

**LIQUIDATOR'S ANNUAL REPORT TO CREDITORS OF
SPORTS ALIVE PTY LTD
(IN LIQUIDATION)
ACN 069 087 332 - ABN 49 069 087 332
PURSUANT TO SECTION 508(1)(b)(ii)
OF THE CORPORATIONS ACT 2001
FOR THE YEAR ENDED THE 26 AUGUST 2016**

R E P O R T

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, 26 February 2015 and 11 November 2015.

I now provide this report on the conduct of the winding up for the year ended 26 August 2016, 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 \$764,253.58 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 2016:-

- continued my investigations and liaised with solicitors regarding recovery actions,
- corresponded to queries from employees, account holders and other creditors,
- attempted to ascertain the outstanding superannuation liability for the company,
- prepared and lodged an annual report with ASIC, and forwarded notice of the annual report to creditors, and
- attended to all other 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 regarding potential recovery claims,
- finalise my review of the company's outstanding superannuation liability, and pay the claims of the priority creditors in full,
- distribute further monies to the secured creditor, subject to funds being available,
- respond to creditor queries and 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 31 December 2017.

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

Dated this 14th of October 2016



HAMISH MacKINNON
JOINT LIQUIDATOR

Sports Alive Pty Ltd
(In Liquidation)

Receipts & Payments Summary
for the period ended 14 October 2016

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
GST Receipts	90,647.00
Interest Income	67,191.51
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
	<u>1,231.53</u>
Total Receipts	<u>\$ 2,413,512.32</u>
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 Priority Creditor	2,292.00
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	534,207.92
Liquidators' Remuneration	539,000.00
Locksmith Fees	993.11
Mediation Costs	4,142.50
Mail Redirection	262.00
Mailout Expenses	19,605.46
Postage & Stationery	2,114.55
Printing & Copying	13,478.29
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	5,292.87
Sundry Expenses	172.71
Superannuation	91.80
Supreme Court Filing Fee	938.50
Telephone & Fax	693.30
Travel	932.00
Wages	1,542.94
	<u>1,542.94</u>
Total Payments	<u>\$ 1,649,258.74</u>
Net Receipts/ Cash at Bank	<u>\$ 764,253.58</u>
Representated By:	
Liquidation Bank Account	\$ 230,230.10
Term Deposit	<u>534,023.48</u>
Total Cash at Bank	<u>\$ 764,253.58</u>