CHIEF EXAMINER COMMENTS WITH SUGGESTED POINTS FOR RESPONSES

LEVEL 6 UNIT 21 – PROBATE PRACTICE

JUNE 2023

Note to Candidates and Learning Centre Tutors:

The purpose of the suggested points for responses is to provide candidates and learning centre tutors with guidance as to the key points candidates should have included in their answers to the June 2023 examinations. The suggested points for responses sets out a response that a good (merit/distinction) candidate would have provided. Candidates will have received credit, where applicable, for other points not addressed by the marking scheme.

Candidates and learning centre tutors should review the suggested points for responses in conjunction with the question papers and the Chief Examiners' **comments contained within this report,** which provide feedback on candidate performance in the examination.

CHIEF EXAMINER COMMENTS

Candidates generally explained their knowledge well, setting out the legal authority and then applying their knowledge to the scenario as appropriate. At times, candidates did not provide a full explanation. 1For example, when asked to consider the order of priority to obtain a grant in 2(b), candidates identified the appropriate legislation and then applied it to the scenario without further explaining the specific order set out by legislation and then applying accordingly. Therefore, missing out on the marks available for explanation of the order of priority.

We are aware that there was an issue with the provision of a calculator for question 3(a) and marks have been awarded to all candidates who showed that they knew and understood the way that tax would be calculated and apportioned, relevant to the specific facts.

Common errors throughout the paper include misidentifying a will as invalid (Q2a & b) and also misidentifying the type of gift (included in 4c), both of which prevented candidates from achieving higher marks. These are both things that could have been picked up from the pre-released materials and researched prior to the examination being sat.

Marks were available for setting out the answer in an appropriately structured manner, such as would be included in a letter or explanation to a client. Candidates should take care to ensure that

their answer is appropriate for their target audience (i.e. it is not necessary to quote case law for every point made where the letter to a client requires an explanation of facts).

Candidates should also take care to answer the question being asked, and not to spend unnecessary time including details which are not relevant.

CANDIDATE PERFORMANCE FOR EACH QUESTION

Question 1

This question was divided into two parts and carried a maximum of 26 marks. Candidates were required to consider the requirements of a valid will, how a will could be witnessed when the testator is self-isolating and the duty of care owed to a testator.

(a)

This question required candidates to explain the relevant legislation with regards to the signing and witnessing of a will. This was generally answered well. Candidates then needed to explain the ways in which a will could be appropriately signed and witnessed for someone who is self-isolating. Many candidates were able to provide an explanation of the amendments made to enable video witnessing in reaction to the pandemic, some providing a full explanation whilst others provided a shorter and less detailed account which led to marks being missed. A large number of candidates also failed to consider distanced witnessing at all, meaning that marks were missed for the explanation of distanced witnessing, and also in considering which approach would be best for the client in the scenario provided.

A large proportion of candidates also included an explanation of the need to determine capacity and the potential for an I(PFD)A claim, which took a lot of time but was not relevant to the question which specifically asked about the way that the will should be executed.

(b)

Candidates were required to consider the duty of confidentiality owed to a testator both before and after death. Candidates were generally able to identify that a duty of confidentiality was owed to the client and that the SRA Code of Conduct also provided for this. They also noted that the duty continued after death, with the solicitors appointed as executors, but that the Will would become public following a Grant. Higher marks were available for those who went on to explain that the client can choose to authorise the disclosure of their will during their lifetime, or to consider the implications of the case of Larke v Nugus and a duty to disclose information if there were to be any potential proceedings. Also the implications to the acting firm if they delayed in providing this information.

Question 2

In this question, candidates needed to consider the implications to a will where the testator had appointed his wife as his sole executor and beneficiary, but subsequently divorced after the date of the Will. Candidates also needed to consider the validity of the will in the circumstances, and who would be entitled to the grant and the estate.

(a)

Candidates were required to consider the implications of divorce where the deceased had made a will providing for his spouse as his sole executor and beneficiary, but subsequently divorced. Generally, candidates correctly identified that, where a divorce had taken place, the will is to take effect as though the ex-spouse had predeceased the testator. Candidates then needed to explain who would be entitled to the estate. Whilst this was often answered well, a notable number of candidates did not consider the order of priority when providing an answer, although generally this still led to the correct beneficiaries. Higher marks were available where candidates had considered that the PR's should hold the estate on statutory trusts, that beneficiaries should be over 18, and provided the order of entitlement.

