

THE SUPREME COURT OF APPEAL OF SOUTH AFRICA

MEDIA SUMMARY OF JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL

From: The Registrar, Supreme Court of Appeal

Date: 10 June 2025

Status: Immediate

The following summary is for the benefit of the media in the reporting of this case and does not form part of the judgments of the Supreme Court of Appeal

A V Theron & Swanepoel Incorporated and Another v Knott (237/2024) [2025] ZASCA 84 (10 June 2025)

Today the Supreme Court of Appeal (SCA) handed down a judgment in which it upheld the appellants' appeal against the judgment and order of the Free State Division of the High Court, Bloemfontein (the high court).

Mr Knott claimed that erroneous legal advice from the appellants caused him to lose a property sale to Blue Dot (Pty) Ltd at R1 300 000, forcing him to later sell to Trymore (Pty) Ltd for R1 050 000 million. He argued this R250,000 shortfall was due to the appellants' negligence. The Magistrates' Court (the trial court) partially upheld his claim (awarding R150,000). Aggrieved, the appellants appealed to the high court. Mr Knott cross-appealed against the damages award, contending that he had proved damages in the sum of R250 000. The high court dismissed the appeal as well as the counter-appeal and ordered each party to pay their own costs. An application by the appellants for leave to appeal to the SCA was also dismissed by the high court. Mr Knott did not pursue his counter appeal in the SCA.

The core issue for determination before the SCA was whether Mr Knott sold the same property to Trymore (Pty) Ltd (Trymore), which he had intended to sell to Blue Dot (Pty) Ltd (Blue Dot) at a higher purchase price. If so, whether Mr Knott had lost out on a bargain he would have made in monetary terms had the sale with Blue Dot not fallen through as a result of the erroneous legal advice provided by Mr Swanepoel.

The SCA found that the two sale agreements were materially different. The Blue Dot sale included a boat and trailer (valued at R100,000) and additional movable assets not included in the Trymore sale. The Trymore agreement did not separately price the movables, making a direct financial comparison flawed.

The SCA held that Mr Knott failed to prove that the appellants' breach caused him a quantifiable loss. The trial court and high court had incorrectly calculated damages by simply deducting the boat's value without accounting

As a result, the SCA made an order upholding the appeal, with costs. Furthermore, the SCA set aside the order of the high court and replaced it with an order dismissing Mr Knott's claim.

