

PROKUREURSEKSAMEN

DEEL 4 BOEKHOU

18 AUGUSTUS 1999

14:30-16:30

Totaal: [100]

1. Die vrae mag in Afrikaans of Engels beantwoord word.
2. Kandidate mag sakrekenaars gebruik.
3. By beantwoording van vrae moet die betrokke inskrywings duidelik geïdentifiseer, omskryf en uiteengesit word.
4. Afsonderlike besigheids- en trustkasboeke, asook kliëntegrootboekrekeninge moet geopen word en moet nie gekombineer word nie. Joernalinskrywings moet behoorlik beskryf en geïdentifiseer word.
5. Skryf asseblief slegs op die regterkantse bladsye.
6. Tensy daar 'n spesiale rede bestaan, word 'n kandidaat nie vir 'n mondeling in hierdie deel ingeroep as 50% en meer behaal is nie. Indien 'n kandidaat minder as 40% behaal sal hy/sy nie kwalifiseer vir 'n mondeling nie en sal hierdie deel druip.

ATTORNEYS' EXAMINATION

PART 4 BOOKKEEPING

18 AUGUST 1999

14:30-16:30

Total: [100]

1. The questions may be answered in English or Afrikaans.
2. Candidates may use calculators.
3. In answering the questions you should ensure that the relevant entries are clearly identified, narrated detailed.
4. Separate business and trust cash books and clients' ledger accounts must be opened and are not to be combined. Journal entries must be properly identified and narrated.
5. Please write only on the right-hand pages.
6. Except if a special reason exists, a candidate will not be required to do an oral in this part if 50% or more is attained. If a candidate achieves less than 40% he/she will not qualify for an oral and will have failed this part.

VRAAG 1 [70]

Op 30 Junie 1999 was u kasboeksaldo R150 000,00 en u artikel 78(2)A-saldo was R100 000,00 namens u kliënt, mev Jones. Op dieselfde datum het u besigheidskasboek 'n oortrekking van R28 000,00 getoon.

Gedurende Julie 1999 vind die volgende plaas.

- Julie 1 Mev Jones gee u opdrag om R50 000,00 van haar geld te belê in ABSA Bank-aandele op die JEB. U ontvang R5 000,00 rente op die artikel 78(2)A-belegging.
- 2 U ontvang R100 000,00 van mnr Clark met instruksies om dit in trust te hou tot verdere opdrag. U belê R75 000,00 in 'n artikel 78(2)(a)-belegging by ABSA Bank.
- 4 U verteenwoordig ABC Maatskappy in 'n hooggeregshofappêl. U kliënt, die appellant, is versoek om sekuriteit van R50 000,00 te voorsien. Die Maatskappy betaal R50 000,00 aan u om in trust te hou en wat ten voordeel van u kliënt belê moet word. U belê dit by die NBS.
- 5 U betaal R10 000,00 advokaatsfooie wat uitstaande is vir meer as 90 dae namens ABC Maatskappy vir die appêlsaak.
- 6 Mnr Clark koop 'n eiendom vir R500 000,00 en u word aangestel as transportbesorger. Die koopprys is betaalbaar as volg: R100 000,00 onmiddellik as deposito en R400 000,00 gesekureer deur 'n bankwaarborg. Mnr Clark gee u opdrag om die R100 000,00 wat hy op 2 Julie aan u betaal het, hiervoor te benut.
- Hy gee u opdrag om die R100 000,00 by Investec te belê vir sy voordeel hangende die oordrag - die rente moet afgetrek word van u fooi van R5 000,00. Hy betaal u R2 000,00 kontant vir hereregte. U ontvang R1 000,00 rente op die belegging van R75 000,00.
- 8 U ontvang opdrag van u korrespondente, Stevens & Kie, om dagvaarding uit te reik namens OK Bazaars teen XYZ Tyre Maatskappy vir R75 000,00. U reik die dagvaarding uit en debiteer u fooi van

QUESTION 1 [70]

On 30 June 1999 your trust cash book balance was R150 000,00 and your section 78(2)A balance was R100 000,00, on behalf of client Mrs Jones. On the same date your business cash book reflected an overdraft of R28 000,00

