



Chartered Accountant

Bankruptcy Act 1966

10 July 2014

Notification of Bankruptcy

Name: Anthony & Carolyn Hancock
(Formerly Trading as ABT Transport)
Address: 3 Kawoor Mews Bertram WA 6167
Estate Number: WA 656 of 2014/0
Occupation: Truck Driver & Croupier
Date of Birth: 22 July 1965 (Anthony): 27 July 1965 (Carolyn)

Whilst the above named lodged Debtor's Petitions on the 4 June 2014, I was not notified formally of my appointment until 7 July 2014. The date of appointed as Trustee of the Estate is officially 26 June 2014.

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

Based on the information to hand, there will be no dividend declared in either of the joint estate or the separate estates. Should this situation change, creditors will be advised.

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 to this office.

If you have any other information which is relevant to these Debtors' estates, 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 35 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.

Statements of Affairs have been filed by the Bankrupts and are summarised below:

	Joint Estate (as per Statement of Affairs)	Joint Estate (Trustee's estimate)	Separate Estate of A Hancock	Separate Estate of C Hancock
Assets				
Cash at Bank (Anthony \$20, Carolyn \$1,019 – can be kept as living allowance)	0	0	0	0
Property at 3 Kawoor Mews, Bertram – see note 1 below	66,000	41,000		
Superannuation (Anthony - unknown and Carolyn – \$5,000) see note 2 below	0	0	0	0
Vehicle – Holden Cruze Sedan 2010 – see note 3 below			0	

Vehicle – Volvo Globetrotter Truck 1998 – see note 3 below			0	
Vehicle – Holden Cruze Sedan 2003 – see note 3 below				0
Vehicle – Hyundai Elantra Sedan 2002 – see note 3 below				0
Total Assets	66,000	41,000	0	0
Costs				
- Trustee Fees & Disbursements (inc GST)		37,500	0	0
AFSA 6% Realisation Charge		2,460	0	0
Petitioning Creditors costs		8,520		
Funds available for Distribution		0	0	0
Liabilities Estimated				
Ordinary Creditors	\$47,290	\$47,290	\$145,900	112,966
Est. Return to Creditors		0	0	0

Note 1: Anticipated proceeds from sale of house:

Equity in property at 3 Kawoor Mews, Bertram,
WA.

Estimated Sale price	\$500,000
Less: selling costs	20,000
settlement fees	<u>1,000</u>
Net proceeds	\$479,000
Payout of secured creditor	\$438,000
Estimated Equity	<u>\$41,000</u>

Note 2: Superannuation Funds are usually protected and are therefore not divisible assets.

Note 3: These vehicles have equity which is estimated to be less than the limit allowed of
\$7,350 under section 116(2C)(a) of the Bankruptcy Act.

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

Yours faithfully

Kimberley S Wallman - Trustee

HLB Mann Judd (Insolvency WA) ABN 54 686 879 814

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Declaration of Independence, Relevant Relationships and Indemnities

Anthony Hancock & Carolyn Hancock
Estate No: WA 656 of 2014/0

Previously Trading as ABT Transport

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 Insolvents and others within the previous 24 months;
- iii any prior professional services for the Insolvents 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 Anthony and Carolyn Hancock 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

Brian McCann from my office met with Anthony and Carolyn Hancock on two occasions in April and May 2014 for the purposes of:

- Discussing the options available to the debtors from the point of view of Bankruptcy or a Personal Insolvency Agreement.
- Discussing the completion of the Statements of Affairs.

I received no remuneration for these meetings.

The meetings do not affect my independence because there was no advice provided to the Debtors.

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 Anthony or Carolyn Hancock, an associate of Anthony or Carolyn Hancock, a former insolvency practitioner appointed to Anthony or Carolyn Hancock or any person or entity that has a charge on the whole or substantially whole of Anthony or Carolyn Hancock's property.

iii. Prior Professional services to the Insolvent

Neither I, nor my firm, have provided any professional services to Anthony or Carolyn Hancock 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 Anthony or Carolyn Hancock, an associate of Anthony or Carolyn Hancock, a former insolvency practitioner appointed to the Anthony or Carolyn Hancock or any person or entity that has a charge on the whole or substantially whole of Anthony or Carolyn Hancock'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.

10 July 2014



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 Anthony & Carolyn Hancock
Estate Number: WA 656 of 2014/0

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 (ex GST)
Registered Trustee	Official Liquidator and Trustee. Extensive experience over more than 30 years. Brings his specialist skills to the administration.	\$478.00
Senior Consultant	Official Liquidator and Trustee, or Registered Liquidator. Extensive experience over more than 26 years. Brings specialist skills to the administration.	\$437.00-473.00
Manager	More than five (5) years' experience in corporate and personal insolvencies.	\$288.00 – 334.00
Senior	Three (3) to five (5) years' experience in corporate insolvencies. Continuing. Answers to appointee and supervises intermediate.	\$226.00
Intermediate	One (1) to three (3) years' experience. Required to assist manager and seniors in all aspects and attends to bookkeeping duties of appointments.	\$174.00
Secretary	Less than 1 year experience in insolvencies. Assists in banking duties and general administration duties.	\$82.00 - \$159.00

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 \$37,500 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 AFSA Regulation or seek a change of trustee.

Dated this 10th day of July 2014



Kimberley S Wallman - Trustee