

# Update to report to creditors dated 24 November 2015

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**ACN 000 237 678 Pty Ltd (In Liquidation),  
Formerly Custom Coaches (Sales) Pty Ltd, ACN 000 237 678  
“CCSPL”**

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## 1 Key messages

This update outlines amendments to our report to creditors dated 24 November 2015 (**the November 2015 Report**). This update should be read in conjunction with the November 2015 Report.

Section 3 of the November 2015 Report incorrectly included bank fees with respect to the OEM bonds as costs to be borne by the priority creditors rather than the secured creditor. Adjusting for this has resulted in the following amendments to the November 2015 Report:

- Bank fees charged to date with respect to the OEM bonds (estimated to be \$60k) have been deducted from funds held by the secured creditor (in the pre-appointment bank account) which increases cash available for priority creditors; and
- The future bank fees (estimated between \$34k and \$204k) have been removed as they are not costs of the Liquidation and will not be paid from circulating asset recoveries. We expect the secured creditor will continue to apply these against the pre-appointment bank accounts which they control and have applied a right of set-off against.

These amendments have impacted the expected returns to the secured creditor and priority creditors but do not impact the expectation of a nil return to unsecured creditors. The updated expected return to creditors is as follows:

- **Secured creditors** **85 - 88** cents in the dollar
- **Priority creditors** **93 – 96** cents in the dollar
- **Unsecured creditors** **nil** – no return

Refer to sections 2 and 3 of this update for further detail.

## 2 Updated Estimated Statement of Position (ESOP)

Set out below is the revised ESOP of CCSPL inclusive of the above amendments. All amounts are net of GST.

Revised Estimated Statement of Position as at 16 October 2015	Low scenario \$	High scenario \$
Cash at bank :		
Liquidators' account	1,891,063	1,891,063
Pre-appointment accounts	2,021,218	2,021,218
Less: Secured creditor right of set-off*	(1,478,912)	(1,478,912)
<b>Cash available</b>	<b>2,433,369</b>	<b>2,433,369</b>
<b>Less: Future costs</b>		
Liquidators' remuneration		
Liquidators' fees 01/03/2015 - 16/10/2015 (previously approved 24/04/2015)	(221,697)	(221,697)
Additional Liquidators' fees 01/03/2015 - 16/10/2015	(32,343)	(32,343)
Estimated future fees to completion	(250,000)	(100,000)
Total remuneration costs	(504,040)	(354,040)
Liquidators' disbursements	(20,000)	(10,000)
Legal fees	(40,000)	(10,000)
Adjustment with the Purchaser	(6,544)	(6,544)
Other contingencies	(100,000)	(30,000)
<b>Estimated assets available to priority creditors</b>	<b>1,762,786</b>	<b>2,022,786</b>
<b>Outstanding priority creditor claims</b>		
Reimbursement to FEG	(2,156,357)	(2,156,357)
Superannuation on notice	(36,011)	(36,011)
Entitlements over FEG limits	(32,398)	(32,398)
Employees not processed by FEG (excl. superannuation)	(58,978)	(58,978)
<b>Total priority creditor claims</b>	<b>(2,283,744)</b>	<b>(2,283,744)</b>
<b>Estimated surplus / (deficiency) for priority creditors</b>	<b>(520,958)</b>	<b>(260,958)</b>
<b>Funds available to unsecured creditors</b>	<b>-</b>	<b>-</b>

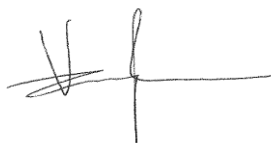
\* Secured creditor entitlement to funds in pre-appointment bank account. Surplus funds periodically swept into Liquidators' account.

## 3 Updated Receipts and Payments

Attached at **Appendix A** is the revised summary of receipts and payments inclusive of the above amendments. An accounting anomaly which effectively grossed up the Receipts and Payments by the value of pre-appointment debtors recovered during the Administration period has also been corrected. This correction has zero net impact to the receipts and payments.

If creditors have any queries regarding the contents of this update, or the liquidation in general, please do not hesitate to contact Muhammad Satti of this office on 02 9322 5683 or [customcoaches@deloitte.com.au](mailto:customcoaches@deloitte.com.au).

Yours faithfully



**Vaughan Strawbridge**  
Joint and Several Liquidator

## Appendix A – Receipts and Payments

ACN 000 237 678 Pty Ltd  
(formerly Custom Coaches (Sales) Pty Ltd)  
(In Liquidation)  
Summary of Receipts and Payments  
16 September 2014 to 15 September 2015

**RECEIPTS**

Sales	2,692,280.80
Other Income	16,297.26
Pre Appointment Debtors	770,090.46
Cash at Bank (on Appointment)	8,762,293.97
FEG Funds Received	2,115,835.16
Plant & Equipment	135,035.00
Rent Paid	32,914.36
Bank Interest	98,228.57
Debtor Funds Held in Trust for Custom Bus Australia (suspense account)	5,778.61
Stamp Duty	5,762.04
Fire Service Levy	5,092.11
<b>Total Receipts</b>	<b>14,639,608.34</b>

**PAYMENTS**

Purchases - Supplier Settlements	121,211.43
Credit Card Merchant Fee	410.11
Electricity and Gas	15,603.87
Lease Payments	8,081.02
Supplier Payments	254,576.24
Rates	1,834.26
Stationery & Printing	1,940.21
Sundry and Other Expenses	11,813.42
Security Deposits	50,000.00
Wages & Salaries	87,901.90
Superannuation	130,253.54
Employee Expense Reimbursement	1,383.50
Insurance (including Workers Compensation)	289,275.51
Professional Fees	27,216.35
Legal Fees	151,055.41
Legal Disbursements	60.96
Liquidators Remuneration	1,657,899.90
Liquidators Expenses / Disbursements	53,127.14
Bank Charges	34,700.42
Drawn down of bank guarantees	108,179.97
Suspense Account - Pre-Appointment Reversed Transactions	0.01
Distribution to Priority Creditors (Employees)	3,868,729.16
FEG Distribution	2,115,849.43
Net Apportionments with Purchaser - Custom Bus Australia	36,859.89
Customer Sales Holding Accounts	58,794.00
Payroll Tax	254,802.58
Fringe Benefits Tax Payable	14,804.20
GST Receivable	1,443,174.22
<b>Total Payments</b>	<b>10,799,538.65</b>
<b>Cash at Bank</b>	<b>3,840,069.69</b>
<b>Less Secured Creditor right of set-off</b>	<b>(1,478,912.03)</b>
<b>Net Cash at Bank</b>	<b>2,361,157.66</b>
Liquidators' account	1,823,809.96
Pre-appointment accounts	2,016,259.73
	<b>3,840,069.69</b>