

Bonatla Property holdings limited
(Incorporated in the Republic of South Africa)
(Registration number 1996/014533/06)
Share code: BNT ISIN: ZAE000013694
("Bonatla" or "the company" or "the group")

PROVISIONAL CONDENSED CONSOLIDATED RESULTS FOR THE YEAR ENDED 31
DECEMBER 2013

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December 2013 Year	As at 31 December 2012 Year	As at 31 December 2011 Year
	Notes	Reviewed R' 000	Restated Audited R' 000	Restated Audited R' 000
ASSETS				
Non-Current assets		300,596	394,381	404,554
Property, plant and equipment	6	49,994	50,521	50,063
Investment property	7	93,385	189,500	195,560
Goodwill	8	38,200	45,000	48,261
Other intangible assets		-	1	1,102
Investments	9	1,016	1,178	1,548
Prepayments		53,914	54,497	55,178
Loans	11	9,968	-	-
Deferred taxation		4,119	3,684	2,361
Deposits	12	50,000	50,000	50,481
Current assets		102,795	88,695	77,730
Inventories		733	217	487
Trade and other receivables	13	101,070	86,601	75,444
Prepayments - current portion		583	833	582
Cash and cash equivalents		409	1,044	1,217

Assets held for sale	14	13,160	40,500	13,000
Total assets		416,551	523,576	495,284
EQUITY AND LIABILITIES				
Equity capital and reserves		311,970	376,829	382,903
Share capital	15	256,070	256,070	225,840
Shares to be issued	16	221,857	221,857	249,687
Accumulated loss		(179,508)	(100,180)	(92,076)
Available-for-sale financial assets reserve	9	(1,080)	(918)	(548)
Equity contribution		18,354	18,354	8,535
Minority interests		(3,723)	(18,354)	(8,535)
Non-current liabilities		62,924	80,649	54,157
Borrowings - long term	17	39,057	54,676	36,883
Deferred taxation		23,867	25,973	17,274
Current Liabilities		36,290	66,098	58,224
Borrowings - short term	17	13,163	28,423	35,044
Trade and other payables		19,207	29,232	12,676
Bank overdraft		-	2,521	5,361
Taxation		3,920	5,922	5,143
Liabilities associated with assets held for sale	14	5,367	-	-
Total equity and liabilities		416,551	523,576	495,284

	cents	cents	cents
Net asset value per share	24.86	30.02	31.03
Net tangible asset value per share	21.81	26.44	27.03
Ordinary Shares in issue (including to be issued)	1,255,099,285	1,255,099,285	1,233,849,285
Diluted asset value per share	24.86	30.02	31.03
Diluted tangible asset value per share	21.81	26.44	27.03
Diluted ordinary Shares in issue (including to be issued)	1,255,099,285	1,255,099,285	1,233,849,285

CONDENSED CONSOLIDATED STATEMENTS OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the 12 months ended 31 December 2013 Reviewed R' 000	For the 12 months ended 31 December 2012 Audited R' 000
Revenue		19,459	10,772
Cost of sales		(9,728)	(13,303)
Gross margin		9,731	(2,531)
Other income		426	1,168
Operating costs		(44,220)	(31,286)
Fair value adjustment		-	22,440
Impairment - goodwill	8	(6,800)	-
Loss from operations		(40,863)	(10,209)
Investment revenue	18	297	-
Finance charges	19	(8,434)	(11,455)
Loss before taxation		(49,000)	(21,664)
Taxation		(2,892)	(6,805)
Loss from continuing		(51,892)	(28,469)

operations			
(Loss)/profit from			
discontinued operations	20	(11,417)	1,113
Loss for the year		(63,309)	(27,356)
Other comprehensive loss	9	(162)	(370)
Total comprehensive loss			
for the year		(63,471)	(27,726)
Represented by:			
Ordinary shareholders			
- continuing operations		(47,815)	(9,587)
- discontinued operations		(11,417)	1,113
Ordinary shareholders		(59,232)	(8,474)
Non-controlling interest		(4,239)	(19,252)
Total comprehensive loss			
for the year		(63,471)	(27,726)
Earnings per share			
information (cents)			
Loss per share from			
continuing operations		(3.80)	(0.75)
(Loss)/earnings per share			
from discontinued			
operations		(0.91)	0.09
Diluted loss per share			
from continuing operations		(3.80)	(0.75)
Diluted (loss)/earnings			
per share from			
discontinued operations		(0.91)	0.09
Weighted average ordinary			
shares in issue for basic			
and headline loss per			
share	1,255,099,285		1,225,698,601
Weighted average ordinary			
shares in issue for			
diluted			
loss and headline loss per			
share	1,255,099,285		1,225,698,601

