

Circular to Creditors

City Slicker Pty Limited (In Liquidation)

ACN 008 144 634

Formerly Trading as “Country Bumpkin” (“the Company”)

We refer to our appointment as Liquidators’ of the Company on 5 October 2010 and to our previous reports to creditors.

Please be advised that an annual meeting of creditors is being called pursuant to the requirements of Section 508(1) (b) of the Corporations Act 2001. The purpose of this meeting is to lay before the meeting an account of the liquidator's acts and dealings during the preceding 12 months.

A detailed report will be provided to creditors at the meeting, but in brief the following matters have been achieved:

- All Company assets have been realised;
- We have taken possession of all company records and have investigated the cause of the Company’s failure);
- We have lodged with ASIC all reports required to be lodged and ASIC have advised that they do not intend to take any further action with respect to the failure of the Company;
- All employee entitlements (excluding superannuation) have been paid in full;
- We have issued demand on the Australian Taxation Office in respect to an Unfair Preference Claim; and
- We are currently holding \$50,555 cash at bank.

The following significant matters are left to finalise in the liquidation:

- Reconciliation of the Royalty payments/Debtors received by the Company and amounts received by the purchaser of the Company assets after the sale;
- Further investigation into the sale of Country Bumpkin; and
- Pursue the recovery of Unfair Preference Claims.

The annual meeting of creditors has been convened for 14 December 2011. Attached in **Annexure A** to this report is a formal notice of the meeting, a Proof of Debt and a Proxy form.

Creditors wishing to attend this meeting and vote should make sure they complete and return to our office the Proof of Debt. Creditors not wishing to attend the meeting or Company creditors whose directors, agents or employees are attending the meeting should ensure that the attached proxy form is completed and returned to us. Both documents should be returned 24 hours prior to the holding of the meeting

At the meeting, creditors will be asked to approve the payment of the Liquidators' remuneration for the period from January 2011 to 31 October 2011 in the sum of \$21,152 (GST exclusive). In accordance with Clause 20 of the IPA Code of Professional Practice and the Act we enclose at **Annexure B** our detailed remuneration report summarising the work performed in the liquidation for this period.

A copy of the receipts and payments for the liquidation for the period from appointment to 24 November 2011 is attached in **Annexure C** to this report.

Creditors with any queries with respect to this matter should feel free to contact Danielle Penny of this office.

Dated this 28th day of November 2011



Andrew Heard & Anthony Phillips
Joint & Several Liquidators

Contact: Danielle Penny
Email: dpenny@heardphillips.com.au

Annexure A

FORM 529

Corporations Act
Subregulation 5.6.12(6)

NOTICE OF MEETING

City Slicker Pty Limited (In Liquidation)
ACN 008 144 634
Formerly Trading as "Country Bumpkin"

NOTICE IS GIVEN that a meeting of the creditors of City Slicker Pty Limited will be held at the Boardroom of Heard Phillips, Level 5, 26 Flinders Street, Adelaide on 14 December 2011 at 2.30 pm.

A G E N D A

1. To consider a report from the Liquidators.
2. To consider approval of the Liquidators' remuneration.
3. To consider any other business that may be lawfully brought forward.

DATED this 28th day of November 2011



Andrew Heard and Anthony Phillips
Joint & Several Liquidators

Heard Phillips, Chartered Accountants
Phone (08) 8212 3433
www.heardphillips.com.au

Corporations Act 2001

City Slicker Pty Limited (In Liquidation)
ACN 008 144 634

APPOINTMENT OF PROXY

I/We
of
a creditor of City Slicker Pty Limited appoint or in his or her absence
.....

as my/our general/special proxy to vote at the meeting of creditors to be held on 14 December 2011, or at any adjournment of that meeting .

Special Proxy Instructions

For Abstain Against

[] [] [] "That the Liquidators' fees for the period from 1 January 2011 to 31 October 2011 be approved in the sum of \$21,152 (GST exclusive)."

DATED this day of 2011

.....

Signature

CERTIFICATE OF WITNESS

(This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the 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 this day of 2011

Signature of Witness

Description

Place of Residence

*Corporations Act 2001***FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)**

To the Liquidators of City Slicker Pty Limited

1. This is to state that the company was on 5 October 2010 and still is, justly and truly indebted to
 1 _____ for _____

_____ \$(_____)

Particulars of the debt are:

DATE	CONSIDERATION	AMOUNT (include details of substantiating vouchers)	REMARKS
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2. 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:

If any bills or other negotiable securities are held show them in the following schedule:

DATE	DRAWER	ACCEPTOR	AMOUNT \$	DUE
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*3. 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.

