



SHERIDANS
CHARTERED ACCOUNTANTS

CROWN CONSTRUCTION SERVICES PTY LTD

(In Liquidation)

ACN 109 656 304

ATF CROWN CONSTRUCTION SERVICES TRUST
(Receiver and Manager Appointed)

ABN 49 897 453 915

Report to Creditors

Section 70-40

Insolvency Practice Rules (Corporations) 2016

29 November 2023

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Liability limited by a scheme approved under Professional Standards Legislation

Contents		Page
1	Introduction	3
2	Independence	3
3	Receipts and payments	4
4	Assets	4
5	Investigations and recoveries	5
6	Settlement - vested plant and equipment	6
7	Secured creditors	6
8	Priority creditors	6
9	Unsecured creditors	7
10	Dividend	7
11	Liquidator's remuneration	7
12	Proposals to creditors	8

Annexure

- A Remuneration Approval Report

Enclosures

- (i) Notice of Proposal to Creditors - Current remuneration
- (ii) Notice of Proposal to Creditors - Future remuneration
- (iii) Proof of Debt or Claim form

1. Introduction

- 1.1 I refer to my appointment as Liquidator of Crown Construction Services Pty Ltd (In Liquidation) (“the company” or “Crown”) ATF the Crown Construction Services Trust (Receiver and Manager appointed) (“Trust”) on 3 October 2022, to my Initial information for creditors dated 14 October 2022, to my Report to Creditors dated 14 December 2022 and to my Report to Creditors dated 3 May 2023.
- 1.2 The purpose of this report is to provide creditors with an update on the progress of the liquidation in accordance with Section 70-45 of the Insolvency Practice Rules (Corporations) 2016, and to advise creditors of the likelihood of a dividend being paid in the liquidation.
- 1.3 I will also be requesting that you consider my detailed remuneration reports and pass proposals to approve my remuneration.

2. Independence

Please refer to my Initial information for creditors dated 14 October 2022 for information concerning my independence in this matter. There have been no changes to my independence.

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3. Receipts and payments

3.1 The following is a summary of receipts and payments in the liquidation to date:

	\$
Receipts	
Accounts receivable	24,415.50
Cash at bank	55,168.75
FEG payment for work done	7,820.00
Sale of plant and equipment	430,221.56
Proceeds of settlement	150,000.00
	667,625.81
Payments	
Agent's fees	8,100.00
Auctioneer's fees and disbursements	18,259.31
Bank charges	75.20
Forklift hire	455.79
Insurance	10,348.89
IT services	859.25
Legal fees	105,391.15
Legal disbursements	2,302.15
Liquidator's fees	141,054.00
Liquidator's fees - FEG	7,820.00
Liquidator's disbursements:	
Advertisements	32.00
ASIC levy	177.00
Parking	18.89
Postage	100.10
Printing & photocopying	1,870.00
RP Data	105.00
Searches	113.04
Stationery	90.09
Telephone	184.00
Travel	340.46
Rent	10,000.00
Security services	852.50
Skip bin	892.00
Construction equipment storage	26,600.00
Transport	3,919.10
Valuations	12,485.00
GST rounding	0.64
GST (net)	909.18
	353,354.74
Cash at bank as at 29 November 2023	314,271.07

4. Assets

4.1 Please refer to my previous reports to creditors for a summary of the company's assets. I provide an update as follows.

Accounts receivable

4.2 The directors' ROCAP listed three debtors of the company whose debts, including accounts receivable, WIP, retentions and contingent assets comprising mainly variations, totalled \$1,315,539.93.

4.3 I have since identified a further account receivable totalling \$22,571.83.

4. Assets (cont.)

- 4.4 To date I have recovered \$24,415.50 from the company's pre-appointment debtors, and continue to pursue the remaining receivables, including the contingent assets comprising variations claims and retentions.
- 4.5 Having encountered significant resistance from debtors when seeking information on the various projects, I have obtained orders from the Supreme Court to conduct a public examination of the director of one of the debtors and an order requiring the debtor company to provide any related documents, including electronic documents.
- 4.6 I anticipate that the public examination process will be of assistance with recovery of other debts owed to the company.

