

**DEMETRIOU SPORTS CC (IN LIQUIDATION)**  
**MASTER'S REFERENCE NUMBER: B123/2024**

REPORT by the Joint Liquidators, Chavonnes Badenhorst St Clair Cooper and Jerifanos Mashamba to be submitted in terms of Section 79, at the Second Meeting of Creditors, Members and Contributors, convened to be held before the Presiding Officer, Master Bloemfontein on Wednesday, 12 February 2025 at 10h00.

**ORDERS OF THE COURT AND MEETINGS**

Demetriou Sports CC (herein after referred to as the "Company") was placed in Liquidation by the way of a Registered Special Resolution. Chavonnes Badenhorst St Clair Cooper and Jerifanos Mashamba were appointed Joint Liquidators by the Master of the High Court, Bloemfontein, in terms of his Certificate of Appointment dated 19 December 2024.

The First Meeting of Creditors will held before the Presiding Officer, Master Bloemfontein just prior to the Second Meeting of Creditors.

**STATUTORY INFORMATION:**

REGISTRATION NUMBER: **1996/054885/23**

REGISTERED OFFICE: SHOP B26, MIDDESTAD CENTRE, BLOEMFONTEIN, 9301

MEMBER AT DATE OF LIQUIDATION WAS: PEET RAMUS ERASMUS VAN NIEKERK

**THE MEMBER DID FURNISH THE LIQUIDATORS WITH A COPY OF THE COMPLETED CM100, WHICH ASSETS AND LIABILITIES WILL BE REFLECTED BELOW**

**REPORT**

We are now to report more fully in terms of Section 79 of the Close Corporation Act, No.69, of 1984, as amended, as follows:

**SECTION 79(a) – ASSETS AND LIABILITIES**

**ASSETS**

Immovable Property

None

R 0.00

Movable Assets:

**Various Stock and Equipment in three locations around Bloemfontein namely:**

**Loch Logan Waterfront** (as per valuation) R 773 731.01

**Bloem Plaza** (as per valuation) R 190 528.40

**Middestad Shopping Centre** (see note 1) unknown

**2006 Mercedes VITO 2.2 CDI CREW CAB F/C P/V (Reg: GYG253S)**  
subject to Instalment Sale with Wesbank (see note 2) unknown

**Ford Ranger**  
Subject to Instalment Sale Agreement with Absa / Ford Credit (see note 2) unknown

**SHORTFALL** R 38 673 326.85

**TOTAL** **R 964 259.41**

**LIABILITIES**

Secured creditors

**Loch Logan Waterfront** outstanding rental prior to Liquidation (Landlord Hypothec) R 230 429.67

<b>Bloem Plaza</b> outstanding rental prior to Liquidation (Landlord Hypothec)	R 218 287.00
<b>Middestad Shopping Centre</b> outstanding rental prior to Liquidation (Landlord Hypothec)	R 351 893.02
<b>Wesbank</b> (Instalment Sale Agreement/s)	R 86 140.57
<b>Absa Bank / Ford Credit</b> (Instalment Sale Agreement)	unknown
<u>Preferent creditors</u> SARS (see note 3)	unknown
<u>Concurrent creditors</u> Various Suppliers (see note 4)	R 9 022 044.00
Nedbank (Loan)	R 5 000 000.00
First National Bank (Loan)	R 750 000.00
Lula Lend (Loan)	R 1 508 333.00
Pollen Finance (Loan)	R 675 000.00
Fairvest (Loan)	R 3 038 688.00
Michael Demetriou	R 18 756 771.00

**TOTAL** **R 39 637 586.26**

#### **COMMENTS ON ASSETS**

All Movable assets (STOCK) were supplied to the Demetriou Sports CC on credit, numerous Suppliers have alleged they have a Reservation of Ownership over the unsold stock, which if it be the case will make those Creditors secured Creditors over the stock they hold reservation over. The Liquidators are busy dealing with each supplier on their own and will report further if deemed necessary.

