

Model Answers to the Conveyancing Examination

September 2006

Part 1

Self-Study Deeds Course

Question 1 - Model answer

[10]

The representative (agent or trustee) hereby undertakes that he will as a matter of urgency make the necessary arrangements to register the purchasing company or close corporation, with one of its main objects the adoption and ratification of this agreement, with or without modification and that, in the event of –

- i) the company or close corporation not being registered within 30 days from the date of signature of this deed of sale; or
- ii) the company or close corporation having been registered, but failing to adopt and ratify this agreement within 7 days thereafter,

then, and in such event, the trustee acting for such Company or Close Corporation shall be deemed, by his signature hereto, to have bound himself as surety for and co-principle debtor *in solidum* with the said Company or Close Corporation for all its obligations to the seller in terms hereof.¹

¹ This is merely one example. There various other formulations that could be used to achieve the same purpose.

2.1

Prepared by me

CONVEYANCER
Le Roux GJ

**Application in terms of section 39(1)
of the Deeds Registries Act 47 of 1937**

I, the undersigned

John Nkosi
Identity Number 660920 5099 087
Married out of community of property

am the registered owner of the land described as

Erf 6 Boksburg Township
Registration Division IR, Province of Gauteng
IN EXTENT 900 (nine hundred) Square Metres

held by me under Deed of Transfer No. T286/2000.

- 1 As a result of a conveyancing error the same land is also registered in the name of Charles Dube, Identity Number 781201 5077 088, unmarried, under Deed of Transfer No. T987/2000.
- 2 To correct the error in registration, the land is about to be transferred to me by the said Dube, with a result that I shall then hold the land under two title deeds.
- 3 I therefore apply to the Registrar of Deeds at Johannesburg, in terms of Section 39(1) of Act 47 of 1937, for the issue to me of a Certificate of Registered Title in respect of the said land, taking the place of the deeds by which it was previously held.

SIGNED at Boksburg 13 September 2006.

John Nkosi
[13]

Form M

CERTIFICATE OF REGISTERED TITLE
Issued under the provisions of section 39(1)
of the Deeds Registries Act 47 of 1937

Whereas

John Nkosi
Identity Number 660920 5099 087
Married out of Community of Property

has applied for the issue to him of a Certificate of Registered Title in terms of section 39(1) of the said Deeds Registries Act, 1937;

AND whereas the said **John Nkosi** is the registered owner of the hereinafter mentioned property under Deed of Transfer No. **T286/2000** registered on **20 January 2000**.

AND whereas the said property was again transferred to the said **John Nkosi**

under Deed of Transfer No. T ²
correct an error in registration;

registered this day in order to

AND whereas the said **John Nkosi** now holds the said property under two deeds of transfer and it is necessary to rectify the aforesaid registrations.

NOW therefore, in pursuance of the provisions of the said Act, I the **Registrar of Deeds** at **Johannesburg**, do hereby certify that the said **John Nkosi**, his heirs, executors, administrators, or assigns is the registered owner of

Erf 6 Boksburg Township
Registration Division IR, Province of Gauteng
IN EXTENT 900 (nine hundred) Square Metres

First transferred by Deed of Transfer No. T3000/1999 with General Plan S.G. No. A396/1998 relating thereto and held by Deed of Transfer T286/2000 and Deed of Transfer T287/2000.

AND that by virtue of these Presence the said **John Nkosi**, his heirs, executors, administrators, or assigns, now is and henceforth shall be entitled thereto, conformably to the local custom, the state, however, reserving its rights.

IN witness whereof I, the said Registrar have subscribed to these presents, and have caused the seal of office to be affixed thereto.

THUS done and executed at the office of the **Registrar of Deeds** at **Johannesburg** on this _____ day of _____ 2006.

REGISTRAR OF DEEDS
[15]

² The Deeds Registry will insert the deed's number in this space. It is clear from the question that the rectification transfer has not yet been registered. One can therefore assume that it will be done simultaneously with the issue of this CRT.

