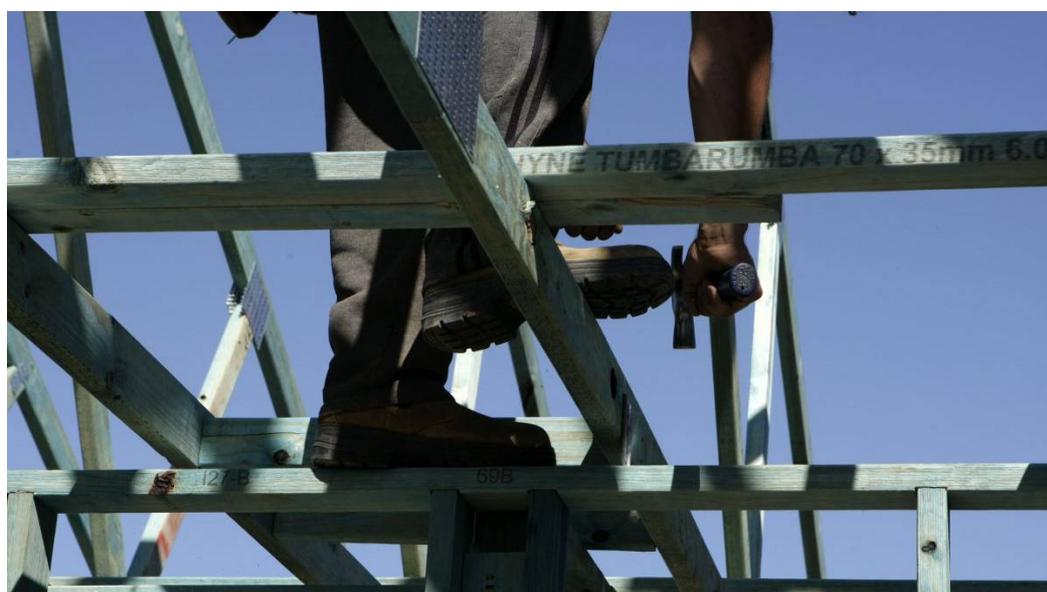


The Courier <sup>(1)</sup>

# Anger over debts left by Cavalier Homes closure

By RACHEL AFFLICK

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BALLARAT tradies, sub-contractors and suppliers have voiced their anger over the closure of Cavalier Homes Ballarat, which went into voluntary liquidation this month owing its creditors hundreds of thousands of dollars.

The family-owned Ballarat building company went into liquidation on March 6, leaving eight homes partially completed and a number of sub-contractors employed by the company unpaid.

The liquidator for the company, Worrells, met with creditors in Ballarat yesterday to provide an update on the situation.

One sub-contractor said he had inquired about the business within days of the liquidation and was told everything was OK.

Another creditor said he accumulated most of his bill two weeks before the business closed.

Speaking to creditors, Worrells regional manager Nathan Deppeler said the

liquidator would investigate the claims.

He estimated more than \$750,000 was owed.

“We will do a review to determine why the company failed,” he said.

“Many of you have had representations made to you that the company was OK. We will conduct an investigation into insolvent trading.”

Mr Deppeler said he met with the company directors for the first time on February 21, where liquidation was discussed.

The directors sought funding from a bank to keep the business going two days before officially appointing Worrells on March 6, he said.

Mr Deppeler also read out a statement from the directors, who did not attend the meeting.

In the statement the directors said they had looked at other options such as cutting costs to save the business.

“However every option we looked at could not ensure we could meet our financial obligations,” it said.

“The company was unable to raise the necessary funds to pay all debts due.”

Mr Deppeler said the company currently had \$85,000 in the bank which would be recovered and placed in a liquidation account.

While Cavalier Homes Ballarat is no longer part of the national company, Cavalier Homes Australia and New Zealand general manager Carmel Baker recently told The Courier they would ensure all contracts were met.

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