#### **NOTES:**

- (1). At the time of drafting the report, the agent had not yet unpacked the stock removed from the premises being the Middestad Shopping Centre, the agent and Liquidators, urgently had to remove all stock & equipment from the store as the location was not safe to continue storing, theft and vandalism occurred while the Liquidators were awaiting their Certificate of Appointment, in the best interest of the Insolvent Estate and all Creditors, all assets were removed and now being stored at the Loch Logan Waterfront, this was also to reduce monthly costs.
- (2). Both the Mercedes-Benz Vito and Ford Ranger were collected by the finance houses being Wesbank and Absa Bank, the Liquidators have requested a valuation for the said vehicles which are the Secured Creditors in terms of an Instalment Sale Agreement, to date no valuations have been received and the outstanding debt owing to Absa is also unknown.
- (3). SARS still needs to confirm if monies were owing at date of Liquidation in terms (VAT, Income Tax and PAYE).
- (4). As per the Notes above, certain Creditors (Suppliers) have indicated they hold a Reservation of Ownership of the unsold stock they supplied, the Liquidators are investigating each and every Supplier and their supporting documents to confirm everything is in order, if the documentation is in order by each Supplier, they will be requested to collect and uplift their stock and deal with same in terms of Section 83 & 84 of the Insolvency Act..
- (5). **AT THE MOMENT, A DANGER OF CONTRIBUTION EXISTS FOR CONCURRENT CREDITORS**

#### **SECTION 79(b): CAUSES OF THE FAILURE OF THE COMPANY**

The Company traded as Sneakers selling various name brand Shoes, clothing and accessories, the Close Corporation was a very successful business, until recently, a major reason for the demise of the Business is the ever growing shopping online, most people would try on the shoe they like and then buy same directly from the Supplier online, the business could also not keep up the escalating monthly rental from the shopping malls.

#### **SECTION 79 (c): SUPPLIMENTARY REPORT**

A confidential report, if deemed necessary, will be submitted to the Master of the High Court in terms of Section 400 (2) of the Companies Act No. 61 of 1973, as amended, as read with Section 66 of the Close Corporation Act

#### **SECTION 79 (d): PERSONAL LIABILITIES OF MEMBERS / OR OFFICERS**

It does not appear that the member\ officers are personally liable in terms of the act.

**SECTION 79(e): LEGAL PROCEEDINGS**

We have no knowledge of any legal proceedings pending by, or threatened against, the company, as at the date of liquidation save for the proceedings taken by creditors to obtain payment for their outstanding debts.

**SECTION 79(f): FURTHER ENQUIRIES**

No Creditor has to date informed the liquidators they want to proceed with an enquiry, a report will be sent out if the status changes, any Creditor willing to fund and Enquiry in this regard will need to make contact with the appointed Liquidators to proceed accordingly.

**SECTION 79(g): ACCOUNTING RECORDS**

Limited books and/or records of the Close Corporation as required by Section 56 of the Close Corporation Act No 69 of 1984, as amended, were furnished to us.

**SECTION 79(h): PROGRESS AND DIVIDEND PROSPECTS OF LIQUIDATION**

We confirm that at this stage a danger of contribution does exist.

Creditors are requested to adopt resolutions 1 - 30 so that the administration of the affairs of the Company in liquidation may be finalised.

Dated at Bloemfontein this 27<sup>th</sup> day of January 2025

  
.....  
**C. ST CLAIR COOPER**  
Joint Liquidator

Dated at JOHANNESBURG this 30<sup>th</sup> day of JANUARY 2025

  
.....  
**J MASHAMBA**  
Joint Liquidator

**DEMETRIOU SPORTS CC (IN LIQUIDATION)**  
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**RESOLUTIONS SUBMITTED AT THE SECOND MEETING OF CREDITORS HELD BEFORE THE MASTER BLOEMFONTEIN ON WEDNESDAY THE 12<sup>th</sup> OF FEBRUARY 2025 AT 10H00.**

