

# Statutory Report by Liquidator

**Destiny Complete Pty Ltd (In Liquidation)**  
**(Formerly Hyland Investments Group Pty Ltd)**  
**ACN 124 674 871 (the Company)**

Monday, 4 March 2019

Cameron Crichton  
Liquidator  
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## Introduction

I refer to my initial correspondence to creditors dated 14 December 2018 in which I advised you of my appointment as liquidator and your rights as a creditor in the liquidation.

The purpose of this report is to:

- Provide an estimate of the assets and liabilities of the Company;
- Provide you with an update on the progress of the Liquidation;
- Brief you on further inquiries that need to be undertaken;
- Explain the causes of the Company's Failure;
- Advise you of likely recover actions;
- Advise you of the likelihood of a dividend being paid in the liquidation; and
- Provide an estimated timeframe for completion of the Liquidation.

I have relied on information provided from numerous sources to prepare the report, including information available from public sources, such as;

- Communication with the Director of the Company;
- Communications with the former Director of the Company;
- Discussions with the Secured Creditor; and
- Information available from public sources, such as, Australian Securities and Investments Commission (ASIC) and the Personal Property Securities Register (PPSR).

Whilst I have no reason to doubt the accuracy of any information, I have not performed an audit and reserve the right to alter my conclusions, should the underlying data prove to be inaccurate or change materially from the date of appointment.

## Update on the progress of the liquidation

### Company Affairs

The Company was incorporated on 29 March 2017 and has a registered office at The A Firm Financial Solutions Group Pty Ltd, Unit 5, 9-11 Lawrence Drive, Nerang, Queensland. The Company's former name was Hyland Investments Group Pty Ltd up until 16 September 2018.

The Director of the Company is required to complete and provide to the Liquidator a statement about the Company known as Report on Company Activities and Property (ROCAP). The ROCAP is a snapshot in time as at the date of my appointment of the assets and liabilities of the Company, disclosing book values and the Director's opinion on the estimated realisable value (ERV) for assets.

On 10 December 2018 a written request was issued to the Director Ana Perkunic and the former Director Mr. Jeffery John Kollen to complete the ROCAP for the Company. The following then occurred;

- 18 December 2018 – EzyDebts (advisors assisting the Director and Mr Kollen) requested an extension of time to deliver the ROCAP;
- 18 December 2018 – I requested that the Director clarify when the ROCAP was proposed to be delivered;
- 20 December 2018 - A second request was made to the Director to deliver a ROCAP;
- 21 December 2018 - EzyDebt requested an extension of time to 30 January 2019;

- 31 January 2019 - I again wrote to the Director and Mr Kollen by way of a final request for the ROCAP to be completed;
- 8 February 2019 - Mr. Kollen left a voice message requesting that we desist from sending our correspondence to him and referred our enquires to EzyDebt;
- 8 February 2019 - I again wrote to Mr. Kollen and advise Mr. Kollen of his obligations under the *Corporations Act 2001* (Cth) – Officers to help liquidator and requested the ROCAP be completed;
- 19 February 2019 - I received a ROCAP signed by the current Director Ana Perkunic. Part A of the ROCAP submitted did not contain any financial information.
- 25 February 2019 - I wrote to Ana Perkunic advising that the ROCAP was not accepted. Ms. Perkunic has until Tuesday, 5 March 2019 to provide a properly completed ROCAP.

On 1 March 2019 the Director provided the following:

- Provided access to the Xero online accounting records;
- A copy of financial statements as at 30 June 2016; and
- A GST and PAYG workpaper for FY17.

I am currently awaiting copies of the Company's bank account records from the ANZ bank.

As a consequence of the above, my ability to properly investigate the financial history and position of the Company has been limited.

My limited investigations to date suggest that the Company may have operated a property sales business in or around South East Queensland. It appears that the former Director (Jeff Kollen) is currently trading a business under the name Hyland Investment Corporation. The relationship between Hyland Investment Corporation and Destiny Complete Pty Ltd (Formerly Hyland Investment Group Pty Ltd) is currently being investigated.

Should the Director fail to provide the ROCAP by 5 March 2019 as requested, I will report them to ASIC.

### **Causes of the Company's Failure**

The Director and former Director of the Company are yet to provide a ROCAP or explanation for the circumstances of the Company's failure.

My preliminary investigations of the limited information provided to date suggest that the failure of the Company may be attributable to the following:

- Poor profitability (\$8.6k profit in FY16 and no apparent sales from April 2018);
- Poor liquidity / high cash usage; and
- Mismanagement of business operations.

Further investigation into the causes of the Company's failure will be undertaken if and when additional information becomes available.

