



Essential Activity 1:											
Student Name:											8
Student Number:	D	H	M								

This assessment is **individual work** – it must be completed on your own without the assistance of any other students.

On the 3rd of February 2021, the management of Fine Leisure Resort concluded a contract with Johnny’s Building Contractors to build eight new chalets for the Resort. The contract stipulated that the building should be completed by the 15th of December 2021. They also agreed that if the chalets are not completed by the 15th of December 2021, the contractors would be liable for an amount of R10 000 a day after the due date.

1. Johnny’s Building Contractors only completes the work by 10 January 2022. The delay is caused by a week-long strike of Johnny’s Building Contractor employees due to salary negotiations. Name and explain the form of breach of contract, if any, has been committed. (2)
2. In order to make a higher profit, Johnny’s Building Contractors uses floor tiles of a poorer quality than was specified in the contract. Name and explain the form of breach of contract, if any, has been committed. (2)
3. Assume that the Fine Leisure Resort informs Johnny’s Building Contractors on the 20th of February 2021 that the Resort is cancelling the contract because the Resort wishes to erect a spa on the premises instead. Name and explain the form of breach of contract, if any, has been committed. (2)
4. Assume Johnny’s Building Contractors only commences construction on the 20th of March 2021. The delay is caused by Fine Leisure Resort’s failure to provide the approved building plans to Johnny’s Building Contractors on 15 February 2021, as agreed. The plans are only supplied to Johnny’s Building Contractors on the 25th of February 2021. Name and explain the form of breach of contract, if any, has been committed. (2)



Submission date	17 February 2022
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