

Paid-up gym members facing fees fitness test

JADE GAILBERGER

GYM enthusiasts who pay their annual membership upfront could be at risk of losing their money if the business goes into liquidation, insolvency experts warn.

Nick Cooper, a partner at Adelaide solvency and forensic accountancy firm Worrells, has been appointed the liquidator of two popular gyms.

He said members who prepaid their memberships were not entitled to an immediate refund and needed to be prepared for the implications.

"One way would be to minimise upfront membership payments and look to pay monthly or weekly rather than pay six months or a year in advance," Mr Cooper said.

Club Metro Pty Ltd at Mawson Lakes and Noarlunga Health Club Pty Ltd, which had traded as Genesis Noarlunga, have both closed in recent months.

Mr Cooper said increased competition and 24-hour gymnasium chains had an impact on many local traders.

"It's unusual having two



CLEANING UP: Nick Cooper and Yulia Petrenko from Worrells.

gyms get into trouble at the same time due to competition," he said.

"These (gyms) were difficult to salvage because they had stopped trading when we became involved. The landlord has taken control of the assets which will be sold at public auction."

It's unusual having two gyms get into trouble at the same time due to competition

NICK COOPER

leased, so the lease repayments, together with the cost of accommodation, electricity and wages mean gymnasium operators are under constant pressure to retain and grow memberships to ensure they can meet their payment obligations," Mr Cooper said.

Mr Cooper and his partner, Yulia Petrenko, are now working with the landlords to return the equipment to providers.

They are also encouraging businesses to look ahead, review their marketing strategies and business structure to avoid any insolvency situations.

"It's a good time for gym owners to... get specialist advice or go to an accountant," Mr Cooper said.

Uni joins miner in practical OZ-mosis

UNIVERSITY of Adelaide students are likely to have a taste of the practical world with cop-per miner OZ Minerals under a partnership signed yesterday.

OZ and the university — through its Institute for Mineral and Energy Resources — have agreed to collaborate on research into geology, exploration, resource characterisation, geometalurgy, mine-to-mill optimisation, and infrastructure development.

"This partnership paves the way for a collaborative approach to driving innovation within our company," OZ managing director Andrew Cole said. Acting Deputy Vice-Chancellor (Research) at the university, Rick Russell, said the research would benefit the broader mining sector and the community.

The partners will begin by exploring one another's capabilities and opportunities for collaboration. "Potentially this could be through targeted research, placement of students at OZ Minerals assets or providing opportunities for OZ Minerals staff to participate in study and research," they said in a joint statement.