OR

*3. 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.

Dated:

Signature:

Occupation:

Address:

* Delete if this proof is made by the creditor personally.

¹ Insert name and address of creditor

Annexure B

Remuneration Report

City Slicker Pty Limited (In Liquidation) ACN 008 144 634

In compliance with the Insolvency Practitioners Association of Australia Code of Professional Practice and the requirements of the Corporations Act 2001, we set out below our remuneration report for the period from 27 February 2010 to end of liquidation.

This report is set out as follows:-

- Description of Work
- Calculation of Remuneration
- Report on Progress of the Administration (*Refer to attached report to creditors*)
- General Supporting Information

Description of Work

The tasks which external administrators undertake can be broadly divided into seven (7) categories. These are:-

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

Information on the seven categories is summarised below to enable creditors to understand the type and purpose of work being undertaken.

Past Remuneration

Company	City Slicker Pty Ltd (In Liquidation)	Period From	1 January 2011	To	30 June 2011
Practitioner	Andrew Heard & Anthony Phillips	Firm	Heard Phillips		
Administration Type	Creditors' Voluntary Liquidation				
Task Area	General Description	Includes			
Assets 13.6 Hours [\$2,347]	Debtors	<ul style="list-style-type: none"> • Pursuing debtor collections • Reconciling claims and disputes and settling • Reconciling and pursuing Royalty recoveries • Lodging claims in Director Bankruptcy • Reconciling amounts with respect to Buckleboo Belle 			
Creditors 5 Hours [\$893]	General creditor enquiries	<ul style="list-style-type: none"> • Receive and respond to calls and communications from creditors, landlords and others • Maintain a register of creditor claims and contact details • File all creditor claims and correspondence in alphabetic order 			
Employees 19.9 Hours [\$3,676]	Employees enquiry	<ul style="list-style-type: none"> • Reconcile, calculate and investigate outstanding superannuation entitlements that were owing • Discussions with employees 			
	GEERS	<ul style="list-style-type: none"> • Correspondence with GEERS • Responding to requests for information • Settling payment schedules in format required by DEEWR • Completing payment agreements • Distributing GEERS advances to employees 			
	Calculation of entitlements	<ul style="list-style-type: none"> • Calculating employee entitlements • Reviewing employee files and company's books and records • Reconciling superannuation accounts • Reviewing awards 			

	Employee dividend	<ul style="list-style-type: none"> • Correspondence with employees regarding dividend • Distributing dividend payments to priority creditors • Ensuring PAYG is remitted to ATO
	Other employee issues	<ul style="list-style-type: none"> • Issuing statements of earning as required
Investigation 36.5 Hours [\$6,727]	Statutory investigation	<ul style="list-style-type: none"> • Conduct an investigation of the property, affairs and financial circumstances of the company following a detailed investigation program • Review financial records and supporting documentation • Consider likely offences and breaches of the Corporations Act • Prepare and lodge report with the ASIC pursuant to Section 533(1) of the Corporations Act • Consider and respond to correspondence and communications from the ASIC.
	Antecedent transaction investigation	<ul style="list-style-type: none"> • Conduct an investigation of the historic trading of the company and the payment of creditor amounts following a detailed investigation program • Review books and records focussing on creditor and legal communications • Review financial records and supporting documentation • Conduct and document an analysis of the payments to short listed creditors
Administration 7.2 Hours [\$1,109]	ATO matters	<ul style="list-style-type: none"> • Maintain records of receipts and payments as required by the Act • Prepare and lodge returns with the ATO as and when required
	Bank account maintenance	<ul style="list-style-type: none"> • Maintain a cashbook and receipt/voucher system that accurately and completely records all receipts and payments • Reconcile bank accounts on a monthly basis
	Document and file maintenance	<ul style="list-style-type: none"> • Maintain and store all files, records and documents in accordance with a structured methodology and system • Maintain signed file notes of all conversations and meetings with parties relating to the conduct of the liquidation
	Planning / Review	<ul style="list-style-type: none"> • Maintain checklists to guide the conduct of the liquidation • Sign off checklist when tasks are complete • Periodically review the progress of the liquidation and compare to desired liquidation outcomes • Periodically peer review conduct of the liquidation to ensure Quality Control is maintained
	Statutory	<ul style="list-style-type: none"> • Prepare and file accounts in the prescribed form with the ASIC

