

**ADMISSION EXAMINATION / TOELATINGSEKSAMEN  
ESTATES / BOEDEL  
PART 2 / DEEL 2**

**21 AUGUST / AUGUSTUS 2019**

**ANSWERS / ANTWOORDE**

**PLEASE NOTE THAT THE GUIDELINE ANSWERS TO PREVIOUS PAPERS MAY  
NOT BE A CORRECT REFLECTION OF THE LAW AND/OR PRACTICE AT THE  
MOMENT OF READING.**

**NOTE TO EXAMINER:** *THIS GUIDELINE RECORDS THE VIEWS OF THE DRAFTERS. THERE MAY BE JUSTIFIABLE VARIATIONS IN PRACTICE WHICH ARE BROUGHT OUT IN THE ANSWERS. WHEN THIS HAPPENS THE EXAMINER SHOULD APPLY HIS DISCRETION IN MARKING THE ANSWER.*

**QUESTION 1**

**[60]**

The First and Final Liquidation and Distribution Account in the estate of the late Sam Dube (Identity Number 520915 5638 08 3) (1) who died on 30 June 2018 (1) and who was married according to customary law, out of community of property without accrual (1). Master's reference number: 1369/2018. (1)

<u>Liquidation account</u>			
<b>Assets:</b>			
<u>Immovable property</u>			
1. The farm NAMBO 755, Brits Registration Division, JQ, North-West Province; Measuring 360 hectares; Held by Deed of Transfer T1306/1987. (1)			
At Valuation		2 100 000.00	(1)
(To be transferred to Sarah Dube, major surviving spouse, as sole heir i.t.o. the Will of the deceased) (1)			
<u>Movable property</u>			
2. Farm implements and Livestock At valuation		900 000.00	(1)
3. House-hold furniture and effects At valuation		135 000.00	(1)
(Items 2 and 3 to be awarded to Sarah Dube, major surviving spouse, as sole heir i.t.o. the Will of the deceased) (1)			
<u>Cash &amp; Assets Reduced to Cash</u>			
4. 100% Shares in VIC (Pty) Ltd Sold for		1 100 000.00	(1)
5. Absa Bank – Savings account No. 4050635667		175 000.00	(1)

6. A 2015 Toyota Corolla motor vehicle with Registration number BYP 805 GP Sold for		100 000.00 (1)
7. Sanlam Insurance Policy No.175345X9 Proceeds of Policy		950 000.00 (1)
8. JSE quoted Shares Sold by Stockbrokers		<u>76 000.00</u> (1)
<b>Total Assets</b>		<u><b>5 536 000.00</b></u>

<u><b>Liabilities:</b></u>		
<u><b>Administration Costs</b></u>		
1. Advertising for Debtors and Creditors (1)		
Government Gazette		37.82
Pretoria News		312.18
2. <u>Advertising Account for inspection</u> (1)		
Government Gazette		37.82
Pretoria News		312.18
3. Master's fees (maximum)		7 000.00 (1)
4. Executor's fees at 3.5% on R5 536 000.00		193 760.00 (1)
5. 15% VAT on R193 760.00		29 064.00 (1)
6. Bank charges to date (1)		6 000.00
7. Provision for further Bank charges (1)		4 500.00
8. Postages and petties		260.00 (1)
9. JPS Brokers fees for selling JSE shares		7 600.00 (1)
10. P Smith – Valuation costs: farm & movable property (1)		6 500.00
11. D Chivers Attorneys– Conveyancer's Fees and bond cancellation costs (1)		20 000.00
<u><b>Claims against the estate</b></u>		
12. Deep-Slumber – funeral expenses (1)		27 616.00
13. Sanlam Insurance Co for loan on Policy No.126395X8		25 000.00 (1)
14. Land bank – outstanding amount on farm		<u>208 000.00</u> (1)
<b>Total Liabilities</b>		<b>536 000.00</b>

Estate Duty	Nil	
Balance for distribution	<u>5 000 000.00</u>	
	<u>5 536 000.00</u>	

<u>Recapitulation Statement</u>		
Cash and assets reduced to cash		2 401 000.00 (1)
<u>Less:</u>		
Liabilities	536 000.00 (1)	
Cash Legacies	NIL	
Estate Duty	NIL	
Cash surplus	<u>1 865 000.00 (1)</u>	
	<u>2 401 000.00</u>	<u>2 401 000.00</u>
<u>Distribution Account</u>		
Balance for distribution		5 000 000.00 (1)
Awarded to:		
Sarah Dube, major surviving spouse, as sole heir i.t.o. the Will of the deceased	(1)	
Award Consists of :		
Immovable Property R2 100 000.00	(1)	
Movable Property R1 035 000.00	(1)	
Cash <u>R1 865 000.00</u>	(1) 5 000 000.00	
	<u>5 000 000.00</u>	<u>5 000 000.00</u>
<u>Income &amp; Expenditure Account</u>		
Interest paid on Absa Bank – Savings account		6 250.00 (1)
Rental for the farm NAMBO for the period 1 July 2018 to 31 December 2018		15 000.00 (1)
Executor's remuneration @ 6% on R 21 250.00	1 275.00 (1)	
15% VAT on R1 275.00	191.25 (1)	
Balance awarded to Sarah Dube as sole heir	<u>19 783.75 (1)</u>	
	<u>21 250.00</u>	<u>21 250.00</u>
<u>Fiduciary Assets Account</u>		
None		Nil (1)