**RESOLVED**

1. **THAT** the actions of the Provisional Liquidator / Joint Provisional Liquidators / Joint Liquidators and/or Provisional Trustee / Joint Provisional Trustees / Trustee / Joint Trustees in employing night watchmen to protect the premises and assets of the Company be and are hereby approved and ratified, all costs relating thereto to be costs in the liquidation.
2. **THAT** the actions of the Liquidator / Provisional Liquidator / Joint Provisional Liquidators / Joint Liquidators and/or Trustee / Provisional Trustee / Joint Trustees and/or Joint Provisional Trustees in having disposed of assets, shares and loan accounts, prior to the date of this meeting, be and are hereby approved and ratified, all costs incurred in relation thereto to be costs in the liquidation.
3. **THAT** the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees be and are hereby authorised to collect any outstanding debts due to the Company / Close Corporation in liquidation or Insolvent Estate and for the purpose thereof either to sell or compound any of these debts for such sum and on such terms and conditions as they in their sole discretion may deem fit, or to abandon any claims which they, in their sole discretion, may deem to be irrecoverable, or to institute legal action and/or employ Attorneys and/or Counsel in connection with the recovery of the debts, and to proceed to the final end or determination of any such legal actions instituted or to abandon same at any time as they in their sole discretion may deem fit, all legal costs so incurred to be costs in the liquidation.
4. **THAT** the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees be and are hereby authorised by the creditors in terms of Section 73 of the Judicial Matters Amendment Act 1998, to waive the taxation by the Taxing Master of the High Court of the fees and disbursements of attorneys. The prior written authorisation by creditors is hereby waived and the actions taken by the Liquidator / Joint Liquidators and/or Trustee / Joint Trustee are hereby ratified.
5. **THAT** the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees be and are hereby authorised to employ a Forensic Auditor being a Chartered Accountant, to investigate and write up the books of the Company / Close Corporation or Insolvent Estate to the date of liquidation or sequestration, and to produce an audited Balance Sheet as at that date, all costs, to be charged at Auditor General Rates incurred in relation thereto to be costs in the liquidation.
6. **THAT** the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees are hereby authorised and empowered to –
  - 6.1 engage the services of Attorneys and Counsel in connection with any matter arising out of or related to the affairs of the Company / Close Corporation / Insolvent Estate;
  - 6.2 agree with such Attorney on the tariff and/or scale of fees to be charged by and paid to the Attorney for the rendering of the services to the Company / Close Corporation / Insolvent Estate;
  - 6.3 pay to the Attorney; provided that there is at all times a sufficiency of funds in the Free Residue, the agreed costs and the disbursements made by the Attorney as and when the services are rendered and the disbursements are made subject to –
    - 6.3.1 the taxation of such costs and disbursements by the Master of the High Court when the Attorney has performed his Mandate;
    - 6.3.2 the repayment by the Attorney to the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees of any payment made by the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees to the Attorney in respect of the latter's costs and disbursements which exceeded the amount determined by the taxation, or in the event of the Attorney becoming disentitled to such payment, or any portion thereof,

if it should be excluded from the confirmed Liquidators' / Trustees' Account pursuant to any objection under Section 111 of the Insolvency Act, 1936; and  
6.3.3 that the Liquidator / Joint Liquidator and/or Trustee / Joint Trustees are/is hereby authorised to engage whatever further legal assistance the former may require in the interests of the estate and that the costs thereof are paid out of the funds of the estate as part of the costs of administration.