The following takes place during July 1999

- July 1 Mrs Jones instructs you to invest R50 000,00 of her monies with you in ABSA Bank shares on the JSE. You receive R5 000,00 as interest on the section 78(2)A investment.
- 2 You receive R100 000,00 from Mr Clark with instructions to hold it in trust pending further instructions. You invest R75 000,00 in a 78(2)(a) investment with ABSA Bank.
- 4 You represent ABC Company in a High Court appeal. Your client, the appellant has been requested to give security for R50 000,00. The Company pays you R50 000,00 to be held in trust and invested for the benefit of your client. You invest this with the NBS.
- 5 You pay R10 000,00 to counsel in respect of fees outstanding for more than 90 days, on behalf of ABC Company in the appeal matter.
- 6 Mr Clark purchases a property for R500 000,00. You are appointed as conveyancer. The purchase price is payable as follows: R100 000,00 deposit immediately and R400 000,00 secured by a bank guarantee. Mr Clark instructs you to utilise the R100 000,00 that he paid you on 2 July.
- He instructs you to invest the R100 000,00 with Investec for his benefit pending transfer - the interest to be set off against your fee of R5 000,00. He pays you R2 000,00 cash for transfer duty. You receive R1 000,00 as interest on the R75 000,00 investment.
- 8 You receive instructions from your correspondents, Stevens & Co, to issue summons on behalf of OK Bazaars against XYZ Tyre Company for R75 000,00. You issue summons and debit a fee of R500,00

R500,00 plus R70,00 vir inkomsteseëls. U betaal die balju R375,00 vir die betekening van die dagvaarding. U het ingestem tot 'n 20%-toelaag.

- 12 XYZ Tyre Maatskappy betaal u R40 000,00.
- 14 U verreken aan Stevens & Kie.
- 15 U betaal hereregte van R2 000,00 vir mnr Clark.
- 20 Clark se oordrag word geregistreer. U ontvang R5 020,00 aan rente. U verreken aan mnr Clark en betaal mnr Verkoper R100 000,00.
- 22 Mnr Crook betaal u R5 000,00 kontant as 'n deposito in 'n strafsak. U doen 'n borgtoegaansoek en betaal R3 000,00 borg en debiteer fooie ten bedrae van R1 500,00.
- 24 U betaal Wesbank R1 500,00 vir bruikhuur van kantoortoerusting, R2 000,00 vir u motorbruikhuur en R5 000,00 vir u persoonlike verbandafbetaling.
- 27 U skiet 'n bedrag van R5 000,00 voor aan u sekretaresse as 'n persoonlike lening teen 2% rente per maand. Sy betaal R100,00 vooruit ten opsigte van rente.
- 28 U betaal R1 000,00 aan die Prokureursorde vir u jaarlikse lidmaatskap.
- 30 Mev Jones verkoop haar aandele in ABSA Bank en u ontvang die opbrengs van R56 000,00 om in trust te hou.

Skryf die voorgaande transaksies in AL u rekeningkundige boeke in en balanseer u kasboeke soos op 31 Julie 1999.

U moet oordragte na u besigheidsrekening doen wanneer u geregtig is om dit te doen.

U kan BTW ignoreer tensy dit spesifiek in die bostaande transaksies vermeld word.

(5 punte word toegeken vir duidelik geïdentifiseerde rekeninge, netheid en uitleg.)

plus R70,00 for revenue stamps. You pay the sheriff R375,00 for the service of the summons. You agree to a 20% allowance.

- 12 XYZ Tyre Company pays you R40 000,00.
- 14 You account to Stevens and Co.
- 15 You pay transfer duty of R2 000,00 for Mr Clark.
- 20 Clark's transfer is registered. You receive R5 020,00 as interest. You account to Mr Clark and pay Mr Seller R100 000,00.
- 22 Mr Crook pays you R5 000,00 cash as a deposit in a criminal matter. You attend to a bail application and pay R3 000,00 bail and debit fees of R1 500,00.
- 24 You pay Wesbank R1 500,00 for a lease of office equipment, R2 000,00 for the lease of your motorcar and R5 000,00 for your personal bond payment.
- 27 You advance the sum of R5 000,00 to your secretary as a personal loan at interest of 2% per month. She pays R100,00 in advance in respect of interest.
- 28 You pay R1 000,00 to the Law Society for your annual subscription.
- 30 Mrs Jones sells her shares in ABSA Bank and you receive R56 000,00 as the proceeds to be held in trust.

