

**Water Engineering and Pumping Technologies (Pty) Ltd
(in liquidation)
Master's Reference Number T.1980/2018**

REPORT SUBMITTED BY THE JOINT LIQUIDATORS IN TERMS OF SECTION 402 OF THE COMPANIES ACT NO 61 OF 1973 AS AMENDED TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS AND CONTRIBUTORIES TO BE HELD BEFORE THE MAGISTRATE BOKSBURG ON 13 JUNE 2019 AT 11H30.

ORDER OF THE COURT AND MEETINGS

Nature of Liquidation	Application High Court of South Africa (Gauteng Division, Pretoria)
Date of Liquidation	16 August 2018
Date of Provisional Order	n/a
Date of Final Order	21 August 2018
Provisional Appointees	Liebenberg Dawid Ryk van der Merwe & Hlamalane Jerry Musi
Date of 1 st Meeting of Creditors	22 November 2018
Final Appointees	Liebenberg Dawid Ryk van der Merwe, Dimakatso Arnold Michael Mohasoa & Hlamalane Jerry Musi

GENERAL AND STATUTORY INFORMATION

Registrar of Companies

The Company was duly registered with the Registrar of Companies under their Registration Number 2014/020530/07.

Registered Address

The registered address of the company was at 46 Yaldwin Road, Jet Park, Boksburg, Gauteng.

Directors

It appears from my investigations the following persons were directors:

- Rudy Roesdien Setlamo Roberts - 6112245220089
- Ralf Farrel Lutchman (Business Rescue Practitioner) - 6903095209085

The Company Secretary was JD Hill and Company who assisted with certain secretarial duties on behalf of the Company.

Share Capital

- Authorised share capital of R1000,000 consisting of 100,000,000 ordinary shares; and
- Issued share capital of R100 consisting of 100 ordinary shares.



Auditors of the Company

The Auditors at date of liquidation would appear to have been:

- JH Hill and Company

Business of the Company

The company provided building wet services and hot water generation to the building industry. The Company also offered electrical and mechanical consultancy services and project management and turnkey projects.

SECTION 402(a)

Financial Statement of Assets and Liabilities

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

ASSETS	Notes		
<u>Encumbered Assets</u>			
Movable Assets encumbered by way of a General Notarial Bond to The Standard Bank of SA Ltd sold by Public Auction	1		1 568 181.81
1 x Doosan D-3 2500kg Forklift			46 000.00
2017 Ford Transit 2.2 TDCI Panel Van (FX13LWGP)			152 375.00
2016 Ford Transit 1.6 TDCI Panel Van (FC26BLGP)			92 000.00
2016 Ford Transit 1.6 TDCI Panel Van (FN79SCGP)			119 600.00
2016 Ford Transit 1.6 TDCI Panel Van (FN79SGGP)			120 750.00
2016 Toyota Corolla 1.4 D Prestige (FP34JWGP)			152 950.00
3 X Water Tanks			34 500.00
Debtors	2 & 3		5 000 000.00
<u>Unencumbered Assets</u>			
			Unknown
LIABILITIES			
<u>Secured Creditors</u>			
The Standard Bank of SA Ltd. - ISA 402623080005		212 549.25	
The Standard Bank of SA Ltd. - ISA 402623080001		127 949.53	
The Standard Bank of SA Ltd. - ISA 402623080002		241 332.56	
The Standard Bank of SA Ltd. - ISA 402623080003		241 322.56	
The Standard Bank of SA Ltd. - ISA 402623080004		224 868.10	
The Standard Bank of SA Ltd. - Cession of Book Debts	2 & 3	26 956 314.49	



<u>Preferent Creditors</u>			
Employees		123 286 .90	
SARS	4	UNKNOWN	
<u>Concurrent Creditors</u>			
The Standard Bank of SA Limited - Concurrent Claims		217 327-03	
Trade Creditors - Requisitions Received		2 072 062.97	
Business Rescue Practitioner		295 625.00	
Various claims		703 314.64	
Sub Total		31 415 953.03	7 286 356.81
Surplus/Deficit			24 129 596.22
TOTAL	5	31 415 953.03	31 415 953.03

NOTES:

1. The Standard Bank of SA Limited sold the movable assets under a perfected General Notarial Bond after date of liquidation by Public Auction.
2. All amounts owing to the Company as the date of its liquidation (Debtors), are ceded as security to The Standard Bank of SA Limited.
3. The debtor collection is continuing. There are disputes regarding the outstanding amounts owing, and the necessary Subpoenas will be issued for the parties to appear at the proposed enquiry to be held.
4. We have not received a claim from the Receiver of Revenue at the time when this report was compiled. The SARS Reference Numbers were de-activated by a Manager who was employed at the Company, prior to Liquidation. The Liquidators are striving to get the numbers re-instated, and therefore we are at this stage unable to comment as to whether SARS has a claim or not.
5. These figures do not take into account any costs of administration and are subject to change and/or modification.

SECTION 402(b)

Causes of the Company's Failure

The Company was placed into Business Rescue on 4 May 2018, and Ralph Farrel Lutchman was appointed as Business Rescue Practitioner. Mr Ralph Farrel Lutchman in his capacity as Business Rescue concluded that there was no reasonable prospect of rescuing the company and consequently applied for the liquidation as the company as is required in terms of the provisions of Chapter 6 of the Act.

SECTION 402(c)

Report under Section 400(2)

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 402(d)

Personal Liabilities of Directors or Officers

At this stage we are unable to comment on whether the former director or officer 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

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

SECTION 402(f)

Further Enquiry

We request that this meeting be postponed for the purposes of the holding of an Enquiry into the affairs of the Company. There are various assets that have not been recovered and that are in possession of 3rd parties. There are various debtors that have not paid.

SECTION 402(g)

Books and Records

The Liquidators have recovered the books and records.

SECTION 402(h)

Progress and Prospects of Liquidation

1. Upon our appointment as Provisional Liquidators we immediately investigated the affairs of the company and took possession of the assets.
2. The movable assets were all sold by public auction pursuant to an extension of the powers of the joint provisional liquidation in terms of Section 386 (2A) of the Companies Act.
3. The Liquidators will continue to collect outstanding debts, and an accounting will be made in our Liquidation Account to be submitted to the Master of the High Court in due course.

SECTION 402(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

The investigations into the irregularities regarding certain transactions and the missing assets will continue at the proposed enquiry.

DATED AT ROODEPOORT ON THIS 31ST DAY OF MAY 2019.

A handwritten signature in black ink, appearing to be 'LDR Van der Merwe', written over a horizontal line.

LDR VAN DER MERWE

A handwritten signature in black ink, appearing to be 'DAM Mohasoa', written over a horizontal line.

DAM MOHASOA

A handwritten signature in black ink, appearing to be 'HJ Musi', written over a horizontal line.

HJ MUSI



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LDR VAN DER MERWE

DAM MOHASOA



HJ MUSI

**Water Engineering and Pumping Technologies (Pty) Ltd
(in liquidation)**

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**RESOLUTIONS SUBMITTED AND ADOPTED AT THE SECOND MEETING OF CREDITORS
HELD BEFORE THE MAGISTRATE BOKSBURG ON 13 JUNE 2019 AT 11H30.**

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 hereto before 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 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 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 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 Liquidator be and is hereby authorised to collection 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 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 company, 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 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 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 company or any claim or demand by or upon the company.
- 12 The Liquidator be and is 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 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 company be left entirely in the hands and at the discretion of the Liquidator.



q.q. CREDITORS

q.q. DIRECTORS /
SHAREHOLDERS

PRESIDING OFFICER