



McDonald  
Vague

business recovery partners

**Mayhew Industries Limited**  
**(In Liquidation)**  
***trading as 360 Fitness***  
**Liquidators' Final Report**

McDonald Vague Limited

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## 1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Boris van Delden, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed as joint and several liquidators of Mayhew Industries Limited ("the company") on 7 February 2019.

Pursuant to section 257(1)(a)(i) of the Companies Act 1993 ("the Act") the liquidators herewith report to all creditors and shareholders that the liquidation of the company has been completed. This final report should be read in conjunction with the liquidators' previous reports.

## 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 REALISATION OF ASSETS

### Tangible and intangible assets

The company operated as a fitness centre, offering weight and cardio training, and an indoor soccer field. Upon our appointment we commissioned an asset auction valuation, from which it was clear that to maximise realisable value, it would be preferable to sell the business as a going concern.

We managed staff and continued operating the business whilst dealing with various potential purchasers. In the end no parties were prepared to place offers. There were various reasons for this.

Firstly, the floor area was too large to suit the business models of well-known corporate franchises, and rent therefore too high for them, and for other interested parties.

There were insufficient members to cover this rent, and although membership numbers were growing, it was forecast that it would take a further six months to reach breakeven point, which was a risk no interested party was prepared to take. The issue was aggravated by the fact that the landlord did not wish to divide and sublet the space to other tenants. Secondly the premises were not well insulated, ventilated or airconditioned, which was not ideal as a fitness centre.

Finally, with mounting pressure from the landlord and lack of serious interest from purchasers, it was not economically viable to continue operations, and a neighbouring gym purchased most of the equipment above auction valuation and offered a discounted rate for members.

It must be noted that most of the valuable equipment of the fitness centre was subject to secured interests and was collected by the supplier subsequent to the liquidators' sale of other assets.

The directors cooperated and assisted through the above process, also handing over any company assets not located on the premises, which were then sold by public auction.

#### **Debtors**

The company's debts have been for the most part irrecoverable, consisting of very small individual amounts that have either been disputed or ignored. Due to the small individual amounts involved it is not economically viable to consider further recovery action.

#### **GST Refund Recovered**

A pre-liquidation GST credit was recovered of \$3,469.

## **4 CREDITORS**

### **4.1 Secured Creditors**

Heartland Bank have received a distribution of \$13,500, and Toyota Finance \$1,137 in relation to their Secured Claims. De Lage Landen Limited recovered assets secured as listed in their financing statement on the Personal Properties Securities Register. There will not be any surplus arising

### **4.2 Preferential Creditors**

There have been no funds available for distribution to preferential creditors such as staff who are owed holiday pay.

### **4.3 Unsecured Creditors**

As at the date of preparing this report ten unsecured creditors claim forms have been received which total \$257,991. As anticipated in the Statement of Affairs, there are no funds available for distribution to unsecured creditors.

## 5 INVESTIGATIONS

The liquidators have completed their investigations into the books, records and affairs of the company. There were no matters that came to the knowledge of the liquidators that could eventuate in a benefit to creditors.

## 6 COMPLETION OF LIQUIDATION

The liquidation of the company is now complete. A statement of realisations and distributions is **attached**. All known assets have been disclaimed or realised, or distributed without realisation, and all proceeds of realisation have been distributed. The company is ready to be removed from the New Zealand Register ("the register").

## 7 REMOVAL OF COMPANY FROM THE REGISTER

The liquidators have given public notice pursuant to Section 320(4) of the Act of the intention to remove the company from the register.

The attention of all creditors or shareholders is drawn to Section 321 of the Act which provides that any person may send to the Registrar of Companies, not later than the date specified in the notice, an objection to the removal on any one or more of the following grounds:

- (a) That the company is still carrying on business or there is other reason for it to continue in existence; or
- (b) That the company is party to legal proceedings; or
- (c) That the company is in receivership, or liquidation, or both; or
- (d) That the person is a creditor, or a shareholder, or a person who has an undischarged claim against the company; or
- (e) That the person believes that there exists, and intends to pursue, a right of action on behalf of the company under Part 9 of the Act; or
- (f) That, for any other reason, it would not be just and equitable to remove the company from the New Zealand register.

Note: Section 321(2) of the Act provides that a claim by a creditor or a shareholder or any other person against a company is not an "undischarged claim" if a receiver or liquidator has notified that person that the company has no surplus assets.

The date by which objections must be lodged with the Registrar is 7 August 2020.

## 8 PREVIOUS REPORTS

Creditors are advised that all previous reports relating to the conduct of the liquidation are available on the liquidators' website [www.mvp.co.nz](http://www.mvp.co.nz).

## 9 CONTACT DETAILS

Enquiries should be directed to Dalwyn Whisken on (09) 969 5336 or by email to [dwhisken@mvp.co.nz](mailto:dwhisken@mvp.co.nz).

The Liquidators can be contacted at:

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BORIS VAN DELDEN  
LIQUIDATOR

DATED this 22<sup>nd</sup> day of June 2020

# Realisations and Distributions

## Mayhew Industries Limited (In Liquidation) 7 February 2019 to 31 May 2020

Realisations	Cash Received \$
Trading on Debtors	433
Trading on Receipts	3,965
Interest	1
Sale of Assets	36,230
Sale of Intellectual Property	1,522
Pre liquidation GST Refund	3,469
<b>Total Realisations</b>	<b>\$45,620</b>
<b>Payments</b>	
<b>Liquidators Fees</b>	
Liquidators Fees	17,182
Disbursements	755
<b>Total Liquidators Fees</b>	<b>\$17,937</b>
<b>Other Costs of Liquidation</b>	
Cost of Sales – Software Subscription	80
Cost of Sales – Building Security	147
Cost of Sales – Auctioneer Commission	3,750
Cost of Sales – Electricity	440
Cost of Sales – Occupational Rent	7,000
Cost of Sales – Wages and PAYE	1,590
<b>Total Costs of Liquidation</b>	<b>\$13,007</b>
<b>Distributions</b>	
Secured Creditor Heartland Bank	13,500
Secured Creditor – Toyota Finance	1,137
Preferential GST & PAYE	39
<b>Total Distributions to Secured and Preferential Creditors</b>	<b>\$14,676</b>
<b>Total Payments</b>	<b>\$45,620</b>
<b>BALANCE HELD</b>	<b>\$Nil</b>

Note: the above figures are GST exclusive