Enter the above transactions in ALL your books of account and balance your cash books as at 31 July 1999.

You are to effect transfers to your business account when you are entitled to do so.

You may ignore VAT unless specifically mentioned in the transactions above.

(5 marks will be allocated for clearly identified accounts, neatness and layout)

VRAAG 2 [4]

In welke bankrekening sal u die volgende betalings ontvang?

- 2.1 u prokureur-en-kliëntrekening. (1)
- 2.2 u getakseerde party-en-partykostas. (1)
- 2.3 gelde ontvang in die loop van die bereddering van 'n bestorwe boedel. (1)
- 2.4 u kommissie aangaande 'n belegging ingevolge artikel 78(2)A. (1)

VRAAG 3 [12]

3.1 Die bank waar u trustgeld, verskuldig aan trustkrediteure, ingevolge artikel 78(1) gehou word, word gelikwider. **Watter remedieë, indien enige, het die trustkrediteure teen:**

- (a) die bank? (6)
- (b) die Getrouheidsfonds vir Prokureurs?
- (c) u, die praktisyn?

3.2 **Wat is u regte in sodanige geval?** (2)

3.3 **Welke stappe moet 'n prokureur doen as hy/sy 'n tekort in sy/haar trustrekening ontdek?** (2)

3.4 In Law Society, Cape vs Koch, 1985(4)SA 379 (EPD) is die volgende opmerking gemaak rakende 'n prokureur se verantwoordelikheid in verband met sy/haar trustrekening:

"Respondent ('n prokureur) has consistently left the matter of bookkeeping to someone else, without supervision by him. This may be a natural and often unavoidable thing to do - within limits."

Wat is hierdie "perke"? (2)

QUESTION 2 [4]

Into which banking account would you receipt payment of?

- 2.1 your attorney and client account. (1)
- 2.2 your taxed party and party costs. (1)
- 2.3 moneys received in the course of administering a deceased estate. (1)
- 2.4 you commission in respect of an investment in terms of section 78(2)A. (1)

QUESTION 3 [12]

3.1 The bank where your trust monies, due to trust creditors are held in terms of section 78(1), is liquidated. **What are the remedies, if any, of the trust creditors against:**

- (a) the bank? (6)
- (b) the Attorneys Fidelity Fund?
- (c) you, the practitioner?

3.2 **What are your rights in such a case?** (2)

3.3 **What steps must an attorney take on discovering a trust deficit in his/her trust account?** (2)

3.4 In the matter of Law Society, Cape vs Koch, 1985 (4) SA 379 (EPD), the following comment was made in regard to an attorney's responsibility in relation to his trust account:

"Respondent (an Attorney) has consistently left the matter of bookkeeping to someone else, without supervision by him. This may be a natural and often unavoidable thing to do - within limits."

What are those limits? (2)

VRAAG 4 [14]

Hoe dikwels behoort

- 4.1 'n bankrekonsiliasie gedoen te word?
- 4.2 'n lys van trustkrediteure onttrek te word?
- 4.3 trustgeld gebank te word?
- 4.4 'n rekenmeester aangestel te word om u rekeningkundige rekords na te gaan?
- 4.5 'n rekenmeestersverslag aan die Raad van die Prokureursorde voorsien te word?
- 4.6 kennis gegee te word van die bestaan van 'n trustbankrekening?
- 4.7 Vir hoe lank behoort rekeningkundige rekords bewaar te word en waar?

QUESTION 4 [14]

How often should

- 4.1 a bank reconciliation be done?
- 4.2 a list of trust creditors be extracted?
- 4.3 trust monies be banked?
- 4.4 an accountant be appointed to examine your accounting records?
- 4.5 an accountant's report be furnished to the Council of the Law Society?
- 4.6 notification be given of the existence of a trust banking account?
- 4.7 For how long should accounting records be kept and where?