<u>Estate Duty Addendum</u>		
<u>Property of the deceased</u>		
Assets as per liquidation account		5 536 000.00 (1)
<u>Less:</u> Sanlam Insurance Policy payable to estate	950 000.00 (1)	<u>4 586 000.00</u>
<u>Less:</u> Difference in value of private shares	100 000.00 (1)	<u>4 486 000.00</u>
<u>Less:</u> 30% on Farming property	630 000.00 (1)	<u>3 856 000.00</u>
<u>Property Deemed to be Property</u>		
<u>Add:</u> Sanlam Insurance Policy payable to estate	950 000.00 (1)	
Old Mutual Insurance Policy	500 000.00 (1)	
Liberty Life Insurance Policy	1 100 000.00 (1)	
<u>Less:</u> Premiums plus 6% p.a compounded interest thereon	100 000.00 (1)	2 450 000.00
		<u>6 306 000.00 (1)</u>
Gross value of the estate		
<u>Deductions – Sect 4</u>		
Costs of Administration and claims	536 000.00 (1)	
Inheritance to Sarah Dube– Sect 4(q)	5 000 000.00 (1)	
Old Mutual policy to Jane Dube – Sect 4(q)	500 000.00 (1)	<u>6 036 000.00</u>
Net value of the estate		270 000.00 (1)
<u>Less:</u> Primary Rebate – Sect 4A		3 500 000.00 (1)
Dutiable Amount		0.00 (1)
Estate Duty at 20% on R0.00		0.00

### EXECUTOR'S CERTIFICATE

I, the undersigned, **Eric Dube**, the duly appointed executor in the estate of the late **Sam Dube** Estate Number **1369/2018**, declare as follows:

1. That the attached account is to the best of my knowledge and belief a true and proper account of the liquidation and distribution of the estate; (1) and

2. That this is a final account and to the best of my knowledge and belief all the assets and income collected subsequent to the death of the deceased to the date of the account have been disclosed herein. (1)

**SIGNED AT Pretoria ON THIS 1<sup>st</sup> DAY OF February 2019**

**ERIC DUBE (EXECUTOR)**

**QUESTION 2**

**[26]**

### **JOINT WILL**

We, the undersigned,

**CEDRIC JONES**  
Identity Number: 530812 5638 08 3

and

**MABEL JONES (born Nel)**  
Identity Number: 581019 0417 08 8

spouses married in community of property and presently residing in Midrand, Gauteng Province, hereby make our Will as follows: (1)

#### **1. REVOCATION OF PREVIOUS WILLS**

We revoke all our previous Wills, codicils and testamentary writings made either jointly or individually, and declare this to be our last Will. (1)

#### **2. APPOINTMENT OF EXECUTOR**

2.1. We appoint the survivor of us as the executor of our estate, with the power of assumption (1). If we die simultaneously or should the survivor for any reason be unable or refuse to accept the appointment, we appoint our daughter Julia Bam (born Jones) as the executrix. (1)

2.2. Any executor appointed in terms of our Joint Will shall be exempt from furnishing security to the Master of the High Court. (1)

#### **3. MASSING OF ESTATES AND BENEFICIARIES**

3.1 We direct that on the death of the first dying of us (1), our joint community estates shall be massed and consolidated into a single estate (1), which we

bequeath to our aforesaid daughter Julia Bam (born Jones) (1) subject to a usufruct for life in favour of the survivor of us (1).

**TESTATRIX (1)**  
**Paul Kumar**

**Signature by C.O.O (1)**

\_\_\_\_\_  
on behalf of and by the direction  
of the **TESTATOR (2)**

3.2 If the aforesaid bequest to our daughter should fail for any reason, our massed estate shall devolve upon her children per stirpes. (1)

#### **4. EXCLUSION OF COMMUNITY OF PROPERTY AND ACCRUAL**

No inheritance or benefit accruing to any beneficiary in terms of this Will shall form part of any existing or future community estate of such beneficiary. We further direct that the right of accrual as contemplated in the Matrimonial Property Act, 88 of 1984, as amended, shall be excluded from any such inheritance or benefits. (1)

SIGNED AT MIDRAND ON 18TH MAY 2017 by the Testatrix, Paul Kumar on behalf of and by the direction of the Testator and the attesting witnesses all being present and signing simultaneously in the presence of one another. (2)

**WITNESSES:** (1)

- 1.
- 2.

**TESTATRIX (1)**

**Paul Kumar**

\_\_\_\_\_  
on behalf of and by the direction  
of the **TESTATOR (2)**

**Certificate in terms of Sec 2(1)(a)(v) (1)**

I, Joyce Pillay of 150 Church Street Midrand, in my capacity as Commissioner of Oaths (1), certify that I have satisfied myself as to the identity of the testator Cedric Jones (1), and that the accompanying joint Will is the Will of the testator (1).

J Pillay

\_\_\_\_\_  
**Commissioner of Oaths**  
Capacity:  
Midrand 18th May 2017

**QUESTION 3****[8]**

David inherits R1 750 000.00 half of the estate in terms of Section 1 (1) (d) (ii) of Act No. 81 of 1987. (1)

Louisa inherits nothing as she is not Vukela's parent (1)

Agnes inherits nothing as she is not a blood relative (1)

Phindi inherits nothing as she is not a surviving spouse (1)

Ronald and Joseph's two sons Peter and Alex inherit the balance of R1 750 000.00 as follows in terms of Section 1 (1) (d)(ii) of Act No. 81 of 1987 (1)

Ronald- R875 000.00 (1)

Peter - R437 500.00 (1)

Alex - R437 500.00 (1)

**QUESTION 4****[6]**

Net dutiable estate	=R19 000 000.00	(1)
Less: Primary Rebate	=R 3 500 000.00	(1)
Less: Roll over of Primary Rebate from Betty's estate	=R 3 500 000.00	(2)
Dutiable Amount	=R12 000 000.00	(1)
Estate Duty Payable @ 20% on R12 000 000.00	=R 2 400 000.00	(1)

**TOTAL: [100]**

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