Prepared by me

CONVEYANCER
Le Roux GJ

Power of Attorney and Agreement to Partition Land

We, the undersigned

1 John Jones
in my capacity as trustee of the
Simran Investment Trust
No. IT 3433/2003
duly authorised thereto by Letters of Authorisation issued by the Master of the High
Court of South Africa at Pretoria on 26 May 2003

2 Abrahm Lincoln
in my capacity as trustee of the
Sugarbush Housing Trust
No. IT 3437/2003
duly authorised thereto by Letters of Authorisation issued by the Master of the High
Court of South Africa at Pretoria on 26 May 2003

being the joint owners of

1 A Unit consisting of –

- a) Section No. 1 as shown and more fully described on Sectional Plan No. SS 3/2003 in the scheme known as POPLAR PLACE in respect of the land and building or buildings situate at PORTION 329 OF THE FARM WITKOPPEN NO. 194 in the local authority of CITY OF JOHANNESBURG, of which section the floor area according to the said sectional plan is 121 (one hundred and twenty one) square metres in extent; and
- b) An undivided share in the common property in the scheme apportioned to the said section in accordance with the participation quota as endorsed on the said sectional plan.

Held by us in shares as follows:

- 1 The trustees of the Simran Investment Trust, No. IT 3433/2003
1/3rd (one third) share
Held by Deed of Transfer ST 8/2004
- 2 The trustees of the Sugarbush Housing Trust, No. IT 3437/2003
2/3rd (two third) share
Held by Deed of Transfer ST 8/2004
- 2 A Unit consisting of –
 - a) Section No. 2 as shown and more fully described on Sectional Plan No. SS 3/2003 in the scheme known as POPLAR PLACE in respect of the land and building or buildings situate at PORTION 329 OF THE FARM WITKOPPEN NO. 194 in the local authority of CITY OF JOHANNESBURG, of which section the floor area according to the said sectional plan is 121 (one hundred and twenty one) square metres in extent; and
 - b) An undivided share in the common property in the scheme apportioned to the said section in accordance with the participation quota as endorsed on the said sectional plan.

Held by us in shares as follows:

- 1 The trustees of the Simran Investment Trust, No. IT 3433/2003
1/3rd (one third) share
Held by Deed of Transfer ST 8/2004
- 2 The trustees of the Sugarbush Housing Trust, No. IT 3437/2003
2/3rd (two third) share
Held by Deed of Transfer ST 8/2004
- 3 A Unit consisting of –
 - a) Section No. 3 as shown and more fully described on Sectional Plan No. SS 3/2003 in the scheme known as POPLAR PLACE in respect of the land and building or buildings situate at PORTION 329 OF THE FARM WITKOPPEN NO. 194 in the local authority of CITY OF JOHANNESBURG, of which section the floor area according to the said sectional plan is 121 (one hundred and twenty one) square metres in extent; and
 - b) An undivided share in the common property in the scheme apportioned to the said section in accordance with the participation quota as endorsed on the said sectional plan.

Held by us in shares as follows:

- 1 The trustees of the Simran Investment Trust, No. IT 3433/2003
1/3rd (one third) share
Held by Deed of Transfer ST 8/2004
- 2 The trustees of the Sugarbush Housing Trust, No. IT 3437/2003
2/3rd (two third) share
Held by Deed of Transfer ST 8/2004

hereby declare that we have agreed to partition the said land and we hereby award to each owner the land as described below

AND we hereby nominate, constitute and appoint Gabriël Jacobus le Roux with power of substitution to be our true and lawful attorney and agent to appear before the Registrar of Deeds at Pretoria and then and there as our act and deed to pass transfer of the land so awarded to each of us:

- A Awarded to the trustees of the Simran Investment Trust, No. IT 3433/2003, the following property, namely -

A unit consisting of –

- a) Section No 3 as shown and more fully described on Sectional Plan No. SS 3/2003 in the scheme known as POPLAR PLACE in respect of the land and building or buildings situate at PORTION 329 OF THE FARM WITKOPPEN No 194 in the local authority of the CITY OF JOHANNESBURG, of which section the floor area, according to the said sectional plan is 120 (one hundred and twenty) square metres in extent; and
- b) an undivided share in the common property in the scheme apportioned to the said section in accordance with the participation quota as endorsed on the said sectional plan.

Held by Deed of Transfer ST 8/2004.

B Awarded to the trustees of the Sugarbush Housing Trust, No. IT 3435/2003, he following properties, namely -

1 A unit consisting of –

- a) Section No 1 as shown and more fully described on Sectional Plan No. SS 3/2003 in the scheme known as POPLAR PLACE in respect of the land and building or buildings situate at PORTION 329 OF THE FARM WITKOPPEN No 194 in the local authority of the CITY OF JOHANNESBURG, of which section the floor area, according to the said sectional plan is 121 (one hundred and twenty one) square metres in extent; and
- b) an undivided share in the common property in the scheme apportioned to the said section in accordance with the participation quota as endorsed on the said sectional plan.

