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TO ALL KNOWN CREDITORS

Date: 21 February 2019

Our Reference: L Lombard

Dear Sir/Madam

ESV AVIATION CC (IN LIQUIDATION)
REGISTRATION NUMBER: 2008/229772/23
MASTER'S REFERENCE NUMBER: T2326/2017

We refer to the above matter and enclose a copy of the Joint Liquidators' Report, together with Resolutions, to be adopted at the Second Meeting of Creditors to be held before the Master of the High Court, Pretoria on 06 March 2019 at 10h00.

You will note from our last paragraph of our report that there appears to be a danger of contribution.

We assure you of our best attention at all times.

Yours faithfully

L Lombard

L LOMBARD
LIQUIDATOR

BDO Business Restructuring (Pty) Ltd
Registration number: 2002/025164/07
VAT number: 4610217830

National Executive: S Dansie • HN Bhaga-Muljee • BJ de Wet • MP McGarrigle • HCS Lopes • Dr FD Schneider • ME Stewart (Chief Executive) • SM Somaroo • R Teixeira • IM Scott • I Hashim • MS Willimott

Directors: JF Kloppe • LDR van der Merwe • R Pieters • HA Plaatjies

National Head of Advisory: HCS Lopes

The company's principal place of business is at 22 Wellington Road, Parktown, Johannesburg, where a list of directors' names is available for inspection. BDO Business Restructuring (Pty) Ltd, a South African company, is an affiliated company of BDO South Africa Inc., a South African company, which in turn is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.



ESV AVIATION CC (IN LIQUIDATION)

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REPORT OF THE JOINT LIQUIDATORS, IN TERMS OF SECTION 79 OF THE CLOSE CORPORATION'S ACT NO. 69 OF 1984 ("THE ACT") TO BE SUBMITTED AT A SECOND MEETING OF CREDITORS TO BE HELD BEFORE THE MASTER OF THE HIGH COURT, PRETORIA ON 06 MARCH 2019 AT 10H00.

ORDER OF THE COURT AND MEETINGS

Nature of Liquidation	Special Resolution registered on 07 February 2012
Liquidators	L Lombard
Appointment Date	06 September 2017

GENERAL AND STATUTORY INFORMATION

Registrar of Companies

The Close Corporation was registered with the Registrar of Companies and Close Corporations on 30 October 2028 under Registration Number 2008/229772/23

Registered Address

The registered address of the Close Corporation is reflected as being 28 Konkola Avenue, Woodhill Estate, Gauteng.

Members

It appears from our investigations that the following person were the members of the Close Corporation as at date of liquidation:

- Wilhelm Karl Du Plessis Greyling (Identity number: 730825526308)

Accounting Officer

The accounting officer of the close corporation is reflected as being Du Toit Auditors.

REPORT IN TERMS OF SECTION 79 OF THE ACT
SECTION 79(a): ASSETS AND LIABILITIES

The following represents the assets and liabilities of the Close Corporation as at date of liquidation based on documentation lodged and investigations conducted.

<u>ASSETS</u>	<u>AMOUNT {R}</u>	<u>AMOUNT {R}</u>
No assets		Nil



TOTAL ESTIMATE VALUE OF ASSETS		Nil
LIABILITIES		
<u>Secured Creditors</u>	-	
<u>Preferent Creditors</u> South African Revenue Services - approximately Employees - Unknown at this stage	Unknown	
<u>Concurrent Creditors</u>	R 69 027.00	
TOTAL ESTIMATE VALUE OF LIABILITIES	R 69 027.00	

Notes:

The assets and liabilities reflected above are subject to change and verification, depending on the claims submitted for proof.

COMMENT ON THE LIABILITIES

The amount monies owing to the South African Revenue Services is unknown at this stage as we have not as yet received details of their claim.

The balance of the liabilities relates to monies owing in respect of services rendered and a bank overdraft.

SECTION 79(b): CAUSES OF THE CORPORATIONS FAILURE

The liabilities are exceeding the assets. The close corporation terminated business affairs in 2011.

