

I N D E P E N D E N T

C O R P O R A T E R E C O V E R Y A D V I S O R S

Independent Trustees (Pty) Limited (Reg No 2002/025164/07)
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TO ALL KNOWN CREDITORS

Your Ref:

Our Ref: **J F KLOPPER / S DANEEL**

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Date: **16 MARCH 2007**

Dear Sir / Madam

**THE ORANGE CAFÉ (PTY) LIMITED T/A MANUKA WILLOWBRIDGE
(IN VOLUNTARY LIQUIDATION)
REGISTRATION NUMBER : 2005/002882/07
MASTER'S REFERENCE NUMBER : C441/2006**

We refer to the above-mentioned matter and enclose a copy of the Joint Liquidators' Report, together with Resolutions, to be adopted at the Second Meeting of Creditors to be held before the Magistrate, Bellville, on Friday, 30 March 2007 at 11h00.

We reiterate and confirm that there is no danger of a contribution being levied upon creditors in this estate. However, based on asset realisations there would appear to be no prospect of a concurrent dividend award due to the substantial secured and preferent claims.

Yours faithfully
INDEPENDENT TRUSTEES (PTY) LTD

**J F KLOPPER
JOINT LIQUIDATOR**

THE ORANGE CAFÉ (PTY) LIMITED T/A MANUKA WILLOWBRIDGE
(IN VOLUNTARY LIQUIDATION)
("the Company")

REGISTRATION NUMBER : 2005/002882/07

MASTER'S REFERENCE NUMBER : C441/2006

REPORT OF THE JOINT LIQUIDATORS, JOHANNES FREDERICK KLOPPER, HILLARY ANNE PLAATJIES *and* MLAMLI BALISO, IN TERMS OF SECTION 402 OF THE COMPANIES ACT, ACT NO. 61 OF 1973, AS AMENDED, ("THE ACT"), TO BE SUBMITTED TO CREDITORS AND CONTRIBUTORIES AT A SECOND MEETING OF CREDITORS TO BE HELD BEFORE THE MAGISTRATE, BELLVILLE, ON FRIDAY, 30 MARCH 2007 AT 11H00

ORDER OF THE COURT AND MEETINGS

- 1 The company was placed under creditors' voluntary liquidation in terms of Section 349 and 351 of the Companies Act, Act No. 61 of 1973, as amended.

The Resolution was duly registered by the Registrar of Companies and Close Corporations on **02 November 2006** which date is therefore the date of liquidation as is provided for in Section 352 of the Companies Act, No. 61 of 1973.

The Master of the High Court, Cape Town, appointed Johannes Frederick Klopper, Hillary Anne Plaatjies and Mlamli Baliso as Joint Liquidators in terms of Certificate of Appointment Number C441/2006 dated 28 February 2007.

- 2 The first meeting of creditors was held before the Magistrate, Bellville, on Friday, 16 February 2007. Two claims were submitted at this meeting – one claim was withdrawn and one claim was proved at the meeting.

HISTORY AND INFORMATION OF THE COMPANY

- 4 According to the records obtained from the Registrar of Companies, the company was incorporated under Registration Number 2005/002882/07 with its principle place of business situated at The Willowbridge Shopping Centre, Tyger Valley, Western Cape.

REGISTERED ADDRESS

5 The registered address of the company is reflected as being First Floor, East Block, Menlyn Square, Cnr. Lois Avenue and Gobie Street, Menlyn, Thswane.

DIRECTORS AND SHAREHOLDERS

6 It appears from our investigations that the following person served as the sole director and shareholder of the company:

6.1 Philippus Jacobus van der Walt.

BUSINESS OF THE COMPANY

7 The principle business of the company was a restaurant and wine boutique which operated as a Manuka Franchise.

AUDITORS

8 The former auditor of the company is reflected as being Buys De Beer Jonck Incorporated.

STATEMENT OF AFFAIRS

9 We have been placed in possession of a Statement of Affairs by the director as required in terms of Section 363 of the Companies Act, No. 61 of 1973, as amended.

SECTION 402(a) : FINANCIAL STATEMENT OF ASSETS AND LIABILITIES

The following represents estimates of the assets and liabilities of the company at date of voluntary liquidation and are subject to verification and adjustment.