(b)

This part question required candidates to consider the entitlement to the Grant. A notable number of candidates incorrectly identified the will as invalid and as a result followed the order of priority set out by R22 NCPR. The appropriate legislation is contained in R20 NCPR. This led to fewer marks being obtained by a number of candidates, although ultimately both sets of rules, on this occasion, led to the same outcome in terms of the persons entitled to the grant. Higher marks were achieved by identifying the correct legislation (and therefore following the correct order of priority) and also for identifying that although up to four administrators can be appointed, it is only necessary for one person to apply in this case as there are no minority interests.

Question 3

This question was comprised of two elements and carried a maximum of 25 marks. The questions required candidates to explain, in the form of a letter to a client, how inheritance tax is calculated and apportioned between the estate and a trust, and who should bear the burden of that tax.

(a)

This part question required candidates to calculate the inheritance tax due to be paid on estate assets, including a trust, and to apportion that tax between the death estate and the trust. The calculator was not made available for this question, and as a result marks have been given for providing workings or calculations as to how to go about calculating the tax and apportionment (on the basis that the candidate knows how to calculate the sum and would have done so had the calculator been available). Candidates generally produced a good answer in this question, identifying all of the assets, liabilities, gifts and jointly owned property in order to calculate the inheritance tax due, as well as setting out, or attempting the calculation to apportion the tax between the estate and trust. Care should be taken to ensure that consideration is given to the

various allowances and tax free sums which may be applicable not only to the estate, but to the trust assets too.

3(b)

Candidates needed to set out who should bear the tax payable from the estate. Most candidates were able to identify that the burden of IHT falls on the PR's of the estate and is then reimbursed by the estate. Most also identified that a specific legacy is generally deemed to be made free of tax unless specified. Higher marks were available where candidates were able to explain that the testator may expressly provide where tax should be paid from, where property that is not a testamentary expense (such as jointly owned property), the tax falls on the beneficiary that takes the property to reimburse the PR's and not the estate.

Question 4

This question is divided into three parts and carries a maximum of 25 marks. The question requires candidates to consider whether an inheritance tax account is required in relation to specific circumstances, how and when an affidavit should be filed in support of an application for a grant and the way in which gifts will abate where there are insufficient funds to settle legacies in full.

(a)

Candidates were required to consider whether an inheritance tax account was required given the scenario. Candidates generally considered this to be a 'low value' exempt estate and identified that the estate is less than the NRB, the client was domiciled in the UK at date of death, had no foreign assets and the trust assets were worth less that £250,000. Fewer candidates explained in full that the testator must have died after January 2022 and that the rules changed following an update in legislation in 2021.

(b)

This part question required candidates to consider the types of affidavit which might be required where a Will is damaged and undated, and who should provide such affidavit evidence. The majority of candidates were able to identify the types of affidavit required, the authority for these and showed knowledge of who should apply.

(c)

Candidates were required to consider the payment of estate debts where there are insufficient funds to settle the debts and legacies in full. There appeared to be some confusion as to whether the bank account inherited by Wilf was a specific or demonstrative legacy and this had an effect on the answer and in turn, number of marks gained. Many candidates also provided an answer of how specific legacies would need to be sold in order for the debts to be paid and the remaining funds apportioned but did not set out the order for payment of such debts in accordance with S34 and Part II Sch 1 AEA, missing further marks available.

Question Number	Suggested Points for Responses	Marks (Max)
1(a)	**Responses should include:** <u>Formalities for execution of Wills</u> • S9 Wills Act 1837 sets out the requirements for the making and witnessing of Wills and Codicils and if they are not met the Will and / or Codicil will not be valid. It must be in writing and signed by the testator (T) or by some other person in his presence and at his direction; and • It must appear that T intended to give effect to the Will / Codicil by his signature; and • The signature must be made or acknowledged by T in the presence of two or more witnesses present at the same time; and • Each witness must attest and sign the Will / Codicil or acknowledge their signature in the presence of T (but not necessarily in the presence of any other witness), but no form of attestation shall be necessary. <u>Distanced witnessing – clear line of sight</u> • As Afonso has Covid-19, is self-isolating and wishes his Codicil to be executed as a matter of urgency it will not be possible for him to travel into Kempston's offices to execute the Codicil to his Will nor should you and Marcus Wu be in the same room as him • However, government guidance has made it clear that it is not necessary for T and the witnesses to be in the same room and provided T and the witnesses have a clear line of sight to the T signing the Will / Codicil and the witnesses signing it to confirm they have witnessed T's signature a properly executed Will / Codicil will occur. • A clear line of sight could be achieved by witnessing through a window or open door of a house or vehicle; from a corridor or adjacent room into a room with the door open; or witnessing outdoors from a short distance, e.g. in a garden. • It would be possible for Afonso to execute his Codicil in the presence of you and Marcus Wu at his front door or if he is not able to leave his room through the bedroom window as he lives in a bungalow.	18

	Video Witnessing • Wills Act 1837 (Electronic Communications) (Amendment) (Coronavirus) Order 2020 allows Wills / Codicils which are witnessed by video link, until 31 January 2024, to be legally recognised. • This is provided that the quality of sound and video is sufficient to see and hear what is happening. • The scenario appropriate for the execution of Afonso's Codicil is one where Afonso is alone, and Marcus Wu and you are physically present together. You will both be on a two-way live-action video conferencing link with Afonso. • Afonso must ensure that both of you can see him and each other. • He must hold up the front page of the Codicil to the camera to show you both and then the signature page of the Codicil before signing it ensuring that you can both see him actually writing on the Codicil. • Both of you must confirm that you can see the signature and that you understand your role as witnesses and the Codicil must be sent to you as soon as possible. • Another two-way live-action video connection is then needed where you both hold up the Codicil for Afonso to see and then should both sign it with Afonso being able to watch the actual signing. • The whole video-signing and witnessing process should be recorded if possible and the recording retained to assist the court in the event of the Codicil being challenged in the future. Conclusion • Covid-19: Law Society Guidance on remote witnessing of Wills confirms government guidance that video witnessing should only be used as a last resort when it is not possible to execute a Will / Codicil with a clear physical line of sight between T and the witnesses • So, a form of distanced witnessing should be used for the execution of Afonso's Codicil rather than video witnessing if at all possible. Responses could include: • Under s15 Wills Act 1837 no one who witnesses a Will can take a gift under that Will, nor can the spouse of such a witness. • However, under s28(4) Trustee Act 2000, a charging clause allowing executors to charge for their professional services is seen as a benefit under a Will / Codicil rather than a gift, • So Kempstons would not be prevented from benefiting from a charging clause if you and Marcus Wu are the witnesses to Alfonso's Codicil.	

1(b)	**Responses should include:** • Kempston's owe Afonso a duty of confidentiality as the terms of a client's Will and any Codicil to it are confidential and can only be disclosed to others if Afonso authorised the disclosure. • Afonso is unlikely to authorise such a disclosure if the current circumstances / dispute between Catia and Enzo continues. • Under the SRA Code of Conduct any breach of this duty of confidentiality would be a disciplinary matter. • The duty of confidentiality continues after Afonso dies; when it is owed to the personal representatives who will be two of the partners in Kempston's in this case. • The PRs would have the right to refuse to disclose the beneficial entitlement to Afonso's estate to Catia and / or Enzo following Alonso's death. • However, under a 2019 Law Society Practice note / following the case of Larke v Nugus (2000) a solicitor is under a duty to disclose information about the circumstances of the preparation and execution of a Will / Codicil together with any documents in their possession that are relevant to any potential proceedings that may be brought following Afonso's death. • Failure to give this information promptly could result in a solicitor being held liable in costs if it results in litigation as under s122 Senior Courts Act 1981 the Court has the power to order attendance at any hearing and pre-action disclosure is required under the Civil Procedure Rules 1998 (r31.16). • Therefore, there appears to be no good reason why Catia and Enzo should not be made aware of the contents of Afonso's Will and Codicil once he has died. Responses could include: • Once two of the partners in Kempston's have obtained a grant of probate of the Will and Codicil to Afonso's estate their contents become a public document and the duty of confidentiality ends. • Catia and Enzo should be made aware of their beneficial entitlements no later than this stage.	8
		Question 1 Total:26 marks