2 A Unit consisting of –

- a) Section No 2 as shown and more fully described on Sectional Plan No. SS 3/2003 in the scheme known as POPLAR PLACE in respect of the land and building or buildings situate at PORTION 329 OF THE FARM WITKOPPEN No 194 in the local authority of the CITY OF JOHANNESBURG, of which section the floor area, according to the said sectional plan is 121 (one hundred and twenty one) square metres in extent; and
- b) an undivided share in the common property in the scheme apportioned to the said section in accordance with the participation quota as endorsed on the said sectional plan.

Both held by Deed of Transfer ST 8/2004

And we declare that we have not, not has any other person on our account, given or received any money or any other valuable consideration for or in respect of the partition and the simultaneous transfer of the aforesaid property.

SIGNED at Pretoria on 13 September 2006.

AS WITNESSES: 1 _____

Simran Investment Trust

2 _____

Sugarbush Housing Trust

Question 4 - Model answer

[16]

4.1 "... arising from and being the amount still owing under a hitherto existing mortgage bond Number B5877/1990 passed by the said mortgagor in favour of the said mortgagee for money lent and advanced, the said bond being cancelled simultaneously with the registration hereof." [4]

4.2 "... in the sum of R120,000.00 (one hundred and twenty thousand rand) being the capital sum arising from the following causes of debt, namely –

- a) as to the amount of R100,000.00 being money lent and advanced; and
- b) as to the amount of R100,000.00 being goods sold and delivered." [4]

4.3 "... in the sum of R10,000.00 (ten thousand rand) being the capital sum and arising from money lent and to be advanced from time to time subject to the provisions of the continuing covering security clause below."

Note: A continuing covering security clause must then be inserted in the bond stipulating that: "This bond also serves as continuing covering security for monies hereafter to be advanced or re-advanced from time to time up to the capital amount of R10,000.00." [4]

4.4 "... in the sum of R10,000.00 (ten thousand rand) being the capital sum for money lent and advanced in the sum of –

- a) R6,000.00 by the said Thomas Jones; and
- b) R4,000.00 by the said Mary Smith." [4]

Question 5 - Model answer

[30]

a) PETER LEE
Identity number 460825 5016 081
and
JOAN LEE
Identity number 470926 0016 082
married in community of property to each other [4]

b) 1 MARY HOLMES
Born on 26 September 1944
Spinster

2 ANN MARTIN
Identity number 500209 0173 088
and
PETER MARTIN
Identity number 491030 5019 088
married in community of property to each other [5]

- c) to be lawfully and true fully indebted to and on behalf of (“the Mortgagees”) in the sum of R100,000.00 (one hundred thousand rand) arising from and being money lent and advanced whereof the sum of R60,000.00 was advanced by the said MARY HOLMES and the sum of R40,000.00 was advanced by the said ANN and PETER MARTIN [6]
- d) Interest is payable on the capital amount of the bond, or the remaining balance that is owed by the mortgagor to the mortgagee from time to time, and is calculated at 13% per annum from date of registration of this bond, reckoned monthly in advance on the amount outstanding on the first day of each month. [5]
- e) The mortgagor shall repay the capital and the interest in monthly installments of not less than R2,500.00 each, which installments shall include capital and interest as hereinbefore provided, the first payment being due on the first day of the month following registration of this bond and continue to be so paid regularly until the full amount due to the Mortgagee has been paid. All payments shall be appropriated first to interest and only thereafter to capital. [5]
- f) The capital, interest and any other monies owing in terms of this bond, shall be repayable on the 5th anniversary of the date on registration hereof, subject however, to the condition that the Mortgagor shall be entitled to repay the total amount outstanding hereunder at any time after giving the Mortgagee three months notice of his intention to repay the said amount. [5]

Question 6 - Model answer [8]

The parties place on record that –

- a) the seller and the purchaser are both registered as vendors for the purposes of VAT; and
- b) agree that the enterprise, which forms part of this sale, is sold as a going concern; and
- c) that the enterprise will be an income generating enterprise on the date on which the ownership of the enterprise is transferred and that the enterprise will remain active and operating until its transfer to the Purchaser.