Cash at bank

- 4.7 I have realised \$55,168.75 being the balance of funds held in the company's Bankwest account as at the date of my appointment.

Sale of plant and equipment

- 4.8 I have now realised substantially all of the company's plant and equipment, including the Meva systems. See Section 6 below for further information regarding the realisation of the plant and equipment that I considered vested in me upon my appointment as liquidator.

5. Investigations and recoveries

- 5.1 The following is a summary of my investigations into the company's affairs.

Related party transactions

- 5.2 From my investigations, I determined that there were a number of related party transactions which may have been voidable transactions.
- 5.3 In order to achieve the settlement agreement (see Section 6), various related parties have been released from being pursued for any further claims by the company.
- 5.4 For creditors' information, the company's director is not a party to the settlement and therefore has not been released. My investigations into claims against the director are ongoing.

Voidable transactions

- 5.5 On the face of it, there are several potential voidable transactions which I will seek to recover against various parties who have dealt with the company. Please refer to my Report to Creditors dated 14 December 2022 for a summary of the most common recovery actions available to a liquidator.
- 5.6 Once my investigations into potential voidable transactions have been finalised, I will begin recovery actions in this regard.

5. Investigations and recoveries (cont.)

Insolvent trading

- 5.7 As noted above, further investigations are required in respect of the company's potential claims against the director. However, I have determined that the company was insolvent from at least 1 July 2020, and was likely insolvent for a significant period prior to this date.
- 5.8 Pursuant to Section 588G of the Act, continuing to incur new debts while a company is insolvent can lead to the company's directors becoming personally liable for those debts, unless the directors are able to avail themselves of one or more of the defences to insolvent trading.
- 5.9 I expect to finalise my investigations into the company's insolvency shortly, whereupon I will be in a position to provide creditors with further advice in this regard.

6. Settlement - vested plant and equipment

- 6.1 As noted above, I have negotiated a settlement agreement with the related entity Palebay Holdings Pty Ltd ATF Palebay Holdings Unit Trust ("Palebay"), its adviser and its solicitors in respect of sale proceeds following the sale of assets by Palebay that I considered vested in Crown upon my appointment as liquidator.
- 6.2 Palebay is a related entity because the wife of Crown's director is the sole director and shareholder of Palebay.
- 6.3 Pursuant to the terms of the settlement agreement, the contents and substance of the settlement are commercially sensitive, and are therefore confidential.
- 6.4 However, I note that following extended negotiations and receipt of extensive legal advice, the settlement sum of \$150,000 was received.

7. Secured creditors

All creditors registered on the PPSR at the time of my appointment have either been discharged, found to be invalid, disclaimed or there was no equity remaining in the assets in the company's possession.

8. Priority creditors

- 8.1 As noted in my Report to Creditors dated 3 May 2023 the Department of Employment and Workplace Relations' Fair Entitlements Guarantee Scheme ("FEG") has made payments totalling \$174,068.97 to eligible employees of the company. Accordingly, FEG has a subrogated claim in the liquidation for this amount.
- 8.2 On the basis of information obtained to date, I estimate that employees are owed an additional \$55,697.11 in respect of amounts that were not claimed through the FEG program.

8. Priority creditors (cont.)

- 8.3 Additionally, the Construction Industry Long Service Leave Payments Board has lodged a claim for \$353.01.
- 8.4 The Australian Taxation Office (“ATO”) is yet to submit a claim in the liquidation in respect of the company’s outstanding superannuation (refer Section 10.3 below).

9. Unsecured creditors

- 9.1 To date, I have received 38 Proofs of Debt totalling \$3,540,401.91.
- 9.2 The ATO has now lodged a claim for \$2,064,497.76, which is included in the above amount.
- 9.3 Please find enclosed a Proof of Debt or Claim form to enable any unsecured creditors who have not already done so to lodge their claim.

