



SHERIDANS
CHARTERED ACCOUNTANTS

BARRINGTONS YOUR BUSINESS ADVISORS PTY LTD
ACN 137 271 900
Of 283 Rokeby Road, Subiaco WA 6008

Circular to Creditors

2 December 2014

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A - Form 529 - Notice of Meeting

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(i) Form 535 - Proof of Debt or Claim

(ii) Form 532 - Appointment of Proxy

1. Appointment

I advise that on 28 October 2014 by an Order of the Supreme Court of Western Australia I was appointed Official Liquidator of Barringtons Your Business Advisors Pty Ltd (In Liquidation) (“the company”).

2. Background

The company was incorporated on 22 May 2009. According to a document that has been provided to me by the directors of the company, the purpose of the company was to provide certain services to the Barringtons Your Business Advisors Partnership (“the Partnership”), which carried on business as “Barringtons Accountants” (“the Practice”).

The services provided were:

- i) The employment of the staff for the Practice;
- ii) Provision of a finance function for the Practice;
- iii) Provision of accounting advice for the Practice;
- iv) Renting office equipment for the Practice; and
- v) All or any other service that may be required by the Practice.

It is understood that the company acted as Agent for the Partnership, which was the Principal.

On 29 May 2014, the partners of the Practice, Little Tiger Pty Ltd atf the BPH Trust, Gwyngalchu Pty Ltd atf the BPS Trust and Nerus Pty Ltd atf the BPM Trust, were wound up and Messrs Matthew David Woods and Hayden Leigh White were appointed as Joint Liquidators of each corporate entity and effectively of the Partnership.

On or around September 2014, the Liquidators sold the Practice and terminated the Principal/Agent agreement between the Partnership and the company.

3. Report as to Affairs (“RATA”)

I am in receipt of two RATAs: one from Mr Charles Napoli and one from Messrs Brynley Scott, Justin Manolikos and Rick Hopkins.

The following is a summary of the two RATAs:

Mr Charles Napoli

	Valuation (net book value) \$	Estimated realisable value \$
Assets		
Other assets	1,400,000	1,400,000
Contingent Assets	3,000,000	Unknown
Total Assets	4,400,000	1,400,000
Liabilities		
Secured creditor - CBA	750,000	750,000
Unsecured creditors	650,000	650,000
Total Liabilities	1,400,000	1,400,000
Estimated Surplus	3,000,000	Nil

¹ The ASIC web site is <http://www.asic.gov.au>. Select the “Publications” tab and in the drop-down menu, select “Information Sheets”. Once you are at the information sheets screen select the letter “L” and you will see: INFO 45 - Liquidation: a guide for creditors and INFO 46 - Liquidation: a guide for employees.

3. Report as to Affairs (cont.)

Messrs Brynley Scott, Justin Manolikos and Rick Hopkins

	Valuation (net book value) \$	Estimated realisable value \$
Assets		
Contingent Assets	1,175,151	1,175,151
Total Assets	1,175,151	1,175,151
Liabilities		
Contingent creditors	1,175,151	1,175,151
Total Liabilities	1,175,151	1,175,151
Estimated Surplus	Nil	Nil

4. Meeting of creditors

A meeting of creditors has been convened in accordance with Section 473(4) of the Corporations Act 2001 ("the Act") for the purpose of approving the Liquidator's remuneration. The meeting will be held on Friday, 19 December 2014 at 11:00am at the offices of Sheridans Chartered Accountants, Level 9, 40 St George's Terrace, Perth, Western Australia.

Accordingly, please find enclosed:

- (1) Form 529 - Notice of Meeting;
- (2) Remuneration Report;
- (3) Form 535 - Proof of Debt or Claim; and
- (4) Form 532 - Appointment of Proxy.

5. Liquidation process

The Act provides for a stay of proceedings against the company, effectively freezing debts owed by the company as at the date of my appointment.

My role as Official Liquidator of the company is to take control of the company's business, property and affairs with a view to realising the assets of the company for the benefit of its creditors.

As I am yet to undertake an investigation into the company's affairs, I express no opinion on whether the directors' RATAs present a true and fair view of the company's affairs as at 28 October 2014. Any liability to third parties is expressly disclaimed.

For more information about the process of liquidations, I refer you to the Australian Securities & Investments Commission ("ASIC") website, which publishes information sheets explaining insolvency administrations and answering some commonly asked questions.

¹ The ASIC web site is <http://www.asic.gov.au>. Select the "Publications" tab and in the drop-down menu, select "Information Sheets". Once you are at the information sheets screen select the letter "L" and you will see: INFO 45 - Liquidation: a guide for creditors and INFO 46 - Liquidation: a guide for employees.

