

Friday
16 July 2010

Our Ref: SM/CMR/JULY2010/16-7/Quickvest 229

TO ALL CREDITORS

Dear Sir / Madam

QUICKVEST 229 (PTY) LIMITED (IN LIQUIDATION) MASTER'S REFERENCE NO:

I advise that the Statutory General Meetings of Creditors and Members have been convened to be held before the Magistrate, Stellenbosch, on Wednesday 28 July 2010 at 10h00. I enclose the following documents relating thereto:-

1. Copy of the Liquidators' Report.
2. Copy of the proposed Resolutions to be submitted for adoption at the meetings.

Dividend prospects are dealt with on page 6 of the Liquidators' Report.

Yours faithfully


S MOODLIAR
LIQUIDATOR

➤ Enclosure

S M Gore*
BCom

T P Glaum*‡
CA(SA), CEA

S Moodliar*
Dip. Insol. Law

3rd Floor
5, St George's Mall
CAPE TOWN
8001

P O Box 3082
CAPE TOWN
8000

Docex 81
CAPE TOWN

Co. Registration No:
2006/006867/07

Tel: +27(21) 418-4010
Fax: +27(21) 425-2047

Direct fax:
0866100650

e-mail:
charmaine@sanek.co.za

*** Members of the
Association of
Insolvency
Practitioners SA**

**‡ Member of the
Association of
Certified Fraud
Examiners - SA
Chapter**

QUICKVEST 229 (PTY) LIMITED (IN LIQUIDATION) - "*The Company*"

MASTER'S REFERENCE NUMBER : C1247/2009

LIQUIDATORS' REPORT TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS AND CONTRIBUTORIES TO BE HELD BEFORE MAGISTRATE, STELLENBOSCH, ON WEDNESDAY 28 JULY 2010 AT 10H00 IN TERMS OF SECTION 402 OF THE COMPANIES ACT NO 61 OF 1973, AS AMENDED.

ORDERS OF COURT AND MEETINGS

The Company was, at the instance of Investec Bank Limited ("*Investec*"), provisionally wound up by order of the Western Cape High Court, Cape Town, on 27 November 2009. The provisional winding-up order was made final on 9 March 2010. The undersigned were appointed jointly as Provisional Liquidators by the Master of the Western Cape High Court, Cape Town, on 8 December 2009.

Five claims amounting to R138,937,935.06 were admitted to proof at the First Meeting of Creditors which was held before the Magistrate, Stellenbosch, on 12 May 2010. The undersigned were nominated for the appointment as Liquidators and duly appointed by the Master of the Western Cape High Court, Cape Town, on 7 June 2010.

FORMATION OF THE COMPANY

The Company was incorporated on 23 July 2004 under Certificate of Incorporation Number 2004/020585/07.

CAPITAL STRUCTURE

The authorised share capital of the Company is R1,000.00 divided into 1,000 ordinary shares of One Rand each, of which 1,000 have been issued.

The issued shares are held as follows:

- | | |
|---|------------|
| - Gold Investment Trust (registered in Mauritius) | 760 shares |
| - Gold Invest 66 SA (registered in Luxemborg) | 240 shares |

REGISTERED OFFICE

The registered office of the Company is at c/o De Waterkant Building, 10 Helderberg Street, Stellenbosch.

DIRECTORS, AUDITORS AND SECRETARY

The director of the Company as at the date of Provisional Liquidation was Mr Paul Etienne Marie Godelieve Gorremans.

The Auditors of the Company were LDP Inc.

NATURE OF THE BUSINESS OF THE COMPANY

The Company carried on business as a property holding company. It is the registered owner of six immovable properties.

CAUSES OF THE FAILURE OF THE COMPANY

1. The applicant creditor, Investec, loaned and advanced the sum of approximately R108,300,000 to the Company for the acquisition of various immovable properties.
2. During the course of 2008, Investec became concerned in regard to the recoverability of its loans to the Company.
3. In November 2008, it came to the attention of Investec that CSV Construction (Pty) Ltd, a creditor of the Company, had obtained judgement against the Company and pursuant thereto had attached certain immovable property owned by the Company.
4. In an attempt to assist the Company, Investec agreed to restructure its loans to the Company. Notwithstanding this, the Company failed to meet its payment obligations to Investec, resulting in the application for the winding-up of the Company.