10. Dividend

- 10.1 As noted in my Report to Creditors dated 3 May 2023, the likelihood that a dividend will be paid to creditors will be affected by a number of factors including:
- (i) The size and complexity of the administration.
 - (ii) The amount of assets realisable and the costs of realising those assets.
 - (iii) The statutory priority of certain claims and costs.
 - (iv) The value of various classes of claims including secured, priority and unsecured creditor claims.
 - (v) The volume of enquiries by creditors and other stakeholders.
- 10.2 Based on my recoveries to date, I expect to be in a position to pay an interim dividend to priority creditors within the next three months.
- 10.3 I will be liaising with the ATO in the interim in order to finalise their claim in the liquidation for outstanding superannuation and BAS.

11. Liquidator’s remuneration

- 11.1 Please refer to Annexure A, my Remuneration Approval Report, for details of the Liquidator’s remuneration and disbursements incurred.
- 11.2 To date, remuneration totalling \$148,874 plus GST (including \$7,280 paid by FEG for assistance with the adjudication of employees’ claims) has been approved and paid.
- 11.3 In accordance with my Remuneration Approval Report dated 29 November 2023, my remuneration to 31 October 2023 incurred in excess of the amount already approved and paid is \$70,451.50 plus GST.

11. Liquidator's remuneration (cont.)

- 11.4 My estimated remuneration for the period 1 November 2023 to the conclusion of the liquidation is \$75,000.
- 11.5 Accordingly, I am seeking approval of my current unpaid and future remuneration.
- 11.6 Please note that it is in the best interests of the creditors of the company to submit the Notices of Proposal for the above approvals. If my remuneration is not approved, I will incur further costs in seeking the required approval, diminishing the funds available for a distribution to creditors.

12. Proposals to creditors

- 12.1 Attached to this Report are Notice of Proposal to Creditors forms for creditors to complete and return to my office.
- 12.2 A summary of the Notice of Proposal to Creditors forms is as follows:

No.	Approval requested	Section ref.
1	Current remuneration	11.3
2	Future remuneration	11.4

- 12.3 Creditors are invited to vote "yes" or "no" on these proposals by returning them to this office no later than 4:00pm on Wednesday, 20 December 2023.

If you wish to discuss the above matters, please contact David Blanchett or Shaun Carrington of this office.

Yours faithfully



JENNIFER E. LOW
Liquidator of
Crown Construction Services Pty Ltd

**CROWN CONSTRUCTION SERVICES PTY LTD (In Liquidation)
ACN 109 656 304 (“the company”)**

**ATF CROWN CONSTRUCTION SERVICES UNIT TRUST
(Receiver and Manager Appointed)
ABN 49 897 453 915**

REMUNERATION APPROVAL REPORT

This Remuneration Approval Report provides you with the information you need to be able to make an informed decision regarding the approval of my remuneration for undertaking the liquidation of the company. This report has the following information included:

Part 1: Declaration	1
Part 2: Executive summary	1
Part 3: Remuneration	
3.1 Remuneration claim resolutions	2
3.2 Details of remuneration	2
3.3 Total remuneration reconciliation	8
3.4 Likely impact on dividends	9
Part 4: Disbursements	9
Part 5: Summary of receipts and payments	10
Part 6: Queries	10
Part 7: Approval of remuneration	11

Part 1: Declaration

I, Jennifer E. Low, of Sheridans, have undertaken a proper assessment of this remuneration claim for my appointment as Liquidator of the company in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work to be properly performed in the conduct of the liquidation.

Part 2: Executive summary

To date, remuneration totalling \$148,874.00 plus GST has been approved and paid in this administration. This Remuneration Report details approval sought for the following:

Period	Report reference	Amount (excl. GST) \$
Resolution 1: Remuneration 1 May 2023 to 31 October 2023 (unapproved)	Part 3	70,451.50
Resolution 2: Remuneration 1 November 2023 to conclusion of the liquidation*	Part 3	75,000.00
* Approval for future remuneration sought is based on an estimate of the work necessary to the completion of 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 of the remuneration and internal disbursements approval sought.

