

PROUD HERITAGE PROPERTIES 4 (PTY) LIMITED (IN VOLUNTARY LIQUIDATION)
(REGISTRATION NUMBER : 2002/023906/07)
("the company")

MASTER'S REFERENCE NUMBER : C99/2009

REPORT OF THE JOINT LIQUIDATORS, JOHANNES FREDERICK KLOPPER *and* BASHIER ADAMS, IN TERMS OF SECTION 402 OF THE COMPANIES ACT NO. 61 OF 1973, AS AMENDED, TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS & CONTRIBUTORIES TO BE HELD BEFORE THE MAGISTRATE, SOMERSET WEST ON THURSDAY, 23 JULY 2009, AT 09H00

ORDER OF THE COURT AND MEETINGS

Nature of Application	Special Resolution registered with the Registrar of Companies for voluntary liquidation
Date of Registration	30 January 2009
Provisional Liquidators	Johannes Frederick Klopper & Bashier Adams
Provisional Appointment Date	24 February 2009
Final Liquidators	Johannes Frederick Klopper & Bashier Adams
Final Appointment Date	19 June 2009
Date of 1 st meeting of creditors	26 March 2009
Claims proved at 1 st meeting	No claims were submitted for proof at this meeting

GENERAL AND STATUTORY INFORMATION

Registrar of Companies

According to the Registrar of Companies, the company was incorporated under registration number on 2002/023906/07.

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Registered Address

The registered address of the company is reflected as being Trident Park 1, 1 Niblick Way, Somerset West.

Directors

It appears from our investigations that the following persons consented to serve as the directors of the company:

- M S Hill;
- D Kislingbury;

Business of the Company

It appears from our investigations that the company's main business was building and renovating of new and existing houses.

Auditors

The auditors of the company were BGR Aucamp Scholtz Inc in Somerset West.

STATEMENT OF AFFAIRS

We have been placed in possession of a Statement of Affairs 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 the assets and liabilities of the company that we are aware of as at date of liquidation. The assets and liabilities listed are subject to verification and adjustment and may change depending on the claims submitted for proof.

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ASSETS	AMOUNT {R}	AMOUNT{R}
Bookdebs – approximately- recoverable		R63 757.00
Bookdebts – in the amount of R214 184.00 is irrecoverable		RNIL
TOTAL		R63 757.00
LIABILITIES	AMOUNT {R}	AMOUNT {R}
<u>Secured Creditors</u>	NIL	
<u>Preferent Creditors:</u>	NIL	
<u>Concurrent Creditors</u> Trade creditors and other unsecured creditors- estimated	R2 043 176.00	
SHORTFALL		R1 979 419.00
TOTAL	R2 043 176.00	R2 043 176.00

COMMENTS ON THE LIABILITIES

The liabilities relate in the main to monies owing in respect of services rendered and loan agreements.

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

A dispute between the two directors resulted in the company ceasing its business operations. The company did not take on new contracts and did not generate any income to pay its debts. In the light of the above, the company was unable to settle the claims of its creditors in the ordinary course of business. A Special Resolution for the voluntary liquidation of the company was consequently applied for and was granted on 30 January 2009.

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

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

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

At this stage we are unable to comment as to whether the former directors of the company could be held personally liable for the debts of the company. Should information come to light at a later to the effect that the directors could be held personally liable for the debts of the company, a report will be submitted should it become necessary.

SECTION 402(e) : LEGAL PROCEEDINGS

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. One of the creditors are suing the company for defective and incomplete work. This damages claim amount to R1 928 934.66.

SECTION 402(f) : ENQUIRY

The liquidators do not intend to hold an enquiry at present. Creditors will be informed if the liquidators decide to proceed with an enquiry into the affairs of the company.

SECTION 402(g) : BOOKS AND RECORDS

The books and records that the company was required to keep in terms of the Act have been handed to us.

SECTION 402(h) : ESTIMATED DIVIDEND

Based on no assets vesting in the estate, there would appear to be no prospect of a dividend award due to creditors.

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

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Such directions as are required of creditors are contained in the draft resolutions numbers 1 – 16 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

and



BASHIER ADAMS
JOINT LIQUIDATOR

C/O INDEPENDENT TRUSTEES (PTY) LIMITED
P O BOX 820
STELLENBOSCH
7599

TEL: 021 – 880 5400
FAX: 021 – 880 5430

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RESOLUTIONS SUBMITTED AND ADOPTED AT THE SECOND MEETING OF CREDITORS TO BE HELD BEFORE THE MAGISTRATE , SOMERSET WEST ON THURSDAY, 23 JULY 2009 AT 09H00

RESOLVED THAT:

- 1 The report of Liquidator or Joint Liquidators, as the case may be, hereinafter referred to as (the 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 Liquidators be and are hereby confirmed, ratified and approved.
- 3 The 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, such powers to be exercised at their sole and absolute discretion.
- 4 The 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 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 Liquidator 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.

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- 6 The 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 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 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 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 Companies Act No. 61 of 1973, as amended, at such amount as may be agreed upon by the Liquidators, provided that proof thereof has been tendered at a meeting of creditors.
- 9 The 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 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 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 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 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 37 (effect of liquidation upon a lease) of the Insolvency Act No. 24 of 1936, as amended, read with Section 339 of the Companies Act No. 61 of 1973, as amended.
- 14 The creditors hereby consent to the Liquidators' remuneration ("the remuneration") being taxed by The Master of High Court in terms of Section 384 of the Act **at the higher figure** of:

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- 14.1 the prescribed tariff as is contained in Annexure CM 104 to the Winding up Regulations to the Act;
- 14.2 the increased amount of work done by the Liquidators in terms of the actual time spent by their staff in the discharge of their duties in the winding-up as is reflected on properly kept timesheets at the charge out tariff of the respective professional and administrative staff and which will be deemed to be good cause for the increase of such remuneration.
- 15 The remuneration referred to in 14 above may further be increased based on aspects such as:
- 15.1 the complexity of the estate in question;
- 15.2 the degree of difficulty encountered by the Liquidators in the administration of the estate, and
- 15.3 particular difficulties experienced by the Liquidators because of the nature of the assets or some other similar feature connected with the winding-up.
- 16 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

MASTER, CAPE TOWN