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital R'000	Share Premium R'000	Treasury shares R'000	Shares to be issued R'000	Available- for- sale financial assets reserve R'000
Notes	15	15	16	16	9
GROUP					
Balance at 31 December 2011	5,002	220,838	(17,461)	267,148	(548)
Total comprehensive loss for the year	-	-	-	-	(370)
Equity contribution	-	-	-	-	-
Ordinary shares to be issued - cancelled	-	-	-	(1,120)	-
Ordinary shares issued (unlisted)	3,495	25,235	-	(28,730)	-
Ordinary shares (unlisted) issued to settle vendor liability	200	1,300	-	(1,500)	-
Ordinary shares to be issued to settle vendor liability	-	-	-	3,520	-
Balance at 31 December 2012	8,697	247,373	(17,461)	239,318	(918)
Total comprehensive loss for the year	-	-	-	-	(162)
Increase in	-	-	-	-	-

investment in
subsidiary

Balance at 31
December 2013

8,697	247,373	(17,461)	239,318	(1,080)
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Retained earnings / (Accumulated loss) R' 000	Restated Equity contribution R' 000	Restated Non- controlling interests R' 000	Total R' 000
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Notes

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GROUP

Balance at 31

December 2011

(92,076)	8,535	(8,535)	382,903
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Total

comprehensive

loss for the

year

(8,104)		(19,252)	(27,726)
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Equity

contribution

-

9,819

9,433

19,252

Ordinary shares

to be issued -

cancelled

-

-

(1,120)

Ordinary shares

issued

(unlisted)

-

-

-

Ordinary shares

(unlisted)

issued to

settle

vendor

liability

-

-

-

Ordinary shares to be issued to settle vendor liability	-	-	3,520
Balance at 31 December 2012	(100,180)	18,354	(18,354)
Total			376,829
comprehensive loss for the year	(59,070)	-	(4,239)
Increase in investment in subsidiary	(20,258)	-	18,870
Balance at 31 December 2013	(179,508)	18,354	(3,723)
			311,970

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	As at 31 December 2013 12 months Reviewed R' 000	As at 31 December 2012 12 months Audited R' 000
Cash outflows from operating activities	(72,558)	(17,267)
Cash outflows from investing activities	(3,084)	(1,284)
Cash inflows from financing activities	77,528	21,218
Net increase in cash and cash equivalents	1,886	2,667
Cash and cash equivalents at the beginning of the year	(1,477)	(4,144)
Cash and cash equivalents at the end of the period	409	(1,477)
Reflected on the Statement of Financial Position as follows:		
Cash and cash equivalents	409	1,044
Bank overdraft	-	(2,521)
Total per above	409	(1,477)

COMMENTARY

The condensed consolidated statements have been prepared by W Voigt, the group's financial director.

1. Basis of preparation

The reviewed condensed consolidated statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the information as required by IAS 34: Interim Financial Reporting, the Listings Requirements of the Johannesburg Stock Exchange and the Companies Act of South Africa (Act 71 of 2008), as amended. The principal accounting policies, which comply with IFRS, have been consistently applied in all material respects in the current and comparative years.

It should be noted that, as previously announced, JSE and shareholder approval or shareholder ratification may be required for certain acquisitions and disposals, which have been properly accounted for in accordance with the Companies Act and IFRS in the above results or in prior years. This will be sought in due course once the JSE Investigations Division finalises its investigation and advises the company that it may proceed with its circular to shareholders through the JSE Regulation Division. Irrevocable undertakings to approve the transactions had been secured from the requisite percentage of votes of shareholders at the time of the transactions. The shareholder register has not changed substantially from the date of such undertakings.

The results for the year ended 31 December 2013 have been reviewed by Nolands Incorporated and their unmodified report is available for inspection at the company's registered office.

2.Overview

GROSS REVENUE	81%	up
TOTAL ASSETS	-20%	down
NET ASSETS	-17%	down
NET ASSET VALUE PER SHARE	-17%	down
HEADLINE EARNINGS	-79%	down

3.Commentary on results

2013 has been a year of consolidation with substantial losses incurred in the disposal of underperforming or not growing assets. During the period under review, the operating costs increased by 41% and the cost of sales and financing costs decreased by 27% and 26% respectively.

The increase in the operating costs is mainly due to impairments of R24,724 million included there-in. The above resulted in the decrease in earnings.

The Group incurred a R17,389 million loss on the disposal of several subsidiaries which were either non performing or were based on short term leases with over capitalised rentals and non sustainable operating cost structures.

The manufacturing segment continued to make losses due to substantial downtime as a result of the breakdown of the charcoal plant and the refurbishment requirements. However after July 2013, the plant produced in excess of 75 tons of activated carbon and has a take-off agreement on the entire production of wood based and coconut based activated carbon.

The revenue has increased mainly due to risk and performance fees being charged and growth in rental income.

4.Segment Analysis

For management purposes, the group is organised into major operating divisions - Leisure, Industrial, Commercial and Retail, a Head Office and Manufacturing. The divisions are the basis on which the group reports its segment information. All segment assets are located in South Africa.

The directors have decided to include the assets and liabilities and the results from the Investment property - industrial segment that relate to the manufacturing process in the manufacturing segment. The comparative figures have been restated accordingly.

Revenue of R264 210 was earned from outside South Africa and all the revenue is earned from external customers.

	Before re- allocation 31 December Segment assets 2013 R' 000	Re- allocation 31 December 2013 R' 000	After re- allocation 31 December 2013 R' 000	31 December 2012 R' 000
Investment Property - Leisure	54,765	-	54,765	55,314
Investment Property - Industrial	325	-	325	433
Investment Property - Commercial and Retail	217,212	(52,328)	164,884	323,032
Manufacturing	104,438	-	104,438	122,937
Head Office	39,811	52,328	92,139	21,860
Consolidated	416,551	-	416,551	523,576

- The Investment property - Commercial and Retail segment assets decreased due to the disposal of several subsidiaries in this segment.

- The Head Office segment assets increased due to reallocations and the increase in trade receivables as a result of the disposal of several subsidiaries in the Commercial and Retail segment

- The assets held for sale are reflected in the Investment property - Commercial and Retail segment.

Segment liabilities

	31 December 2013 R' 000	31 December 2012 R' 000
Investment Property - Leisure	-	-
Investment Property - Industrial	572	531
Investment Property - Commercial and Retail	48,818	82,401
Manufacturing	15,660	15,109
Head Office	39,531	48,706
Consolidated	104,581	146,747

- The liabilities decreased due to the disposal of several subsidiaries in the Investment Property - Commercial and Retail segment.

Segment revenue

	2013 R' 000	2013 R' 000	2013 R' 000	2012 R' 000	2012 R' 000	2012 R' 000
		Less			Less	
	Total segment revenue	inter- segment revenue	Net segment revenue	Total segment revenue	inter- segment revenue	Net segment Revenue
Continuing operations						
Investment Property Leisure	-	-	-	-	-	-
Investment Property Industrial	-	-	-	-	-	-
Investment Property Commercial and Retail	9,024	-	9,024	9,904	-	9,904
Head Office	8,315	(115)	8,200	-	-	-
Manufacturing	2,235	-	2,235	868	-	868

From						
continuing						
operations	19,574	(115)	19,459	10,772	-	10,772
Discontinued						
operations						
Investment						
Property						
Commercial						
and Retail	10,147	-	10,147	18,743	-	18,743

- The Head Office revenue increased due to a risk and performance fee being charged in 2013.

- The Manufacturing revenue increased due to less maintenance downtime in 2013.

Segment results

	Office	Head Leisure	Industrial
Results from operating			
activities before items detailed			
below	4,528	(583)	(149)
Bad debts	-	-	-
Consulting fees	(1,351)	-	-
Depreciation	(11)	-	-
Directors salaries and fees	(1,370)	-	-
Employee costs	(413)	-	-
Impairments	(5,738)	-	-
Legal costs	(1,507)	-	-
Loss incurred on legal			
settlement	-	-	-
Net results from operating			
activities	(5,862)	(583)	(149)
Investment revenue			
Finance charges			
Loss before adjustments			
Impairment - goodwill			
Loss before tax			
Taxation			
(Loss)/profit from discontinued			
operations			
Loss for the period			

