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**G & R Industrial Hydraulics CC (in liquidation)****Master's Reference Number G.750/2018**

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REPORT SUBMITTED BY THE LIQUIDATOR IN TERMS OF SECTION 79 OF THE CLOSE CORPORATIONS ACT NO. 69 OF 1984, AS AMENDED, TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS AND CONTRIBUTORIES TO BE HELD BEFORE THE MAGISTRATE VANDERBIJLPARK, ON 18 APRIL 2019, AT 09H30.

**ORDER OF THE COURT AND MEETINGS**

Nature of Liquidation	Special Resolution
Date of Special Resolution	11 July 2019
Provisional Appointees	Liebenberg Dawid Ryk van der Merwe & Ahmed Carim
Final Appointees	Liebenberg Dawid Ryk van der Merwe & Ahmed Carim

**GENERAL AND STATUTORY INFORMATION****Registrar of Companies**

The Close corporation was duly registered with the Registrar of Companies under their reference number 1994/008353/23.

**Registered Address**

The registered address of the close corporation is 9 Troost Street, Vereeniging, 1939.

**Members**

It appears from my investigations the following persons were members:

- Soso, Motlalepule Samuel
- Steel, Glenn Richard
- Soso, Majoel Thato

**Auditors**

The Auditors at date of liquidation was Sonja McNaughton.

**Business of the Close corporation**

The business function of the Close corporation was the selling, manufacturing, repairs and installation of hydraulics and pneumatics.



#### SECTION 79(a)

##### Financial Statement of Assets and Liabilities

According to information available to us the following would appear to represent the financial position of the Close corporation as at the date of liquidation:

ASSETS	Notes		
<u>Encumbered Assets</u>			
Debtors	1		500 000.00
<u>Unencumbered Assets</u>			
Motor vehicle	2		15 000.00
Plant & Equipment encumbered - Landlord	2		64 500.00
<u>LIABILITIES</u>			
<u>Secured Creditors</u>			
Nedbank - Cession of Debtors	1	Unknown	
<u>Preferent Creditors</u>			
SARS - per CM100	3	168 996.18	
<u>Concurrent Creditors</u>			
Trade Creditors - per CM100	3	1 157 5334.32	
Sub Total		1 326 530.50	579 000.00
Surplus/Deficit			747 530.50
TOTAL		1 326 530.50	1 326 530.50

#### NOTES:

1. At this stage we are doubtful that a recovery will be made in respect of the collection of debtors.
2. The values attributed to the assets are based on formal valuations obtained. The assets will be sold by public auction after the closure of the meeting.
3. The above figures are subject to adjustment and verification.

#### SECTION 79(b)

##### Causes of the Close Corporation's failure

*According to information available the principle cause of the Close Corporation's failure are attributable to the following:-*

The Company was unable to generate sufficient income from its operations and was ultimately unable to meet its obligations to its creditors

#### SECTION 79(c)

##### Report under Section 400(2) of the Companies' Act Read with Section 66 of the Close Corporation's Act

At this stage we do not have anything to report under this heading, however, should any contraventions come to our attention, a report will be submitted to the Master of the High Court in regard to such contraventions.

#### SECTION 79(d)

##### Personal liabilities of Members or Officers

At this stage we are unable to comment on whether the former director or officer of the close corporation can be held personally liable for the debts of the close corporation. A report will be submitted, should it become necessary.

#### SECTION 79(e)

##### Legal Proceedings

As far as we are aware there are no legal proceedings pending by or against the Close Corporation, except for normal debt collection.

#### SECTION 79(f)

##### Further Enquiry

The estate does not have sufficient free residue funds at its disposal to fund any further Enquiry and accordingly it is not our intention to hold a further Enquiry into the formation, promotion and/or failure of the company. However, Creditors are invited to furnish me with instructions in this regard and are invited to indemnify us and proceed with an Enquiry should they so wish.

#### SECTION 79(g)

##### Books and Records

No books and records have been handed to us.