Part 3: Remuneration

3.1 Remuneration claim resolutions

I will be seeking approval of the following resolution to approve my current unpaid remuneration for the period 1 May 2023 to 31 October 2023:

- (1) *That the Liquidator's remuneration incurred in excess of the current approval of \$148,874.00, calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved for the period 1 May 2023 to 31 October 2023 in the sum of \$70,451.50 plus GST.*

I will be seeking approval of the following resolution to approve my remuneration for the period 1 November 2023 to the conclusion of the liquidation:

- (2) *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 for work of this nature, be approved for the period 1 November 2023 to the conclusion of the liquidation in the sum of \$75,000.00 plus GST. The standard scale rates will be increased in accordance with the CPI at 1 August each year, rounded up to the nearest \$.*

3.2 Details of remuneration

Resolution 1: 1 May 2023 to 31 October 2023

The table below provides a detailed description of the work undertaken in each major task area for the period 1 May 2023 to 31 October 2023.

Task area	General description	Specific description
Assets 82.7 hours \$29,535.50	Plant and equipment	Correspondence with the director regarding sale of plant and equipment including confirming location and ownership Correspondence with related parties and their legal representatives regarding ownership of assets and claims to the assets Attendance to negotiations with related parties regarding claims to the assets Discussions with solicitors regarding the company's right to the assets and resulting proceeds Reviewing asset listings
	Debtors	Reviewing and updating schedule of debts and monitoring schedule Extensive correspondence with pre-appointment debtors in order to recover debts owed to the company Negotiations with pre-appointment debtors and their representatives in respect of outstanding debts and counter claims Extensive correspondence with pre-appointment debtors regarding retention amounts withheld Reviewing company records and correspondence with the director to verify pre-appointment debtor responses Reviewing construction contracts Reviewing company's records to determine unbilled WIP amounts Liaising with solicitors regarding collection of pre-appointment debts
	Other assets	Tasks associated with realising other assets

Part 3: Remuneration (cont.)

Task area	General description	Specific description
Creditors 16.7 hours \$3,799.00	Creditor enquiries, requests & directions	Receive and respond to creditor enquiries Maintaining creditor request log Considering reasonableness of creditor requests Compiling information requested by creditors
	Secured creditor reporting	Correspondence with PPSR creditors Responding to secured creditor's queries Liaising with solicitors regarding PPSR registrations
	Creditor reports	Preparing Reports to Creditors
	Dealing with Proofs of Debt	Receipting and filing POD when not related to a dividend Corresponding with OSR and ATO regarding POD when not related to a dividend Adjudicating POD on creditors' request
	Proposals to creditors	Preparing proposal notices and voting forms Forward notice of proposal to all known creditors Reviewing votes and determining outcome of proposal Preparation and lodgement of proposal outcome with ASIC
Employees 6.2 hours \$1,284.50	Employee enquiries	Receive and follow up employee enquiries via telephone Maintain employee enquiry register Review and prepare correspondence to creditors and their representatives Preparation of letters to employees advising of their entitlements and options available
	FEG	Correspondence with FEG Preparing verification spreadsheet Preparing FEG quotations Completing FEG questionnaires Reconciling FEG POD with amounts paid to employees by FEG
	Calculation of entitlements	Calculating employee entitlements Reviewing employee files and company's books and records Reconciling superannuation accounts Reviewing enterprise bargaining agreement and awards
Investigation 126.3 hours \$27,525.50	Conducting investigation	Reviewing company's books and records Reviewing company's financial statements Conducting and summarising statutory searches Correspondence with various stakeholders regarding areas requiring investigation Review of company's bank statements for notable transactions Determining date of the company's insolvency Reviewing transactions with related parties and creditors to identify any voidable transactions
	Examinations	Preparing brief to solicitor Liaising with solicitors regarding proposed examinations
	Litigation / Recoveries	Internal meetings to discuss status of litigation Preparing brief to solicitors Liaising with solicitors regarding recovery actions Attending to negotiations Attending to settlement matters

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Part 3: Remuneration (cont.)

Task area	General description	Specific description
Administration 32.8 hours \$8,307.00	Correspondence	General correspondence
	Document maintenance/file review/checklist	Six-monthly administration reviews Filing of documents File reviews Updating checklists
	Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers
	Appointment as Receiver & Manager	Correspondence with solicitors regarding requirements for application to Court Prepare affidavit and supporting documents for Court application Review Orders received and preparation of report pursuant to Orders
	Bank account administration	Requesting bank statements Bank account reconciliations
	ASIC Form 524 and other forms	Preparing and lodging ASIC forms Correspondence with ASIC regarding statutory forms
	ATO and other statutory reporting	Preparing BAS
	Planning / Review	Discussions regarding status of administration
Books and records / storage	Dealing with records in storage Sending job files to storage	

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Part 3: Remuneration (cont.)

