

Initial information for creditors

Inception 13 Pty Ltd (In Liquidation) A.C.N. 165 015 305 (“the Company”)

The purpose of this document is to provide you with information about the liquidation of Inception 13 Pty Ltd (In Liquidation) and your rights as a creditor.

1. Information for creditors

1.1 Notification of appointment

I was appointed Liquidator of the Company on 16 October 2019 pursuant to an Order made by the Federal Court of Australia at NSW. The petitioning creditor, Deputy Commissioner of Taxation Pty Ltd (“ATO”), lodged a winding up application with the Federal Court of Australia on 12 September 2019.

A copy of my Declaration of Independence, Relevant Relationships and Indemnities (“DIRRI”) is attached as **Annexure A**. The DIRRI assists you to understand any relevant relationships that I have, and any indemnities or upfront payments that have been provided to me. I have considered each relationship and it is my opinion that none of the relationships disclosed in the DIRRI result in a conflict of interest or duty or affect my independence.

1.2 What is a court liquidation?

A court liquidation is where an order to place a Company into liquidation is made by the court. Usually this is on application of a creditor where the Company has not paid its outstanding debt. In most circumstances, this means that the Company is insolvent.

My role as Liquidator is to administer the affairs of the Company, realise the assets and pay dividends (if any). I am also required to investigate the affairs of the Company and report any offences to Australian Securities and Investment Commission (“ASIC”).

1.3 What happens to your debt?

According to the information available to me, you are or may be a creditor of the Company.

All creditors of the Company are now creditors in the liquidation. As a creditor, you have certain rights, although your debt will now be dealt with in the liquidation.

If you have leased the Company property, have a retention of title claim or hold a Personal Property Security in relation to the Company, please contact my staff as soon as possible.

1.4 Your rights as a creditor

Information regarding your rights as a creditor is provided in the information sheet included at **Annexure B**. This includes your right to:

- Make reasonable requests for a meeting;
- Make reasonable requests for information;
- Give directions to me;
- Appoint a reviewing liquidator; and
- To replace me as liquidator.

2. Summary of the Company's affairs

Below is a summary of the information available from ASIC for the Company.

Company Details		
Registration Date	26 July 2013	
Registered Office	34 Allowrie Street, Jamberoo NSW 2533	
Principal Place of Business	Shop B08 Carnes Hill Marketplace CNR Cowpasture & Horningsea Park NSW 2171	
Current Director	Appointed	Ceased
Sara Bradshaw	26 July 2013	-
Share Structure	Amount Paid	Amount Unpaid
2 Ordinary Shares	\$2.00	\$0.00
Current Shareholder	Shares Held/Type	Fully Paid
Justin Douglas Hand	1 Ordinary Share	Yes
Sara Jayne Hand	1 Ordinary Share	Yes

3. Update on liquidation to date

Since my appointment, numerous attempts were made to contact the Director for information on the Company, completion of the Report on Company Activities and Property ("ROCAP") and to collect books and records. On 18 October 2019, the Director contacted my office and advised that the Company's business was a Just Cut Franchise. The business ceased trading around June 2018. To date, I have not received the ROCAP or the Company's records from the Director.

I have also written to the Company's accountants Greg Rodgers & Associates and PRC Consulting to obtain books & records. On 22 October 2019, Greg Rodgers & Associates provided Company's records (Financial statement and tax return) for the financial year ended 2014.

Personal Properties and Securities Register ("PPSR") legislation became operational on 30 January 2012 and among other things replaced the previous system of security registration and retention of title. A search of the PPSR revealed following security interests registered

Security Interest Holder	Registration No	Collateral	PMSI
Australia and New Zealand Banking Group Ltd	201309030077325	Commercial	
Macquarie Leasing Pty Ltd	201404010037367	Motor Vehicle	Yes
Tyndall Capital Pty Ltd/Marketlend Pty Ltd.	201703210035069	Other goods	Yes

My investigations are continuing, in particular with the following:

- Breaches of director's duties under S180 of the Corporations Act 2001;
- Collection of books & records;
- Voidable transactions available to the liquidator;
- Insolvent trading;
- Investigating the Company's affairs; and
- Reporting to the corporate regulator, ASIC.

I will write to creditors further, within three months of my appointment, advising whether a dividend is likely and update creditors on the progress of my investigations.

Whilst I have only commenced my preliminary investigations into the Company, I am seeking creditors assistance in providing any additional information which may assist with further asset recoveries. Please contact Vincent Nguyen, of this office, by email at vnguyen@hogansprowles.com.au or by phone on (02) 8020 5872, if you have any information which may lead to further asset recoveries.

4. Costs of the liquidation

Included at **Annexure C** is my Initial Remuneration Notice. This document provides you with information about how I propose to be paid for undertaking the liquidation.

I am seeking approval of my proposed remuneration, without a meeting of creditors, via the following circular resolutions:

- Approve the current remuneration of the Liquidator for \$6,650 exclusive of GST (**Annexure D**);
- Approve the future remuneration of the Liquidator for \$38,350 exclusive of GST (**Annexure E**); and
- Approve the future disbursements of the Liquidator for \$2,000 exclusive of GST (**Annexure F**).

5. Further information

The Australian Restructuring Insolvency and Turnaround Association (“ARITA”) provides information to assist creditors with understanding liquidations and insolvency. This information is available from ARITA’s website at www.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 www.asic.gov.au (search for “insolvency information sheets”).

Should you have any questions in relation to this matter, please contact Vincent Nguyen, of this office, by phone on (02) 8020 5872 or via email vnguyen@hogansproawles.com.au.

DATED this 4th day of November 2019

Inception 13 Pty Ltd (In Liquidation)



Michael Hogan
Liquidator

Attachments

Annexure A	Declaration of Independence, Relevant Relationships and Indemnities
Annexure B	Information Sheet - Creditor Rights in Liquidation
Annexure C	Initial remuneration notice
Annexure D	Proposal 1: Liquidator’s current remuneration
Annexure E	Proposal 2: Liquidator’s future remuneration
Annexure F	Proposal 3: Liquidator’s future disbursements
Annexure G	Proof of Debt form
Annexure H	ARITA Information Sheet: Proposals without meeting
Annexure I	Liquidator’s Remuneration Report