1. Candidates may use calculators.

2. In answering the questions you should ensure that the relevant entries are clearly identified, narrated detailed.

3. 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.

4. Please write only in pen on the right-hand pages.

5. 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 section.
Vraag 1 [15]

U trust bankstaat toon 'n saldo van R246 810,12 op 31 Augustus 2008. 'n Vergelyking van die bankstaat met die kasboek toon die volgende:

1. Bankkoste van R1 357,90 is direk deur die bank teen die rekening gedebiteer teenstrydig met die opdrag aan die bank om die Besigheidsbankrekening te debiteer.

2. Rente van R1 645,40 is nie in die kasboek aangeteken nie.

3. 'n Depositot van R12 000,00 in die Trustbankrekening is foutiewelik deur die bank na die Besigheidsbankrekening gekrediteer.

4. 'n Depositot van R49 000,00 verskyn nie op die bankstaat nie.

5. 'n Tjek vir R12 908,94 getrek teen die Trustbankrekening is foutiewelik deur die bank uit die Besigheidsrekening betaal.

6. Tjeks ter waarde van R64 639,42 is nog nie vir betaling aangebied nie.

7. 'n Tjek vir R3 000 ontvang van 'n klient as 'n depositot vir fooie is deur die bank as onbetaald teruggestuur en is nie in die kasboek aangeteken nie.

8. 'n Elektroniese betaling van R83 563,98 namens 'n klient is nie in die kasboek aangeteken nie.

U word gevra om:

1) Die inskrywings (indien enige), wat u in die kasboek sal aanteken, uiteen te sit. (3)

2) Die bankrekonsiliasiestaat op 31 Augustus 2008 op te stel. (12)

Question 1 [15]

Your Trust bank statements reflects a balance of R246 810,12 at 31 August 2008. A comparison of the bank statement and the cash book reveals the following:

1. Bank charges of R1 357,90 have been debited by the bank contrary to your instructions to the bank to charge the Business banking account;

2. Interest of R1 645,40 has not been recorded in the cash book;

3. A deposit of R12 000,00 to the Trust banking account has been erroneously credited by the bank to the Business account;

4. A deposit of R49 000,00 has not been reflected on the bank statement;

5. A cheque for R12 908,94 drawn on the Trust banking account has been erroneously paid by the bank from the Business account;

6. Cheques totaling R64 639,42 have not been presented for payment;

7. A cheque for R3 000,00 received from a client as a deposit for fees has been returned by the bank as unpaid and has not been recorded in the cash book.

8. An electronic payment of R83 563,98 on behalf of a client has not been recorded in the cash book.

You are required to:

1) State what entries (if any) you would make in the cash book. (3)

2) Prepare the bank reconciliation statement as at 31 August 2008. (12)
**Vraag 2**

U ontvang opdrag van 'n korrespondent om 'n aksie namens 'n kliënt in te stel. U kom ooreen op 'n prokureur/kliënt tarief as basis vir u fooie.

<table>
<thead>
<tr>
<th>a)</th>
<th>Tydens uitvoering van die aksie het u die volgende uitgawes aangegaan:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Seël op Dagvaarding R50,00</td>
</tr>
<tr>
<td></td>
<td>Betaal advokaat vir opstel van besonderhede van vordering R450,00</td>
</tr>
<tr>
<td></td>
<td>Betaal balju R50,00</td>
</tr>
<tr>
<td></td>
<td>Betaal advokaat vir bywoning van voor verhoor konferensie R300,00</td>
</tr>
<tr>
<td></td>
<td>Betaal advokaat vir verhoor eerste dag R3 300,00</td>
</tr>
<tr>
<td></td>
<td>Betaal advokaat vir verhoor tweede dag R2 200,00</td>
</tr>
<tr>
<td></td>
<td>Betaal deskundige getuie sy fooi R3 500,00</td>
</tr>
</tbody>
</table>

| b) | U hef 'n tussentydse fooi van R2 400,00. |

| c) | U ontvang betaling van u korrespondent vir die uitgawes en tussentydse fooi soos hierbo uiteengesit. |

| d) | Aan die einde van die verhoor, debiteer u 'n verdere prokureur en kliënt fooi van R3 600. |

| e) | Die hof gee uitspraak in die guns van u kliënt en gelas die verweerde om party en party koste te betaal. |

| f) | U stel u eie en u korrespondent se kosterekkening op en met taksasie laat die takseermeester slegs die volgende toe: |

- R2 000 ten opsigte van deskundige getuie fooie
- R2 400 vir advokaatsfooie vir die eerste dag en R1 600 vir die tweede dag
- R4 500 vir u fooie en R1 500 vir u korrespondent se fooie.

