

Circular to Creditors

Duserve Pty Limited (In Liquidation)
ACN 078 178 542
Formerly Trading as the “Copier Shop”

We refer to our appointment as Liquidators of the Company on 10 September 2009 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;
- All unfair preference recoveries have been completed;
- All employee entitlements (including Superannuation Guarantee Charge amounts) have been paid to employees; and
- We are currently holding \$54,022 cash at bank and it is our intention to finalise this liquidation after the payment of a first and final dividend to unsecured creditors.

Apart from the payment of a dividend to unsecured creditors, there are no significant matters left to finalise in the liquidation.

We advise that a decision was made by the Department of Public Prosecutions not to proceed with the SAPOL proceedings that were noted in previous reports. As a result, further legal recoveries relating to the alleged false drawing of company cheques cannot be proceeded with.

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.

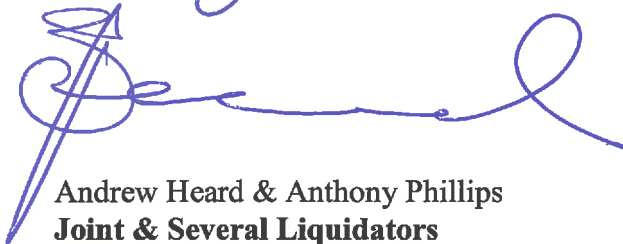
At the meeting, creditors will be asked to approve the payment of the liquidators remuneration for the period from 27 February 2010 to the completion of the liquidation in the sum of \$29,637 (GST exclusive). In accordance with Clause 20 of the IPA Code of Professional Practice and the Act we enclose 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 21 November 2011 is attached in **Annexure C** to this report.

A copy of our notice of intention to declare a **first and final dividend to unsecured creditors** is attached in **Annexure D** to this report.

Creditors with any queries with respect to this matter should feel free to contact Tina King of this office.

Dated this 24th day of November 2011



Andrew Heard & Anthony Phillips
Joint & Several Liquidators

Contact: Tina King
Email: tking@heardphillips.com.au

Annexure A

FORM 529

Corporations Act
Subregulation 5.6.12(6)

NOTICE OF MEETING

Duserve Pty Limited (In Liquidation)
ACN 078 178 542
Formerly Trading as the "Copier Shop"

NOTICE IS GIVEN that a meeting of the creditors of Duserve Pty Limited will be held at the Boardroom of Heard Phillips, Level 5, 26 Flinders Street, Adelaide on 9 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 24th 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***FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)**

To the Liquidators of Duserve Pty Limited

1. This is to state that the company was on 10 September 2009 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

Corporations Act 2001

Duserve Pty Limited (In Liquidation)
ACN 078 178 542

APPOINTMENT OF PROXY

I/We
of
a creditor of Duserve 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 9 December 2011, or at any adjournment of that meeting .

Special Proxy Instructions

For Against Abstain

- [] [] [] "That the Liquidators' fees for the period from 27 February 2010 to 31 October 2011 be approved in the sum of \$22,857 (GST exclusive)."
[] [] [] "That the Liquidators' fees for the period from 1 November 2011 to completion be calculated on the basis of time spent and charged at the scale of fees circulated to creditors with notice of this meeting and approved for payment, but capped to a maximum sum of \$6,780 (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

Annexure B

Remuneration Report

Duserve Pty Ltd (In Liquidation)

