



Prime Fitness Limited (In Liquidation)

Liquidators' Second Report

For the period from 27 August 2019 to 27 February 2020

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Peri Micaela Finnigan, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed jointly and severally as liquidators of Prime Fitness Limited ("the company") by the High Court at Wellington on 27 August 2019.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This second report should be read in conjunction with the liquidators' previous report. This report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

A Statement of Realisations and Distributions is **attached**.

2 RESTRICTIONS

Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, revise this report in respect of any information existing at the date of this report which becomes known to us after that date.

3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

Asset Realisations

3.1 Gym Equipment

(Statement of Affairs: \$2,000)

To date no items of gym equipment have been identified as belonging to the company.

3.2 Inter Company Advances

(Statement of Affairs: \$Unknown)

Our review of the company bank statements indicate that there is an amount of approximately \$18,000 owed to the company by the related company, Shadow Academy Limited. The director has advised that Shadow Academy has no assets and is not trading.

3.3 *Bank Account Closure*

The amount of \$222 was recovered on closure of the company bank account.

3.4 *Funds Held for Gym Membership*

There was \$481 held on paid up Gym memberships.

4 INVESTIGATIONS

The liquidators are continuing their investigations into the books, records and affairs of the company.

5 CREDITORS' CLAIMS

5.1 *Secured Creditors*

No secured claims have been received.

5.2 *Preferential Creditors*

A preferential claim has been received in respect of the applicant creditor's costs of \$5,002. No dividend has been paid to the preferential creditor at the date of this report.

5.3 *Unsecured Creditors*

As at the date of preparing this report five unsecured creditors claim forms have been received which total \$123,974. In the interests of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting creditors' claims until such time as we are in a position to pay a distribution.

6 LIQUIDATORS' FEES

Liquidators' fees accrued to the date of this report are \$12,761 excluding GST. The fees are based on 49.36 hours of work undertaken as follows:

Work Category	Hours	\$
Appointment functions	12.70	2,733
Asset realisations	0.00	0.00
Creditors' claims, enquiries and reports	5.33	1,348
Taxation & Management	1.60	355
Investigations	29.73	8,325
Total	49.36	\$12,761

Liquidators' fees in a Court ordered liquidation are to be approved by the Court and if required a retrospective application for fee approval will be made by the liquidators.

Section 284 (1) of the Act provides that an application (with the leave of the Court) may be made by a creditor, shareholder or director of a company in liquidation to review or fix the remuneration of the liquidators. In circumstances where no application has been made to review or fix the liquidators' remuneration the Court will be less inclined to rigorously examine the fees submitted by the liquidators for subsequent approval.

7 FUNDS / LIKELY OUTCOME

It is too early to determine whether or not there will be a distribution to unsecured creditors.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completion of investigations

9 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators presently propose to complete all outstanding matters with a view to retiring as liquidators within the next year.

10 CONTACT DETAILS

Enquiries should be directed to Colin Sanderson on DDI (07) 838 0908 or by email to CSanderson@mvp.co.nz.

The Liquidators can be contacted at:

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BORIS VAN DELDEN
LIQUIDATOR

DATED this 2nd day of March 2020

Realisations and Distributions

Prime Fitness Limited (In Liquidation) 27 August 2019 to 26 February 2020

Realisations	As Per Statement of Affairs \$	Cash Received \$
Gym Equipment	2,000	Nil
Intercompany Advances	Unknown	Nil
Bank Account Closure	-	222
Funds Held for Gym Membership	-	481
Total Realisations	\$Unknown	\$703
Payments		
Liquidators Fees		
Liquidators Fees		Nil
Disbursements		Nil
Total Liquidators Fees		\$Nil
Total Payments		\$Nil
BALANCE HELD		\$703

Note: the above figures are GST exclusive