



SHERIDANS
CHARTERED ACCOUNTANTS

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

Report to Creditors

Section 70-40

Insolvency Practice Rules (Corporations) 2016

3 May 2023

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1. Introduction

- 1.1 I refer to my appointment as Liquidator of Crown Construction Services Pty Ltd (“the company”) on 3 October 2022, my appointment as Receiver & Manager of the Crown Construction Services Unit Trust (“the trust”) on 11 November 2022, to my Initial information for creditors dated 14 October 2022, and to my Report to Creditors dated 14 December 2022.
- 1.2 The purpose of this report is to provide creditors with an update on the progress of the liquidation in accordance with Section 70-40 of the Insolvency Practice Rules (Corporations) 2016, and to advise creditors of the likelihood of a dividend being paid in the liquidation. I will also be requesting that you consider my detailed remuneration report and pass proposals to approve my remuneration.
- 1.3 Unless stated otherwise, all references to the company in this report should be taken to include the trust.

2. Receipts and payments

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

	\$
Receipts	
Cash at bank	55,168.75
Sale of plant and equipment	429,260.64
FEG payment for work done	7,820.00
GST (net)	30,761.14
	523,010.53
Payments	
Bank charges	41.20
Legal fees	33,072.15
Insurance	8,251.44
IT services	859.25
Direct costs relating to sale of assets:	
Agent’s fees	8,100.00
Auctioneer’s fees & disbursements	18,206.46
Forklift hire	455.79
Security services	852.50
Skip bin	892.00
Storage and transport	30,519.10
Valuations	12,485.00
Warehouse rent	10,000.00
Liquidator’s fees:	
General	27,272.73
FEG - determining employee claims	7,820.00
Liquidator’s disbursements:	
ASIC IF levy	177.00
Postage	100.10
Printing & photocopying	1,430.00
RP Data	105.00
Searches	39.91
Stationery	71.37
Statutory advertising	32.00
Telephone	120.16
Travel & parking	359.35
	161,262.51
Cash at bank as at 3 May 2023	361,748.02

3. Assets

- 3.1 Please refer to my previous reports to creditors for a summary of the company's assets. I provide an update as follows.
- 3.2 *Cash at bank*
- 3.2.1 The company's sole bank account has been closed and the full balance of \$55,168.75 has been received into the liquidation.
- 3.2.2 I do not expect any further receipts in respect of the company's cash at bank.
- 3.3 *Stock, plant & machinery*
- 3.3.1 As previously advised, the company held stock, plant and machinery ("equipment") in its possession at the date of liquidation, located across various construction sites and warehouses.
- 3.3.2 Further collection of the company's equipment has since occurred however, one final contractor continues to claim right to retain and use the equipment that remained on site at the date of liquidation.
- 3.3.3 Discussions with said contractor are ongoing, and legal advice is being sought in this regard.
- 3.3.4 Three auctions of the company's equipment have taken place to date. The gross proceeds received from the auctions totalled \$97,647.00 (plus GST).
- 3.3.5 In addition, some equipment has been sold outside of the auctions. The gross proceeds received from these separate sales totalled \$11,613.64 (plus GST).
- 3.3.6 I expect that further realisations of the company's equipment, if any, will be nominal.
- 3.4 *Meva Carofalt, Mammut and Automatic Climbing systems ("the Meva systems")*
- 3.4.1 As previously advised, the company owned specialised scaffolding equipment known as the Meva systems, and a valuation had been obtained from an industry expert.
- 3.4.2 A secondary valuation was then sought from an international valuation agency. At the same time, advice was received regarding the most appropriate sale strategy.
- 3.4.3 It was determined that a sale to the identified prospective buyer would save significant selling costs that would likely be incurred with a sale on the open market.

3. Assets (cont.)

3.4.4 Therefore, following extensive negotiations with the prospective buyer, a sale price of \$320,000.00 (plus GST) was agreed upon. I received payment of this amount in full on 11 April 2023.

