

GOHRT NOMINEES PTY LTD

(In Liquidation) ACN 074 988 793

ATF THE GOHRT FAMILY TRUST

ABN 23 425 186 430

Formerly trading as "Carpets by Design"

Circular to Creditors

30 August 2017

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Annexures

- A Receipts and payments
- B Notice of Meeting of Creditors

Enclosures

- (i) Proof of Debt or Claim
- (ii) Appointment of Proxy

1.0 Introduction

- 1.1 I refer to my previous correspondence regarding Gohrt Nominees Pty Ltd (“the company”).
- 1.2 As you are aware, I was appointed as Voluntary Administrator of the company on 1 March 2017.
- 1.3 At the second meeting of creditors held on 5 April 2017, the creditors of the company passed a resolution *“that in accordance with Section 439C of the Corporations Act 2001, the creditors of Gohrt Nominees Pty Ltd consider it in the best interest of the creditors that the company be wound up.”*
- 1.4 Accordingly, on 5 April 2017 I was appointed as Liquidator of the company.
- 1.5 The purpose of this Circular is to provide creditors with an update and to seek approval to enter into an agreement for more than three months in accordance with Section 477(2B) of the Corporations Act 2001 (“the Act”).

2.0 Receipts and payments

- 2.1 See Annexure A for a summary of the receipts and payments in the liquidation of the company from 1 March 2017 to date.

3.0 Asset realisations

- 3.1 The director of the company, Mr Paul Gohrt, gave an estimate in his Report as to Affairs (“RATA”) of potential realisations. Set out below is a comparison of this estimate with the Liquidator’s actual realisations to date.

Asset	Ref	Estimated value (RATA) \$	Realisations to date \$
Cash at bank	3.2	6,000	5,898
Pre-appointment debts	3.3	Nil	66,991
Stock	3.4	80,000	3,329
Plant and equipment	3.4	14,000	Nil
Fixtures and fittings	3.4		
Total		100,000	76,218

3.2 Cash at bank

\$5,898 was realised following the closure of the company’s Westpac bank accounts.

3.3 Pre-appointment debts

The company’s records indicated that the company had an accounts receivable balance as at the date of administration of \$231,232.

3.0 Asset realisations (cont.)

On review of the accounts receivable balance and following discussions with the company's director and debtors, I determined that \$106,007 had either been paid by debtors prior to my appointment or the debtor had provided sufficient evidence demonstrating that the debt was not due (this was mostly in relation to retention monies).

To date, I have realised pre-appointment debts of \$66,991 and \$58,234 is still owed by pre-appointment debtors to the company. I note that the majority of the remaining debts owed to the company relate to retention monies. Given my experience in realising the company's retention monies to date, I have concerns as to the extent to which these debts will be realisable. However, I will continue to pursue the debtors for payment.

3.4 *Stock, plant and equipment, and fixtures and fittings*

See Section 4.0 below.

4.0 Proposal for purchase of assets

- 4.1 As previously advised, I have been negotiating with a related entity, Carpets by Design - Commercial & Domestic Flooring Pty Ltd ("C&D Flooring") in respect of the purchase of the company's stock, plant and equipment ("P&E"), and fixtures and fittings ("F&F").
- 4.2 On the basis that the realisation of these assets will be optimised if they are sold to C&D Flooring, I have entered into a sale agreement with C&D Flooring, conditional upon creditor approval as outlined below.
- 4.3 C&D Flooring has agreed to pay market value for the company's P&E and F&F, payment for which is due immediately upon settlement.
- 4.4 In addition, C&D Flooring has offered \$120,000 plus GST for the company's stock, payable in twelve equal monthly instalments. In order to accept C&D Flooring's offer, I am required to convene a meeting of creditors to seek creditors' approval to enter into an agreement for more than three months in accordance with Section 477(2B) of the Act.
- 4.5 If creditors pass the resolution to allow me to enter into the agreement with C&D Flooring for the purchase of the stock, settlement for the sale of the assets can occur. Upon settlement, I will immediately receive payment for the company's P&E and F&F, and C&D Flooring will commence making the monthly payments toward the stock.