The total fees incurred for the period 3 October 2022 to 31 October 2023, being \$219,325.50, includes fees of \$148,874.00 which have already been approved by creditors. I am seeking approval of the remuneration incurred that exceeds the current approval for this period, being \$70,451.50 (i.e. \$219,325.50 less \$148,874.00).

Calculation of remuneration

Employee	Position	\$ /hour (excl. GST)	Total Hrs	Total \$	Task area									
					Assets		Creditors		Employees		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
J. Low	Principal	540	56.0	30,240.00	26.6	14,364.00	9.2	4,968.00	2.9	1,566.00	5.5	2,970.00	11.8	6,372.00
D. Blanchett	Director	435	81.7	35,539.50	75.4	32,799.00	1.4	609.00	-	-	3.6	1,566.00	1.3	565.50
M. Ledger	Manager	310	99.2	30,752.00	38.6	11,966.00	17.7	5,487.00	5.0	1,550.00	17.9	5,549.00	20.0	6,200.00
S. Carrington	Senior 1	235	252.9	59,442.50	163.5	38,153.50	13.0	2,997.00	3.9	877.50	65.4	15,817.00	7.1	1,597.50
N. D'Alesio	Intermediate 1	179	274.7	49,116.50	83.5	14,683.50	45.8	8,161.00	48.4	8,663.00	77.2	14,080.50	19.7	3,528.50
M. Ryan	Graduate	150	94.9	14,235.00	12.1	1,815.00	10.3	1,545.00	4.4	660.00	46.8	7,020.00	21.3	3,195.00
Sub-total			859.4	219,325.50	399.7	113,781.00	97.4	23,767.00	64.6	13,316.50	216.4	47,002.50	81.2	21,458.50
Less: fees already approved				(148,874.00)										
Total				70,451.50										
GST				7,045.15										
Total (Incl. GST)				77,496.65										
Average hourly rate				255.21		284.67		244.01		206.14		217.20		264.27

Part 3: Remuneration (cont.)**Resolution 2: 1 November 2023 to the conclusion of the liquidation**

The table below provides a detailed description of the work expected to be undertaken in each major task area for the period 1 November 2023 to the conclusion of the liquidation.

Task area	General description	Specific description
Assets \$20,000	Plant and equipment	Attendance to negotiations and settlements regarding the company's claims to assets
	Debtors	Maintaining debtor schedule Correspondence with debtors Correspondence with pre-appointment debtors in order to recover debts owed to the company Negotiations with pre-appointment debtors and their representatives in respect of outstanding debts Correspondence with pre-appointment debtors regarding retention amounts withheld Reviewing company records and correspondence with the director to verify pre-appointment debtor responses Liaising with solicitors regarding collection of pre-appointment debts
	Other assets	Tasks associated with realising other assets
Creditors \$5,000	Creditor enquiries, requests & directions	Receive and respond to creditor enquiries Maintaining creditor request log Considering reasonableness of creditor requests Obtaining legal advice on requests Documenting reasons for complying or not complying with requests or directions Compiling information requested by creditors
	Creditor reports	Preparing general reports to creditors
	Dealing with Proofs of Debt	Receipting and filing POD when not related to a dividend Corresponding with OSR and ATO regarding POD when not related to a dividend
	Meeting of Creditors (if applicable)	Preparation of meeting notices, proxies and advertisements Forward notice of meeting to all known creditors Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting Preparation and lodgement of minutes of meetings with ASIC Responding to stakeholder queries and questions immediately following meeting
	Proposals to creditors	Preparing proposal notices and voting forms Forward notice of proposal to all known creditors Reviewing votes and determining outcome of proposal Preparation and lodgement of proposal outcome with ASIC
Employees \$2,000	Employee enquiries	Receive and follow up employee enquiries via telephone Maintain employee enquiry register Review and prepare correspondence to creditors and their representatives via facsimile, email and post Preparation of letters to employees advising of their entitlements and options available Receive and prepare correspondence in response to employee's objections to leave entitlements
	FEG	Correspondence with FEG Preparing verification information
	Calculation of entitlements	Calculating employee entitlements Reviewing employee files and company's books and records Reconciling superannuation accounts

Part 3: Remuneration (cont.)