SECTION 79(c): REPORT UNDER SECTION 400(2) OF THE COMPANIES ACT READ WITH SECTION 66 OF THE ACT

At this stage it is unknown whether the former members have contravened provisions of the Companies Act. The books and records still need to be investigated as to whether the legal provisions as required in respect of the keeping of such books and records have been complied with. We will furnish a report to the Master should it become necessary.

SECTION 79(d): LIABILITIES OF MEMBERS

At this stage we cannot comment whether the former members may be held personally liable:

1. To the Close Corporation on the grounds of breach of trust or negligence;
2. To make repayments to the Close Corporation in terms of Section 70(2) or (3) or Section 71(1) or (2) of the Act;
3. To either a creditor of the Close Corporation or to the Close Corporation itself.

Should information come to light at a later stage that would change the status of the above, a report will be submitted.

SECTION 79(e): LEGAL PROCEEDINGS

We have no knowledge of any legal proceedings pending or threatened by or against the Close Corporation as at date of liquidation save for actions relating to the recovery of debt.

SECTION 79(f): ENQUIRY INTO FORMATION AND FAILURE



There are certain aspects relating to the trade, dealings and affairs of the close corporation that the liquidators may want to investigate at an enquiry. Investigations are on-going with regard to the failure of the Close corporation and the conduct of its business.

SECTION 79(g): BOOKS AND RECORDS

The undersigned are not yet in possession of all the books and records of the close corporation.

SECTION 79(h): DIVIDEND PROSPECTS AND FURTHER WINDING UP

There appears to be a danger of contribution.

SECTION 402(i) : MATTERS REQUIRING THE FURTHER DIRECTIONS OF CREDITORS

Such directions as we desire, and sanction of the action taken by the Provisional Liquidators and Liquidators to date, are contained in the Resolutions to be submitted for consideration and adoption, are attached hereto.



SIGNED AT STELLENBOSCH DATED 21st OF FEBRUARY 2019.

L Lombard

L LOMBARD

LIQUIDATOR



ESV AVIATION CC (IN LIQUIDATION)

REGISTRATION NUMBER: 2008/229772/23

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RESOLUTIONS SUBMITTED AND ADOPTED AT THE FIRST MEETING OF CREDITORS HELD BEFORE THE MASTER OF THE HIGH COURT, PRETORIA ON 06 MARCH 2019 AT 10H00.

RESOLVED THAT:

- 1 The report of Liquidator or Joint Liquidators, as the case may be, hereinafter referred to as (the Liquidators”), as submitted, be received and adopted and all their actions referred to therein be and are hereby confirmed, ratified and approved.
- 2 All actions of whatsoever nature hereto before taken by the Liquidators be and are hereby confirmed, ratified and approved.
- 3 The Liquidators 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 their sole and absolute discretion.
- 4 The Liquidators be and are hereby authorised in their sole and absolute discretion to:
 - 4.1 Take legal advice on any question of law affecting the administration and distribution of the Close Corporation;
 - 4.2 Institute or defend on behalf of the Close Corporation any action or other legal proceedings of a civil nature for the recovery of monies due to the Close Corporation 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 Close Corporation 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 Close Corporation 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 Close Corporation, establishing the claims of creditors, or any other purpose.
- 5 The Liquidators be and are hereby authorised in their 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 Liquidators may be of assistance in the winding-up of the Close Corporation 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 Liquidators be and are hereby authorised to collect any debts due to the Close Corporation 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 they in their 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 they in their sole discretion may deem to be irrecoverable.