A.C.N. 106 000 846

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	Duserve Pty Ltd (In Liquidation)	Period From	27 February 2010	To	31 October 2011
Practitioner	Andrew Heard & Anthony Phillips	Firm	Heard Phillips		
Administration Type	Creditors' Voluntary Liquidation				
Task Area	General Description	Includes			
Assets 10.2 Hours [\$2,335]	Antecedent transaction recovery	<ul style="list-style-type: none"> • Prepare, negotiate and settle antecedent transaction claims • Take and consider legal advice as necessary • Issue and prosecute legal claims as necessary 			
	Debtors	<ul style="list-style-type: none"> • Collecting debtor receipts, reconciling claims and disputes and settling payment terms where appropriate 			
Creditors 15.4 Hours [\$3,762]	Creditors meeting	<ul style="list-style-type: none"> • Write report to Committee of Inspection • Hold meeting of Committee • Prepare minutes of meeting • File copies of minutes of meeting with the ASIC • Advertise annual meeting of creditors • Receive proof of debts and proxies and record in attendance register • Prepare meeting agendas and draft minutes • Chair the meetings of creditors • Prepare minutes of meeting • File copies of minutes of meeting with the ASIC 			
	General creditor enquiries	<ul style="list-style-type: none"> • Receive and respond to calls and communications from creditors • Maintain a register of creditor claims and contact details • File all creditor claims and correspondence in alphabetic order 			
Employees 18.8 Hours [\$3,079]	Employees enquiry	<ul style="list-style-type: none"> • Reconcile, calculate and investigate outstanding superannuation entitlements that were owing • Discussions with employees, the ATO and Superannuation funds 			

	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 22.4 Hours [\$6,651]	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
	Other investigations	<ul style="list-style-type: none"> • Continue to investigate and monitor action of SAPOL • Receive and respond to communications from DPP
Dividend 18.8 Hours [\$ 3,230]	Proof of debt management	<ul style="list-style-type: none"> • Receive proof of debt claims from creditors • Maintain a register of claims by name and amount • Consider claims and adjudicate if and when required
	Dividend procedures	<ul style="list-style-type: none"> • Advertise for creditor claims • Notify creditors of intention to pay a dividend • Cross check proofs of debt received to creditor reports and report as to affairs • Admit and reject creditor claims based on adjudication • Disburse dividend cheques
Administration 22.1 Hours [\$3,801]	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

Prospective Remuneration

Company	Duserve Pty Ltd (In Liquidation)	Period From	1 November 2011	To	End of liquidation
Practitioner	Andrew Heard & Anthony Phillips	Firm	Heard Phillips		
Administration Type	Creditors' Voluntary Liquidation				
Task Area	General Description	Includes			
Creditors 11 Hours [\$2,540]	General creditor enquiries	<ul style="list-style-type: none"> • Prepare and dispatch detailed report to creditors • Receive and respond to calls and communications from creditors 			
	Creditors meeting	<ul style="list-style-type: none"> • Advertise meetings of creditors • Receive proof of debts and proxies and record in attendance register • Prepare meeting agendas and draft minutes • Chair the meetings of creditors • Prepare minutes of meeting • File copies of minutes of meeting with the ASIC 			
Dividend 13 Hours [\$2,420]	Proof of debt management	<ul style="list-style-type: none"> • Receive proof of debt claims from creditors • Consider claims and adjudicate on claims received 			
	Dividend procedures	<ul style="list-style-type: none"> • Advertise for creditor claims • Notify creditors of intention to pay a dividend • Cross check proofs of debt received to creditor reports and report as to affairs • Admit and reject creditor claims based on adjudication • Disburse dividend cheques 			
Administration 9 Hours [\$1,820]	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 			
	Books & Records	<ul style="list-style-type: none"> • Arrange for the destruction of books and records as and when appropriate 			
	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 • 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 • Lodge finalisation documents with ASOC • Final sign off of all statutory documents for liquidation 			