6. Creditor claims and proxies

Employee claims

If you were an employee of the company at the date that I was appointed, or have previously been employed by the company, you may be a creditor of the company for any or all of the following debts:

- (a) Outstanding wages;
- (b) Annual leave and long service leave;
- (c) Payment in lieu of notice;
- (d) Redundancy;
- (e) Superannuation.

If you are owed accrued employee entitlements, you may be eligible for assistance under the Federal Government's Fair Entitlements Guarantee Act 2012 ("FEG"). For further information regarding FEG, please call the FEG hotline: 1300 135 040 or go to the website: www.employment.gov.au/fair-entitlements-guarantee-feg. Please note that outstanding superannuation is not covered by FEG.

Outstanding Retention of Title claims

If you are a goods supplier, would you please immediately advise my office if you are claiming title to any goods delivered to the company, or lien over goods in possession which are the property of the company, and forward to me the full details of your claim, including the basis thereof and any supporting documentation.

Please note that following the introduction of the Personal Properties Security Act ("PPSA") on 30 January 2012, for your retention of title claim to be valid in respect of goods supplied after that date, your claim to retention of title must be registered on the PPSA register.

Electronic notification to creditors

Section 600G of the Act permits electronic notification to creditors of certain notices or documents. If you would like to nominate to receive electronic notification, please complete the relevant section on the Proof of Debt or Claim form enclosed.

Voting at the creditors' meeting

Please note that unless you lodge a formal Proof of Debt or Claim form with this office, pursuant to Regulation 5.6.23 of the Act you will not be entitled to vote at the meeting. The enclosed Proof of Debt or Claim form should be completed and returned to this office no later than 4:00pm on Thursday, 18 December 2014.

Further, 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 no later than 4:00pm on Thursday, 18 December 2014.

If you are representing a company, would you please ensure the proxy is executed in accordance with the company's constitution.

7. Liquidator's remuneration

For details of the proposed Liquidator's remuneration, please refer to the Remuneration Report attached.

Should you have any queries in relation to this matter, please contact Helen Joyce or Philip Davie of this office.

Yours faithfully

JENNIFER E. LOW
Official Liquidator of
Barringtons Your Business Advisors Pty Ltd

BARRINGTONS YOUR BUSINESS ADVISORS PTY LTD
ACN 137 271 900
(In Liquidation) (“the company”)

NOTICE OF MEETING OF CREDITORS

Notice is given that a meeting of the 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 Friday, 19 December 2014 at 11:00am.

AGENDA

1. To appoint a Chairperson.
2. To determine the time and place of the meeting.
3. To determine who is present.
4. To determine whether a quorum is present.
5. To receive the Liquidator’s Report to Creditors.
6. To approve the Liquidator’s remuneration.
7. Any other business that may be properly conducted.

Dated: 2 December 2014

JENNIFER E. LOW
Official Liquidator

BARRINGTONS YOUR BUSINESS ADVISORS PTY LTD

ACN 137 271 900

(In Liquidation) (“the company”)

REMUNERATION REPORTCorporations Act 2001
Section 449E, 473, 495 & 499**Table of Contents**

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1. Executive summary

To date, no remuneration has been approved or paid in this administration. This Remuneration Report details approval sought for the following fees:

Period	Report Reference	Amount (exc. GST) \$
Current remuneration approval sought: Resolution 1: 28 October 2014 to conclusion of liquidation.	5	80,000.00
*Approval for the future remuneration sought is based on an estimate of the work necessary to complete the administration. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.		

Please refer to report section references detailed in the above table for full details of the calculation and composition of the remuneration approval sought.

2. Remuneration methods

As Liquidator, I advise pursuant to Section 473(3) of the Act that there are four different methods that may be used to calculate Liquidators' remuneration:

- (i) Time based/hourly rates - the total fee charged is based on the hourly rate charged by each person who carried out the work multiplied by the number of hours spent by each person on the tasks performed.
- (ii) Fixed fee method - a fixed amount charged for the administration.
- (iii) Percentage - The total fee charged is based on a percentage of a particular variable, such as gross proceeds of asset realisations.
- (iv) Contingency - The Liquidator's fee is structured to be contingent on a particular outcome being achieved.

3. Remuneration method chosen

Given the nature of this liquidation, I propose that my remuneration be calculated at an hourly rate for the time spent by each member of my staff. I believe this method to be appropriate because it accurately and fairly reflects the work required to administer this matter.