- 7 The Liquidators be and are hereby authorised to dispose of any movable and immovable property of the Close Corporation, whether in their possession or under their control now or to come into their possession or under their control in the future by public auction, private treaty or public tender upon such terms and conditions as they in their sole and absolute discretion shall determine and to abandon any such assets for which they 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 Liquidators 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 Liquidators be and are hereby authorised and empowered in their 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 Liquidators, provided that proof thereof has been tendered at a meeting of creditors.
- 9 That the payment of reasonable expenses incurred by the Liquidator / Joint Liquidator and /or Trustee / Joint Trustee for his / their employee's transportation and accommodation in carrying out any statutory duty or in the performance of his / their duty as Liquidator / Joint Liquidator and/or Trustee / Joint Trustee be paid as administration costs additional to the Liquidator / Joint Liquidator and/or Trustee / Joint Trustee remuneration, immediately or as soon as the estate receives sufficient funds to meet such expenses. Such expenses include all reasonable hotel accommodation, necessary air travel, car rental and fuel calculated in accordance with AA-Tariffs.
- 10 That the payment of reasonable expenses incurred by the Liquidator / Joint Liquidator and/or Trustee / Joint Trustee in carrying out any statutory duty in or in the performance of his/their duty as Liquidator / Joint Liquidator and/or Trustee / Joint Trustee, be paid as administration costs additional to the Liquidator / Joint Liquidator and/or Trustee / Joint Trustee's remuneration. Such expenses include the expenses incurred for countrywide deeds office searches. Credit inform enquiries, ITC Enquiries, Deed Search Enquiries, obtaining copies of the Title Deeds, Bond documents, Court Orders and any other documents required, postages and petties and attendance at the Registrar of Deeds for the noting of Court Orders and attendance of any creditor meeting.
- 11 The Liquidators / Joint Liquidator and/or Trustee / Joint Trustees are/is hereby authorizes to charge as an administration expense against the estate, the costs of circularizing creditors, which include but not necessarily be limited to:
 - The provisional and interim circular to creditors:
 - Application for extensions and;
 - Progress reports.

In each case the actual expenditure relating to the postage and photocopying of documents for the circular. Such expenses of obtaining photocopies shall include the costs of photocopying bundles for the purpose of creditors reports, circulars and in particular interrogations, which costs shall also include the costs of plastic binding covers and metal binders. The production of a certificate of the Provisional Liquidator / Liquidator / Trustee of such expenditure will be accepted by the creditors and will be sufficient proof of the disbursements.

- 12 The Liquidators be and are hereby authorised to make application for the destruction of books and records of the Close Corporation six months after the confirmation of the Final Liquidation and Distribution Account.



- 13 The Liquidators be and are hereby authorised to perform any act or exercise any power for which they are not expressly required by the Companies Act No. 61 of 1973, as amended, to obtain the leave of the Court.
- 14 The Liquidators be and are hereby authorised to submit to the determination of arbitrators any dispute concerning the Close Corporation or any claim or demand by or upon the Close Corporation.
- 15 The Liquidators be and are hereby authorised to carry on or discontinue any part of the business of the Close Corporation insofar as may be necessary for the beneficial winding-up thereof.
- 16 The Liquidators be and are 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.
- 17 The creditors hereby consent to the Liquidators' remuneration ("the remuneration") being taxed by The Master of High Court in terms of Section 384 of the Act **at the higher figure of:**
 - 14.1 the prescribed tariff as is contained in Annexure CM 104 to the Winding up Regulations to the Act;
 - 14.2 the increased amount of work done by the Liquidators in terms of the actual time spent by their staff in the discharge of their duties in the winding-up as is reflected on properly kept timesheets at the charge out tariff of the respective professional and administrative staff and which will be deemed to be good cause for the increase of such remuneration.
- 18 The remuneration referred to in 14 above may further be increased based on aspects such as:
 - 15.1 the complexity of the estate in question;
 - 15.2 the degree of difficulty encountered by the Joint Liquidators in the administration of the estate, and
 - 15.3 particular difficulties experienced by the Joint Liquidators because of the nature of the assets or some other similar feature connected with the winding-up.
- 19 The further administration of the affairs of the Close Corporation be left entirely in the hands and at the discretion of the Joint Liquidators.

q.q. CREDITOR / MEMBER

THE PRESIDING OFFICER