7. **THAT** the Liquidator / Provisional Liquidator / Joint Provisional Liquidators and/or Joint Liquidators and/or Trustee / Provisional Trustee / Joint Trustee and/or Joint Provisional Trustee be and are hereby authorised and empowered in their discretion to contest or defend any legal proceedings by or against the Company / Close Corporation and/or Insolvent Estate and, should they deem it necessary, to employ Attorneys and/or Counsel to assist and all costs incurred in terms thereof to be costs in the liquidation.
8. **THAT** the Liquidator / Joint Liquidator be and is/are hereby authorised to institute or defend legal action and/or employ the services of a tracing agent or debtor collector in order to collect debts owing to the estate or in respect of any other matter affecting the estate including the holding of Enquiries or examinations in terms of Closed Corporation Act of 1984, read together with the Companies Act of 1973 and the Insolvency Act, 1973, as amended, as he/ they may deem fit, 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 cost out of the funds of the estate as part of the costs of administration which accounts do not have to be taxed but a fee approved by the Liquidator / Joint Liquidators will be payable.
9. **THAT** the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees be and are hereby authorised to dispose of the immovable and movable assets of the Company / Close Corporation and/or Insolvent Estate by either Public Auction or Public Tender or Private Treaty. The mode of sale for any one or more of the assets to be at the discretion of the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees, and all costs incurred in relation thereto to be costs in the liquidation.
10. **THAT** the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees be and are hereby authorised and empowered in their discretion to hold an Enquiry into the formation and affairs of the Company / Close Corporation and/or Insolvent Estate, and/or any matters relating thereto, should they deem it to be in the best interests of Creditors, and to employ Attorneys and/or Counsel and/or Recording Agents to assist in the said Enquiry, and to summons any persons who they should deem necessary, to be present at the Enquiry, all costs so incurred to be costs in the liquidation, and that should costs be incurred for the use of a tape recorder where the State does not supply the service free of charge, the costs thereof and the cost for obtaining copies of the Court Records will be deemed part of the administration costs of the estate.
11. **THAT** the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees be and are hereby authorised and empowered to investigate any apparent voidable and/or undue preference and/or any dispositions of property, and to take any steps which they in their discretion may deem necessary, including the instituting of legal action and the employment of Attorneys and/or Counsel, to have these set aside, and to proceed to the final end or determination of any such legal actions or to abandon same at any time as they in their sole discretion may deem fit, all costs incurred in terms thereof to be costs in the liquidation.
12. **THAT** in the event of any asset which is subject to a Mortgage Bond, Pledge or other form of security not realising sufficient to pay the claim of the secured creditor plus the pro-rata share of the costs of administration in full, then the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees be and are hereby authorised, in their discretion, to abandon such asset to the creditor concerned at an agreed valuation, subject to the payment by such creditor of a pro-rata share of the costs of administration in terms of Section 89 of the Insolvency Act, as amended.
13. **THAT** the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees be and are hereby authorised and empowered in their discretion, to compromise or admit any claim against the Company / Close Corporation and/or Insolvent Estate, whether liquidated or un-liquidated, as a liquidated claim in terms of Section 78(3) of the Insolvency Act, as amended, provided that proof thereof has been tendered at a meeting of creditors.
14. **THAT** the actions of the Provisional Liquidator / Liquidator / Joint Provisional Liquidators / Joint Liquidators and or Provisional Trustee / Joint Provisional Trustee / Trustee in advertising, calling for tenders for the purchase of the business and/or assets of the Company / Close Corporation or Insolvent Estate be and are hereby approved and ratified, all costs so incurred to be costs in the liquidation.

