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PROPERTY
BUSINESS
SOLUTIONS



ABN 99 349 703 654

EMAIL TRANSMISSION

To Lockyer Valley Regional Council	Date November 24, 2011
Your Ref Ian Flint	Our Ref BWS 16132
Email Address iflint@lvrc.qld.gov.au dsellers@lvrc.qld.gov.au lknopke@lvrc.qld.gov.au mailbox@lvrc.qld.gov.au	Attachments <i>Nil</i>

**RE: PAUL MORRISON – KILDARE PASTORAL CO – RAINBOW REPAIRS – SBG
– STACEY EARTHMOVING – SMMP – LOCKYER VALLEY REGIONAL COUNCIL**

We act for:

- (a) Dean Hayes trading as Rainbow Recovery, Repairs & Services ("Rainbow Repairs");
- (b) Schriek Building Group Pty Ltd ("SBG");
- (c) Ken Stacey trading as Stacey Earthmoving ("Stacey Earthmoving"); and
- (d) SMMP Pty Ltd ("SMMP").

1. Relevant Background

We are instructed that:-

- 1.1 In January 2011, the townships and communities of Murphy's Creek, Ballard, Spring Bluff, the Upper Lockyer and Postman's Ridge suffered wide-spread devastation as a consequence of flooding.
- 1.2 Immediately upon the flood waters subsiding (on or around January 16, 2011) and through and until February 1, 2011 ("the Volunteer Period"), each of our clients voluntarily and without expectation of payment or reward:
 - (a) travelled to Murphy's Creek; and
 - (b) commenced providing general assistance, clean up and recovery work, rubbish removal and other ancillary works necessary to allow local residents to gain access to their flood damaged properties.

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- 1.4 Importantly, none of our clients previously sought or expected (and do not now seek or expect) payment for the labour and equipment provided by them during the Volunteer Period.
- 1.5 At the conclusion of the Volunteer Period, our clients were actively encouraged by various representatives of the LVRC to stay on and be engaged as paid contractors to continue the recovery works.
- 1.6 Various groups were then organised under single contractors engaged by the LVRC.
- 1.7 At that time LVRC purported to engage Popozash Pty Ltd trading as Kildare Pastoral Company through its ostensible director, Paul Joseph Morrison ("Morrison") to administer works in and around Murphy's Creek, Helidon and Postman's Ridge.
- 1.8 Our clients were then told that:
 - (a) they were to sub-contract to 'Kildare Pastoral Company' and operate under the direction of Mr Morrison; and
 - (b) they should submit their invoices to Mr Morrison for payment.
- 1.9 Notably, had the LVRC conducted a simple on-line search at that time, it would have revealed to the LVRC that:
 - (a) Morrison was not, and never had been, either a director or shareholder of Popazash Pty Ltd;
 - (b) Kildare Pastoral Co Pty Ltd was deregistered in 1993;
 - (c) there was not, and never had been, a business name "Kildare Pastoral Co" registered anywhere in this country;
 - (d) Morrison had no association with the only other similar business name (Kildare Pastoral Co) which appears on the record;
 - (e) the ABN supplied by Morrison (ABN 47 619 095 915) was in fact registered to his own personal name;
 - (f) Morrison:
 - (i) was (and remains) an undischarged bankrupt; and
 - (ii) had been made bankrupt on two previous occasions.
- 1.10 Plainly, LVRC made no such (or seemingly any) enquiry into Mr Morrison's background.
- 1.11 In the period from February 1, 2011 through and until March 17, 2011:
 - (a) Rainbow Recovery provided truck hire, skid steer hire and labour to the value of \$33,250.30 (none of which has been paid);

- (iii) there was not, and never had been, a business name "Kildare Pastoral Co" registered anywhere in this country;
 - (iv) Morrison had no association with the only other similar business name (Kildaire Pastoral Co) which appears on the record;
 - (v) the ABN supplied by Morrison (ABN 47 619 095 915) was in fact registered to his own personal name;
 - (vi) Morrison was invoicing the LVRC for works which had not, in fact, been carried out;
 - (vii) Morrison was invoicing the LVRC for payment for works which had been carried out by others;
 - (viii) Morrison was not paying his sub-contractors;
 - (ix) none of our clients had been paid for the work done to that date;
 - (x) Morrison intended to "do a runner" with the money he had extracted from LVRC and to not pay the contractors actually doing the work;
 - (xi) if LVRC paid Morrison any further monies it was inevitable that they would not be paid to our clients (or other contractors then owed money);
 - (xii) in the premises, LVRC should:
 - A. hold all payments to Morrison; and
 - B. make arrangements to pay our clients directly.
- (b) Mr Flint and/or Mr Chow stated, by words to that effect, that:
- (i) they were aware of the problems with Mr Morrison;
 - (ii) they were very concerned by Mr Morrison's apparently fraudulent activities;
 - (iii) a payment had just been released to Morrison;
 - (iv) LVRC would make no further payments to Mr Morrison or his associated entities;
 - (v) all invoices which had then been, or which were subsequently received from Mr Morrison, would be marked for "stop payment";
 - (vi) LVRC would investigate further;
 - (vii) LVRC would thereafter assume liability for, and pay directly, all invoices then unpaid;

1.25 At no time, did the LVRC:

- (a) make any enquiry with our clients, or any of them (or indeed any person other than Morrison himself) as to the veracity or otherwise of the Morrison Declarations;
- (b) advise our clients, or any of them, that the LVRC intended to release the Further Payments.