Task area	General description	Specific description
Investigation \$28,000	Conducting investigation	Detailed review of the company's books and records Review and preparation of company nature and history Preparation of comparative financial statements Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with directors regarding certain transactions Preparation of investigation file Lodgement of investigation with ASIC Preparation and lodgement of supplementary report if required
	Examinations	Preparing brief to solicitor Liaising with solicitors regarding examinations Attendance at examination Reviewing examination transcripts Liaising with solicitors regarding outcome of examinations and further actions available
	Litigation / Recoveries	Internal meetings to discuss status of litigation Preparing brief to solicitors Liaising with solicitors regarding recovery actions Attending to negotiations Attending to settlement matters
	ASIC reporting	Preparing statutory investigation reports Preparing affidavits seeking non-lodgement assistance Liaising with ASIC
Dividend \$10,000	Processing proofs of debt	Preparation of correspondence to potential creditors inviting lodgement of POD Receipt of POD Maintain POD register Adjudicating POD Request further information from claimants regarding POD Preparation of correspondence to claimant advising outcome of adjudication
	Dividend procedures	Preparation of correspondence to creditors advising of intention to declare dividend Advertisement of intention to declare dividend Preparation of dividend calculation Preparation of correspondence to creditors announcing declaration of dividend Advertise announcement of dividend Preparation of distribution Preparation of dividend file Preparation of payment vouchers to pay dividend Preparation of correspondence to creditors enclosing payment of dividend
Administration \$10,000	Correspondence	General correspondence
	Document maintenance/file review/checklist	Six-monthly administration reviews Filing of documents File reviews Updating checklists
	Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding ongoing insurance requirements Reviewing insurance policies
	Appointment as Receiver & Manager	Prepare reports to the Court as required Retire as Receiver & Manager
	Bank account administration	Preparing correspondence closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers

Part 3: Remuneration (cont.)

Task area	General description	Specific description
Administration (cont.)	ASIC forms	Preparing and lodging ASIC forms including 5022, 5602 etc. Correspondence with ASIC regarding statutory forms
	ATO and other statutory reporting	Preparing BAS
	Finalisation	Notifying ATO of finalisation Cancelling ABN / GST / PAYG registration Completing checklists Finalising WIP
	Planning / Review	Discussions regarding status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage

3.3 Total remuneration reconciliation

The table below sets out my remuneration previously approved in this administration together with the approvals being sought.

Task	\$			Total per task
	Fees previously approved	Approval sought for work done	Approval sought for future work	
Assets	84,245.50	29,535.50	20,000.00	133,781.00
Creditors	20,042.00	3,799.00	5,000.00	28,841.00
Employees	12,032.00	1,284.50	2,000.00	15,316.50
Investigation	19,403.00	27,525.50	28,000.00	74,928.50
Dividend	-	-	10,000.00	10,000.00
Administration	13,151.50	8,307.00	10,000.00	31,458.50
Total	148,874.00	70,451.50	75,000.00	294,325.50
Total remuneration previously approved				148,874.00
Total remuneration sought for work done and future work				145,451.50

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Part 3: Remuneration (cont.)

The table below provides reasons why this differs to the estimate of costs provided in my Report to Creditors dated 3 May 2023, which estimated a cost to complete the administration of \$248,874.00 (excl. GST).