5.0 Priority creditors

- 5.1 As previously advised, the Australian Taxation Office has submitted a Proof of Debt for \$148,610 in respect of the company's outstanding superannuation liability.
- 5.2 I am not aware of any other employee entitlements owed to priority creditors of the company.
- 5.3 I consider that expected realisations may enable me to pay a dividend to priority creditors of the company.

6.0 Unsecured creditors

- 6.1 According to the director's Report as to Affairs, the company had seven unsecured creditors whose claims totalled \$1,093,917.
- 6.2 To date, I have received claims from five unsecured creditors whose claims total \$1,198,424. The main unsecured creditors are the Australian Taxation Office and an international supplier of carpet stock.
- 6.3 I consider it unlikely that a dividend will be paid to unsecured creditors of the company.

7.0 Investigations

- 7.1 As Liquidator, I am required to conduct an investigation into the company and its officers to determine the reasons why the company got into financial difficulty, if there are any recoverable actions that should be commenced and if there have been any breaches of director duties.
- 7.2 I am in the process of conducting my investigation into the company's financial affairs and the conduct of its officers. I will inform creditors if I discover any breaches of director duties or if there are any possible recovery actions that could be taken.

8.0 Independence

- 8.1 A Declaration of Independence, Relevant Relationships and Indemnities was contained in my Circular to Creditors dated 3 March 2017. There have been no changes to my independence in this matter.

9.0 Remuneration

- 9.1 At the meeting of creditors held on 5 April 2017, creditors approved my Administrator's remuneration up to a limit of \$62,802.70 plus GST. During the Voluntary Administration period, I incurred remuneration of \$61,245.70 plus GST. My remuneration has been paid in full.
- 9.2 Also at the meeting of creditors held on 5 April 2017, creditors approved my Liquidator's remuneration up to a limit of \$35,000 plus GST. As at 31 July 2017, I have incurred remuneration of \$28,504.70 plus GST. To date, I have been paid remuneration of \$1,000 plus GST.

10.0 Meeting of creditors

- 10.1 I advise that a meeting of creditors of the company will be held at the offices of Sheridans, Chartered Accountants, Level 9, 40 St George's Terrace, Perth, Western Australia on Thursday, 14 September 2017 at 12.00pm. I enclose the following documents for creditors' attention:
 - 1. Notice of Meeting of Creditors;
 - 2. Formal Proof of Debt or Claim form; and
 - 3. Appointment of Proxy form.

10.0 Meeting of creditors (cont.)

10.2 Meeting requirements

- 10.2.1 Please note that unless you lodge (or have already lodged) a Formal Proof of Debt or Claim form with me at this office you will not be entitled to vote at the meeting. The enclosed Proof of Debt form should be completed and returned to this office by no later than 4:00pm on Wednesday, 13 September 2017.
- 10.2.2 If you intend to appoint another person to act on your behalf at the meeting, or if you are a corporate creditor, you are required to complete and return the enclosed Appointment of Proxy form appointing your representative to this office by no later than 4:00pm on Wednesday, 13 September 2017.
- 10.2.3 If you are representing a company, would you please ensure the proxy is executed in accordance with the company's constitution.

Should you have any queries in relation to the above matters, please do not hesitate to contact David Blanchett or Shannon O'Connor of this office.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'J. E. Low', with a stylized flourish at the end.

JENNIFER E. LOW
Liquidator of
Gohrt Nominees Pty Ltd

GOHRT NOMINEES PTY LTD
ACN 074 988 793 (In Liquidation)
ATF THE GOHRT FAMILY TRUST
ABN 23 425 186 430

RECEIPTS AND PAYMENTS
FOR THE PERIOD 1 MARCH 2017 to 30 AUGUST 2017

	Amount \$
Receipts	
Cash at bank on appointment	5,898
Pre-appointment debts	66,991
Stock	3,329
Total receipts	76,218
Payments	
Bank charges	28
Insurance	4,219
Asset valuation	500
Administrator's fees	61,246
Liquidator's fees	1,000
Disbursements:	
Advertisements	153
Facsimiles	36
Postage	115
Printing and photocopying	226
Searches	438
Telephone	39
Travel	17
GST (Net)	2,724
Total payments	70,741
Cash at bank as at 30 August 2017	5,477