### **Assets and liabilities**

#### **Cash at Bank**

On appointment, I wrote to all major Australian Financial institutions to try and locate any bank accounts held in the Company's name. On 1 March 2019 I was provided with the Bank account details for an account with ANZ bank. At the date of this report we are yet to receive copies of the Company's bank statements.

### **Employee Liabilities**

I understand from my investigations to date that the Company has employed staff. My preliminary review of the Xero records suggests that the staff remained employed by the Company up to the date of my appointment. I am currently seeking to determine the status of these employment contacts and the quantum of any employee liabilities.

Further investigations maybe required to assess the actual position of outstanding employee entitlements.

### **Receipts and Payments to date**

No receipts or payments have been processed in the Liquidation to date.

### **Investigations and recovery actions**

I have commenced my initial investigations in to the affairs of the Company prior to my appointment and any potential recovery actions that may be available to the Liquidator to pursue. Given the limited time that has passed in the Liquidation, and the limited information I have been provided to complete my investigation, further investigations will be undertaken.

Please find below a summary of my current view on the following matters:

- Director's obligations to assist the Liquidator;
- Director's obligations to maintain adequate books and records;
- Possible breaches of Director's duties;
- Insolvent trading' and
- Voidable transactions.

Please note that the merits of pursuing a claim against the Director is predicated by the financial position and ability of the Director to meet such a claim. Property searches indicate that the Director and a former Director (Ms Meghan Kollen resigned as Director on 1 March 2016) hold interests in residential properties on the Gold Coast.

### **Directors and Officers to assist the Liquidator**

Section 530A of the *Corporations Act 2001* (Clth) (the "Act") places a positive obligation on a director to assist the liquidator or provisional liquidator of a company. For the following reasons I do not believe that either the Director or former Director have complied with their obligation pursuant to s530A or the Act.

The Director, and Mr Kollen (former Director) has:

- Not returned a suitably completed ROCAP that details the financial position of the Company.

It is my intention to report this matter to ASIC should the Director and Mr Kollen fail to co-operate with my requests.

### **Director's obligations to maintain adequate books and records.**

The Company's Xero records appear to be relatively up to date and comprehensive and at this time I have no evidence that the Director has breached her obligations to maintain adequate books and records of the Company pursuant to s286 of the Act.

### **Insolvent trading**

I have reviewed both the cash flow and balance sheet tests of insolvency and based on my preliminary review of the Company's financial records, determined that the Company likely became insolvent on or around June 2015 based on the following factors:

- Prior trading losses;
- Deficiency of net current assets (Excluding related Loan accounts); and
- Outstanding Superannuation and ATO debt obligations from June 2015

Further investigations will have to be completed when current financial information is received to assess any potential insolvent trading claim.

### **Voidable transactions**

I have not been provided with adequate books and records to complete my investigations into whether any voidable transactions were entered into by the Company prior to my appointment.

### **Further inquiries to be undertaken**

I plan to undertake the following further investigations as additional financial information becomes available:

- Review trading history to determine the date the Company became insolvent and consider any potential insolvent trading claim;
- Identify and realise any Company assets;
- Determine the causes of the Company's failure and details of any sale of the Company's business;
- Identify potential preference payments;
- Ascertain quantum of debtors (including director loan accounts) and attempt recovery of same; and
- Identify any other voidable transactions.

## **Likelihood of a dividend**

Based on the limited information provided to date, I have been unable to identify any assets or claims that would support a dividend to any class of creditors in the liquidation.

Should the position change I will write to creditors to update them on the position.

## **Meetings held**

To date, I have not been required to hold and therefore have not held any meetings of the Company's creditors.

## **Cost of the liquidation**

As previously advised in my initial information to creditors, I had estimated that my total remuneration of the external administration would be I am seeking approval of remuneration of \$10,000 - \$20,000 excluding GST and outlays. This estimate of costs has not changed since my initial information to creditors was issued.

Due to the lack of realisable assets available to the Company, I do not expect there to be any realisations to discharge any of my remuneration incurred. Accordingly, I am not seeking approval to remuneration at this time. Should the position change in the future I will write to creditors again.

## What happens next in the liquidation?

I will proceed with the liquidation, including:

- Locating and realising assets;
- Obtaining books and records;
- Complete my investigations into the Company's affairs;
- Undertake a distribution to creditors of the Company, should funds permit; and
- Complete my reporting to the corporate insolvency regulator, the Australian Securities and Investments Commission (ASIC)

I may write to you again with further information on the progress of the liquidation.

I expect to have completed this liquidation within 6 to 12 months.