3.5 *Pre-appointment debts*

3.5.1 As noted at point 3.4 of my Report to Creditors dated 14 December 2022, the information I have been able to obtain to date indicates the retentions owed to the company total \$321,481.63. However, each of the debtors has advised that they intend to invoke their right of set-off against amounts owed to the company.

3.5.2 Discussions with pre-appointment debtors are ongoing and legal advice has been sought to address the various issues that have been raised.

3.6 *Work in progress (“WIP”)*

3.6.1 Please refer to point 3.5 of my Report to Creditors dated 14 December 2022 for information regarding the company’s WIP.

3.6.2 Broad Construction (WA) Pty Ltd (“Broad”) has advised that it intends to apply its right of set-off against the \$85,064.00 of unbilled WIP.

3.6.3 My solicitor has engaged with Broad regarding both the unbilled WIP and the retentions.

3.7 *Contingent assets*

3.7.1 Further investigation has determined that the previously reported \$1,230,475.93 of variations and programme revision works (“the variations”) conducted by the company at the Casuarina Prison work site have been included in the progress claims to date.

3.7.2 Accordingly, I do not expect to make any further recovery in respect of variations.

4. Secured creditors

4.1 Please refer to Section 4 of my Report to Creditors dated 14 December 2022 for information regarding the company’s secured creditors.

4.2 I have since determined that the security interest registered by Novatec (WA) Pty Ltd is invalid.

4.3 There have been no other changes to the company’s secured creditors.

5. Priority creditors

- 5.1 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. FEG has a subrogated claim in the liquidation for this amount.
- 5.2 At this stage, I estimate that employees are owed an additional \$55,697.11 in respect of amounts that could not be, or were not, claimed through the FEG program.
- 5.3 The Australian Taxation Office is yet to submit a claim in the liquidation in respect of the company's outstanding superannuation.
- 5.4 If you were an employee of the company at the date of liquidation, or you have previously been employed by the company, you may be a creditor of the company for any or all of the following debts: outstanding wages, annual leave, long service leave, pay in lieu of notice, redundancy and/or superannuation.
- 5.5 If you are owed accrued entitlements, you may be eligible for assistance under FEG. For further information regarding FEG, please call the FEG hotline: 1300 135 040 or go to the website: www.employment.gov.au/fair-entitlements-guarantee-feg. **Former employees have only 12 months from the date of liquidation (i.e. 3 October 2022) to lodge a FEG claim and FEG has no discretion to extend this time.**
- 5.6 Please find enclosed a Proof of Debt or Claim form to enable any priority creditors who have not already done so to lodge their claim against the company. Note that any FEG claim must be lodged separately with FEG.

6. Unsecured creditors

- 6.1 Please refer to Section 6 of my Report to Creditors dated 14 December 2022 for information regarding the company's unsecured creditors.
- 6.2 To date, I have received 30 Proofs of Debt totalling \$1,171,211.84.
- 6.3 On the basis of current information, I estimate that the total amount owed to unsecured creditors is \$3,835,087.32.
- 6.4 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 against the company.

7. Dividend

- 7.1 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.
- 7.2 On the basis of current information, I consider it likely that a dividend will be paid to priority creditors, and unclear whether a dividend will be paid to unsecured creditors.
- 7.3 If a dividend is payable, creditors will be contacted prior to payment of the dividend and will be asked to lodge a Proof of Debt. This will formalise creditors' claims against the company.

8. Liquidator's remuneration and disbursements

- 8.1 Please refer to Annexure A, my Remuneration Approval Report, for details of my remuneration and disbursements incurred.
- 8.2 To date, remuneration totalling \$100,000.00 plus GST has been approved, and \$35,092.73 plus GST of my remuneration has been paid. As at 30 April 2023, I have incurred remuneration of \$148,874.00 plus GST.
- 8.3 I note that of my remuneration paid to date, \$7,820.00 plus GST was paid by FEG in consideration for verifying the company's outstanding employee entitlements. The balance has been paid from asset realisations.
- 8.4 In accordance with my Remuneration Approval Report dated 3 May 2023, my estimated remuneration for the period 1 May 2023 to the conclusion of the liquidation will be \$100,000.00 plus GST.
- 8.5 To date, internal disbursements totalling \$2,500.00 plus GST have been approved, and \$2,434.89 plus GST of my internal disbursements has been paid. As at 30 April 2023, I have incurred internal disbursements of \$2,696.08 plus GST.
- 8.6 In accordance with my Remuneration Approval Report dated 3 May 2023, my estimated internal disbursements for the period 1 May 2023 to the conclusion of the liquidation will be \$2,500.00 plus GST.

