

STABILID CONSTRUCTION (PTY) LTD (IN LIQUIDATION)
("the Company")

MASTER'S REFERENCE NUMBER : G401/11

**REPORT OF THE LIQUIDATOR, IN TERMS OF SECTION 402 OF THE COMPANIES ACT NO 61
 OF 1973 AS AMENDED TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS,
 MEMBERS & CONTRIBUTORIES TO BE HELD BEFORE THE MASTER OF THE HIGH COURT,
 JOHANNESBURG ON 26 APRIL 2011**

ORDER OF THE COURT AND MEETINGS

Nature of Liquidation	Court Application
Date of liquidation	23 February 2011
Date of provisional Order	N/A
Date of Final Order	25 February 2011
Provisional appointees	N/A
Date of 1 st meeting of creditors	6 April 2011
Final appointees	LDR van der Merwe, B Keivy & SS Moosa

GENERAL AND STATUTORY INFORMATION

Registrar of Companies

According to the Registrar of Companies the company was incorporated under registration number 1992/004596/07.

Registered Address

The registered address of the company is 36 3rd Ave, Linden.

Directors

It appears from my investigations the following persons consented to serve as directors:

- PAUL ANDRE STEYN
- PHILIP DEON ROBINSON

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- DEON JORDAAN
- GODFRIED GROBLER
- STEPHANUS LOUIS OPPERMAN
- SHAUN TIELMAN ROOS

Share Capital

According to our records the authorised shares of the company are held by Stabilid Holdings (Pty) Ltd.

Business of the Company

The principal business of the company was conducting a building contractor business.

Auditors

The auditors of the company are KPMG.

STATEMENT OF AFFAIRS

We have not been place 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 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

IMMOVABLE PROPERTY	NOTES	AMOUNT	AMOUNT
			None
MOVABLE ASSETS			
Office furniture, and Equipment	(1)		130,000.00
Vehicles	(2)		1 200 000.00
Claims against 3 rd parties- debtors	(3)		4,900,000.00
Claims in respect of uncompleted contracts	(4)		25,000,000.00
TOTAL ASSETS			31,230,000.00

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LIABILITIES			
<u>Secured Creditors</u>			
<u>ABSA Bank</u>		20 000-00	
<u>Wesbank</u>		130 000-00	
<u>Preferment Creditors</u>			
Employees (estimate)		500,000.00	
Receiver of Revenue		Nil	
<u>Concurrent Creditors</u>			
Trade Creditors (estimate)	(5)	45 000 000-00	
TOTAL LIABILITIES		45,650,000.00	
DEFICIT			14,420,000.00

NOTES

- The figures stated above are according to the records of the company, or limited investigations to date and are subject to adjustment and verification.
- The statement of assets and liabilities must be read in conjunction with the following notes:
 1. Office furniture, generators & containers according to valuation;
 2. Motor vehicles according to valuation;
 3. Claims against 3rd parties. These claims have not been encumbered to any creditor and the proceeds are available as free residue;
 4. The amount reflected is according to the records of the company. The amount is yet to be verified and certified and whether the entire amount is recoverable will only be determined in due course. The liquidators will report to creditors regarding in more details in due course.

SECTION 402 (b)

CAUSES OF THE COMPANY'S FAILURE

The directors simply ascribe the demise of the company to the fact that it was for some period of time undercapitalised. It was unable to generate sufficient income from its operations and was ultimately unable to meet its obligations to its creditors.

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SECTION 402(c)

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

The Director appears to have contravened the following provisions of the Companies' Act.

Section 242 in that I have not been furnished with the Minute Book of the Company and the Director may have failed to maintain same.

Section 414 in that the Director failed to attend the First Meeting of Creditors.

Section 363 In that I have not been furnished with a Statement of Affairs form.

SECTION 402(d)

PERSONAL LIABILITIES OF DIRECTORS OR OFFICERS

At this stage it is not known 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, save and except for the recovery of debts.

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

All books and records have been handed to the liquidators.



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SECTION 402 (h)

PROGRESS AND PROSPECTS OF WINDING UP AND ANTICIPATED DIVIDEND

Our initial investigations indicate that the majority of the assets of the company are unencumbered. Any realizations would therefore be available for distribution to concurrent creditors. Creditors are accordingly advised to lodge their claims as soon as possible.

SECTION 402(i)

MATTERS REQUIRING THE FURTHER DIRECTIONS OF CREDITORS

Such directions as required of creditors are contained in the draft resolutions numbers 1 – 13 which is 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 continue.

SIGNED at Pretoria on this 13th day of April 2011


L D R VAN DER MERWE

SIGNED at _____ on this _____ day of April 2011


B KEEVY

SIGNED at Pretoria on this 13th day of April 2011


S S MOOSA

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**RESOLUTIONS SUBMITTED AND ADOPTED AT THE SECOND MEETING OF CREDITORS
HELD BEFORE THE MASTER OF THE HIGH COURT, JOHANNESBURG ON TUESDAY,
26 APRIL 2011 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 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 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;

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- 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

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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

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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