## Compliance with best practice

I confirm that this report complies with the requirements in the Insolvency Practice Rules (IPR), specifically IPR 70-40, as well as the statements of best practice issued by the Australian Restructuring Insolvency and Turnaround Association (ARITA) with regard to content of the Statutory Report by Liquidator.

## Where can you get more information?

You can access information which may assist you on the following websites:

- 1 ARITA at [www.arita.com.au/creditors](http://www.arita.com.au/creditors) (Refer Appendix A).
- 2 ASIC at [www.asic.gov.au](http://www.asic.gov.au) (Refer Appendix B).

There is also information about this liquidation on my firm's website: [www.grantthornton.com.au](http://www.grantthornton.com.au). Creditors are advised to search "Destiny Complete Pty Ltd" at the top of the webpage to easily navigate to reports.

Should you have any queries with respect to the above, you may also contact Barbara Proberts of my office on +61 7 3222 0368 or via email on [barbara.proberts@au.gt.com](mailto:barbara.proberts@au.gt.com).

Dated this 4<sup>th</sup> day of March 2019



Cameron Crichton  
Liquidator

### List of attachments

Appendix A – Summary of ARITA - Insolvency information sheet

Appendix B – Summary of ASIC - Insolvency information sheet

Appendix C – Form 535 - Proof of Debt

# Appendix A

Summary of ARITA – Insolvency information sheets



## Insolvency information sheets

The following information sheets provide information on corporate and personal insolvency (including bankruptcy).

### ARITA information sheets

ARITA has developed a range of information sheets designed to assist creditors with understanding insolvency processes.

#### Information on a company's insolvency

- [Creditor rights \(liquidation\)](#)
- [Creditor rights \(voluntary administration\)](#)
- [Remuneration of an external administrator](#)
- [Proposals without meetings](#)
- [Committees of Inspection](#)
- [Offences and recoverable transactions in a voluntary administration](#)

#### Information on a person's insolvency (bankruptcy)

- [Creditor rights](#)
- [Proposals without meetings](#)
- [Committees of Inspection](#)

### AFSA information sheets

AFSA and ARITA have jointly developed a resource for creditors on trustee fees.

[Creditor Information Sheet: Approving a Trustee's Fees](#)



# Appendix B

Summary of ASIC – Insolvency information sheets



**ASIC**  
Australian Securities &  
Investments Commission

## Insolvency information for directors, employees, creditors and shareholders

This information sheet (INFO 39) lists ASIC's information sheets for directors, employees, creditors and shareholders affected by a company's insolvency.

We have produced these with endorsement from the Australian Restructuring Insolvency & Turnaround Association (ARITA).

The information sheets give a basic understanding of the three most common company insolvency procedures – liquidation, voluntary administration and receivership – as well as the independence requirements for external administrators and approving external administrator remuneration. There is also a glossary of commonly used insolvency terms.

### List of information sheets

- [INFO 41](#) Insolvency: A glossary of terms
- [INFO 42](#) Insolvency: A guide for directors
- [INFO 43](#) Insolvency: A guide for shareholders
- [INFO 45](#) Liquidation: A guide for creditors
- [INFO 46](#) Liquidation: A guide for employees
- [INFO 54](#) Receivership: A guide for creditors
- [INFO 55](#) Receivership: A guide for employees
- [INFO 74](#) Voluntary administration: A guide for creditors
- [INFO 75](#) Voluntary administration: A guide for employees
- [INFO 84](#) Independence of external administrators: A guide for creditors
- [INFO 85](#) Approving fees: A guide for creditors

### Where can I get more information?

Further information is available from the [ARITA website](#). The ARITA website also contains the [ARITA Code of Professional Practice for Insolvency Practitioners](#).

This is **Information Sheet 39 (INFO 39)** updated on 1 September 2017. Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

Last updated: 01/09/2017 10:57

# Appendix C

Form 535 - Proof of Debt

Corporations Act (2001)

**FORMAL PROOF OF DEBT OR CLAIM  
(GENERAL FORM)**

To the Liquidator of Destiny Complete Pty Ltd (In Liquidation)

1 This is to state that the company was on 7 December 2018 (*date of court order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up*), and still is, justly and truly indebted to:

\_\_\_\_\_

(full name and address of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor) for

\$ \_\_\_\_\_ and \_\_\_\_\_ cents.

Date	Consideration (state how the Debt arose)	Amount \$ c	Remarks (include details of voucher substantiating payment)

2 To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: (*insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form*).

Date	Drawer	Acceptor	Amount \$c	Due Date

3 \* I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

4 \* I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

.....

Signature

Occupation:

Address:

Dated

Phone:

Email: