



THE SUPREME COURT OF APPEAL  
REPUBLIC OF SOUTH AFRICA

**MEDIA SUMMARY – JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL**

From: The Registrar, Supreme Court of Appeal  
Date: 1 April 2014  
Status: Immediate

*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.*

**GRANCY PROPERTY LTD v SEENA MARENA INVESTMENT  
(PTY) LTD**

Today, the Supreme Court of Appeal (SCA) upheld an appeal against an order of the Western Cape High Court, Cape Town.

The underlying dispute between the parties related to an entitlement of the appellants to a proper statement of account by the respondents. The respondents had submitted certain accounts, however, the appellants were not satisfied with the adequacy thereof. They launched two main applications in the high court. On 9 March 2009, the court ordered the respondents to submit to the appellants a proper account (March 2009 order). The account rendered by the respondents was deemed inadequate by the appellants. They brought an application in terms of rule 6(11) of the Uniform Rules and sought an order declaring that the account rendered by the respondents was inadequate and directing them to provide an account in accordance with the March 2009 order.

On 15 April 2010 and 18 June 2010 respectively, the high court declared that the accounts rendered by the respondents were inadequate. The respondents were ordered to furnish improved accounts. Pursuant to the orders, the respondents submitted two accounts. Despite this, a dispute arose between the parties as to the adequacy of the accounts. The dispute culminated in the parties launching the rule 6(11) applications and counter-applications. The appellants sought a two-stage judicially controlled procedure to debate the adequacy and accuracy of the accounts. The respondents, on the other hand, contended that the accounts were ready for debatement and proposed an *extra curial* debatement.

The applications were consolidated and heard by McDougall AJ. The court below recognised that there was no prescribed procedure for a statement and debatement of an

account. It rejected the appellants' proposed approach and concluded that the accounts were ready to be debated. The appellants appealed against that decision and sought a reversal of the orders of the court below and in particular the finding that the accounts were ready to be debated.

In this court, the preliminary issue was whether the order of the high court was appealable. Counsel for the respondent submitted that the judgment and orders were not appealable in that they related to interlocutory applications; did not dispose of a substantial portion of the relief in the main application and were not final in effect.

This court, however, held that the order effectively precluded the appellants from contesting the adequacy of the accounts an issue that had been a bone of contention between the parties since 2009. The order of the high court had major implications for the appellants as it affected their rights to an adequate account. For as long as it remained, the appellants were precluded from contesting or revisiting the issue relating to the adequacy of the account. This court found that the appellants would be prejudiced if the order were allowed to stand. The SCA thus concluded that the order of the high court was final in effect and that the decision was appealable.

Regarding the merits, that is, whether the court below properly held that the respondents' proposed process for the debatement of the accounts was appropriate and thus correctly rejected the appellants' application for a two – stage judicially controlled process; it was submitted on behalf of the respondents that the method proposed by the appellants was not supported by judicial authority; that it is inappropriate, unfair and unworkable and that the appellants' proposed second stage was not a debate but a conventional action process aimed at recovering the amounts due.

This court considered the relevant authorities and concluded that, the court below erred when it rejected the two – stage process proposed by the appellants solely because it had not been sanctioned previously. Furthermore, that the method proposed by the appellants was appropriate and justified under the circumstances.

The SCA accordingly upheld the appeal with costs and granted orders in terms of the orders marked 'A' and 'B'.