8. Liquidator's remuneration and disbursements (cont.)

- 8.7 Accordingly, I am seeking approval of my current unpaid and future remuneration, and for my current unpaid and future internal disbursements.
- 8.8 I propose to have my remuneration and internal disbursements approved by a proposal without a meeting. Four Notices of Proposal to Creditors are enclosed. **I request that you return to this office the completed Notices of Proposal to Creditors no later than 4:00pm Thursday, 25 May 2023.**
- 8.9 Please note that it is in the best interests of the creditors of the company to submit the Notices of Proposal. If my remuneration and disbursements are not approved, I will incur further remuneration in seeking the required approval, diminishing the funds available for a distribution to creditors.
- 8.10 **If you are yet to submit your claim in the liquidation, the Notice of Proposal to Creditors should be returned together with a Proof of Debt or Claim form and supporting documentation.**

If you wish to discuss the above matters, please contact Melissa Ledger 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:

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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 \$100,000.00 plus GST and internal disbursements totalling \$2,500.00 plus GST has been approved in this administration. This Remuneration Report details approval sought for the following:

Period	Report reference	Amount (excl. GST) \$
Resolution 1: Remuneration 3 October 2022 to 30 April 2023 (unapproved)	Part 3	48,874.00
Resolution 2: Remuneration 1 May 2023 to conclusion of the liquidation*	Part 3	100,000.00
Resolution 3: Internal disbursements 3 October 2022 to 30 April 2023 (unapproved)	Part 4	196.08
Resolution 4: Internal disbursements 1 May 2023 to conclusion of the liquidation*	Part 4	2,500.00
* 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 resolution

I will be seeking approval of the following resolution to approve my current unapproved remuneration for the period 3 October 2022 to 30 April 2023:

That the Liquidator's remuneration incurred in excess of the current approval of \$100,000.00, 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 3 October 2022 to 30 April 2023 in the sum of \$48,874.00 plus GST.

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

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 May 2023 to the conclusion of the liquidation in the sum of \$100,000.00 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: 3 October 2022 to 30 April 2023

The table below provides a detailed description of the work undertaken in each major task area for the period 3 October 2022 to 30 April 2023.

Task area	General description	Specific description
Assets 317.0 hours \$84,245.50	Cash at bank	Correspondence regarding funds held in bank accounts Receipt of cash at bank
	Plant and equipment	Attending sites to assess plant and equipment in the company's possession Correspondence with the director regarding sale of plant and equipment including confirming location and ownership Liaising with valuers to perform valuations Liaising with auctioneers and interested parties Negotiations with interested parties Reviewing asset listings Consideration of various sale strategies Arranging transport of plant and equipment to the company's premises Attendance at auctions Receipting proceeds from sale of plant and equipment

Part 3: Remuneration (cont.)