Question Number	Suggested Points for Responses	Marks (Max)
2(a)	**Responses should include:** Giv's 2011 Will • Any gift in a Will to a former spouse takes effect as if the former spouse had predeceased the testator. • And any appointment of the former spouse as an executor or trustee also fails. • Giv made his Will in 2011 after he married Handan but before he divorced her in 2015 so the appointment of her as Giv's executor will fail as will the gift of his entire estate to her.	12

	Intestacy Rules • Giv did not make a substitutional gift so although his Will is still technically valid, it does not deal with any of his estate. • Part IV of the Administration of Estates Act 1925 will therefore deal with the distribution of his estate under the intestacy rules. • S33 AEA 1925 provides that the PRs hold Giv's estate on a statutory trust with power to sell it. They must then pay out of the assets he did not dispose of by will his funeral, testamentary and administration expenses and his debts and any other liabilities. • Under s46 AEA 1925 as Giv has died without a spouse, issue or parents his estate will be held for his brothers and sisters of the whole blood and the issue of such brothers and sisters who have died before Giv on the statutory trusts. • The statutory trusts mean that the residuary estate is held equally for all the relatives above contingent on each of them reaching 18. Anyone who has satisfied that condition is entitled to a vested interest. • This means that Giv's residuary estate will be divided into two equal parts and Idella will have a vested interest in one half of his estate absolutely. • Jafar was Giv's brother but as he died before Giv, in 1998, his half share has to be divided equally between any of his issue who reach 18. • Although Giv's only issue was Kimia, and she was illegitimate, illegitimate children are to be treated in exactly the same way as those who were born legitimate for the intestacy rules, • So Kimia will be entitled to a vested interest in the other one half share of Giv's estate as she is over 18. Responses could include: • Reference to s3 Law Reform (Succession) Act 1995 which amends s18A Wills Act 1837 • Reference to s18 Family Law Reform Act 1987	
2(b)	**Responses should include:** The type of grant • As the appointment in a Will of a former spouse as an executor is treated as if the former spouse had died before the testator there is no effective appointment of an executor in Giv's Will • so the appropriate grant to his estate is one of Letters of Administration with the Will Annexed • even though his Will failed to deal with any of his estate. Who should apply: • R20 NCPR 1987 sets out who is entitled to apply for the Grant of Letters of Administration with the Will Annexed • The order is subject to a strict hierarchy and anyone with an interest in a prior category must be cleared off before a person in a lower category is entitled to apply	12

	• The first category is an executor, but as Handan is treated as if she had died before Giv she must be cleared off as not entitled to apply. • The second category is any trustees of residue and there are none appointed in Giv's Will. • The next category is any other residuary legatee or if the residue is wholly or partially undisposed of, any person entitled to a share of the undisposed of residue. • The residue of Giv's estate is wholly undisposed of so both Idella and Kimia are both entitled to apply for the Grant. • There can be a maximum of four administrators appointed as PRs and a minimum of two is required if any beneficiary is a minor or a life interest arises. • As no life interest arises and both Idella and Kimia are over 18 only one person needs to take out the Grant • You (Idella) can therefore apply for a Grant of Letters of Administration to Giv's estate on your own / without the consent of Kimia. Responses could include: • Reference to s114 Senior Courts Act 1981 • Giv's Will does not express any contrary intention as to the effect of any divorce on it.	
	Question 2 Total: 24 marks	

Question Number	Suggested Points for Responses	Marks (Max)
3(a)	**Responses should include:** <u>Value transferred</u> • £240,000 being Nora's half share of 43 Oakgrove Way as Nora had a beneficial interest in it immediately before her death even though it does not pass under the terms of her Will • Plus £200,000 cash and jewellery worth £15,000 making her gross estate £455,000 • Less her funeral account of £6,500 and her other debts of £3,500 totalling £10,000 making the net value transferred (before reliefs) £445,000. <u>Exemptions and reliefs</u> • No spouse or charitable exemption is available. • Your mother has her full residential nil rate band of £175,000 available as her interest in 43 Oakgrove Way is worth more than this • because her estate is worth less than £2 million at the date of death and her interest in her residence is "closely inherited" by Peter as her lineal descendant.	18