Other comprehensive loss
Total comprehensive loss

	Commercial and retail	Manufact- Uring R' 000	Total 2013 R' 000	Total 2012 R' 000
Results from operating activities before items detailed below	3,182	(3,518)	3,460	13,347
Bad debts	(116)	(36)	(152)	(3,273)
Consulting fees	(628)	(492)	(2,471)	(1,966)
Depreciation	(17)	(907)	(935)	(460)
Directors salaries and fees	-	-	(1,370)	(2,140)
Employee costs	-	(5,932)	(6,345)	(5,701)
Impairments	(1,158)	(17,828)	(24,724)	(2,524)
Legal costs	-	(19)	(1,526)	(2,278)
Loss incurred on legal settlement	-	-	-	(5,214)
Net results from operating activities	1,263	(28,732)	(34,063)	(10,209)
Investment revenue			297	-
Finance charges			(8,434)	(11,455)
Loss before adjustments			(42,200)	(21,664)
Impairment - goodwill			(6,800)	-
Loss before tax			(49,000)	(21,644)
Taxation			(2,892)	(6,805)
(Loss)/profit from discontinued operations			(11,417)	1,113
Loss for the period			(63,309)	(27,356)
Other			(162)	(370)

comprehensive		
loss		
Total		
comprehensive		
loss	(63,471)	(27,726)
Segment analysis		
by sector	GLA M2	%
Offices	2,890	7.4
Industrial	17,000	43.3
Student		
accommodation	19,350	49.3
	39,240	100.0
Segment analysis		
by tenant	GLA M2	%
A and B tenants	2,890	7.4
C tenants	36,350	92.6
	39,240	100.0

5 Restatement of comparative period

Management has decided that, in order to more appropriately reflect the fact that the non-controlling shareholders of a subsidiary have taken responsibility to recapitalise the subsidiary company to the extent of the losses it suffered without a change in their voting rights or beneficial shareholding in the same company, to restate the comparative period. This has resulted in the addition of an additional classification in equity capital and reserves that deals with the group's share of the equity contribution made.

This restatement has no effect on the statement of profit or loss and other comprehensive income.

6 Property, plant and equipment

	31 Dec	31 Dec
	2013	2012
	R'000	R'000
Net book value at the beginning of the year	50,521	50,063
Additions - normal course of business		
- office equipment	1	41
- computer equipment	12	-
- plant and equipment	356	1,131
Additions - discontinued operations		
- office equipment	32	-

- computer equipment	38	-
Disposals - discontinued operations	(30)	(254)
Depreciation - normal course of business	(919)	(460)
Depreciation - discontinued operations	(17)	-
Net book value at the end of the year	49,994	50,521

7 Investment property

As previously announced, the group disposed of the following properties during the period under review: Austin Crossing Building, Bishops Court Building, Chambers Building - Ground Floor, Chambers building - Floors 2 and 3, Flextronics Building, Milestone Place Building and Property 259 Building.

Balance at the beginning of the year	189,500	195,560
Fair value adjustment	-	21,440
Additions	385	-
Sold	(96,500)	(27,500)
Balance at the end of the year	93,385	189,500

8 Goodwill

Cost	64,651	85,611
Accumulated impairment losses	(26,451)	(40,611)
	38,200	45,000
Cost		
Balance at the beginning of the year	85,611	85,611
Disposals	(20,960)	-
Balance at the end of the year	64,651	85,611
Accumulated impairment losses		
Balance at the beginning of the year	40,611	37,350
Disposals	(20,960)	-
Impairment losses recognised in the year		
- continuing operations	6,800	-
- discontinued operations	-	3,261
Balance at the end of the year	26,451	40,611
Goodwill at year end comprises:		
Manufacturing	38,200	45,000
The recognition of impairment losses is as follows:		
Manufacturing	6,800	-
Document storage	-	3,261
	6,800	3,261

Manufacturing

The recoverable amount of this cash-generating unit is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors and a discount rate of 15% (before tax) per annum.

Cash flow projections during the budget period are based on the same expected gross margins that are achieved at similar plants, situated world-wide, producing activated carbon. The directors are of the opinion that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

The key assumptions used relating to the recoverability due to value in use are:

- The economy will continue to grow, albeit at a slow pace and that there will be no major recession in the next five years

- Management has projected the cash flow over a five year period. No growth rate was used to extrapolate the cash flow projections beyond this period.
- Production of activated carbon would be increased up to 200 tonnes per month based on current capacity.
- Overheads are expected to increase by 10% per year.