Question 7 - Model answer

[7]

7.1

Prepared by me

CONVEYANCER
Le Roux GJ

Application in terms of section 45bis(1)(a) of the Deeds Registries Act 47 of 1937

I, the undersigned

Arnold Jones

Identity Number 680120 5099 088

Unmarried

hereby declare that -

- 1 I was married in community of property to Samantha Jones.
- 2 The said marriage was dissolved on 5 June 2005 and on 4 July 2005 we agreed I shall be entitled to the hereinafter mentioned property.
- 3 Erf 201 Ermelo Township
Registration Division I.T., Province of Mpumalanga
Measuring: 1000 (one thousand) square metres
is still registered in my name and the name of my former spouse.
- 4 I therefore apply to the Registrar of Deeds at Pretoria, in terms of section 45bis(1)(a) of the Deeds Registries Act 47 of 1937, for the endorsement of Deed of Transfer No. T5943/1988 to the effect that I am entitled to deal with the said property.

SIGNED at Ermelo on 29 June 2006.

A Jones

[5]

- 7.2 The former spouse, Samantha Jones, must be released from the operation of the bond which will result in Arnold assuming full liability under the bond as sole mortgagor. It is, cost wise, less expensive than to cancel the bond and to register a new bond for Arnold.

[2]

Question 8 - Model answer

[12]

- 8.1 i) Founding statement - (*certified copy*)³
ii) Title deed of the property [2]

- 8.2 i) Memorandum and Articles of Association
ii) Certificate of incorporation
iii) Directors' resolution
iv) Shareholders' resolution
v) Auditor's certificate [5]

- 8.3 i) Certified copy of constitution of Church
ii) Such resolution(s) as is/are required in terms of that constitution [2]

- 8.4 i) Certified copy of the will
ii) Resolution of trustees
iii) Proof of current value of the asset [3]

Question 9 - Model answer

[11]

- 9.1.1 And the appearer declared that his said principal did on 2 July 2006 sell the hereinafter mentioned property by public auction by virtue of a writ issued by the Magistrate's court of Middelburg in the matter where ABSA Bank Limited was the plaintiff and Peter Smith, identity number 640501 5012 08 2, unmarried, was the defendant. [5]

- 9.1.2 And the appearer declared that whereas the said deceased who died on 18 May 2006 is the registered owner of the hereinafter mentioned property subject to the condition that on his death the property is to devolve on the hereinbefore mentioned transferee

Now therefore [3]

- 9.2 Subject to the life usufruct in favour of
Peter Smith
Identity number: 640501 5012 08 2
and
Mary Smith
Identity number: 380109 0063 08 5
Married in community of property to each other [3]

3 The Consolidated Practice Manuals of the Deeds Office of South Africa, p. 1-244. No application is necessary.

Prepared by me

Form MM

CONVEYANCER
Le Roux GJ

Waiver of preference

We, the undersigned

Peter Brown

Born on 1st July 1950

Married to Elizabeth Brown, which marriage is governed by the laws of Zambia and herein duly assisted by my spouse

the legal holder of the undermentioned Bond, namely -

Number: B371/2004

Amount: R45,000.00 (forty five thousand rand) plus additional costs of R9,000.00 (nine thousand rand)

Passed by: John Smith
Identity Number: 550126 5121 00 7
and
Jane Smith
Identity Number: 601212 5430 08 6
Married in community of property to each other

In favour of: Peter Brown
Born on 1st July 2950
Married, which marriage is governed by the laws of Zambia

do hereby waive preference in respect of the abovementioned bond in favour of a bond to be passed by the said John Smith, identity number 550126 5121 00 7, and Jane Smith, identity number 601212 5430 08 6, married in community of property to each other, for the sum of R100,000.00 (one hundred thousand rand) in favour of Uniform Bank Limited, 1987/001384/06, so that such bond shall rank prior to my bond aforesaid.

SIGNED at CAPE TOWN on 13 September 2006.

AS WITNESSES: 1 _____
P Brown

2 _____
E Brown

Question 11 - Model answer

[14]

Prepared by me

CONVEYANCER
Le Roux GJ

**Application in terms of section 17(4)
of the Deeds Registries Act 47 of 1937**

I, the undersigned

Larry White

Identity Number: 630102 6262 08 2

married in community of property to Antoinette White

do hereby make oath and say that -

- 1 I married Antoinette White, Identity Number 640602 0080 08 0, on 16 January 2006.
- 2 As proof of such marriage and that we are married in community of property I attach a copy of my marriage certificate and a marital status affidavit respectively.
- 3 My marriage to the said Antoinette White still subsists.
- 4 Erf 150 Umkomaas Township, Registration Division J.R., Province of Gauteng is registered in my name only but the said property is an asset in the joint estate of me and my spouse Antoinette White.