Calculation of Remuneration

Professional fees – 27 February 2010 to 30 June 2010

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	275	24.5	6,738	2.7	743	6.1	1,678	1.4	385			12.7	3,493			1.6	440	
Anthony Phillips	Co-appointee	275	0.6	165			0.5	138									0.1	28	
Danielle Penny	Senior	170	0.0	-															
Tina King	Intermediate 2	130	9.6	1,248	3.5	455	0.3	39	1.3	169							4.5	585	
Carla Carbone	Intermediate 2	130	0.2	26													0.2	26	
Amelia Merchant	Junior	90	0.0	-															
TOTAL				\$ 8,177	6.2	\$ 1,198	6.9	\$ 1,854	2.7	\$ 554	0.0	\$ -	12.7	\$ 3,493	0.0	\$ -	6.4	\$ 1,079	
TOTAL (including GST)				818															
TOTAL (including GST)				\$ 234		\$ 193		\$ 269		\$ 205		\$Nil		\$ 275		\$Nil		\$ 169	
Average hourly rate (GST Exclusive)				\$ 234		\$ 193		\$ 269		\$ 205		\$Nil		\$ 275		\$Nil		\$ 169	

Professional fees – 1 July 2010 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	19.9	5,672	3.1	884	3.8	1,083	0.4	114		-	9.8	2,793	0.6	171	2.2	627	
Anthony Phillips	Co-appointee	285	1.3	371		-	0.6	171		-		-	0.7	200		-		-	
Danielle Penny	Senior	170	0.2	34		-		-		-		-		-		-	0.2	34	
Katharone Expedt	Senior	170	0.0	-		-		-		-		-		-		-		-	
Chris Moody	Graduate Accountant	140	7.5	1,050		-	0.8	112	2.4	336		-	0.8	112	1.8	252	1.7	238	
Tina King	Intermediate 2	135	16.1	2,174	0.1	14	2.5	338	5.5	743		-	0.4	54	2.3	311	5.3	716	
Carla Carbone	Intermediate 2	135	1.8	243		-		-		-		-		-		-	1.8	243	
Arnelia Merchant	Junior	95	0.6	57		-		-		-		-		-		-	0.6	57	
TOTAL				\$ 9,600	3.2	\$ 897	7.7	\$ 1,704	8.3	\$ 1,193	0.0	\$ -	11.7	\$ 3,159	4.7	\$ 734	11.8	\$ 1,915	
TOTAL (including GST)				960															
TOTAL (including GST)				960															
Average hourly rate (GST Exclusive)				\$ 203		\$ 280		\$ 221		\$ 144		\$Nil		\$ 270		\$ 156		\$ 162	

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	4.2	1,260	0.8	240	0.5	150							1.7	510	1.2	360	
Anthony Phillips	Co-appointee	300	0.4	120					0.4	120									
Danielle Penny	Senior	180	0.0	-															
Tina King	Senior	180	3.7	666			0.3	54	1.4	252					0.1	18	1.9	342	
Chris Moody	Graduate Accountant	160	18.6	2,976					6.0	960					12.3	1,968	0.3	48	
Kate Jones	Graduate Accountant	160	0.0	-															
Carla Carbone	Intermediate 2	140	0.2	28													0.2	28	
Amelia Merchant	Junior	100	0.3	30													0.3	30	
TOTAL				\$ 5,080	0.8	\$ 240	0.8	\$ 204	7.8	\$ 1,332	0.0	\$ -	0.0	\$ -	14.1	\$ 2,496	3.9	\$ 808	
TOTAL (including GST)				508															
Average hourly rate (GST Exclusive)				\$ 185		\$ 300		\$ 255		\$ 171		\$Nil		\$Nil		\$ 177		\$ 207	

Prospective fees from 1 November 2011 to completion of liquidation

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	11.0	3,300			6.0	1,800					2.0			600	3.0	900
Anthony Phillips	Co-appointee	300	1.0	300													1.0	300
Danielle Penny	Senior	180	0.0	-														-
Tina King	Senior	180	11.0	1,980			3.0	540					7.0			1,260	1.0	180
Chris Moody	Graduate Accountant	160	0.0	-														-
Kate Jones	Graduate Accountant	160	0.0	-														-
Carla Carbone	Intermediate 2	140	5.0	700									4.0			560	1.0	140
Arnelia Merchant	Junior	100	5.0	500			2.0	200									3.0	300
TOTAL				\$ 6,780			11.0	\$ 2,540	0.0	\$ -	0.0	\$ -	0.0	\$ -	13.0	\$ 2,420	9.0	\$ 1,820
GST				678														
TOTAL (including GST)																		
Average hourly rate (GST Exclusive)				\$ 205		\$Nil		\$ 231		\$Nil		\$Nil		\$Nil		\$ 186		\$ 202

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 27 February 2010 to 31 October 2011 be approved in the sum of \$22,857 (GST exclusive)."