Task area	General description	Specific description
Assets (cont.)	Debtors	<p>Reviewing company records to determine pre-appointment debts</p> <p>Preparing schedule of debts and monitoring schedule</p> <p>Correspondence with pre-appointment debtors in order to recover debts owed to the company</p> <p>Negotiations with pre-appointment debtors and their representatives in respect of outstanding debts and counter claims</p> <p>Correspondence with pre-appointment debtors regarding retention amounts withheld</p> <p>Reviewing company records and correspondence with the director to verify pre-appointment debtor responses</p> <p>Reviewing construction contracts</p> <p>Reviewing company's records to determine unbilled WIP amounts</p> <p>Liaising with solicitors regarding collection of pre-appointment debts</p>
	Other assets	Tasks associated with realising other assets.
Creditors 81.1 hours \$20,042.00	Creditor enquiries, requests & directions	<p>Receive and respond to creditor enquiries</p> <p>Maintaining creditor request log</p> <p>Review and prepare initial correspondence to creditors and their representatives</p> <p>Considering reasonableness of creditor requests</p> <p>Compiling information requested by creditors</p>
	Secured creditor reporting	<p>Notifying PPSR registered creditors of appointment</p> <p>Correspondence with PPSR creditors</p> <p>Responding to secured creditor's queries</p> <p>Liaising with solicitors regarding PPSR registrations</p>
	Creditor reports	Preparing Initial information report and Statutory 3 month report to creditors
	Dealing with Proofs of Debt	<p>Receipting and filing POD when not related to a dividend</p> <p>Corresponding with OSR and ATO regarding POD when not related to a dividend</p> <p>Adjudicating POD on creditors' request</p>
	Proposals to creditors	<p>Preparing proposal notices and voting forms</p> <p>Forward notice of proposal to all known creditors</p> <p>Reviewing votes and determining outcome of proposal</p> <p>Preparation and lodgement of proposal outcome with ASIC</p>
Employees 58.4 hours \$12,032.00	Employee enquiries	<p>Receive and follow up employee enquiries via telephone</p> <p>Maintain employee enquiry register</p> <p>Review and prepare correspondence to creditors and their representatives</p> <p>Preparation of letters to employees advising of their entitlements and options available</p>
	FEG	<p>Correspondence with FEG</p> <p>Preparing verification spreadsheet</p> <p>Preparing FEG quotations</p> <p>Completing FEG questionnaires</p> <p>Reconciling FEG POD with amounts paid to employees by FEG</p>
	Calculation of entitlements	<p>Calculating employee entitlements</p> <p>Reviewing employee files and company's books and records</p> <p>Reconciling superannuation accounts</p> <p>Reviewing enterprise bargaining agreement and awards</p>
	Other employee issues	<p>Correspondence with Child Support</p> <p>Correspondence with Centrelink</p>
Investigation 89.8 hours \$19,403.00	Conducting investigation	<p>Collection and review of company books and records</p> <p>Reviewing company's books and records</p> <p>Reviewing company's financial statements</p> <p>Conducting and summarising statutory searches</p> <p>Correspondence with various stakeholders regarding areas requiring investigation</p> <p>Review of company's bank statements for notable transactions</p>

Part 3: Remuneration (cont.)

Task area	General description	Specific description
Investigation (cont.)	Litigation / Recoveries	Internal meetings to discuss status of litigation Preparing brief to solicitors Liaising with solicitors regarding recovery actions
Administration 48.4 hours \$13,151.50	Correspondence	General correspondence
	Document maintenance/file review/checklist	First month, then six-monthly administration reviews Filing of documents File reviews Updating checklists
	Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and 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	Preparing correspondence opening accounts Requesting bank statements Bank account reconciliations
	ASIC Form 524 and other forms	Preparing and lodging ASIC forms including 505, 524, 5602 etc. Correspondence with ASIC regarding statutory forms
	ATO and other statutory reporting	Notification of appointment 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 30 April 2023, being \$148,874.00, includes fees of \$100,000.00 which have already been approved by creditors. I am seeking approval of the remuneration incurred that exceeds the current approval for this period, being \$48,874.00 (i.e. \$148,874.00 less \$100,000.00).

