
**266 BREE STREET PROPRIETARY LIMITED
(IN LIQUIDATION)
MASTER'S REFERENCE NUMBER G.532/2023**

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 GENERAL MEETING OF CREDITORS AND CONTRIBUTORIES TO BE HELD BEFORE THE MASTER OF THE HIGH COURT JOHANNESBURG ON 28 MAY 2024 AT 10H00.

ORDER OF THE COURT AND MEETINGS

Nature of Liquidation	Application in the High Court of SA Gauteng Division Johannesburg
Date of Special Resolution	n/a
Date of Provisional Order	n/a
Date of Final Order	15 June 2023
Provisional Appointees	Liebenberg Dawid Ryk vd Merwe, Jacques Andre Fisher & Haroon Abdool Satar Moosa
Date of 1 st Meeting of Creditors	13 February 2024
Final Appointees	Liebenberg Dawid Ryk vd Merwe & Haroon Abdool Satar Moosa

GENERAL AND STATUTORY INFORMATION

REGISTRAR OF COMPANIES

The Company was duly registered with the Registrar of Companies under their reference number 2015/307561/07.

REGISTERED ADDRESS

The registered address of the company was at Suite 210 Killarney Office Block, Killarney Shopping Centre, Riviera Road, Killarney, Gauteng, 2193.

DIRECTORS

It appears from our investigations that the following person was a director:

Mark Morris Farber - Identity Number 660517 5080 084

AUDITORS

The Auditors at date of liquidation appear to have been Leslie Snoyman and Associates, per CIPC / Burns Acutt Audit Services Incorporated per Annual Financial Statements for the year ended February 2022.

SHARE CAPITAL

Per the Annual Financial Statements for the year ended February 2022, as follows:

Authorised share consisting of 1000 ordinary shares par value shares of R1 each and issued share of 100 ordinary shares par value shares of R1 each.

Mark Morris Farber owns 100% of the share capital in his personal capacity.



BUSINESS OF THE COMPANY

The company owns an immovable property which consists of mixed commercial -use retail and residential property in the inner-city of Johannesburg, known as "Metro Centre ", with physical address being 266 Bree Street (Lilian Ngoyi Street), Johannesburg. The immovable property was let by the company as retails shops and residential accommodation, with the rental generated meant to cover the running costs of the company.

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.

We have not 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.

The following represents the assets and liabilities of the company at date of liquidation. Unless otherwise stated, these figures only represent estimates of the assets and liabilities and will change depending on the amounts of realisation of unsold assets and claims submitted for proof.

ASSETS

ENCUMBERED ASSETS

Immovable property known as 266 Bree Street, Johannesburg, encumbered by way of a Mortgage Bond to TUHF Limited	R19 400 000.00
--	----------------

UNENCUMBERED ASSETS

LIABILITIES

SECURED CREDITORS

TUHF Limited by way of Mortgage Bond Claims 1 & 2	43 530 807.88
---	---------------

PREFERENT CREDITORS

Employees - in terms of Section 98A	None
-------------------------------------	------

SARS	Unknown
------	---------

CONCURRENT CREDITORS

Thomson Wilks Inc - BR Fees & Legal Expenses	1 697 990.23
--	--------------

TUHF Limited - Claim for costs rejected	184 748.75
---	------------

Sub Total	45,413,546.86	19 400 000.00
-----------	---------------	---------------

Deficit		26,013,546.86
---------	--	---------------

TOTAL	45 413 546.86	45 413 546.86
--------------	----------------------	----------------------

NOTES:

GENERAL

1. The above figures are subject to adjustment and verification.
2. These figures do not take into account any costs of administration and are subject to change and/or modification.

IMMOVABLE PROPERTIES

1. The immovable properties will be sold after the close of the general meeting of creditors.

CREDITORS

Secured Creditors

1. The immovable property is secured in terms of a Mortgage Bond held by TUHF Limited.

Preferent Creditors

1. We have not received a claim from the Receiver of Revenue at the time when this report was compiled.
2. The Company did not have any employees.

Concurrent Creditors

1. The amounts represent the aggregate of the concurrent claims received by the liquidators to date.
2. The claims submitted for proof by creditors are subject to verification in terms of the provisions of Section 45 of the Insolvency Act read with the Companies Act and certain claims may be reduced should the company's books and records indicate that a claim has been wrongly submitted.
3. Various claims were submitted at the first meeting of creditors from related entities based on loan accounts. These claims were rejected at the first meeting of creditors.

SECTION 402(B)

CAUSES OF THE COMPANY'S FAILURE

According to information received, the principle causes of the Company's failure are attributable to the following:

The company was placed into Business Rescue and the BRP 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)

Investigations into the affairs of the Company are ongoing including into acts committed by the former director and omissions by him in terms of the insolvency laws. These investigations include his failure to give information or to deliver assets, books and records to the Liquidators and obstructing the Liquidators in the performance of their duties under the Act and the Insolvency Act. Any contraventions of the Act by any of the directors or officers or past directors or officers of the Company shall be reported to the Master. Any report filed in terms of section 400(2) of the Act shall be confidential and shall not be available for inspection by any person.

SECTION 402(D)

PERSONAL LIABILITIES OF DIRECTORS OR OFFICERS

The investigations into the affairs of the Company and the conduct of its directors and officers or former directors or former officers are ongoing. To the extent that it appears that directors or officers or former directors or former officers appear to be personally liable for damages or compensation to the Company or for any debts or liabilities of the Company as provided for in the Act, a supplementary report in this regard will be submitted to a further general meeting to be convened for this purpose.



SECTION 402(E)

LEGAL PROCEEDINGS

The former director petitioned to the Supreme Court of Appeal against the whole of the judgement and cost order by her Ladyship Ms Justice Keightley. This petition was against the order of liquidation that was granted on 15 June 2023. On 2 August 2023, the application was dismissed by the Supreme Court of Appeal.

There is a rent boycott and none of the tenants have paid any rent from date of liquidation. The joint liquidators instituted eviction proceedings against the tenants occupying the building. The applications are for the commercial as well as the residential tenants. Since the granting of the liquidation order and the appointment of the liquidators, the tenants have not paid any rent to the liquidators.

The liquidators have also instituted proceedings against the building manager who is employed by Hillbrow Consolidated Investments, a company associated with the former director. The building manager have been obstructing the duties of the liquidators and denied the sheriff access to serve the eviction applications on the residential tenants.

The liquidators also appointed a managing agent, Mafadi, to try and collect the rent, to no avail.

SECTION 402(F)

FURTHER ENQUIRY

The liquidators applied to the Master of the High Court for consent to proceed with a Section 417 enquiry into the affairs of the Company and the Master appointed Adv Kevin Iles to conduct an enquiry into the affairs of the Company. The enquiry is still ongoing and have not been concluded.

SECTION 402(G)

BOOKS AND RECORDS

The joint liquidators obtained some financial information during the Section 417 enquiry. The Company never opened its own bank account, and all the rent income was paid into the bank account of a related entity.

It is the view of the joint liquidates that the company did not keep adequate accounting records to comply with section 284 of the Act.

SECTION 402(H)

PROGRESS AND PROSPECTS OF LIQUIDATION

Upon our appointment as Provisional Liquidators we immediately investigated the affairs of the company and took possession of the assets.

The Joint Liquidators have not sold the immovable property of the Company. The property will be sold after close of this meeting.

The joint liquidators will continue to collect outstanding debts.

A letter of demand has been sent to all debtors of the Company, and an accounting will be made in our Liquidation Account to be submitted to the Master of the High Court in due course.

The liquidators will proceed with an enquiry in terms of Section 417 of the Companies Act.



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

ESTIMATED DIVIDEND

It appears at present that only the secured creditors are to receive an award. The joint liquidators will advise concurrent creditors if the prospect of a dividend herein arises.

DATED AT JOHANNESBURG ON THIS THE 8TH OF MAY 2024

A handwritten signature in black ink, appearing to be 'Liebenber Dawid Ryk van der Merwe', written over a horizontal line.

LIEBENBER DAWID RYK VAN DER MERWE

A handwritten signature in black ink, appearing to be 'Haroon Abdool Satar Moosa', written over a horizontal line.

HAROON ABDOOL SATAR MOOSA



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

ESTIMATED DIVIDEND

It appears at present that only the secured creditors are to receive an award. The joint liquidators will advise concurrent creditors if the prospect of a dividend herein arises.

DATED AT JOHANNESBURG ON THIS THE 8TH OF MAY 2024

LIEBENBER DAWID RYK VAN DER MERWE

HAROON ABDOOL SATAR MOOSA

**266 BREE STREET PROPRIETARY LIMITED
(IN LIQUIDATION)
MASTER'S REFERENCE NUMBER G.532/2023**

**RESOLUTIONS SUBMITTED AND ADOPTED AT THE GENERAL MEETING OF CREDITORS
HELD BEFORE THE MASTER OF THE HIGH COURT JOHANNESBURG ON 28 MAY 2024
AT 10H00.**

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.

**266 BREE STREET PROPRIETARY LIMITED
(IN LIQUIDATION)
MASTER'S REFERENCE NUMBER G.532/2023**

- 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 continue or discontinue any part of the business of the company insofar as may be necessary for the beneficial winding-up thereof.
- 13 That costs of attendance of creditors meetings be costs in the estate.
- 14 That the costs of courier services for purposes of creditors meetings be costs in the estate.
- 15 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.
- 16 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