Company	City Slicker Pty Ltd (In Liquidation)	Period From	1 July 2011	To	31 October 2011
Practitioner	Andrew Heard & Anthony Phillips	Firm	Heard Phillips		
Administration Type	Creditors' Voluntary Liquidation				
Task Area	General Description	Includes			
Assets 5.2 Hours [\$937]	Debtors	<ul style="list-style-type: none"> • Pursuing debtor collections • Reconciling claims and disputes and settling • Reconciling and pursuing Royalty recoveries 			
Creditors 3.7 Hours [\$664]	General creditor enquiries	<ul style="list-style-type: none"> • Receive and respond to calls and communications from creditors, landlords and others • Maintain a register of creditor claims and contact details • File all creditor claims and correspondence in alphabetic order 			
Employees 7.2 Hours [\$1,380]	Employees enquiry	<ul style="list-style-type: none"> • Discussions with employees, the ATO and Superannuation funds • Reconciling and issuing PAYG statements for employees • Discussions and correspondence with employees and superannuation funds regarding outstanding Superannuation 			
Investigation 12.1 Hours [\$2,346]	Antecedent transaction investigation	<ul style="list-style-type: none"> • Prepare detailed antecedent transaction claim • Prepare analysis and annexures for filing of claim 			
	Other investigations	<ul style="list-style-type: none"> • Collect computer 			
Administration 6 Hours [\$1,076]	ATO matters	<ul style="list-style-type: none"> • Prepare and lodge returns with the ATO as and when required 			
	Bank account maintenance	<ul style="list-style-type: none"> • Maintain a cashbook and receipt/voucher system that accurately and completely records all receipts and payments • Reconcile bank accounts on a monthly basis 			
	Document and file maintenance	<ul style="list-style-type: none"> • Maintain and store all files, records and documents in accordance with a structured methodology and system • Maintain signed file notes of all conversations and meetings with parties relating to the conduct of the liquidation 			
	Planning / Review	<ul style="list-style-type: none"> • Maintain checklists to guide the conduct of the liquidation • Sign off checklist when tasks are complete • Periodically review the progress of the liquidation and compare to desired liquidation outcomes 			
	Statutory	<ul style="list-style-type: none"> • Prepare and file accounts in the prescribed form with the ASIC 			

Calculation of Remuneration

Professional fees – 1 January 2011 to 30 June 2011

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Hours	Assets (\$)	Hours	Creditors (\$)	Hours	Employees (\$)	Hours	Trade On (\$)	Hours	Investigation (\$)	Hours	Dividend (\$)	Hours	Administration (\$)	
Andrew Heard	Appointee	285	6.6	1,881	0.3	86	0.2	57	1.0	285	4.5	-	1,283	-	0.6	-	-	171	
Anthony Phillips	Co-appointee	285	2.2	627	-	-	0.2	57	1.7	485	0.1	-	29	-	0.2	-	-	57	
Danielle Penny	Senior	170	38.2	6,494	13.3	2,261	4.5	765	16.6	2,822	2.8	-	476	-	1.0	-	-	170	
Tina King	Intermediate 2	135	1.2	162	-	-	0.1	14	-	-	0.2	-	27	-	0.9	-	-	122	
Katharene Expedit	Senior	170	30.2	5,134	-	-	-	-	-	-	28.9	-	4,913	-	1.3	-	-	221	
Chris Moody	Graduate Accountant	140	0.6	84	-	-	-	-	0.6	84	-	-	-	-	-	-	-	-	
Carla Carbone	Intermediate 2	135	1.6	216	-	-	-	-	-	-	-	-	-	-	1.6	-	-	216	
Amelia Merchant	Junior	95	1.6	152	-	-	-	-	-	-	-	-	-	-	1.6	-	-	152	
TOTAL				\$ 14,750	13.6	\$ 2,347	5.0	\$ 893	19.9	\$ 3,676	36.5	\$ -	6,727	0.0	\$ -	7.2	\$ -	1,109	
GST				1,475															
TOTAL (including GST)				\$ 179		\$ 173		\$ 179		\$ 185		\$Nil	\$ 184		\$Nil		\$	\$	154
Average hourly rate (GST Exclusive)				\$ 179		\$ 173		\$ 179		\$ 185		\$Nil	\$ 184		\$Nil		\$	\$	154