I hereby apply to the Registrar of Deeds at Pretoria, in terms of section 17(4) of the Deeds Registries Act 47 of 1937, for the endorsement of Deed of Transfer T282/2002 to the effect that I am now a party to a marriage in community of property.

L White

Question 12 - Model answer

[16]

- 12.1 Anne Smith
Identity number 850831 0007 066
Married in community of property to George Smith, with exclusion of the community of property in respect of the property mentioned herein
her heirs, executors, administrators or assigns [2]
- 12.2 George Smith
Identity number 721010 5088 078
Unmarried
his heirs, executors, administrators or assigns [2]
- 12.3 The joint estate of the late George Smith
Estate number 3879/2005
and his surviving spouse Anne Smith
Identity number 680324 0006 089
Widow
their heirs, executors, administrators or assigns [2]
- 12.4 George Smith
Identity number 520730 5298 078
Unmarried (a mental patient)
his heirs, executors, administrators or assigns [2]
- 12.5 the trustee in the estate of the late George Smith, No. MT 9275/1993
his successors in office or assigns [2]
- 12.6 Super Investments CC
No. 1993/003250/12
its successors in title or assigns [2]
- 12.7 Joan McDonald
Identity number 481109 0003 077
Married, which marriage is governed by the laws of Scotland
her heirs, executors, administrators or assigns [2]
- 12.8 1 George Smith
Identity number 760605 5077 088
Unmarried
and
2 Steven Brown
Identity number 770108 5009 066
Married in community of property to Joan Brown

carrying on business in partnership as Smith and Brown Panelbeaters
their heirs, executors, administrators or assigns [2]

Compiled by

Gawie le Roux

BA(Law)(UP) LLB (UP) BA Honours (UNISA)
Attorney and Conveyancer of the High Court of South Africa

and published by

Self-Study Deeds Course CC

Registration number 1994/016876/23

PO Box 74047
Lynnwood Ridge
0040

Flinders Lane 451
Lynnwood, Pretoria

Tel: **(012) 361-1715**

Fax: **(012) 361-1705**

Web site: www.aktepraktyk.co.za

SOURCES

Self-Study Deeds Course for Attorneys
Model answers of CLE Law Society of South Africa
Relevant acts, regulations and prescribed forms
The Consolidated Practice Manuals of the Deeds Office of South Africa

Model Answers to the Conveyancing Examination

September 2006

Part 2

Self-Study Deeds Course

Question 1 - Model answer [4]

No, in terms of Section 15(4) of the Matrimonial Property Act 88 of 1984, the consent must be given at the time of the sale of the Immovable Property.

Question 2 - Model answer [8]

Primary residence means a residence -

- a) in which a natural person or a special trust holds an interest; and
- b) which that person or a beneficiary of that trust or a spouse of that person or beneficiary
 - i) ordinarily resides or resided in as his or her main residence; and
 - ii) uses or used mainly for domestic purposes.

Question 3 - Model answer [2]

A primary residence is exempt from capital gains tax up to R1,500,000.00.

Question 4 - Model answer [2]

As a second mortgage subject to a contract B500/2001AL recorded on 20 August 2001 in terms of Section 20 of the Alienation of Land Act 68 of 1981.

Question 5 - Model answer [4]

5.1 He may decide to declare the deed of alienation void. [2]

5.2 Provided that the purchaser still wishes to proceed with the transaction, I will request him to sign a declaration that he has exercised his option, in terms of section 25(15), and that he has elected not to annul the alienation on the ground of the defect. [2]

Question 6 - Model answer

[4]

The Conveyancer will not be able to utilise the power of attorney to pass transfer of the property. The death of X terminates the agency and a fresh power of attorney will have to be signed by the executor in X's estate once letters of executorship have been issued.

The position is different as regards the signed consent to cancellation. The debtor under the bond has already performed by repayment and the consent signed by X during his lifetime remains valid.

Question 7 - Model answer

[3]

As the registration of servitude of habitatio is not exempted from the provisions of the Subdivision of Agricultural Land Act 70 of 70 (as set out in section 6A thereof), the Minister's consent will have to be obtained and in addition thereto, a servitudinal diagram in respect of the area covered by the habitatio will have to be framed and approved by the Surveyor General.