ASSETS AND LIABILITIES

Although the Statement of Affairs (Form CM 100) has not been submitted, from our own investigations we are able to report on the approximate financial position of the Company as at the date of its provisional winding up as follows:-

ASSETS

<u>IMMOVABLE PROPERTIES</u>	<u>NOTE</u>	<u>BONDHOLDER</u>	<u>VALUATION</u>
1. Portion 73 of the farm Gustrouw No 918, Stellenbosch Division, Broadlands Road, Somerset West	1	Investec	15,800,000.00
2. Remainder Joostenbergskloof No 1294, Paarl Division "Palm Valley"	1	Investec	16,500,000.00
3. Erf 454 Parel Vallei, situate at No 4 Nassau Road, Somerset West	1	Investec	5,100,000.00
4. Erf 15759 Somerset West (Known as Esmeralda)	1	Investec / CSV Construction (Pty) Limited	56,000,000.00
5. Erf 15758, Somerset West	2		950,000.00
6. Portion 74 of the farm Gustrouw 918, Stellebosch Division, Broadlands Road, Somerset West	3	ABSA Bank Limited	9,000,000.00
<u>MOVABLE ASSETS</u>			
7. Loans to Group Companies	4		<u>60,271,337.00</u>
			<u>R163,621,337.00</u>

LIABILITIES

Secured Creditors

- ABSA Bank Limited	3	24,623,280.00
- Investec Bank Limited	1	108,299,978.00
- CSV Construction (Pty) Limited	1	1,635,691.00

Preferent Creditors

Unknown

Concurrent Creditors

- Trade and Sundry (Estimated)		1,000,000.00
- Inter company claims		477,047.00
- Shareholder's loans		<u>46,930,756.00</u>
		<u>R182,966,752.00</u>

NOTES TO ASSETS

1. The immovable properties referred to in 1 to 4 above are subject to mortgage bonds in favour of Investec Bank Limited to whom the Company is indebted to in the sum of approximately R108,299,978. The property referred to in (4) above is also subject to a Builder's Lien in favour of CSV Construction (Pty) Limited ("CSV") to whom the Company is indebted to in the sum of R1,635,691.19.
2. Erf 15758 Somerset West is a vacant Erf which is unencumbered.
3. Portion 74 of Gustrouw 918 is subject to a First Mortgage Bond in favour of ABSA Bank Limited to whom the Company is indebted to in the sum of R24,623,280.
4. The Company made substantial loans to various subsidiary Companies including Quickvest Supplies and Services (Pty) Limited, which company is currently in provisional liquidation. The recoverability of these loans appear to be doubtful.

REPORT TO THE MASTER

The undersigned will, in due course, be filing a report to the Master of the High Court in terms of Section 400(2) of the Companies Act.

LIABILITY OF DIRECTORS AND OFFICERS

On 21 May 2010, the undersigned made application to the High Court of South Africa (Western Cape High Court) in terms of Section 417 and 418 of the Companies Act, in terms whereof, the undersigned sought an order authorising them to hold a commission of enquiry into the affairs of the Company. This order was granted and an enquiry into the affairs of the Company was held on 17th and 18th June 2010.

Pursuant to information obtained at the enquiry, the undersigned are of the view that liability could attach to certain parties including the director of the Company for damages or compensation to the Company or for any debts or liabilities of the Company as provided for in the Companies Act. These investigations are on-going.

PROMOTION, FORMATION AND FAILURE OF THE COMPANY

Investigations are on-going regarding the promotion, formation and failure of the Company and the conduct of its business.

LEGAL PROCEEDINGS

Prior to liquidation, CSV issued summons against the Company for payment of the sum of R1,185,585.18 arising from certain bulk improvements brought about by CSV over Erf 15759 Somerset West ("*Esmeralda*").

On 13 July 2010, the liquidators received notice from CSV of their intention to continue with the civil proceedings instituted against the Company.