9 Investments

Unlisted investments	2,096	2,096
Less impairments	(1,080)	(918)
Fair valued	1,016	1,178
Accumulated impairment losses		
Balance at the beginning of the year	(918)	(548)
Impairment losses recognised in the year	(162)	(370)
Balance at the end of the year	(1,080)	(918)
The impairments losses are recognised in other comprehensive losses and transferred to an available-for-sale financial assets reserve		
Balance at the beginning of the year	1,178	1,548
Impairments recognised in other comprehensive losses	(162)	(370)
Balance at the end of the year	1,016	1,178

In order to secure the acquisition of certain subsidiaries, Bonatla purchased a non-controlling shareholding in the Investment Property Holding Companies from certain investors.

The shareholdings in the three Investment Property Holding Companies vary between 5.17% and 17.6%. The directors are of the opinion that the investments are fairly valued and that no further fair value adjustment is required.

The fair value of the investments is based on the net asset value of the property holding companies.

Fair value hierarchy of financial assets at fair value through profit or loss Level 3 applies inputs which are not based on observable market data (unobservable input)

Level 3:

Unlisted shares	1,016	1,178
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10 Interest in subsidiaries

The company has increased its interest in the activated carbon and charcoal business from 51% to 90% by acquiring a 25% stake from a non-controlling shareholder and the balance of the increase as a result of exercising a rights issue.

	31 Dec	31 Dec
	2013	2012
	R'000	R'000

11 Loans

Gross receivable	27,796	-
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Impairments	(17,828)	-
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	9,968	-
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The loan has been included in trade and other receivables in 2012.

This loan is secured by shares in Bonatla, interest free and will be settled by withholding dividends made to the non-controlling shareholder in Carbon and Processing Technologies (Pty) Limited.

12 Deposits

Non-refundable deposit	50,000	50,000
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A non-refundable deposit relating to the acquisition of 200 000 m2 of bulk land and containing two buildings thereon, has been approved by the shareholders. The transfer of the 200 000 m2 of bulk land, and buildings thereon, has been held up by litigation relating to the zoning and to the Environmental Impact Assessment ("EIA"). Once the litigation has been resolved, the R50 000 000 will be transferred from Deposits to Investment Properties.

The directors are confident that there will be a satisfactory resolution to the pending litigation and that the transaction will proceed. Consequently, no impairment is

required.

13 Trade and other receivables

Trade receivables	9,381	519
Receivables on sale of subsidiaries	32,728	-
Investment Property Holding companies	61,192	61,192
Rental equalisation reserve	-	1,172
Loans	9,149	27,777
Other	1,536	3,101
Gross receivables	113,986	93,761
Impairment	(12,756)	(7,160)
	101,230	86,601
Less: transferred to net assets held for sale	(160)	-
	101,070	86,601

Trade receivables

Trade receivables consist of rentals, sales of charcoal products and services rendered which are invoiced out. These will be recovered in the normal course of business. The fair value of the trade receivables is deemed to be the same as the carrying value.

The ageing of the trade receivables is as follows:

Current and 30 days	498	364
60 days	77	24
Older than 60 days	8,806	131
Total	9,381	519

Trade receivables which are less than 60 days past due are not considered to be impaired. All the above amounts are considered recoverable and no impairment is required.

For most of the rentals, one month's rental deposit has been given together with surety from the legal entity/person who signs the lease agreement as the tenant.

Included in the debtors with the ageing greater than 60 days is a receivable of R8 200 000 which will be settled as part of the acquisition of Ruitersvlei Holdings (Pty) Limited. Should this not occur prior to 31 December 2014, this becomes payable on demand.

The majority of the other debtors with ageing greater than 60 days, have paid, after the year-end, their balances owing.

13 Trade and other receivables

Investment Property Holding companies

This relates to costs incurred by Bonatla in getting the 12

Investment Property companies out of judicial management.

A sufficient number of ordinary shares, to be issued to the 12

Investment Property Holding companies, is held as security for this debt.

	31 Dec 2013 R'000	31 Dec 2012 R'000
Loans		
Ruitersvlei Holdings (Pty) Ltd	7,666	-
Non-controlling shareholders of subsidiary	-	27,777
Others	1,483	-
	9,149	27,777

The loan to Ruitersvlei Holdings (Pty) limited bears interest prime plus 2% and will be settled as part of the acquisition of this company. Should this not occur prior to 31 December 2014, this becomes payable on demand.

The other loans are unsecured and interest free.