Professional fees – 1 July 2011 to 31 October 2011

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Hours	Assets (\$)	Hours	Creditors (\$)	Hours	Employees (\$)	Hours	Trade On (\$)	Hours	Investigation (\$)	Hours	Dividend (\$)	Hours	Administration (\$)	
Andrew Heard	Appointee	300	2.4	720	-	-	0.7	-	1.4	210	1.4	-	420	-	0.3	-	90	-	
Anthony Phillips	Co-appointee	300	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Danielle Penny	Senior	180	18.3	3,294	936	2.6	468	6.3	1.7	1,134	1.7	-	306	-	2.5	-	450	-	
Tina King	Senior	180	0.8	144	-	-	-	0.2	-	36	-	-	-	-	-	-	0.6	108	
Katharene Exposit	Senior	180	11.8	2,124	-	1.0	180	-	9.0	-	9.0	-	1,620	-	1.8	-	324	-	
Chris Moody	Graduate Accountant	160	0.4	64	-	-	0.1	16	-	-	-	-	-	-	0.3	-	48	-	
Kate Jones	Graduate Accountant	160	0.1	16	-	-	-	-	-	-	-	-	-	-	0.1	-	16	-	
Carla Carbone	Intermediate 2	140	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Amelia Merchant	Junior	100	0.4	40	-	-	-	-	-	-	-	-	-	-	0.4	-	40	-	
TOTAL				\$ 6,402	\$ 936	5.2	\$ 664	7.2	\$ 1,380	0.0	\$ -	12.1	\$ 2,346	0.0	\$ -	6.0	\$ 1,076		
GST				640															
TOTAL (including GST)				\$ 187	\$ 180		\$ 179		\$ 192		\$Nil		\$ 194		\$Nil		\$	\$ 179	
Average hourly rate (GST Exclusive)				\$ 187	\$ 180		\$ 179		\$ 192		\$Nil		\$ 194		\$Nil		\$	\$ 179	

Disbursements

Disbursements are divided into three types: **A, B1, B2.**

- 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. **B1** disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. **B2** disbursements are charged 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.

Full details of disbursements on this appointment are provided in the attached statement of receipts and payments. Creditor approval for the payment of disbursements is not required, however we must account to creditors. Creditors have the right to question the incurring of the disbursements and can challenge disbursements in court.

General Supporting Information

Summary of Receipts and Payments

A summary of the liquidators' receipts and payments made up 21 November 2011 is attached as **Annexure C**.

Statement of Remuneration Claim

At the forthcoming meeting of creditors, creditors will be asked to pass the following resolution:-

Liquidators'

"That the Liquidators' fees for the period from 1 January 2011 to 31 October 2011 be approved in the sum of \$21,152.00 (GST exclusive)."

The following remuneration claim had been approved:

20 October 2010	Meeting of Creditors – Appointment to 31 December 2010	\$25,120 (GST exclusive)
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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 Liquidators' office to seek further information concerning the remuneration claim if they so need.

The ASIC have produced a document entitled "*Information Sheet 85, Approving Fees: a guide for creditors*" that can be downloaded from the ASIC web site www.asic.gov.au or alternatively a copy can be obtained if you contact this office.

Annexure C

City Slicker Pty Ltd (In Liquidation)
Receipts and Payments Summary By Account (GST Inclusive)
From appointment to 24 November 2011

	Total
RECEIPTS	
Accounts Receivable (including amounts to be reconciled)	49,708
Cash at Bank	1,379
Cash on Hand	6
GEERS Funding	98,478
GST Refunded	2,896
Interest Income	294
Royalty Payments (including amounts to be reconciled)	53,139
	<i>Total Receipts</i>
	205,899
PAYMENTS	
Appointee Costs: Advertisements	(334)
Appointee Costs: Archive Charges	(283)
Appointee Costs: Courier	(27)
Appointee Costs: Photocopying	(827)
Appointee Costs: Postage	(279)
Appointee Costs: Search Fees	(45)
Appointee Costs: Stationary	(52)
Appointee Costs: Storage Fees	(236)
Appointee Costs: Telephone & Fax	(36)
Appointee Costs: Travel	(59)
Appointee Fees: Liquidator's Fees	(27,632)
Bank Charges	(151)
Boardroom Hire	(150)
Funds incorrectly banked	(23,119)
GEERS Payment	(98,478)
Inward Telegraphic Transfer Fee	(42)
Legal Fees	(3,586)
Service Charge	(7)
	<i>Total Payments</i>
	(155,344)
Net Receipts/(Payments)	50,555