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19 September 2011

**CIRCULAR TO CREDITORS**

**KEYFAST BULK HAULAGE PTY LTD  
(IN LIQUIDATION) ("THE COMPANY")**

**ACN 114 726 966**

**AS TRUSTEE FOR THE KEYFAST BULK HAULAGE TRUST - FORMERLY TRADING AS KEYFAST HEAVY  
HAULAGE**

I advise that by an Order made by the Federal Court of Australia on 26 July 2011 I was appointed Official Liquidator of the Company.

The director's Report As to Affairs ("RATA") shows you as a creditor of the Company as at the date of my appointment. I confirm the Company ceased to trade prior to my appointment.

I am required by the Corporations Act to undertake an investigation into the Company's affairs and the conduct of the Director and submit a report to the Australian Securities and Investments Commission ("ASIC") within six months of the date of my appointment. Upon concluding these investigations, I will issue a more detailed report to creditors, subject to the provision of the Company's books and records.

In the meantime, should you have any information regarding the Company's affairs or queries regarding the liquidation generally, please contact Alan Chau of my office on (08) 9261 9180.

Attached as Annexure A is my Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI").

Attached as Annexure B is my initial advice to creditors regarding my remuneration, including a guide to hourly rates for RSM Bird Cameron Partners. There are a number of information sheets published by Australian Securities and Investments Commission ("ASIC") and the Insolvency Practitioners Association of Australia ("IPA") outlining the rights and responsibilities of creditors along with information regarding the liquidation process generally may be downloaded from [http://www.rsmi.com.au/services/\\_turnaround\\_and\\_insolvency.html](http://www.rsmi.com.au/services/_turnaround_and_insolvency.html) or [www.asic.gov.au](http://www.asic.gov.au). A summary of these information sheets is enclosed.

Yours faithfully,



**MARK CONLAN**  
Official Liquidator

CORPORATIONS ACT 2001

**Declaration of Independence, Relevant Relationships and Indemnities**  
**Keyfast Bulk Haulage Pty Ltd**  
**ACN 114 726 966**  
**("the Company")**

**Independence**

I, Mark Anthony Conlan of RSM Bird Cameron Partners have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as Official Liquidator of Keyfast Bulk Haulage Pty Ltd 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.

**Declaration of Relationships**

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

**Prior Professional Services to the Insolvent**

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

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

**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 and I have not received any up-front payments in respect of my remuneration or disbursements.

Dated: 4 May 2011



MARK ANTHONY CONLAN  
Official Liquidator

**NOTE:**

1. *If circumstances change, or new information is identified, I am required under the Corporations Act and the IPA Code of Professional Practice to update this Declaration and provide a copy to creditors with my 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.*

## **Annexure B – Remuneration Report**

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### *1. Initial Advice to Creditors*

#### **1.1 Remuneration Methods**

There are four basic methods that can be used to calculate the remuneration charged by an insolvency Practitioner. They are:

- **Time based / hourly rates**

This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

- **Fixed Fee**

The total fee charged is normally quoted at the commencement of the administration and is the total cost for the administration. Sometimes a Practitioner will finalise an administration for a fixed fee.

- **Percentage**

The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.

- **Contingency**

The practitioner's fee is structured to be contingent on a particular outcome being achieved.

#### **1.2 Method chosen**

Given the nature of this administration I propose that our remuneration be calculated on Time based / hourly rates. This is because:

- This method reflects our practice of assigning staff at the appropriate level to conduct the necessary work. Individuals are required to record the nature of the work performed at intervals of six minutes. This method ensures creditors are only charged for work that is performed and provides complete transparency.
- Fixed fee and Percentage method are inappropriate as I am unable to estimate with certainty the total amount of fees necessary to complete all tasks required in this administration. In addition I am required to perform a number of tasks which do not relate to the realisation of assets, e.g., statutory obligations, responding to creditor queries, and reporting to ASIC.

It is proposed that the remuneration of the Liquidator be calculated on an hourly basis at the hourly fees charged by RSM Bird Cameron Partners.

# RSM Bird Cameron Partners

Chartered Accountants

## 1.3 Explanation of Hourly Rates

The current 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 and the role they take in the administration. The hourly rates charged encompass the total cost of providing professional services.