ASSETS	AMOUNT {R}	AMOUNT{R}
<u>Movable Assets</u>		
Business sold as a going concern		R690 000,00
Cash on hand		R105 072,95
Trading income		R42 258,64
<i>SUB-TOTAL</i>		<i>R837 331,59</i>

LIABILITIES	AMOUNT {R}	AMOUNT {R}
Secured Creditors : Landlord (secured by a Legal Hypothec)	R240 000,00	
First National Bank of S A Limited (General Notarial Bond)	R823 605,90	
Preferent Creditors : estimated at	R28 180,57	
Concurrent Creditors : estimated at	R1 214 663,23	
SHORTFALL		R1 469 118,11
TOTAL	R2 306 449,70	R2 306 449,70

NOTE:

The business was sold as a going concern.

SECTION 402(b) : CAUSES OF THE COMPANY'S FAILURE

- 11 According to investigations conducted, the following appears to be the main reason for the liquidation of the company:

In August 2006 when the restaurant began to experience cash flow problems, Werner van Niekerk resigned as a director of the company. As the company was unable to pay its debts as and when they fell due, some of the creditors began to issue summons against the company.

As turnover was not sufficient to pay expenses, a creditors' voluntary liquidation resolution was consequently adopted and registered by the Registrar of Companies and Close Corporations on 02 November 2006.

SECTION 402(c) : REPORT TO THE MASTER IN TERMS OF SECTION 400 (2) OF THE COMPANIES ACT

- 12 Based upon the information available to us at this stage, it is not our intention to submit a report to the Master of the High Court. A report will be submitted should it become necessary.

SECTION 402(d) : PERSONAL LIABILITIES OF DIRECTORS OR OFFICERS

- 13 At this stage it is not clear whether the former director of the company can be held personally liable for the debts of the company. A report will be submitted should it become necessary.

SECTION 402(e) : LEGAL PROCEEDINGS

- 14 We have no knowledge of any legal proceedings pending or threatened by or against the company as at date of liquidation other than actions relating to the recovery of debt.

SECTION 402(f) : ENQUIRY

- 15 Based upon the information available to us at this stage we do not intend to convene an enquiry into the affairs of the company in terms of the provisions of the Act.

SECTION 402(g) : BOOKS AND RECORDS

- 16 The books and records relating to the company's affairs have been handed to us.

SECTION 402(h) : ESTIMATED DIVIDEND

- 17 There is, based on the present financial position, no danger of a contribution being levied upon creditors in this estate. However, based on asset realisations there would appear to be no prospect of a concurrent dividend award due to the substantial secured and preferent claims.

SECTION 402(i) : MATTERS REQUIRING THE FURTHER DIRECTIONS OF CREDITORS

- 18 Such directions as are required of creditors are contained in the draft resolutions numbers 1 – 13 which are submitted for consideration and adoption by the creditors at the second meeting of creditors in conjunction with this report. Creditors are requested to adopt these resolutions to enable the administration of the company in liquidation to be continued with and finalised.

**JOHANNES FREDERICK KLOPPER
JOINT LIQUIDATOR**

**HILLARY ANNE PLAATJIES
JOINT LIQUIDATOR**

MLAMLI BALISO

JOINT LIQUIDATOR

**C/O INDEPENDENT TRUSTEES (PTY) LIMITED
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THE ORANGE CAFÉ (PTY) LIMITED T/A MANUKA WILLOWBRIDGE
(IN VOLUNTARY LIQUIDATION)
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REGISTRATION NUMBER : 2005/002882/07

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RESOLUTIONS

RESOLUTIONS TO BE SUBMITTED AT THE SECOND MEETING OF CREDITORS TO BE HELD BEFORE THE MAGISTRATE, BELLVILLE, ON FRIDAY, 30 MARCH 2007 AT 11H00

RESOLVED THAT:

1. The report of the Provisional Joint Liquidators or Joint Liquidators, as the case may be, hereinafter referred to as "the Joint Liquidators", as submitted be received and adopted and all their actions referred to therein be and are hereby confirmed, ratified and approved.
2. All actions of whatsoever nature hereto before taken by the Joint Liquidators be and are hereby confirmed, ratified and approved.
3. The Joint Liquidators be granted the authority and is vested with all the powers mentioned in Section 386(4) (a) – (i) of the Companies Act No 61 of 1973, as amended, ("The Act") such powers to be exercised at their sole and absolute discretion.
4. The Joint Liquidators be and are hereby authorised in their sole and absolute discretion to:
 - 4.1. Take legal advice on any question of law affecting the administration and distribution of the company;
 - 4.2. Institute or defend on behalf of the company any action or other legal proceedings of a civil nature for the recovery of monies due to the company or

- otherwise and subject to the provisions of any law relating to criminal procedure, institute any criminal proceedings;
- 4.3. Hold any enquiry into the affairs of the company and/or any matter relating thereto;
 - 4.4. Investigate and institute legal proceedings for the recovery of any voidable or undue preferences, voidable dispositions of property or any other impeachable transactions of whatsoever nature and to abandon same at any time;
 - 4.5. Write up the books of the company as may be required, and if necessary, to produce a balance sheet, audited or not, as at the date of liquidation, either for the purpose of investigating the affairs of the company, establishing the claims of creditors, or any other purpose.
5. The Joint Liquidators be and are hereby authorised in their sole and absolute discretion to employ and engage the services of attorneys and/or counsel (senior and/or junior) and/or accountants and/or bookkeepers and/or any employee of the company and/or recording agents and/or any other person who in the sole discretion of the Joint Liquidators may be of assistance in the winding-up of the company in relation to any matter referred to in 4 above and further to pay all the costs thereof of whatsoever nature out of the estate as costs incurred in the liquidation.
 6. The Joint Liquidators be and are hereby authorised to collect any debts due to the company and for the purpose thereof to sell or compound or compromise any of these debts for such sum and upon such terms and conditions as they in their sole discretion may deem fit, and to accept any part of the debt in settlement thereof, and to grant an extension of time for the payment of any such debt, and to abandon any debt which they in their sole discretion may deem to be irrecoverable.
 7. The Joint Liquidators be and are hereby authorised to dispose of any movable and immovable property of the company, whether in their possession or under their control now or to come into their possession or under their control in the future by public auction, private treaty or public tender upon such terms and conditions as they in their sole and absolute discretion shall determine and to abandon any such assets for which they can find no purchaser or abandon them to a secured creditor at the value placed thereon by such creditor or at such value as is agreed upon by the Joint Liquidators and the creditor if such creditor's claim is secured by such assets and to sign all such documents as may be necessary to give effect to such disposition.
 8. The Joint Liquidators be and are hereby authorised and empowered in their sole discretion to compromise and admit any claim against the company of whatsoever nature and howsoever arising and whether disputed or not and whether actual, contingent, prospective, conditional, unconditional, assessed, unassessed, liquidated or unliquidated as a liquidated claim in terms of Section 78(3) of the Insolvency Act No. 24 of 1936, as amended, read with Section 339 of the Act, at such amount as may be agreed upon by the Joint Liquidators, provided that proof thereof has been tendered at a meeting of creditors.

9. The Joint Liquidators be and are hereby authorised to make application for the destruction of books and records of the estate six months after the confirmation of the Final Liquidation and Distribution Account.
10. The Joint Liquidators be and are hereby authorised to perform any act or exercise any power for which they are not expressly required by the Companies Act No. 61 of 1973, as amended, to obtain the leave of the Court.
11. The Joint Liquidators be and are hereby authorised to submit to the determination of arbitrators any dispute concerning the company or any claim or demand by or upon the company.
12. The Joint Liquidators be and are hereby authorised to carry on or discontinue any part of the business of the company insofar as may be necessary for the beneficial winding-up thereof.
13. The Joint Liquidators be and are hereby authorised to exercise *mutatis mutandis* the powers conferred upon a Liquidator by Section 35 (uncompleted acquisition of immovable property before liquidation) and Section 37 (effect of liquidation upon a lease) of the Insolvency Act No. 24 of 1936, as amended, read with Section 339 of the Act.
14. The further administration of the affairs of the company be left entirely in the hands and at the discretion of the Joint Liquidators.

q.q. CREDITORS