	Lifetime gifts • The £150,000 gift to Roger was a potentially exempt transfer which has become chargeable. • Nora's £3,000 annual allowance for 2019-2020 and the £3,000 annual allowance for 2018-19 can be deducted from this. • The balance of £144,000 will be subtracted from Nora's Nil Rate Band (leaving £181,000 NRB remaining) Chargeable transfer on Nora's death • The Sarah Yale Will Trust was set up before 22 March 2006 and as Norah was entitled to the income from it, she had an interest in possession and there is a charge to IHT on her death. • Chargeable transfer on Nora's death: Nora's (net) estate (before reliefs) £445,000, Settled Property £650,000 making a total of £1,095,000. Inheritance tax calculation • Take off remaining NRB: £1,095,000 - £181,000 = £914,000 • Take off RNRB: £914,000 - £175,000 = £739,000 • £739,000 x 40% = £295,600 IHT payable. Apportionment between death estate and trust • Estate rate is arrived at by dividing the total tax bill by the total chargeable estate • The Trust will pay £650,000 x £ 295,600 / £1,095,000 = £175,470 (to the nearest £) • The PRs will pay £445,000 x £ 295,600 / £1,095,000 = £120,130 (to the nearest £) Responses could include: • The IHT on non-instalment property needs to be paid by 31 October 2023 being 6 months after the end of the month in which Nora died otherwise interest will start accruing and the first instalment of IHT on any instalment option property which has become due otherwise interest will also start accruing on that.	
3(b)	**Responses should include:** • Although PRs bear the liability to pay IHT they use assets from the deceased person's estate to pay the tax. • A testator can expressly provide where the burden of the IHT payable as a result of their death should fall or not fall by making it clear if a legacy should be subject to tax or free from tax • But if no provision is made the IHT on a gift of property which vests in the PRs or a pecuniary legacy payable from such property is a testamentary expense and payable out of residue. • Tanya inherited Nora's jewellery under clause 3 of Nora's Will, which was valued at £15,000 at the time of her death, this was a	7

	gift of personalty, and there was no express provision in the Will as to where the burden should fall so it is treated as if it had been expressed to be free from tax. Tanya will not have the burden of being responsible for any IHT payable by the death estate. • IHT on any other property is not a testamentary expense and the burden falls on the beneficiary who takes that property and the PRs can recover the IHT attributable to that property from the beneficiary, so they do bear the burden of the tax rather than the residue of the estate. • Property which is owned as a joint tenancy by the deceased therefore has to bear its own tax so Peter will bear the burden of the appropriate proportion of the IHT payable on Nora's half share of 43 Oakgrove Way • The beneficiaries of residue of the estate, Peter and Roger, must bear the burden of the rest of the IHT equally between them. Responses could include: • Reference to s211 Inheritance Tax Act 1984 • The lifetime gift of £150,000 to Roger was covered by Nora's NRB so there is no IHT to be borne by this lifetime gift.	
		Question 3 Total:25 marks

Question Number	Suggested Points for Responses	Marks (Max)
4(a)	**Responses should include:** • No IHT400 needs to be delivered before making an application for a grant unless HMRC demand one. • Under the Inheritance Tax (Delivery of Accounts) (Excepted Estates)(Amendment) Regulations 2021 the PRs no longer need to deliver an IHT205 (or IHT217) if it is an excepted estate and certain conditions are met • The deceased must have been domiciled in the UK, there is no indication that Una is domiciled elsewhere, • and they must have died after 1 January 2022 and Una died on 29 May 2023 so these conditions are met. • 'Low value' excepted estates cover situations where the gross value of an estate does not exceed the IHT nil rate band threshold provided certain other conditions are also met. • The gross value must include the deceased's share of any of any jointly owned assets as well as any specified transfers and specified exempt transfers, but not trust property that would not pass to the PRs. • Una's gross estate would be £19,200 as she had no jointly owned property, she had made no lifetime gifts apart from gifts that would fall under the small gifts exemption, so no specified transfers, and the trustees of the trust assets are Miltons, so they do not pass to Vera and Wilf as PRs.	10