BOOKS AND RECORDS

The undersigned are not yet in possession of all the records of the Company and are therefore, at this stage, unable to state with any certainty whether the provisions of Section 284 of the Act have been complied with.

PROGRESS AND PROSPECTS OF WINDING-UP

1. On 9 March 2010, the undersigned were granted an extension of powers by the High Court in terms of Section 386 of the Companies Act which included the power to dispose of assets owned by the Company.
2. The undersigned received an offer of R112,870 000 excluding Vat from Midnight Maquerade Properties 272 (Pty) Ltd, for the purchase of the immovable properties bonded to Investec. With the consent of the bondholder and with the authority granted by the High Court this offer was accepted. As the claim of the bondholder together with interest exceeds the realisable value of the properties, no equity has arisen from the sale of the properties for the benefit of concurrent creditors.
3. The undersigned upon their appointment were advised by CSV that they had exercised a builder's lien over Erf 15759 Somerset West ("*Esmeralda*"). CSV has since delivered the property to the undersigned in terms of the provisions of Section 47 of the Insolvency Act and the property has been sold in terms of the offer referred to in (2) above.

Various documentation and information was obtained from CSV at the commission of enquiry that was held on 17 and 18 June 2010. The undersigned are currently considering the information received and are obtaining legal opinion on the validity of CSV's lien over *Esmeralda*.

4. It is the intention of the undersigned to dispose of Erf 15758 Somerset West and Portion 74 of the farm *Gustrouw* 918, once the second meeting of creditors has been held. Indications are that the realisable value of Portion 74 *Gustrouw* is far less than the bondholder's claim.

LEASES

1. The Company, as "Lessor", concluded a written lease agreement with Mr PEMG Gorremans in respect of the property known as Erf 454 Parel Valley situate at No. 4 Nassau Road, Somerset West. This lease agreement commenced on 1 November 2007 and terminates on 31 October 2014. The property which is currently occupied by Mr Gorremans was sold to Midnight Masquerade Properties 272 (Pty) Limited subject to the existing lease.
2. At date of liquidation, the property known as Portion 74 of the farm Gustrouw 918 was occupied by Quickvest Supplies and Services (Pty) Ltd ("*Quickvest Supplies*") which utilised the premises as a brick factory. It is not clear at this stage whether a written lease agreement exists. The assets of Quickvest Supplies are currently still on the premises. The provisional liquidators of Quickvest Supplies will continue to occupy the premises as it is their intention to dispose of the assets of this Company on site.
3. The Company, as "Lessor", also appears to have concluded a lease agreement with a Mr J W Liebenberg in respect of office and storage buildings on the Farm known as Palm Valley.
4. Other than the lease agreements referred to, the undersigned are not aware of any other lease agreements that were in existence as at the date of provisional liquidation.

ESTIMATED DIVIDEND

The secured creditors referred to will receive the nett proceeds arising from the realisation of their respective securities and will rank concurrent for any shortfall. There also appears to be a reasonable prospect of a concurrent dividend being paid in this matter as Erf 15758 is unencumbered.

**DATED AT CAPE TOWN
THIS 19th DAY OF
JULY 2010**



S MOODLIAR
JOINT LIQUIDATOR

**DATED AT CAPE TOWN
THIS 19th DAY OF
JULY 2010**



S M GORE
JOINT LIQUIDATOR

**DATED AT TABLE VIEW
THIS 19TH DAY OF
JULY 2010**



B NDUNA
JOINT LIQUIDATOR

QUICKVEST 229 (PTY) LIMITED

(IN LIQUIDATION) - *"the Company"*

MASTER'S REFERENCE NO : C1247/2009

RESOLUTIONS TO BE SUBMITTED AT THE SECOND MEETING OF CREDITORS AND CONTRIBUTORIES TO BE HELD BEFORE THE MAGISTRATE, STELLENBOSCH, ON WEDNESDAY 28 JULY 2010 AT 10H00

IT IS HEREBY RESOLVED :