Classification	Guide to Level of Insolvency Experience	Rate per Hour \$
Appointee	Registered Liquidator / Trustee. Partner bringing his / her specialist skills to the administration or insolvency task.	530
Principal	Qualified. 12+ years experience. Capable of controlling all aspects of an administration and/or insolvency task.	450
Senior Manager	Typically qualified, 7+ years experience. Well developed technical and commercial skills. Assist appointee in the planning and control of all administrations and/or insolvency tasks. Responsible for supervision of junior staff.	365
Manager	Typically qualified, 6-7 years experience. Well developed technical and commercial skills. Assist appointee in the planning and control of all administrations and/or insolvency tasks. Responsible for supervision of junior staff.	300 – 320
Supervisor	4-6 years experience. Qualified or almost completed CA/CPA/IPAA. Conduct of small appointments, assists in planning and control of medium to larger appointments. Also supervises junior staff.	230 – 270
Senior 1	2-4 years experience, undertaking CA/CPA/IPAA. Assist planning and control of small to medium jobs and performs some more difficult tasks on larger jobs. Assists in supervision of junior staff.	215
Senior 2	1-3 years experience, undertaking CA/CPA/IPAA, Assist in day to day fieldwork of administrations and/or insolvency tasks under supervision of more senior staff.	170
Intermediate 1	1-2 years experience, graduate, undertaking CA/CPA/IPAA. Assist in day to day fieldwork of administrations and/or insolvency tasks under supervision of more senior staff.	160
Intermediate 2	0-2 years experience, typically will have graduated. Assist in day to day fieldwork of administrations and/or insolvency tasks under supervision of more senior staff.	130
Secretary	Assists all levels of staff undertaking general administrative and secretarial duties.	185
Treasury	Responsible for integrity of all aspect of cash receipts and payments, bank account reconciliations, preparation of statutory lodgements with ATO and ASIC	150
Treasury Assistant	Assists all levels of staff with administrative and bookkeeping tasks and managing Insolvency CORE software.	110
Junior/Filing Clerk	Data input and computer skills. Maintains data entry into specialised insolvency computer system, including receipts and payments and financial information, also prepares bank reconciliations, Form 524's and BAS returns.	70

### Notes:

1. The scale of fees is intended to be a guide as to the qualifications and experience of the staff engaged. In some instances staff may be engaged under an appropriate classification principally due to experience.
2. The term "Qualified" means that the staff member has completed either the Institute of Chartered Accountants in Australia or Certified Practising Accountants in Australia's education program and the Insolvency Practitioners Association of Australia's education program.
3. Time spent on matters is recorded and charged in 6 minute intervals.
4. The above rates are effective as at 1 July 2011.
5. The above rates exclude Goods and Services Tax.



**ASIC**

Australian Securities & Investments Commission

## **Insolvency Information for Directors, Employees, Creditors and Shareholders**

ASIC has 11 insolvency information sheets to assist you if you're affected by a company's insolvency and have little or no knowledge of what's involved.

These plain language information sheets give directors, employees, creditors and shareholders a basic understanding of the three most common company insolvency procedures—liquidation, voluntary administration and receivership. There is an information sheet on the independence of external administrators and one that explains the process for approving the fees of external administrators. A glossary of commonly used insolvency terms is also provided.

The Insolvency Practitioners Association (IPA), the leading professional organisation in Australia for insolvency practitioners, endorses these publications and encourages its members to make their availability known to affected people.

### **List of information sheets**

- Insolvency: a glossary of terms
- Voluntary administration: a guide for creditors
- Voluntary administration: a guide for employees
- Liquidation: a guide for creditors
- Liquidation: a guide for employees
- Receivership: a guide for creditors
- Receivership: a guide for employees
- Insolvency: a guide for shareholders
- Insolvency: a guide for directors
- Independence of external administrators: a guide for creditors
- Approving fees: a guide for creditors

**Important note:** The information sheets contain a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. These documents may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances. You will need a qualified professional adviser to take into account your particular circumstances and to tell you how the law applies to you.

### **Getting copies of the information sheets**

To get copies of the information sheets, visit ASIC's website at [www.asic.gov.au/insolvencyinfosheets](http://www.asic.gov.au/insolvencyinfosheets). The information sheets are also available from the IPA website at [www.ipaa.com.au](http://www.ipaa.com.au). The IPA website also contains the IPA's Code of Professional Practice for Insolvency Professionals, which applies to IPA members.

FORM 535  
CORPORATIONS ACT 2001

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

ACN 114 726 966

To the Liquidator of Keyfast Bulk Haulage Pty Ltd (In Liquidation)

1. This is to state that the company was, on 26 July 2011 <sup>(1)</sup> and still is, justly and truly indebted to <sup>(2)</sup>  
 .....  
 ..... for  
 .....dollars and .....cents.

Particulars of the debt are:

Date	Consideration <sup>(3)</sup>	Amount \$	GST included \$	Remarks <sup>(4)</sup>

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following.<sup>(5)</sup>
- 3.<sup>(6)\*</sup> 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, still remains unpaid and unsatisfied.
- 3.<sup>(6)\*</sup> I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this                      day of                      2011

Signature of Signatory.....  
 NAME IN BLOCK LETTERS .....  
 Occupation.....  
 Address.....

**See Directions overleaf for the completion of this form**

**OFFICE USE ONLY**

POD No:		ADMIT - Ordinary	\$
Date Received:	/ /	ADMIT - Preferential	\$
Entered into IPS/Computer:		Reject	\$
Amount per RATA	\$	H/Over for Consideration	\$
PREP BY/AUTHORISED		<b>TOTAL PROOF</b>	\$
DATE AUTHORISED	/ /		

**Directions**

- \* Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
- (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of .....", "moneys advanced in respect of the Bill of Exchange".
- (4) Under "Remarks" include details of vouchers substantiating payment.
- (5) Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount	Date Due
\$	¢			

- 
- (6) If proof is made by the creditor personally, strike the two (2) paragraphs numbered 3.
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**Annexures**

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
  - (a) have an identifying mark;
  - (b) and be endorsed with the words:
 

*"This is the annexure of (insert number of pages) pages marked (insert an identifying mark) referred to in the (insert description of form) signed by me/us and dated (insert date of signing); and*
  - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
  - (a) the identifying mark; and
  - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.