



THE SUPREME COURT OF APPEAL
OF SOUTH AFRICA

MEDIA SUMMARY – JUDGMENT DELIVERED IN THE
SUPREME COURT OF APPEAL

16 March 2015

STATUS: Immediate

CLIFTON DUNES INVESTMENTS AND ANOTHER V CITY CAPITAL (169/13)

Please note that the media summary is intended for the benefit of the media and does not form part of the judgment of the Supreme Court of Appeal

The Supreme Court of Appeal (the SCA) today dismissed with costs, including those consequent upon the employment of two counsel, an appeal against a judgment of Griesel J in the Western Cape Division of the High Court. The SCA held that the high court was correct in holding that the loan amount from a holding company, Clifton Dunes Investment 100 limited (Clifton Dunes), to a property-owning company, Midnight Storm Investments 150 (Pty) Ltd (Midnight Storm), in a property syndication was the amount of R20 321 248, and not R25 million, as contended by the appellants. Consequently, the respondent, City Capital SA Property Holdings Limited (City Capital), was entitled to payment of the sum of R3 160 608, together with accrued interest. The SCA endorsed the high court's approach in placing reliance on the appellant companies' audited financial statements for its finding on the amount of the loan. The SCA reiterated the legal position on the duties of an auditor and on how disputed evidence is to be challenged in cross-examination so as to afford a witness a full and proper opportunity to meet the challenge.

-- ends --