**GOHRT NOMINEES PTY LTD
ACN 074 988 793 (In Liquidation)
ATF THE GOHRT FAMILY TRUST
ABN 23 425 186 430**

NOTICE OF MEETING OF CREDITORS

Notice is given that a meeting of creditors of the company will be held at the offices of Sheridans, Chartered Accountants, Level 9, 40 St George's Terrace, Perth, Western Australia on Thursday, 14 September 2017 at 12.00pm.

AGENDA

1. To receive a report from the Liquidator on the conduct of the liquidation.
2. To receive a statement of the receipts and payments for the period of the liquidation.
3. In accordance with Section 477(2B) of the Corporations Act 2001, to authorise the Liquidator to enter into an agreement greater than three months with Carpets by Design - Commercial & Domestic Flooring Pty Ltd for the sale of stock.
4. Any other business that may properly be conducted.

Dated this 30th day of August 2017



JENNIFER E. LOW
Liquidator of
Gohrt Nominees Pty Ltd

GOHRT NOMINEES PTY LTD
ACN 074 988 793
(In Liquidation) ("the company")

FORM 535 - FORMAL PROOF OF DEBT OR CLAIM

This is to state that the company was on **1 March 2017** and still is, justly and truly indebted to _____ for:

\$		and		cents	
Date	Consideration (state how the debt arose)	Amount \$	c	Remarks (include details of voucher substantiating payment)	

To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

Date	Drawer	Acceptor	Amount \$ c	Due Date

I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.*

I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.*

Please ensure this proof is signed for completion, before lodgement.

Date: _____

Signature: _____

Name: _____

Occupation: _____

Creditor address: _____

*Do not complete if this proof is made by the creditor personally. Strike out or leave, as appropriate.

☐

I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act 2001 at the following email address:

Email address: _____

GOHRT NOMINEES PTY LTD
ACN 074 988 793
(In Liquidation) ("the company")

FORM 532 - APPOINTMENT OF PROXY

*I/*We ❶..... of ❷.....
a creditor of Gohrt Nominees Pty Ltd, appoint ❸..... or in his or her
absence as *my/*our *general/*special proxy to vote at the
meeting of creditors to be held on Thursday, 14 September 2017, or at any adjournment of that meeting, and
to vote❹:

VOTING

	YES	NO
A. To vote generally on all matters arising at the meeting:	<input type="checkbox"/>	<input type="checkbox"/>

AND / OR ALTERNATIVELY

B. To vote specifically in the following manner:

In accordance with Section 477(2B) of the Corporations Act 2001, to
authorise the Liquidator to enter into an agreement greater than
three months with Carpets by Design - Commercial & Domestic
Flooring Pty Ltd for the sale of stock.

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signature

*Signature ❸ of individual or person authorised ❸ by
corporate resolution to represent the corporation.*

Dated this day of 2017

CERTIFICATE OF WITNESS

This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.

I,..... of certify
that the above instrument appointing a proxy was completed by me in the presence of and at the
request of the person appointing the proxy and read to him or her before he or she signed or marked the
instrument.

Dated thisday of..... 2017

Signature of witness

Description

Place of residence

Notes:

* Delete as applicable

1. If a firm, strike out "I" and set out the full name of the firm.
2. Address of creditor.
3. Name, address and description of the person appointed.
4. If a special proxy add the words "to vote for" or the words "to vote against" and specify the particular resolution.

5. The signature of the creditor or member is not to be attested by the person nominated as proxy.
6. A corporation may only be represented by proxy or by an attorney appointed pursuant to Corporations Regulations 5.6.28 and 5.6.31A respectively or, by a representative appointed under Section 250D of the Corporations Act 2001. Copy of authority/power of attorney to be annexed.