**Question 2**

You receive instructions from a correspondent to institute action on behalf of a client. You agree on an attorney/client tariff for the basis of your charges.

(a) In the course of the action you incur the following disbursements:

- Stamp on summons R 50,00
- Pay Counsel for drafting particulars of claim R 450,00
- Pay Sheriff R 50,00
- Pay Counsel for attending pre-trial conference R 300,00
- Pay Counsel for trial first day R 3 300,00
- Pay Counsel for trial second day R 2 200,00
- Pay expert witness his fee R 3 500,00

(b) You debit an interim fee of R2 400,00.

(c) You receive payment from your correspondent for the disbursements and interim fees as set out above.

(d) At the end of the trial you debit further attorney and client fees in the amount of R3 600.

(e) Judgment is granted in favour of your client and the court orders the defendant to pay party and party costs.

(f) You draw your and your correspondent's bill of costs and on taxation the taxing master only allows:

- R2 000 in respect of the expert's fees;
- R2 400 for counsel's fees for the first day and R1 600 in respect of the second day;
- R4 500 for your fees and R1 500 for your correspondent's fees.
Die getakseerde kosterekening word betaal.

Teken die bovermelde transaksies in u korresponderent se rekening in u trust en besigheidsboeke aan en verreken volledig aan u korrespondent. Die gewone eenderde toelaag tussen uself en u korrespondent is van toepassing. Sluit BTW uit. Berei die verrekeningstaat voor.

Vraag 3

U klênt John Smith het die volgende transaksies met u firma gedurende September 2008 gehad:

a) Smith het u opdrag gegee om R1 000 van ‘n skuldenaar te vorder. U stuur ‘n aanmaningsbrief op 1 September en hef ‘n fooi van R50. Op 6 September ontvang u R1 000 in kontant en u debiteer invorderingskommissie van R100.

b) Op 7 September 2008 verkoop Smith sy huis aan Black vir R150 000. U word opdrag gegee om die oordrag te doen. Die koste van die transport is vir die koper se rekening. Op dieselfde dag ontvang u R50 000 van die koper, synde die deposito van die koopprys. Die balans van die koopprys is gewaarborg deur ‘n bank. U kry Black se skriftelike magtiging om die deposito namens hom te belê tot registrasie van oordrag.

c) Op 8 September 2008 betaal u R5 000 in kontant vir hereregte aan die Ontvanger van Inkomste.

d) Op 10 September 2008 betaal Black u die bedrag van R5 000 in kontant tesame met ‘n additionele R3 420 op rekening vir u oordragfoole.

(g) The amount of the taxed bill is paid.

Record the above transactions in your correspondent’s account in your trust and business books of accounts and then account fully to your correspondent. The usual one third allowance as between yourself and your correspondent applies. Exclude VAT. Draw the statement of account.

Question 3

Your client John Smith had the following transactions with you during September 2008:

a) Smith had instructed you to collect an amount of R1 000 from a debtor. You write a letter of demand on 1 September 2008, debiting a fee of R50 and on 6 September 2008 you receive payment of R1 000 in cash. You debit R100 collection commission.

b) On 7 September 2008 Smith sells his house for R150 000 to Black and instructs you to pass the transfer, the purchaser being responsible for all costs of transfer. On the same day you receive R50 000 from the purchaser being the deposit on account of the purchase price. The balance of the purchase price is guaranteed by a bank. You obtain written authority from Black to invest the deposit on his behalf until registration of transfer.

c) On 8 September 2008 you pay transfer duty of R5 000 in cash to the Receiver of Revenue.

d) On 10 September 2008 Black repays you the sum of R5 000 in cash together with a further R3 420 on account of your transfer fees.
e) On 11 September 2008 Smith sees you about a divorce. He agrees to leave the money collected from the debtor as part deposit on account of your fees and gives you a further cheque of R500 drawn by Green in his favour and endorsed by him as an additional deposit.

f) You brief Counsel and on 15 September 2008 you receive particulars of claim in the divorce matter together with counsel’s account for R285 which includes VAT at 14%, and you pay the account.

g) On 16 September 2008 the bank returns the cheque for the amount of R500 marked “R/D”.

h) On 27 September 2008 the transfer to Black is registered. You receive R100 000,00 on presentation of the bank guarantee for payment and you debit a fee of R3 420 for the transfer. You withdraw the trust investment and receive R780 interest thereon.

i) On 29 September 2008 Smith tells you that he has become reconciled with his wife. You debit a fee for R228 and close your file.

j) On 30 September 2008 you account both Smith and Black.

Record all the transactions as they would appear in your books of account. Funds must be transferred from your trust to your business account only once namely at the end of the month. Make provision where applicable for VAT at the appropriate rates. It is necessary to prepare accounting statements to both Smith and Black.

- THE END -