4. Explanation of method chosen

Time based/Hourly rates

Sheridans' applicable rates effective from 1 August 2014 are set out in the following table. The last column of the table provides a general guide showing the qualifications and experience of staff engaged in the administration and the role they take in the administration.

Staff Level	Fee \$ / hr	Experience Rate Classification
Registered Liquidator	525	Official Liquidator & Bankruptcy Trustee bringing her specialist skills to the administration or insolvency task.
Director	422	More than 10 years' insolvency experience, more than 4 years as a manager. Answerable to the appointee but otherwise responsible for all aspects of administration.
Senior Manager	371	More than 7 years' insolvency experience, more than 3 years as a manager, qualified accountant. Answerable to the appointee but otherwise responsible for most aspects of administration. Experienced and competent at all levels. Controls staff and their training.
Manager	294	6 - 7 years. Qualified accountant, with well-developed technical and commercial skills. Has significant conduct of most administrations. Answerable to the appointee but otherwise manages administrations on a day to day basis. Controls 2 - 4 staff.
Supervisor	258	4 - 6 years. CA Program complete. Has conduct of minor administrations and experience in controlling 1- 3 staff. Assists planning and control of medium to larger jobs.
Senior 1	237	2 - 4 years. CA Program normally completed within this period. Assists planning and control of small to medium sized jobs as well as performing some of the more difficult work on larger jobs.
Senior 2	216	2 - 3 years. CA Program would normally be commenced. Required to control the fieldwork on small jobs and is responsible for helping to complete fieldwork on medium to large jobs.
Intermediate 1	180	1 - 2 years. Graduate required to assist in day-to-day field work under supervision of more senior staff.
Intermediate 2	170	0 - 1 year. Trainee / graduate required to assist in day-to-day field work under supervision of more senior staff.
Graduate	144	0 - 1 year. HSC, graduate or completing part-time degree. Required to assist in administration and day-to-day field work under supervision of more senior staff.
Secretary	134	Appropriate skills including word processing competency.

Sheridans' Scale of Fees is increased on 1 August each year (effective from 2014) in line with the CPI amount. Sheridans' current Scale of Fees is available from Sheridans' office on request.

5. Estimate of total remuneration

I estimate that this administration will cost approximately \$80,000 to complete, subject to the following variables, which may have a significant effect on this estimate. I am unable to determine the effect of these variables until I have commenced the administration:

- Investigation into the affairs of the company and the conduct of its officers.
- Determining whether any fees attributable to Work in Progress are due to the company.
- Determining whether the funds held in the company's bank accounts are due to the company.

6. Description of work to be completed

Resolution 1 - from 28 October 2014 to conclusion of liquidation

Task Area	General Description	Includes
Assets \$20,000	Bank accounts	Investigation into the company's bank accounts. Determining whether any of the funds held in the bank accounts are due to the company. Receipt of funds (if applicable).
Creditors \$10,000	Creditor enquiries	Receiving and following up creditor enquiries via telephone. Maintaining creditor enquiry register. Review and preparation of correspondence to creditors and their representatives via facsimile, email and post.
	Creditor reports	Preparing investigation, meeting and general reports to creditors.
	Dealing with Proofs of Debt	Receipting and filing Proofs of Debt when not related to a dividend. Correspondence with ATO regarding Proofs of Debt when not related to a dividend.
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements. Forwarding notice of meeting to all known creditors. Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisements of meeting and draft minutes of meeting.
Employees \$10,000	Calculation of entitlements	Calculating employee entitlements. Reviewing employee files and company's books and records. Reconciling superannuation accounts. Reviewing awards.
	Employees' enquires	Receiving and following up employee enquires via telephone. Maintaining employee enquiry register. Review and preparation of correspondence to employees and their representatives via facsimile, email and post.
	Other employee issues	Correspondence with Child Support.
Investigation \$30,000	ASIC reporting	Preparing statutory investigation reports. Liaising with ASIC.
	Conducting investigation	Collection of company books and records. Reviewing company's books and records. Review and preparation of company nature and history. Conducting and summarising statutory searches. Preparation of comparative financial statements. Preparation of deficiency statement. Review of specific transactions and liaising with directors regarding certain transactions. Preparation of investigation file. Lodgement of initial report with ASIC. Preparation and lodgement of supplementary report (if required).