Task	\$				
	Fees previously approved	Fee approval sought ^①	Total per task	Difference	Reasons for differences
Assets	84,245.50	30,000.00	133,781.00	19,535.50	Significant work in relation to pursuing the company's debtors Negotiations and settlement with related party regarding ownership of assets, proceeds of sale
Creditors	20,042.00	15,000.00	28,841.00	(6,201.00)	Fewer creditor queries were received than expected
Employees	12,032.00	5,000.00	15,316.50	(1,715.50)	Fewer employee queries were received than expected
Investigation	19,403.00	30,000.00	74,928.50	25,525.50	Detailed investigations into recoverable transactions, related party transactions and insolvent trading
Dividend	-	10,000.00	10,000.00	-	Likelihood of priority dividend not previously known
Administration	13,151.50	10,000.00	31,458.50	8,307.00	Extensive correspondence with solicitors regarding the Trust's Receivership, and associated Court applications
Total	148,874.00	100,000.00	294,325.50	45,451.50	

^① Further fee approval sought in my Report to Creditors dated 3 May 2023 was rejected by creditors.

3.4 Likely impact on dividends

A Liquidator is entitled to receive remuneration for necessary work that has been properly performed in relation to the liquidation.

A Liquidator must distribute any property realised in accordance with the prescribed order and priorities set out by Section 556 of the Corporations Act 2001. Given that a Liquidator's remuneration is generally afforded priority ahead of any distribution to creditors, any such payment of remuneration approved by creditors will reduce the funds available for distribution to creditors.

The quantum (if any) of the dividend to creditors is ultimately impacted by the Liquidator's remuneration, the asset realisations achieved by the Liquidator and the value of creditor claims admitted to participate in the dividend.

Part 4: Disbursements

Please refer to my Initial information for creditors dated 14 October 2022 for details of the types of disbursements.

I have undertaken a proper assessment of disbursements claimed in the administration, in accordance with the law and applicable professional standards. I am satisfied that the disbursements claimed are necessary and proper.

Part 4: Disbursements (cont.)

The following disbursements have been paid by the administration for the period 3 October 2022 to 29 November 2023. Any amount paid to my firm for externally provided services and cost is in reimbursement of a cost previously paid by my firm either because of a lack of funds in the administration at the time the payment was due, or because my firm was directly invoiced by the supplier. All of the below paid transactions appear in the receipts and payments listing included in my Report to Creditors dated 29 November 2023 as Liquidator's disbursements.

Disbursement	Basis	Total paid (excl. GST) \$
Externally provided non-professional services		
Advertisements	Cost	32.00
Parking	Cost	18.89
Searches	Cost	113.04
Stationery	Cost	90.09
Total		254.02
Internal disbursements		
ASIC levy	Fixed annual fee per appointment:	177.00
RP Data searches	Fixed fee per appointment:	105.00
Printing and photocopying	Cost/20 cents per page	1,870.00
Postage	Local & interstate:	\$1.50
	International:	Cost
	Other:	Cost
Telephone	National (incl. mobile):	\$1.00
	International:	Cost
Staff vehicle use	72 cents/per km	340.46
Total		2,776.56

Part 5: Summary of receipts and payments

Please refer to Section 3 of my Report to Creditors dated 29 November 2023 for details of receipts and payments in the liquidation to date.

Part 6: Queries

If you have any queries in relation to the information in this report, please contact Melissa Ledger or Shaun Carrington of this office.

General information is also available on the ARITA website at arita.com.au/creditors. ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at asic.gov.au (search for "insolvency information sheets").

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Part 7: Approval of remuneration

In summary, approval of the following proposals is being sought:

- (1) *That the Liquidator's remuneration incurred in excess of the current approval of \$148,874.00, calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved for the period 1 May 2023 to 31 October 2023 in the sum of \$70,451.50 plus GST.*
- (2) *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 for work of this nature, be approved for the period 1 November 2023 to the conclusion of the liquidation in the sum of \$75,000.00 plus GST. The standard scale rates will be increased in accordance with the CPI at 1 August each year, rounded up to the nearest \$.*

Attached are two Notices of Proposal to Creditors for the above resolutions. I would be grateful if you would complete each form and return them to this office by no later than 4:00pm on Wednesday, 20 December 2023.

Please note that it is in the best interests of the creditors of the company to submit the Notices of Proposal. If my remuneration is not approved, I will incur further remuneration in seeking the required approval, diminishing the funds available for a distribution to creditors.

If you require any assistance in completing the forms, please contact Melissa Ledger or Shaun Carrington of this office.

An information sheet concerning proposals without meetings can be found at the ARITA website, arita.com.au/creditors.