1. That the report of the liquidator(s) and his/their actions as referred to therein be and are hereby approved, ratified and confirmed.
2. That the actions of the provisional liquidator(s) and liquidator(s) in engaging the services of attorneys and/or counsel on such matters as he/they found necessary in the administration of the company in liquidation to date, are hereby approved, ratified and confirmed. That the costs thereof be paid out of the funds of the company in liquidation as part of the costs of administration. That the liquidator(s) be authorised to conclude written agreements with their attorneys in terms of the provisions of Section 73 of the Insolvency Act No. 24 of 1936 (as amended) as read with the provisions of the Companies Act No. 61 of 1973 (as amended), dispensing with the need for preparation of bills and the taxation thereof, and that the actions of the provisional liquidator(s) and liquidator(s) in concluding such written agreements to date, are hereby approved, ratified and confirmed.
3. That the liquidator(s) be and is/are hereby authorised to engage whatever further legal assistance he/they may require in the interests of the company in liquidation and that the costs thereof be paid out of the funds of the company in liquidation as part of the costs of administration.
4. That the liquidator(s) be and is/are hereby authorised to institute or defend legal actions in order to collect debts owing to the company or in respect of any other matter affecting the company in liquidation including the holding of enquiries or examinations in terms of the Companies Act, 1973, as amended, or as read with the Insolvency Act, 1936, as amended, as he/they may deem fit, and for such purposes to employ the services of attorneys and/or counsel of his/their choice and to pay the costs out of the funds of the company in liquidation as part of the costs of administration.

5. That the liquidator(s) be and is/are hereby authorised to settle or compromise any legal proceedings whether instituted or to be instituted by or against the company, on such terms and conditions and for such amount as he/they in his/their discretion may deem fit.
6. That the liquidator(s) be and is/are hereby authorised to sell any movable or immovable property of the company in liquidation of whatsoever description and including outstanding debts by public auction, public tender or private treaty in such manner, upon such terms and conditions and for such amounts as he/they may deem fit.
7. That the liquidator(s) be and is/are hereby authorised to consent to the cancellation of any bond passed in favour of the company.
8. That the liquidator(s) be and is/are hereby authorised to agree to any reasonable offer of composition made to the company by any debtor, to accept payment of any part of any debt due to the company in settlement thereof, to grant an extension of time for the payment of any debt and to abandon such amounts due to the company as he/they has/have been unable to recover or dispose of as he/they may deem fit.
9. That the liquidator(s) be and is/are hereby authorised to engage the services of auctioneers or agents to sell the assets of the company in liquidation and to determine the conditions of sale and manner of advertising in his/their discretion.
10. That the liquidator(s) be and is/are hereby authorised and empowered in his/their discretion to compromise or admit any claim against the company, whether liquidated or unliquidated, arising from any guarantee or any other cause whatsoever, as a liquidated claim in terms of Section 78(3) of the Insolvency Act, as amended, at such amount as may be agreed upon between the creditor(s) concerned and the liquidator(s) provided that proof thereof has been tendered at a meeting of creditors.
11. That the liquidator(s) be and is/are hereby authorised to transfer to the purchaser thereof any immovable property sold by the company prior to its liquidation or to agree to the cancellation of any such sale and to re-sell such property or to agree to the substitution of a new purchaser under any existing Deed of Sale.
12. That the liquidator(s) be and is/are hereby authorised to abandon any asset or assets of the company where no purchaser for the asset(s) can be found.
13. That the liquidator(s) be and is/are hereby authorised to terminate leases in respect of premises or of any other object entered into by the company in liquidation.

14. That the liquidator(s) be and is/are hereby authorised to, if necessary, borrow moneys with or without providing security therefor and that the interest payable on such loans shall be paid as costs of administration of the company in liquidation.
15. That the liquidator(s) be and is/are hereby authorised to engage the services of bookkeepers, accountants, auditors or any other person for any purpose in and about the affairs of the company which he/they may require and the costs so incurred to be paid as costs of administration of the company in liquidation.
16. That the future administration of the company be left in the hands of and to the discretion of the liquidator(s).

qq CREDITORS

PRESIDING OFFICER

qq MEMBERS