

**AAD LOGISTICS
(PTY) LTD (IN LIQUIDATION)
MASTER'S REFERENCE NUMBER : C436/2021**

REPORT by the Joint Liquidators, Chavonnes Badenhorst St Clair Cooper, Donovan Theodore Majiedt and Hillary Plaatjies to be submitted in terms of Section 402 of the Companies Act No.61, of 1973, as amended, at the Statutory Second Meeting of Creditors, Members and Contributors, convened to be held before the Presiding Officer, Magistrates Court, Bellville, Friday, 27 May 2022 at 11h00.

ORDERS OF THE COURT AND MEETINGS

AAD Logistics (Pty) Ltd, (herein after referred to as the "Company"), was wound up by Order of the Western Cape High Court, Cape Town on 29 June 2021. Chavonnes Badenhorst St Clair Cooper and Hillary Plaatjies were appointed Joint Provisional Liquidators by the Master of the High Court, Cape Town, in terms of his Certificate of Appointment dated 9 July 2021. Mr DT Majiedt was added as a Joint Final Liquidator at the First Meeting of creditors and the final Certificate of Appointment was issued on 13 April 2022 .

The First Meeting of Creditors was held before the Presiding Officer, Master of the High Court, Cape Town (due to Covid Regulations on Friday, 18 March 2022. A total of eight claims were proved at the said meeting.

STATUTORY INFORMATION:

REGISTRATION NUMBER: 1965/000587/07

REGISTERED ADDRESS AND PRINCIPAL PLACE OF BUSINESS: 30 SACKS STREET, BELLVILLE-SOUTH
WESTERN CAPE

DIRECTOR: JOHN LACHENICHT, LLOYD FARMER, VALERIE VILJOEN

REPORT

We are now to report more fully in terms of Section 402 of the Companies Act, No.61, of 1973, as amended, as follows:

SECTION 402(a) – ASSETS AND LIABILITIES

As at date of liquidation of the Company the assets and liabilities were as per the Notice of Motion, Completed CM100 and supporting annexures.

ASSETS AND LIABILITIES

ASSETS

Immovable Property	NIL
<u>Movable Assets</u>	
Vehicles and Equipment (sold to Silver Solutions)	R 3 502 780.00
Financial Assets (sold to Silver Solutions)	R 4 511 003.00
Outstanding Debtors (which did not form part of the sale)	R ±1 000 000.00
Shortfall	R 221 265 117.69

TOTAL

R 9 013 783.00

LIABILITIES

Secured Creditors

Standard Bank Ltd (Installment sale Agreement)	R 619 175.70
Standard Bank Ltd (Fleet Cards)	R 94 452.49
Contingent Liability re Cession of debtors (see note 5)	(unknown)

Preferent Creditors

Associated Automotive Distributors (Pty) Ltd (Post Commencement Finance)	R 7 588 229.99
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South African Revenue Services (Letters of Demand less adjustments)	R 147 954 379.76
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Concurrent Creditors

Associated Automotive Distributors (Pty) Ltd
Various Creditors

R 72 772 945.90
± R 1 249 716.85

TOTAL

R 230 278 900.69

NOTES:

1. The Joint Liquidators brought an Extension of Powers application to the High Court Cape Town, which Application was heard and granted on the 16th of July 2021.
2. The liquidators were duly authorized to continue the business of the Company and to sell the entity by virtue of the abovementioned application.
3. The business of AAD Logistics (Pty) Ltd, comprising of the movable assets, ongoing contracts and accounts receivable, was successfully sold to Silver Solutions CC. All employees and their employee contracts were also taken over by Silver Solutions CC as a part of the sale.
4. The Liquidators and Silver Solutions CC are in the process of finalizing the sale.
5. In the event that the Guarantees issued by bank are not cancelled, Standard Bank will be entitled to lodge a contingent claim for the shortfall, which claim will be a secured claim in terms of their cession over the debtors.

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

1. AAD was a third-party logistics service provider, which delivered to its clients a full range of warehousing and inventory management, import/ export, container packing/ unpacking, transport and distribution services. AAD was placed into business rescue, after letters of demands received by SARS in respect of excise duty, VAT, penalties and interest. A business rescue plan was tabled, which plan was not adopted and Mr Jacques du Toit, the Business rescue practitioner, thereafter applied to court to set aside the result of the vote by the holders of voting interest on the grounds that it was inappropriate. This application was opposed by the South African Revenue Service and repleaded that AAD be placed in liquidation. The court ruled in favour of South African Revenue Service and the entity to be placed in liquidation.

SECTION 402(c) : OFFENCES AND CONTRAVENTIONS

The CM100 was lodged by the directors.

SECTION 402(d) : PERSONAL LIABILITIES OF DIRECTORS

The liquidators found no information, which would implicate any director, officer or former director or officer as being liable for damages or compensation to the company as contemplated in the Companies Act.

SECTION 402(e) : LEGAL PROCEEDINGS PENDING OR THREATENED

The liquidators are in the process of instituting legal action in respect of collecting debtors, who were not taken over by Silver Solutions CC. Furthermore, the liquidators will proceed to institute the claim against Equal Trade 4 (Pty) Ltd.

SECTION 402(f) : FURTHER ENQUIRIES

No enquiry is being considered by the liquidators and should any creditor have any information, they are requested to provide the liquidators with same.

SECTION 402(g) : ACCOUNTING RECORDS

All books and records are still at the premises and the liquidators are in the process of arranging storage.

SECTION 402(h) : PROGRESS AND DIVIDEND PROSPECTS

We confirm that at this stage there appears to be no danger of contribution.

SECTION 402(i) : FURTHER BUSINESS

Draft Resolutions are submitted with this report and creditors are requested to consider the adoption thereof to enable us to bring the winding up of the estate to a conclusion and strong recommendation is made to consider my report carefully and to adopt the resolutions.

Dated at Bloemfontein this 25 day of May 2022.



CB ST CLAIR COOPER
Joint Liquidator


Dated at Bloemfontein this 25th day of May 2022.



DT MAJEDT
Joint Liquidator

Kuilsriver

Dated at this 25th day of May 2022.



H PLAATJIES
Joint Liquidator