**CROWN CONSTRUCTION SERVICES PTY LTD (In Liquidation)
ACN 109 656 304 ATF CROWN CONSTRUCTION SERVICES UNIT TRUST
(Receiver and Manager Appointed) ABN 49 897 453 915
("the company")**

NOTICE OF PROPOSAL TO CREDITORS

Proposal for creditor approval

That the Liquidator's remuneration incurred in excess of the current approval of \$148,874.00, calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved for the period 1 May 2023 to 31 October 2023 in the sum of \$70,451.50 plus GST.

Reasons for the proposal and likely impact on creditors if passed

The proposal is a request to creditors for approval of my prospective remuneration. If my remuneration is approved, I will draw these funds from current and future funds available. This will reduce the dividend payable (if any) to creditors of the company. Failure to approve remuneration via circular resolution means that I shall be required to call a meeting of creditors to seek approval of my remuneration. This action will result in additional fees and costs for which I shall seek approval.

Vote on proposal

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. Please select the appropriate Yes, No or Object box referred to below:

- Yes I approve the proposal
No I do not approve the proposal
Object I object to the proposal being resolved without a meeting of creditors

Your claim against the company must be admitted by the Liquidator, for the purposes of voting, for your vote to count. Please select the option that applies:

- I have previously submitted a Proof of Debt and supporting documents
 I have enclosed a Proof of Debt and supporting documents with this form

Creditor details

Name of creditor: _____ ACN/ABN: _____

- I am not a related creditor of the company
 I am a related creditor of the company, relationship: _____

Address: _____

Name of creditor/authorised person: _____

Signature: _____ Date: _____

Please complete this document and return with any supporting documents by no later than 4.00pm on Wednesday, 20 December 2023 for your vote to be counted, by email to general@sheridansac.com.au or by facsimile to (08) 9221 9340. Completed forms may also be sent by post to PO Box Z5209, Perth WA 6831, although you should ensure these are sent in time to arrive by the date the vote closes.

CROWN CONSTRUCTION SERVICES PTY LTD (In Liquidation)
ACN 109 656 304 ATF CROWN CONSTRUCTION SERVICES UNIT TRUST
(Receiver and Manager Appointed) ABN 49 897 453 915
("the company")

NOTICE OF PROPOSAL TO CREDITORS

Proposal for creditor approval

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 for work of this nature, be approved for the period 1 November 2023 to the conclusion of the liquidation in the sum of \$75,000.00 plus GST. The standard scale rates will be increased in accordance with the CPI at 1 August each year, rounded up to the nearest \$.

Vote on proposal

Creditors have the option of approving, not approving or objecting to the proposal being resolved without a meeting of creditors. Please select the appropriate Yes, No or Object box referred to below:

- Yes I approve the proposal
No I do not approve the proposal
Object I object to the proposal being resolved without a meeting of creditors

Your claim against the company must be admitted by the Liquidator, for the purposes of voting, for your vote to count. Please select the option that applies:

- I have previously submitted a Proof of Debt and supporting documents
 I have enclosed a Proof of Debt and supporting documents with this form

Creditor details

Name of creditor: _____ ACN/ABN: _____

- I am not a related creditor of the company
 I am a related creditor of the company, relationship: _____

Address: _____

Name of creditor/authorised person: _____

Signature: _____ Date: _____

Please complete this document and return with any supporting documents by no later than 4.00pm on Wednesday, 20 December 2023 for your vote to be counted, by email to general@sheridansac.com.au or by facsimile to (08) 9221 9340. Completed forms may also be sent by post to PO Box Z5209, Perth WA 6831, although you should ensure these are sent in time to arrive by the date the vote closes.

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PROOF OF DEBT OR CLAIM

This is to state that the company was on 3 October 2022 and still is justly and truly indebted to _____ for:

\$ _____ and _____ cents

Date	Consideration (how the debt arose)	Amount \$	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 \$	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. ①

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. ①

① *Delete both if this proof is made by the creditor personally. Otherwise, strike out or leave, as appropriate.*

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

Date: _____

Signature: _____

Name: _____

Occupation: _____

Creditor's address: _____

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:
