

MAGI EDUCATION (PTY) LTD (IN LIQUIDATION)

MASTER'S REFERENCE NUMBER : T1604/02

REPORT OF THE LIQUIDATOR, MR LDR VAN DER MERWE IN TERMS OF SECTION 402 OF THE COMPANIES ACT NO 61 OF 1973 AS AMENDED TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS TO BE HELD BEFORE THE MASTER OF THE HIGH COURT, PRETORIA ON FRIDAY, 25 APRIL 2003 AT 10:00

ORDER OF THE COURT AND MEETINGS

- 1 The Company was liquidated on 21 February 2002 by way of registration of a special resolution in terms of Section 351 of the Companies Act. I was appointed provisional Liquidator on 16 April 2002. My appointment was made final by the Master of the High Court on 31 October 2002.
- 2 The first meeting of creditors was held before the Master, Pretoria on 13 September 2002.

History and information of the Company

According to the Registrar of Companies the company was incorporated under registration number 99/21082/07.

Registered Address

- 3 The registered address of the company is Suite 11 & 12, Rynlal Building, 320 the Hillside, Pretoria.

Directors

- 4 It appears from my investigations that the following person served as director:

- 4.1 Corney Snyman;
- 4.2 Charl Terblanche; and
- 4.3 Herman Bouwer.

Business of the Company

- 5 The company marketed and sold a software programme which enable consumers to play the stock exchange.

STATEMENT OF AFFAIRS

- 6 I have been place in possession of a CM100 as required in terms of Section 363 of the Companies Act No 61 of 1973 as amended.

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SECTION 79(A) : FINANCIAL STATEMENT OF ASSETS AND LIABILITIES

- 7 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 claims submitted for proof.

ASSETS

IMMOVABLE PROPERTY	Notes	AMOUNT	AMOUNT
Immovable property			NIL
MOVABLE ASSETS			
Debt collected			6,943.31
LIABILITIES			
Concurrent Creditors			
Approximate		18,000.00	
Shortfall			11,056.69
Total		18,000.00	18,000.00

CAUSES OF THE COMPANY'S FAILURE

The company experienced cash flow problems after the supplier of the software did not want to distribute the goods without receiving payment first.

REPORT TO THE MASTER IN TERMS OF SECTION 400 OF THE COMPANIES ACT

- 8 I will submit a report in terms of Section 400 (2) of the Companies Act should it become necessary.

SECTION 402(d) : PERSONAL LIABILITIES OF DIRECTORS OR OFFICERS

- 9 At this stage it does not appear that a 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.

LEGAL PROCEEDINGS

- 10 I have no knowledge of any legal proceedings pending by or against the company.

ENQUIRY

- 11 I do not intend to hold an enquiry in this matter.

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BOOKS AND RECORDS

12 No books and records were found.

ESTIMATED DIVIDEND

13 It appears that concurrent creditors will receive a small dividend.

MATTERS REQUIRING THE FURTHER DIRECTIONS OF CREDITORS

15 Such directions as required of creditors are contained in the draft resolutions numbers 1 – 14 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 Randburg on this 17th day of April 2003.

LDR VAN DER MERWE

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RESOLUTIONS SUBMITTED AND ADOPTED AT A SECOND MEETING OF CREDITORS TO BE HELD BEFORE THE MASTER OF THE HIGH COURT, PRETORIA ON FRIDAY, 25 APRIL 2003 AT 10:00

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;
 - 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;

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- 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

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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