#### SECTION 79(h)

##### Progress and Prospects of Liquidation

Upon our appointment as Provisional Liquidators we immediately investigated the affairs of the close corporation and took possession of the assets. The movable assets will be disposed of after the Second Meeting of Creditors.



SECTION 79(i)

Matters requiring further directions of Creditors and Contributories

Such directions as we desire, and sanction of the actions taken by the Provisional Liquidators and Liquidators to date, are contained in the Resolutions to be submitted for consideration and adoption, are attached hereto.

GENERAL

At this stage it appears that only preferent creditors will receive a dividend. However, we request creditors to formulate their claims in order that we can verify the assets and liabilities of the close corporation.

DATED AT ROODEPOORT ON THIS 2<sup>ND</sup> DAY OF APRIL 2019.

  
\_\_\_\_\_  
LDR VAN DER MERWE

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AHMED CARIM

SECTION 79(i)


Matters requiring further directions of Creditors and Contributories


Such directions as we desire, and sanction of the actions taken by the Provisional Liquidator, and Liquidators to date, are contained in the Resolutions to be submitted for consideration and adoption are attached hereto.

GENERAL

At this stage it appears that only preferent creditors will receive a dividend. However, we request creditors to formulate their claims in order that we can verify the assets and liabilities of the close corporation.

DATED AT ROODEPOORT ON THIS 2<sup>ND</sup> DAY OF APRIL 2019.

  
LDR VAN DER MERWE

  
AHMED CARIM



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**G & R Industrial Hydraulics CC (in liquidation)**

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RESOLUTIONS SUBMITTED AND ADOPTED AT THE SECOND MEETING OF CREDITORS HELD BEFORE THE MAGISTRATE, VANDERBIJLPARK, ON 18 APRIL 2019, AT 09H30.

RESOLVED THAT:

- 1 The report of Liquidator or Joint Liquidators, as the case may be, hereinafter referred to as (the Liquidator"), as submitted be received and adopted and all his actions referred to therein be and are hereby confirmed, ratified and approved.
- 2 All actions of whatsoever nature heretobefore taken by the Provisional Liquidator and/or Liquidator be and are hereby confirmed, ratified and approved.
- 3 The Liquidator 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 his sole and absolute discretion.
- 4 The Liquidator be and is hereby authorised in his sole and absolute discretion to:
  - 4.1 Take legal advice on any question of law affecting the administration and distribution of the close corporation;
  - 4.2 Institute or defend on behalf of the close corporation any action or other legal proceedings of a civil nature for the recovery of monies due to the close corporation 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 close corporation 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 close corporation 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 close corporation, establishing the claims of creditors, or any other purpose.
- 5 The Liquidator be and is hereby authorised in his 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 insolvent 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 close corporation 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 Liquidator be and is hereby authorised to collection any debts due to the close corporation 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 he in his 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 he in his sole discretion may deem to be irrecoverable.
  - 7 The Liquidator be and is hereby authorised to dispose of any movable and immovable property of the close corporation, whether in his possession or under his control now or to come into his possession or under his control in the future by public auction, private treaty or public tender upon such terms and conditions as he in his sole and absolute discretion shall determine and to abandon any such assets for which he 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 Liquidator 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 Liquidator be and is hereby authorised and empowered in his sole discretion to compromise and admit any claim against the close corporation 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 Liquidator, provided that proof thereof has been tendered at a meeting of creditors.
  - 9 The Liquidator be and is 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 Liquidator be and is hereby authorised to perform any act or exercise any power for which he is not expressly required by the Companies Act No 61 of 1973, as amended, to obtain the leave of the Court.
  - 11 The Liquidator be and is hereby authorised to submit to the determination of arbitrators any dispute concerning the close corporation or any claim or demand by or upon the close corporation.
  - 12 The Liquidator be and is hereby authorised to carry on or discontinue any part of the business of the close corporation insofar as may be necessary for the beneficial winding-up thereof.



- 13 The Liquidator be and is 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 further administration of the affairs of the close corporation be left entirely in the hands and at the discretion of the Liquidator.

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q.q. CREDITORS

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q.q. MEMBERS /  
SHAREHOLDERS

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PRESIDING OFFICER