6. Description of work to be completed (cont.)

Task Area	General Description	Includes
Administration \$10,000	ASIC Form 524 and other forms	Preparing and lodging ASIC forms including 505, 524, 911 etc. Correspondence with ASIC regarding statutory forms.
	ATO and other statutory reporting	Notification of appointment. Preparing BAS.
	Bank account administration	Preparing correspondence opening and closing accounts. Requesting bank statements. Bank account reconciliations. Correspondence with the bank regarding specific transfers.
	Books and records - storage	Dealing with records in storage. Sending job files to storage.
	Correspondence	
	Document maintenance / file review / checklist	First month, then six-monthly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Identification of potential issues requiring attention of insurance specialists.
	Finalisation	Notifying ATO of finalisation. Cancelling ABN/GST/PAYG registration. Completion of checklists.
	Planning/review	Discussions regarding status of administration.

7. Calculation of remuneration

No calculation of remuneration spreadsheet is required in respect of the resolution for prospective fees.

8. Statement of remuneration claim

Creditors will be asked to consider the following resolution:

1. That the Liquidator's future remuneration calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans Chartered Accountants, for work of this nature be approved for the period 28 October 2014 to the conclusion of the liquidation to a limit of \$80,000 plus GST. The standard scale rates will be increased in accordance with CPI at 1 August each year, rounded up to the nearest \$.

9. Remuneration recoverable from external sources

I am required to calculate outstanding employee entitlements and to report to the Department of Employment ("DoE"), so that former employees can submit a claim under the Fair Entitlement Guarantee Scheme ("FEG"). I am subsequently required to make distributions to former employees in respect of successful claims. I will seek to be reimbursed by FEG for the cost to do this.

10. Disbursements

Disbursements are divided into three types:

- (i) Externally provided professional services - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- (ii) Externally provided non-professional costs such as travel, accommodation and search fees - these are recovered at cost.
- (iii) Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the administration, would generally be charged at cost, though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

10. Disbursements (cont.)

Future disbursements provided by my firm will be charged to the administration on the following basis:

Disbursement	Rate (exc.GST)
Faxes	Local: \$3.00 for first page \$2.00 for subsequent pages
	Interstate: \$5.00 for first page \$3.00 for subsequent pages
	International: \$5.00 for first page \$3.00 for subsequent pages
Meeting room hire	\$136.36
Postage	Australia (standard envelope): \$1.00
	Australia (large envelope): \$1.55
	International: cost
Printing and photocopying	20 cents/page
Storage	62 cents per box per month
Telephone	\$1.00 per call
Staff vehicle use	74 cents/per km

Rates applicable for year ending 31 July 2015

11. Report on progress of the administration

This Remuneration Report must be read in conjunction with the Circular to Creditors dated 2 December 2014.

12. Queries

Should creditors have any queries or require any further information in relation to this Remuneration Report, please contact Helen Joyce or Philip Davie of this office.

13. Information sheet

An information sheet INFO 85 - "Approving fees: a guide for creditors" is available on ASIC's website at www.asic.gov.au at the "Publications tab" under "Information Sheets"; Letter "A".

Further information regarding the basis of the proposed remuneration is available from Sheridans upon request, as well as detailed summaries of actual time spent on the various tasks.

Jennifer E. Low is a member of the Australian Restructuring Insolvency & Turnaround Association ("ARITA") and follows the ARITA Code of Professional Practice. A copy of the Code of Professional Practice may be found on the ARITA website at www.ARITA.com.au.

FORM 535

Subregulation 5.6.49(2)

Corporations Act

**FORMAL PROOF OF DEBT OR CLAIM
(GENERAL FORM)**

To the Official Liquidator of **Barringtons Your Business Advisors Pty Ltd.**

This is to state that the company was on **28 October 2014** 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 (block letters): _____

Occupation: _____

Creditor's 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: _____

FORM 532
Corporations Act 2001

Regulation 5.6.29

APPOINTMENT OF PROXY

BARRINGTONS YOUR BUSINESS ADVISORS PTY LTD
ACN 137 271 900
(In Liquidation)

*I/*We ❶ of ❷
a creditor of Barringtons Your Business Advisors 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 Friday, 19 December 2014, or at any adjournment of that
meeting, and to vote ❹:

VOTING

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

AND / OR ALTERNATIVELY

	FOR	AGAINST	ABSTAIN
B. To vote specifically in the following manner:			
(a) That Jennifer E. Low be appointed as Chairperson of the meeting.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(b) That the Liquidator's future remuneration calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans Chartered Accountants, for work of this nature be approved for the period 28 October 2014 to the conclusion of the liquidation to a limit of \$80,000, plus GST. The standard scale rates will be increased in accordance with CPI at 1 August each year, rounded up to the nearest \$.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signature

Signature ❺ of individual or person authorised ❻ by

Dated this day of 2014

corporate resolution to represent the corporation.

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..... 2014

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.