

Bank takes Wendy Machanik to court

High-profile estate agent Wendy Machanik will not oppose Standard Bank's application to liquidate her agency, reports said on Monday, 7 February 2011.

Standard Bank confirmed it would be applying for the provisional liquidation of Wendy Machanik Properties in the High Court in Johannesburg on Tuesday.

However, spokesman Erik Larsen refused to comment on the financial implications.

"I cannot give details of financial arrangements with Standard Bank as this is confidential client information

The Times and *The Star* reported on Monday that Machanik would not oppose the application.

Machanik's attorney Cyril Ziman said the agents were likely to receive their outstanding money, including commissions, more quickly if the company was wound up, according to *The Times*.

Standard Bank had granted Machanik a R3 million overdraft, bank guarantees of R40,000 and a corporate credit card with a R55,000 limit, the report said.

According to court papers, the bank says Machanik owed it just over R1.65 million plus interest, *The Time* reported.

In January, the high court ruled Machanik should not be granted a fidelity fund certificate for 2011, which would have allowed her to operate as an estate agent.

The move followed a successful court application by the Estate Agency Affairs Board in December to place the agency's trust accounts under curatorship, following alleged financial irregularities in the management of the accounts, involving at least R25 million.

A forensic investigation had shown Machanik allegedly channelled funds from a trust account to her company account to keep the business, a close corporation, afloat.

This matter returns to court on 5 April.

Source: Sapa