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# Cladding fire at high-rise building blamed for top architecture firm's liquidation



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One of Melbourne's top architecture firms is in liquidation, with its founder claiming work dried up after it was hit with legal demands relating to [the cladding-driven fire at the Lacrosse building](#) in Docklands more than nine years ago.

Liquidators to Elenberg Fraser are testing this version of events after a review of the group's books and records showed it was recording millions of dollars in revenue until 2023, while still facing solvency issues.



Callum Fraser in his office at Elenberg Fraser in 2013. JESSE MARLOW

Earlier this month, the firm's founder, Callum Fraser, filed a personal insolvency agreement, which will allow him to make a proposal to personal creditors owed \$19 million to resolve his financial difficulties and clear out his debts without formally entering bankruptcy.

Elenberg Fraser was once the architectural firm of choice for some of the country's largest residential and commercial developers. Along with the Lacrosse building, the firm was behind dozens of designs for some of Melbourne's most prominent newer buildings including the curvaceous, Beyonce-inspired Premier Tower on Spencer Street, the colourful A'Beckett

Tower near RMIT University, the original fitout for Vue De Monde and a range of projects in Perth, Brisbane and in Victoria's alpine country. Co-founder Zahava Elenberg, Fraser's ex-wife and a successful architect in her own right, left the business several years ago.

Elenberg Fraser was placed into liquidation late last year after court action by the Australian Taxation Office, which was chasing \$1.5 million in allegedly unpaid taxes by the group. The total amount owed by the firm to its creditors currently exceeds \$5.1 million.



The Lacrosse building in Docklands burns in November 2014. METROPOLITAN FIRE BRIGADE

Elenberg Fraser's only assets at the time of the collapse were a \$6 million loan to Fraser and two Porsches.

Fraser told liquidators that Elenberg Fraser had "ceased actively trading" for the three years before entering liquidation, according to a report filed with the corporate watchdog by the group's liquidator, Renee Di Carlo of accounting firm Romanis Cant in late January.

Fraser said the group had struggled after [the Victorian Civil and Administrative Tribunal found](#) in 2019 that the firm was partly financially responsible for the millions of dollars in damages arising from [the Lacrosse tower fire in November 2014](#), which was ignited by a cigarette left on a balcony but fuelled by combustible cladding.

Di Carlo said in the report to the creditor that she was conducting an investigation to verify these allegations.

"I note immediately that the financial statements do not reflect this, with sales being recorded for the company for the 2022 and 2023 years, for \$10m and \$6m respectively," Di Carlo wrote in her report.



An artist's impression of the Premier Tower project, that has since been built. Elenberg Fraser was behind the design.

“This does not appear consistent with the allegations made by the director that the company wasn’t generating new income or actively trading.”

Di Carlo is also investigating whether the group traded while insolvent given its only asset was a loan to Fraser that he now says was actually wages that did not need to be repaid.

The liquidator reconstructed Fraser’s books for the four years between 2020 and 2023, moving the loan from an asset to a cost to correlate with Fraser’s advice. Those reconstructed books show the company was potentially trading while insolvent.

Di Carlo has issued a demand to Fraser to repay the loan or to provide documents relating to the loan agreement, and tax returns to show the money withdrawn was declared as personal income.

Di Carlo told this masthead she was waiting to receive more information about the company’s affairs, so she could continue her inquiries.

Fraser set up a new architecture firm, Fraser & Partners, in April 2023. According to its website and social media pages, the new group is continuing to scout for residential and commercial development projects. It operated out of the same Queen Street office as Elenberg Fraser until December, according to liquidators from Romanis Cant.

Fraser’s new venture has since relocated to Chapel Street, South Yarra and many of the high-level architects working with Elenberg Fraser work at that business.

Fraser declined to comment on the liquidation due to legal advice.

Regarding his business legacy, Fraser said: “Our focus is on building in a very difficult environment. We remain immensely proud of the many things

that Elenberg Fraser have been a part of and continue to honour our responsibilities.”