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	42.4	22,896.00	20.8	11,232.00	8.1	4,374.00	2.6	1,404.00	4.2	2,268.00	6.7	3,618.00
D. Blanchett	Director	435	40.1	17,443.50	35.1	15,268.50	0.9	391.50	-	-	3.2	1,392.00	0.9	391.50
M. Ledger	Manager	310	76.7	23,777.00	37.0	11,470.00	15.0	4,650.00	4.5	1,395.00	7.7	2,387.00	12.5	3,875.00
S. Carrington	Senior 1	245	40.3	9,873.50	36.6	8,967.00	2.9	710.50	-	-	0.8	196.00	-	-
S. Carrington	Senior 2	225	125.9	28,327.50	95.2	21,420.00	9.4	2,115.00	3.9	877.50	10.3	2,317.50	7.1	1,597.50
N. D'Alesio	Intermediate 1	185	54.4	10,064.00	3.8	703.00	8.6	1,591.00	14.8	2,738.00	21.5	3,977.50	5.7	1,054.50
N. D'Alesio	Intermediate 2	175	170.3	29,802.50	76.4	13,370.00	31.2	5,460.00	29.1	5,092.50	22.0	3,850.00	11.6	2,030.00
M. Ryan	Graduate	150	44.6	6,690.00	12.1	1,815.00	5.0	750.00	3.5	525.00	20.1	3,015.00	3.9	585.00
Sub-total			594.7	148,874.00	317.0	84,245.50	81.1	20,042.00	58.4	12,032.00	89.8	19,403.00	48.4	13,151.50
Less: fees already approved				(100,000.00)										
Total				48,874.00										
GST				14,887.40										
Total (Incl. GST)				53,761.40										
Average hourly rate				250.33		265.76		247.13		206.03		216.07		271.73

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

Task area	General description	Specific description
Assets \$30,000	Plant and equipment	Liaising with valuers, auctioneers and interested parties Receipting proceeds from sale of plant and equipment (where applicable)
	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 \$15,000	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 \$5,000	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 \$30,000	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 (if applicable)	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

As noted in Section 9 of my Initial information for creditors dated 14 October 2022, it was estimated that my remuneration would exceed the initially approved amount of \$100,000.00 (excluding GST). My remuneration exceeded this amount for the following reasons:

- Significant amount of employee and creditor enquiries received.
- Significant work required to realise plant and equipment, including numerous site visits, work done to determine ownership of specific assets and prolonged negotiations in respect of the Meva assets.
- Significant correspondence with debtors and work required to determine amounts payable to the company.

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 and incurred by the administration for the period 3 October 2022 to 30 April 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 3 May 2023 as Liquidator's disbursements.

Disbursement	Basis	Total paid (excl. GST) \$	Total incurred (excl. GST) \$
Externally provided non-professional services			
Advertisements	Cost	32.00	32.00
Parking	Cost	18.89	18.89
Searches	Cost	39.91	39.91
Stationery	Cost	71.37	80.73
Total		162.17	171.53
Internal disbursements			
ASIC levy	Fixed annual fee per appointment:	177.00	177.00
RP Data searches	Fixed fee per appointment:	105.00	105.00
Printing and photocopying	Cost/20 cents per page	1,430.00	1,650.00
Postage	Local & interstate:	\$1.50	100.10
	International:	Cost	
	Other:	Cost	
Telephone	National (incl. mobile):	\$1.00	152.00
	International:	Cost	
Staff vehicle use	72 cents/per km	340.45	340.45
Total		2,272.71	2,524.55

I am seeking approval of the following resolution to approve my unpaid internal disbursements for the period 3 October 2022 to 30 April 2023:

That the Liquidator's internal disbursements incurred in excess of the current approval of \$2,500.00, charged at the standard rates set by Sheridans, plus any applicable GST, for work of this nature, be approved for the period 3 October 2022 to 30 April 2023 in the sum of \$196.08 plus GST.

I am also seeking approval of the following resolution to approve my internal disbursements for the period 1 May 2023 to the conclusion of the liquidation:

That the Liquidator's internal disbursements, charged at the standard rates set by Sheridans, plus any applicable GST, for work of this nature, be approved for the period 1 May 2023 to the conclusion of the liquidation to a limit of \$2,500.00 plus GST, and that the Liquidator be authorised to draw her disbursements on a monthly basis, or as required. The standard rates will be calculated on a cost basis, or a reasonable estimate of cost, and may therefore be amended from time to time.

Part 4: Disbursements (cont.)