2. Our Clients' Position

2.1 It is our clients position that, notwithstanding the Representations, it is apparent that the LVRC:

- (a) was not concerned by Mr Morrison's apparently fraudulent activities;
- (b) did not put a 'stop payment' on further invoices received from Mr Morrison;
- (c) did not investigate, or properly investigate, Mr Morrison any further;
- (d) to the extent that the LVRC did investigate further, it seems that the 'investigation' was limited to:
 - (i) requesting Mr Morrison to swear a statutory declaration confirming that our clients had been paid;
 - (ii) making no enquiry of any other person (let alone our clients) as to the veracity of those statements; and
 - (iii) blindly relying on the Morrison Declarations despite having been told by our clients that Morrison was a convicted fraudster and undischarged bankrupt.
- (e) had no real intention of ensuring that all contractors were paid;
- (f) had no intention of paying our clients directly;
- (g) did not contact the Police to inform them of the matter and did not request that an investigation be commenced;
- (h) failed or neglected to contact each or any of our clients to obtain copies of the relevant invoice or to make arrangements for direct payment; and
- (i) knew (because you were told that they did), or ought to have known (because it was obvious), that our clients would rely on the Representations.

2.2 Our clients:

- (a) believed the Representations;



We also respectfully suggest that you notify your insurer.

Yours Faithfully,

Mahoney Lawyers

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Direct ph: 3007 3720
Email: ben.seccombe@mahoneylawyers.com.au

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We generally send attachments in either Microsoft Office (Word 2002) or Adobe Acrobat PDF. Please contact us if you have any difficulty opening any attachments.

Download free adobe acrobat reader at www.adobe.com/products/acrobat.

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SUG

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Broadbeach, QLD 4218
Ph: (07) 4630 5095
Fax: (07) 4630 5081
Mob: 0478 075 222
Or 0467 490 781

Email: info@popazash.com.au

Tax Invoice

Invoice To: **Bill Campbell**
Tax Date: **12/03/2011**

— 0438 587 559

Invoice No.

Job Address: **1502 Murphy's Creek Rd**
Murphy's Creek, Qld
4352.

Description: **2 days hire of 25 tonne excavator and operator @ \$1250 per day to complete the works listed below:**

Remove debris (logs, trees, and rubbish) from yard with 25 tonne excavator, and stack all combustible materials ready for burning, and place all other rubbish in piles ready for removal. Spread silt and soil dumped in yard by floods on the 10th January 2011.

Total Amount of Claim

Sub Total \$ 2500.00
GST (tax) \$ 250.00
Total \$2750.00

IMPORTANT: Any errors must be brought to the attention of POPAZASH PTY LTD & resolved within 48 hours of invoice issue as this is a payment claim made under the Building & Construction Industry Payments Act 2004 QLD.

Please Note Bank Account Details
Bank - Bank of Queensland
Bank Account No. 21023928
Bank BSB No. 124001

Balance Due: \$2750.00

POPAZASH PTY LTD/KILDARE PASTORAL CO.
ABN 47 619 095 915

ABN: 47 619 095 915
ACN: 145893394
ABN: 91 145 893 394
'GRAZING, CROPPING, CONTRACTING AND TRANSPORT'



P.O. Box 19
Withcott, QLD 4352
Ph: (07) 4630 5567
Fax: (07) 4630 5567
Mob: 0467 490 781

Email: info@kildarepastoral.com.au

Tax Invoice

Date: 11/05/11

Invoice To: **BILL CAMPBELL**

Invoice No. 20009

Job Address : 1502 Murphy's Creek Rd, QLD

For period: 16/3/2011-25/3/2011

Description:

MACHINERY USED	TIME (Hrs)	RATE/HR	SUBTOTAL
Tiptruck	4.5	\$90.00	\$405.00
SUBTOTAL			\$405.00
GST			\$40.50
TOTAL AMOUNT OF CLAIM			\$445.50

Payment due within 14 days.

IMPORTANT: Any errors must be brought to the attention of POPAZASH PTY LTD & resolved within 48 hours of invoice issue as this is a payment claim made under the Building & Construction Industry Payments Act 2004 QLD.

Please Note Bank Account Details
Bank - Bank of Queensland
Bank Account No. 21023928
Bank BSB No. 124001

Balance Due: \$445.50

If paying by cheque please make payable to Agstock Rural.

POPAZASH PTY LTD/KILDARE PASTORAL CO.
ABN 47 619 095 915

ABN: 47 619 095 915
'GRAZING, CROPPING, CONTRACTING AND TRANSPORT'



Tax Invoice

Date: 09/05/11

Invoice To: **Gerald Handley**
Job Address: 543 Murphy's Creek Road
Murphy's Creek, QLD, 4352
For Period: 12/03/11

Description:

Machinery Used	Time (Hrs)	Rate/HR	Subtotal
Excavator	4.5	\$125.00	\$562.50
SUBTOTAL			\$562.50
GST			\$56.25
TOTAL AMOUNT OF CLAIM			\$618.75

Payment due C.A.D

IMPORTANT: Any errors must be brought to the attention of Platinum Drilling and Transport P/L & resolved within 48 hours of invoice issue as this is a payment claim made under the Building & Construction Industry Payments Act 2004 QLD

Please Note Bank Account Details Bank - ANZ Bank Account # 183-692-985 Bank BSB # 014-567	Balance Due: \$618.75
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If paying by cheque please make payable to Platinum Drilling and Transport P/L

P.O Box 19 Withcott QLD 4532
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ABN: 44 152 691 891
ACN: 152 691 891
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