Liquidators' Prospective Fees

"That the Liquidators' fees for the period from 1 November 2011 to completion be calculated on the basis of time spent and charged at the scale of fees circulated to creditors with notice of this meeting and approved for payment, but capped to a maximum sum of \$6,780 (GST exclusive)."

It is expected that these remuneration claims are the final that will be made in this liquidation.

The following remuneration claims have been approved:

21 September 2009	Meeting of Creditors – Initial Claim	\$17,495 (GST exclusive)
12 March 2010	Meeting of Committee of Inspection – to 26 Feb 2010	\$11,030 (GST exclusive)

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.

Annexure C

Duserve Pty Limited (In Liquidation)
Receipts and Payments Summary By Account
From appointment to 21 November 2011

RECEIPTS

Accounts Receivable (Pre-Appointment)	32,179.32
Cash on Hand	20.00
Cash at Bank	10,976.10
Freedom of Information	27.75
GEERS Liability	10,078.02
GST Recovered	2,313.99
Interest Income	416.87
Plant and Equipment	14,000.00
Sundry Receipts	10,692.53
Unfair Preference Recoveries	60,183.00
	<hr/>
	140,887.58

PAYMENTS

Auctioneer's Fees	(890.45)
Bank Charges	(120.70)
Freedom of Information	(27.75)
Legal Fees	(8,337.70)
Overpayment Debtor Refund	(493.00)
Search Fees	(27.75)
 Dividend Paid	
Priority Dividends	(43,027.00)
 Administration Costs	
Accounting Fees	(330.00)
Appointee Costs: Advertisements	(319.80)
Appointee Costs: Archive Charges	(65.84)
Appointee Costs: Courier	(30.68)
Appointee Costs: Photocopying	(1,382.15)
Appointee Costs: Postage	(237.76)
Appointee Costs: Search Fees	(77.51)
Appointee Costs: Stationery	(76.94)
Appointee Costs: Telephone & Fax	(42.35)
Appointee Fees	(31,377.50)
	<hr/>
	(86,864.88)
Net Receipts (Payments)	<hr/> 54,022.70 <hr/>

Annexure D

FORM 548

Subregulation 5.6.65(1)

Corporations Act

**NOTICE TO CREDITOR OR PERSON CLAIMING TO BE A CREDITOR OF
INTENTION TO DECLARE A FINAL DIVIDEND**

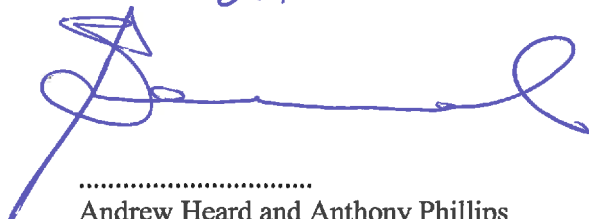
**Duserve Pty Ltd (In Liquidation)
078 178 542**

A first and final dividend to unsecured creditors is to be declared on 20 January 2012 for the Company.

You are required formally to prove your debt or claim on or before 15 December 2011.

If you do not, I will exclude your claim from participation, and I will proceed to make a final dividend without having regard to it.

Dated this 24th day of November 2011



.....
Andrew Heard and Anthony Phillips
Joint and Several Liquidators

Heard Phillips
Chartered Accountants
Level 5, 26 Flinders Street
Adelaide SA 5000
Ph: (08) 8212 3433
www.heardphillips.com.au