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

Disbursements - Basis of recovery	
Disbursement	Rate (excl. GST)
ASIC IF Levy	\$177 per year
Faxes	Local: \$2.50 Interstate: \$4.00 International: \$4.00
Meeting room hire	\$170.00
Postage	Local and interstate: \$1.60 International: cost Other: cost
Printing and photocopying	20 cents/page
RP Data	\$105 on appointment
Searches	Cost
Storage	Cost
Telephone	National calls (inc. mobile): \$1.00 International: cost
Staff vehicle use	72 cents/per km
Statutory advertising	Cost

Part 5: Summary of receipts and payments

Please refer to Section 2 of my Report to Creditors dated 3 May 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").

Part 7: Approval of remuneration and disbursements

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

1. *That the Liquidator's remuneration incurred in excess of the current approval of \$100,000.00, 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 3 October 2022 to 30 April 2023 in the sum of \$48,874.00 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 May 2023 to the conclusion of the liquidation in the sum of \$100,000.00 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. *That the Liquidator's internal disbursements incurred in excess of the current approval of \$2,500.00, charged at the standard rates set by Sheridans, plus any applicable GST, for work of this nature, be approved for the period 3 October 2022 to 30 April 2023 in the sum of \$196.08 plus GST.*
4. *That the Liquidator's internal disbursements, charged at the standard rates set by Sheridans, plus any applicable GST, for work of this nature, be approved for the period 1 May 2023 to the conclusion of the liquidation to a limit of \$2,500.00 plus GST, and that the Liquidator be authorised to draw her disbursements on a monthly basis, or as required. The standard rates will be calculated on a cost basis, or a reasonable estimate of cost, and may therefore be amended from time to time.*

Attached are four 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 Thursday, 25 May 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 and disbursements are 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 - CURRENT REMUNERATION

Proposal for creditor approval

That the Liquidator’s remuneration incurred in excess of the current approval of \$100,000.00, 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 3 October 2022 to 30 April 2023 in the sum of \$48,874.00 plus GST.

Reasons for the proposal and likely impact on creditors if passed

The proposal is a request to creditors for approval of my current unapproved 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 Thursday, 25 May 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)
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NOTICE OF PROPOSAL TO CREDITORS - FUTURE REMUNERATION

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 May 2023 to the conclusion of the liquidation in the sum of \$100,000.00 plus GST. The standard scale rates will be increased in accordance with the CPI at 1 August each year, rounded up to the nearest \$.

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 Thursday, 25 May 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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NOTICE OF PROPOSAL TO CREDITORS - CURRENT INTERNAL DISBURSEMENTS

Proposal for creditor approval

That the Liquidator’s internal disbursements incurred in excess of the current approval of \$2,500.00, charged at the standard rates set by Sheridans, plus any applicable GST, for work of this nature, be approved for the period 3 October 2022 to 30 April 2023 in the sum of \$196.08 plus GST.

Reasons for the proposal and likely impact on creditors if passed

The proposal is a request to creditors for approval of my current unapproved internal disbursements. If this proposal 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 this proposal via circular resolution means that I shall be required to call a meeting of creditors to seek approval. 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 Thursday, 25 May 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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ATF CROWN CONSTRUCTION SERVICES UNIT TRUST
(Receiver and Manager Appointed)
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NOTICE OF PROPOSAL TO CREDITORS - FUTURE INTERNAL DISBURSEMENTS

Proposal for creditor approval

That the Liquidator’s internal disbursements, charged at the standard rates set by Sheridans, plus any applicable GST, for work of this nature, be approved for the period 1 May 2023 to the conclusion of the liquidation to a limit of \$2,500.00 plus GST, and that the Liquidator be authorised to draw her disbursements on a monthly basis, or as required. The standard rates will be calculated on a cost basis, or a reasonable estimate of cost, and may therefore be amended from time to time.

Reasons for the proposal and likely impact on creditors if passed

The proposal is a request to creditors for approval of my prospective internal disbursements. If this proposal 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 this proposal via circular resolution means that I shall be required to call a meeting of creditors to seek approval. 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 Thursday, 25 May 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)
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FORM 535 - FORMAL 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: _____
