

**LIQUIDATOR'S ANNUAL REPORT TO CREDITORS OF
SPORTS ALIVE PTY LTD
(IN LIQUIDATION) (the company)
PURSUANT TO SECTION 508 OF THE CORPORATIONS ACT 2001 (the Act)
FOR THE YEAR ENDED 26 AUGUST 2015**

REPORT

1. Introduction

I refer to the appointment of Keith Sutherland and I as joint and several Liquidators of the company on 26 August 2011, and to my previous reports to creditors dated 23 March 2012, 23 November 2012, 16 May 2013 and 6 May 2014, and 26 February 2015.

I now provide this report on the conduct of the winding up for the year ended 26 August 2015, as required by Section 508 of the Corporations Act 2001.

2. Receipts and Payments

A summary of receipts and payments for the liquidation to date is enclosed.

There is currently \$808,241.52 held in the liquidation bank account and on term deposit. I expect that these monies will be expended in meeting the further costs of the winding up, in paying the claims of the priority creditors with respects to their outstanding employee entitlements including superannuation, and in paying a further distribution to the secured creditor.

3. Distribution to Creditors

As creditors have previously been advised, at this stage I expect that I will have sufficient monies available to pay the claims of the priority creditors in full, and a small further distribution to the secured creditor. There are presently insufficient monies to pay a dividend to unsecured creditors, including the account holders.

4. Investigations

As advised in my previous reports, I have investigated the following:

- Unfair Preferences,
- Insolvent Trading,
- Breach of Directors' Duties,
- Claims Against Unitholders, and
- Claim Against Tote Tasmania.

My investigations are continuing with regards to breaches of directors' duties. I am not pursuing claims against the unitholders or against Tote Tasmania or pursuing insolvent trading claims against the directors. I recovered a total of \$684,444.35 in respect of unfair preference claims.

Debtor collections in the liquidation to date total \$159,363.00 and I do not expect any further recoveries from debtors in the winding up, however recovery action against certain debtors is continuing.

5. Liquidator's Acts and Dealings

I have attended to the following matters during the year ended 26 August 2015:-

- settled unfair preference claims against BetOptions Pty Ltd, Bet 247 Pty Ltd and Tote Tasmania,
- pursued legal action against the company's outstanding debtors,
- liaised with solicitors regarding various recovery actions,
- prepared and lodged an annual report with ASIC, and forwarded a copy to creditors,
- responded to queries from employees, trade creditors and account holders, and
- attended to all ASIC and ATO lodgements.

6. Future Acts and Dealings/ Estimated Date of Completion

As required by the Corporations Act, set out below is a description of the acts and dealings that remain to be carried out in order to complete the winding up:

- complete my investigations into potential insolvent trading and other claims,
- issue proceedings in respect of various claims if it is commercially viable to do so,
- pay a dividend to priority creditors and the secured creditor,
- prepare further reports to creditors as required,
- convene a final meeting of the company's creditors, and
- finalise the liquidation.

Subject to my determination as to whether to pursue claims against the directors and the outcome of these potential claims, I expect that the liquidation may be finalised by 30 September 2016.

Should you have any queries, please do not hesitate to contact Yan Zhong of this office or myself.

DATED this 29th day of October 2015.



HAMISH MacKINNON
JOINT LIQUIDATOR

Encl.

Sports Alive Pty Ltd
(In Liquidation)

Receipts & Payments Summary
for the period ended 28 October 2015

Receipts:	
Cash at Bank	\$ 45,242.40
Accounts Receivable	159,363.20
Conduct Monies	50.00
GEERS Advance	413,693.96
GST Refund	318,111.33
Interest Income	55,808.43
Repayment of Charge Back Claims	16,639.00
Sale of Add-on Software	21,000.00
Sale of Plant & Equipment	4,744.94
Sale of Database	132,000.00
Sale of Domain Names	2,100.00
Sundry Receipt	300.00
Term Deposit Monies - Bendigo Bank	274,547.93
Term Deposit Monies - NAB	182,205.17
Unfair Preference Recoveries	684,444.35
Workcover Refund	1,231.53
GST Receipts	<u>84,371.00</u>

Total Receipts \$ 2,395,853.24

Payments:	
Advertising	\$ 2,202.44
ASIC Filing Fees	138.00
Auctioneer's Charges	1,992.10
Cartage	1,542.69
Computer Maintenance	462.00
Conduct Monies/ Examination Expenses	1,839.05
Courier	917.28
Distribution to Secured Creditor	81,082.19
Domain Name Renewals	177.00
FOI Application Fee	25.10
GEERS Distributions	413,691.96
GST Payable	3,433.00
Insurance	1,263.95
Internet Service	417.00
Legal Fees	524,957.50
Liquidators' Remuneration	495,000.00
Locksmith Fees	993.11
Mediation Costs	4,142.50
Mail Redirection	262.00
Mailout Expenses	19,605.46
Postage & Stationery	1,568.88
Printing & Copying	9,991.86
Professional Fees	8,545.64
Search Fees	1,666.07
Security & Protecting Assets	2,403.92
Storage of Assets	1,100.00
Security	528.00
Stamp Duty	71.40
Storage of Records	3,237.20
Sundry Expenses	172.71
Superannuation	91.80
Supreme Court Filing Fee	938.50
Telephone & Fax	676.47
Travel	932.00
Wages	<u>1,542.94</u>

Total Payments \$ 1,587,611.72

Net Receipts/ Cash at Bank \$ 808,241.52

Representated By:	
Liquidation Bank Account	\$ 285,027.03
Term Deposit	<u>523,214.49</u>

Total Cash at Bank \$ 808,241.52