Question 8 - Model answer

[5]

In the power of attorney

Daffy Toon in my capacity as executrix in the estate of the late Looney Toon acting under Letters of Executorship No. 657/2001 dated 14 May 2001 issued by the Master of the High Court, Natal Provincial Division.

In the Deed of Transfer

The executrix in the estate late Looney Toon, estate number 657/2001.

Question 9 - Model answer

[8]

9.1 the joint estate of the late Paul Conley
estate number 2364/2006
and his surviving spouse Mary Conley
identity number 721108 0009 087
widow

[2]

9.2 the joint estate of the late Peter Small
estate number 900/2006
and subsequently deceased spouse Alette Small
estate number 901/2006

[2]

9.3 the joint estate of the late Henry Baker
estate number 1000/2006
and the late Martha Baker
estate number 1001/2006

[2]

- 9.4 The joint estate of the late Malcolm Kuhn
estate number 3330/2006
and his surviving spouse Magda Zietsman
identity number 660912 0150 08 9
now married in community of property to André Zietsman [2]

Question 10 - Model answer [9]

- 10.1 *Non causa debiti*; and
revision of accounts, errors of calculation and no value received. [3]
- 10.2 Beneficium ordinis seu excussionis et divisionis and non causa debiti. [3]
- 10.3 *Non numeratae pecuniae, non causa debiti*, revision of accounts, errors of calculation
(errore calculi) and no value received. [3]

Question 11 - Model answer [4]

The usual consent to cancellation of a mortgage bond is lodged - (Form MM). It must be signed either by the legal guardian(s) of the minor or by the minor duly assisted by his legal guardian(s). No additional consent is necessary since the minor is not disposing of assets and the bond having been repaid.

Question 12 - Model answer [6]

- 12.1 No. A liquidation and distribution account does not have to lie for inspection or even be prepared for the issue of a section 42(2) certificate by the Master, regardless whether the property was sold by the deceased during his lifetime or by the executor after his death. (*The only difference is that where the property was sold by the deceased during his lifetime the consent of the heirs is not necessary but where it was sold by the executor the consent of the heirs must be obtained.*) [3]
- 12.2 Yes, it must lie open for inspection. In terms of section 42(1) of the Administration of Estates Act a conveyancer must certify that **the transfer is in accordance with the liquidation and distribution account**. However, regulation 49(1)(f) of the Deeds Registries Act prescribes further that it must also **lie open for inspection** and that **no objection against the transfer must have been received**. [3]

Question 13 - Model answer**[12]**

- 13.1 No. The transfer duty receipt in respect of the donation of the property by A to B must be lodged. The Registrar will not call for B's consent. [3]
- 13.2 Transfer duty will be payable on R910 000,00 in respect of each transfer. To save transfer duty, A must sell his property to B for R510 000,00 and B must sell his property to A for R910 000,00. The agreement must be subject to the condition that the transfers are to be registered simultaneously. Transfer duty will then be paid on R510 000,00 and R910 000,00. [5]
- 13.3 Transfer duty and donations tax will be payable. To save donations tax, A must sell his property to his daughter. The purchase price will be payable on demand and transfer may be proceeded without payment of the purchase price. A may then annually donate to his daughter so much as is allowed by law free of donations tax and bequeath to her in his will whatever remains owing at his death. [4]

Question 14 - Model answer**[5]**

Peter Nkosi

Identity Number 630729 5007 08 3

Married, under a matrimonial property system governed by customary law, in terms of the Recognition of Customary Marriages Act 120 of 1998.

Question 15 - Model answer**[9]**

- | | | |
|----------|----------|----------|
| 15.1 Yes | 15.4 No | 15.7 No |
| 15.2 No | 15.4 No | 15.7 No |
| 15.3 Yes | 15.5 No | 15.8 No |
| | 15.6 Yes | 15.9 Yes |

Question 16 - Model answer**[15]**

Pro-forma account for the purchaser: Deon Ford		Debit	Credit
Received	from purchaser		10,000.00
Received	from bank		87,500.00
Received	from purchaser in respect of costs		4,955.40
Paid	purchase price	100,000.00	
Paid	transfer costs	4,995.40	
Paid	occupational rental 01/02/02 - 30/04/02	1,350.00	
Paid	levies 01/02/02 - 30/04/02	900.00	
Total debits		107,245.40	
Shortfall		4,750.00	

Total balances	102,495.40	102,495.40
-----------------------	-------------------	-------------------