15. **THAT** the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees be and are hereby authorised and empowered to sign all the necessary documents as may be required to effect transfer of the ownership of the assets, including immovable property, to the purchasers thereof.
16. **THAT** the actions of the Liquidator / Joint Provisional Liquidators and/or Joint Liquidators and/or Trustee / Joint Provisional Trustees and/or Joint Trustees in continuing the business of the Company / Close Corporation and retaining staff be and are hereby approved and ratified, all costs so incurred to be costs in the liquidation.
17. **THAT** the actions of the Liquidator / Provisional Liquidator / Joint Provisional Liquidators and/or Joint Liquidators in employing salesmen and administrative personnel and generally to protect the interests of creditors be and are hereby approved and ratified and the fees of such personnel to be costs in the liquidation.
18. **THAT** the Liquidators / Joint Liquidators be and are hereby authorised and empowered to continue the business of the Company / Close Corporation from the date of liquidation until such time as creditors instruct them to the contrary or until such time as the assets are realised and to do all things which they in their sole discretion may deem necessary for the successful continuation of the business (all costs so incurred to be costs in the liquidation) and without restricting the generalities of their powers they are hereby specifically authorised:
- (i) To discharge and engage employees and to fix their remuneration.
  - (ii) To continue the lease of the Company's premises until such time as it is decided to determine the lease.
  - (iii) To employ persons to undertake the physical count and valuation of stock in trade at the beginning and end of any trading period subsequent to the date of liquidation of the Company.
  - (iv) To employ persons to prepare an inventory or inventories of all movable assets of the Company.
  - (v) Generally to do all things which they in their discretion may deem to be necessary to determine the lease.
19. **THAT** the action of the Liquidator / Provisional Liquidator / Joint Provisional Liquidators and/or Joint Liquidators in terminating any of the leases of the Company's / Close Corporation's offices, be and are hereby ratified, all costs so incurred to be costs in the liquidation.
20. **THAT** the Liquidator / Provisional Liquidator / Joint Provisional Liquidators and/or Joint Liquidators be and are hereby indemnified against any losses and/or claims for damages resulting from the continuation of the Company's / Close Corporation's business, all such losses and damages to be costs in the liquidation.
21. **THAT** the Liquidator / Provisional Liquidator / Joint Provisional Liquidators and/or Joint Liquidators / Trustee / Provisional Trustee / Joint Trustee / Joint Provisional Trustee be and are hereby authorised to abandon any asset if it is, in their opinion, of no value to the estate or if the realisation thereof would not, in their opinion, result in any benefit to the estate.
22. **THAT** the payment of reasonable expenses incurred by the Liquidator / Joint Liquidator and/or Trustee / Joint Trustee for his / their personal or 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 Trustees 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.
23. **THAT** the payment of reasonable expenses incurred by the Liquidator / Joint Liquidator and/or Trustee / Joint Trustee 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 Liquidators and / or Trustee / Joint Trustees' remuneration immediately or as soon as the estate receives sufficient funds to meet such expenses. Such expenses include, but are not limited to, the expenses incurred for countrywide deeds office searches, credit inform enquiries, ITC Enquiries, Deed Search Enquiries, obtaining copies of Title Deeds, Bond documents, Court Orders and any other documents required, postages, including courier costs, and petties and attendance at the Registrar of Deeds for the noting of Court Orders.

24. **THAT** the Liquidator / Joint Liquidator and/or Trustee / Joint Trustees are / is hereby authorised to charge as an administration expense against the estate, the costs of circularizing creditors, which circulars shall include but not necessarily be limited to:

- The provisional and interim circular to creditors;
- Applications for extensions; and
- Progress reports.

In each case the actual expenditure relating to the postage and photocopying of documentation for the circular. Such expenses of obtaining photocopies, shall include the costs of photocopying bundles for the purposes 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.

25. **THAT** the Liquidator / Provisional Liquidator / Joint Liquidator / Joint Provisional Liquidator and/or Trustee / Provisional Trustee / Joint Trustee and/or Joint Provisional Trustee in his / their sole discretion be authorised to make advance awards to creditors. He / they are furthermore entitled in cases where he / they have made advance awards, to take his / their fee on the assets, where an award has been made in his / their sole discretion.

26. **THAT** the advances to the Company / Close Corporation / Insolvent Estate must be re-imbursed to either the Financial Institution or Honey Attorneys at a rate of prime plus 2% for the period of such advance, and that this is regarded as a cost of administration.

27. **THAT** the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees be and are hereby authorised to make application for the destruction of the books and records of the Company / Close Corporation six months after the confirmation of the final account.

28. **THAT** the Report submitted by the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees, be and is hereby approved and adopted.

29. **THAT** the further administration of the affairs of the Company / Close Corporation / Insolvent Estate be left in the hands of the Liquidator / Joint Liquidators and or Trustee / Joint Trustees at his/their sole discretion.

30. **THAT** all actions of the Liquidator / Joint Liquidators and/or Trustee / Joint Trustees to date be and are hereby approved and ratified.

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**q.q. CREDITORS**

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**PRESIDING OFFICER**

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**DATE**