	• Although Una's estate for IHT purposes includes trust assets they are in a single trust and at £200,000 the gross value does not exceed £250,000 • Una had no foreign assets, no pension fund and had made no chargeable transfers of gifts with a reservation of benefit • Therefore, all the conditions for a 'low value' excepted estate are met and no Inheritance Tax account will need to be delivered before obtaining a grant. Responses could include: • 'Exempt' excepted estates require at least some of the estate to qualify for the spouse/ civil partner exemption and/or the charity exemption • and as Una did not have a spouse and did not leave a gift to charity in her Will her estate cannot be an 'exempt' excepted estate.	
4(b)	**Responses should include:** • Under r14 NCPR 1987 affidavit evidence of the date of the execution of Una's Will will usually be required by the Registrar as her Will is not dated. • Under r16 NCPR 1987 the affidavit can be from anyone who was present at the time the Will was executed, preferably one of the attesting witnesses, Elsie and Stuart Jones. • Under r15 NCPR 1987 an affidavit of plight and condition may be required if there is a possibility of attempted revocation by destruction • Una's Will was crumpled and had a small tear in it so this will have to be explained away. • The affidavit should be lodged by someone who has knowledge of the circumstances to show how the Will came to be in that condition. Vera could lodge one explaining how she found Una's Will in that state at the back of the draw in her bedroom. • Therefore, an affidavit of plight and condition should be lodged with the Registrar unless the Registrar is prepared to dispense with affidavit evidence as the signs of an attempt of revocation by destruction are slight and this appears to be the case with Una's Will. Responses could include: • There is an attestation clause in Una's Will and it does not appear to be deficient in any way so there is a presumption that is has been duly executed and no affidavit of due execution will be required the Registrar under r12 NCPR 1987. • The fact that Una's Will appears to have been typed up on a personal computer is irrelevant. • S20 Wills Act 1837 says that the whole or any part of a Will or Codicil is revoked by burning, tearing or otherwise destroying it by the testator, or by some person in his presence and direction with the intention of revoking it.	5

	• Any destruction must be substantial and the fact that Una's Will was crumpled and had a small tear in it did not substantially destroy it even if these were because of Una's actions. • Also, Una did not appear to have any intention to revoke her Will as she had kept it in a draw in her bedroom rather than throwing it away.	
4(c)	**Responses should include:** • Una's estate is solvent because there are sufficient assets to pay all of the funeral, debts, testamentary and administration expenses in full, even though after paying them there is not enough to satisfy all of the gifts in her Will. • Una's assets total £19,200 but after payment of her debts and expenses (£12,150) there will only be assets to the value of £7,050 available for distribution to the beneficiaries under her Will. • Una did not make any express provision in her Will as to what assets should be used to pay her debts, so the order set out in s34(3) and Part II Sch 1 of the Administration of Estates Act 1925 applies. • The first assets to be used are any that have not been disposed of by Una's Will. As there is a residuary gift to Vera and Wilf there is no undisposed of property to be used to pay the debts. • The next assets to be used are property in a gift of residue. As the legacies in clauses 3 to 5 of Una's Will cover assets worth £18,500 all of the residuary estate will be used to pay the debts and there will be nothing left for Vera and Wilf for the gift of residue in Clause 6 of Una's Will. • Una's Will did not give specifically give property for the payment of her debts and nor was there any property specifically charged with the payment of her debts in her Will. • The next property to be used to pay the debts is the pecuniary legacy fund. This is defined (in s55(1)(ix) Administration of Estates Act 1925) as including an annuity, a general legacy and a demonstrative legacy. Una has not left any of this type of property in her Will • Although under Clause 4 of Una's Will Wilf is to receive the money in her Bedford Bank account this is not a pecuniary / general legacy but a specific legacy as Una has distinguished it from any other property of the same kind owned by her as evidence by the word 'my'. • The next category of property to be used to pay debts is property which has been specifically devised or bequeathed. All three of the gifts in clauses 3, 4 and 5 of Una's Will are specific gifts as they have been distinguished from other property of the same kind owned by her as evidenced by the word 'my'. NB definition of specific legacy only required once in answer.	10

	• All of the assets in this group would have to be realised to pay off the debts and neither Zoe, Wilf or Vera would be entitled to the full amount of their legacies which would abate proportionately to their size. • £7050 (money available for distribution) is divided by £18500 (total value of specific gifts) and multiplied by the value of the individual gifts. • Zoe would be entitled to receive £571.60 (instead of the jewellery worth £1,500), Wilf £4,191.90 (instead of the £11,000 contents of Una's Bedford Band account) and Vera £2,286.50 (instead of Una's personal chattels worth £6,000). Responses could include: • All of Una's creditors were unsecured as she did not own any property so none of her creditors were secured by a charge over property.	
		Question 4 Total: 25 marks