proposal for approval of the Trustee's remuneration is not supported, the Trustee may apply to the Inspector General to decide the remuneration. Further details on this process are contained in the Inspector General Practice Statement 15, available on the website of the Australian Financial Security Authority.

Dated this 13 May 2014

Yours faithfully,



Kimberley Wallman – Trustee

Of the bankrupt Estate of Ian Leonard Rankin WA 304 of 2013/7



NOTICE OF PROPOSAL TO CREDITORS

Pursuant to section 64ZBA of the Bankruptcy Act 1966 ('the Act'), a Trustee may obtain a resolution of creditors without holding a meeting. The main purpose of the section is to reduce the costs to the estate associated with convening a formal creditors meeting when it is not necessary to do so.

Administration Details

Administration Number

Date of Administration (DD/MM/YYYY)

Title

Given Name/s

Surname

Title

Given Name/s

Surname

Creditor Details

Name of Creditor

ABN if applicable

Address

Are you or your related entities related to the debtor? No Yes

If yes, provide details of the relationship below:

Details of any security held:

Do you hold security over any of the debtor's property? No Yes

If yes, estimated value of security

\$

Description of secured property & estimated value of property \$

Claim Details

Amount claimed

Provide brief particulars of transactions/circumstances giving rise to your claim	Amount \$
Total amount claimed after deducting value of security (if any)	

Assignment of Debt

If the debt has been assigned to you (e.g. you purchased the debt), you need to disclose the amount you paid for this assigned debt. The amount you paid for the assigned debt determines the value of your vote. If you do not disclose the amount you paid for the assignment, you are not entitled to vote. Should a dividend be paid the full value of the debt will be used to calculate the dividend. To participate in a dividend a proof of debt form must be lodged with the trustee.

Details of assignment of debt

Was this debt assigned to you? No Yes

If yes, what consideration did you pay for the assignment? \$

Proposed Resolution

Statement of reasons for the proposal and the likely impact it will have on creditors if it is passed

Voting on Proposal

In accordance with paragraph 64ZBA(2)(d) of the Act, creditors are given the option of approving, not approving or objecting to the proposed resolution being resolved without a meeting of creditors.

Could you please select the appropriate Yes, No or Object box referred to below:

Yes I approve the proposed resolution

No I do not approve the proposed resolution

Object I object to the proposal being resolved without a meeting of creditors

Please return this document no later than for your vote to be taken into account.

Signature

Please sign and date this document and return a copy to:

facsimile

email

post

Name of creditor/ authorised officer of creditor

Signature

Date (DD/MM/YYYY)