

Winkworth v Edward Baron Development Co Ltd [1986]

Evidence

The property owned by a company cannot be viewed as a combination of shares of its previous owners.

The accused, Mr. and Mrs. Wing, managed the company. The enterprise owned their matrimonial home that the couple sold to reduce the overdraft of the company. The apartment they moved into was also in the ownership of the company. To mortgage this apartment, Mr. Wing forged the signature of his wife. The company went bankrupt, and the complainant demanded the possession of the property. The Court of Appeal stated that Mrs. Wing had the dominant interest in the property, and the complainant appealed to the House of Lords.

Problematics

The wife argued that her interest in the mortgaged property was dominant under s.70(1)(g) Land Registration Act 1925. Therefore, one's interest determines actual occupation rather than a registered disposition. Also, a mortgage was not legal due to the forged signature.

Resolution

The Court of Appeal held that Mrs. Wing had no interest in the property which could be dominant. The money paid to the account of the company does not determine its present acquisition. The company never intended to send Mrs. Wing any interest for the property. The mortgage, therefore, was considered legal, despite the forged signature.