Other

Included in other are:

An advance payment of R268 080 (2012: R234 580) to the Sibuyelo Matwane Community Trust. This will be settled by the deduction of the amount owing from the proceeds of sales of their shares, when the suspension in the trading of Bonatla's shares is lifted by the JSE Limited.

R702 903 (2012: R702 903) will be repaid once the adjustment accounts relating to the sale of the Africard and the Prospect Close Buildings, and the sale of the Copper Moon Trading 249 (Pty) Limited, have been finalised.

14 Assets held for sale

Assets held for sale		
Investment properties	13,000	40,500
Trade and other receivables	160	-
	13,160	40,500
Liabilities associated with assets held for sale		
Borrowings	2,107	-
Trade payables	248	-
Taxation	901	-
Deferred taxation	2,111	-
	5,367	-
Total	7,793	40,500

The group intends to dispose of the subsidiary Madeline Street Properties (Pty) Limited.

15 Share capital

Share capital	
and Share	No. of shares
Premium	
R'000	

Reconciliation

Shares issued (listed and unlisted) -

31 December 2012	8,697	869,724,813
share premium (listed and unlisted)	247,373	
Total - 31 December 2013	256,070	869,724,813

16 Shares to be issued

	Share capital and Share Premium R'000	No. of shares
Ordinary - 12 Investment property company acquisitions	231,798	369,969,272
to settle liabilities	7,520	85,250,000
Total number of ordinary shares to be issued	239,318	455,219,272
Less:		
Treasury shares	(17,461)	(69,844,800)
Fair value shares to be issued at 31 December 2013	221,857	385,374,472
Total issued shares and shares to be issued		1,255,099,285
Weighted average shares in issue for basic and headline earnings / (loss) per share		1,255,099,285
Weighted average shares in issue for diluted basic and headline earnings / (loss) per share		1,255,099,285

17 Borrowings

Total borrowings decreased by R 30,879,227 from R83,099,232 at 31 December 2012 to R 52,220,005 at the 31 December 2013. This decrease resulted from the disposal of several subsidiaries.

18 Investment revenue

	31 December 2013 R'000	31 December 2012 R'000
Loans and other	297	-
	297	-

19 Finance charges

	31 December 2013 R' 000	31 December 2012 R' 000
Financial institutions	5,054	6,514
Loans and other	138	2,440
Related parties	3,242	2,501
	8,434	11,455

20 (Loss)/profit from discontinued operations

The group disposed of certain subsidiaries during the period under review.

	Year ended 31 December 2013	Year ended 31 December 2012
The net cash inflows / (outflows) from the discontinued operations is as follows:-		
Cash inflows from operating activities	4,426	9,934
Cash inflows from investing activities	108,169	-
Cash outflows from financing activities	(113,481)	(10,046)
Net decrease in cash and cash equivalents	(886)	(112)
Cash and cash equivalents at the beginning of the period	953	1,065
Cash and cash equivalents at the end of the period	67	953

	Year ended 31 December 2013	Year ended 31 December 2012
The breakdown of the loss from discontinued operations is as follows:-		
Revenue	10,147	18,743
Cost of sales	(2,327)	(4,912)
Gross margin	7,820	13,831
Other income	11	81
Operating expenses	(522)	(8,581)
Fair value adjustment	-	(1,000)
Loss on disposal of subsidiaries	(17,389)	-
Results from operating activities	(10,080)	4,331
Investment revenue	21	13
Finance charges	(1,360)	(2,394)
(Loss)/profit before taxation	(11,419)	1,950
Taxation	2	(837)
(Loss)/profit after taxation	(11,417)	1,113
21 Reconciliation of headline loss		
Loss attributable to ordinary equity holders of		
the parent entity	(59,070)	(8,104)
Impairment - goodwill	6,800	4,261
Loss on disposal of subsidiaries	17,389	-
Fair value adjustment (net of deferred tax)	191	(15,003)
Headline earnings/(loss)	(34,690)	(18,846)
Earnings per share information	cents	cents
Loss per share	(4.71)	(0.66)
Diluted loss per share	(4.71)	(0.66)
Headline earnings per share	(2.76)	(1.54)
Diluted headline earnings per share	(2.76)	(1.54)
Weighted average shares in issue for basic and headline loss per share	1,255,099,285	1,225,698,601
Weighted average shares in issue for diluted basic and headline loss per share	1,255,099,285	1,225,698,601

22 Related parties

The immediate parent and ultimate controlling party of the group is Bonatla Property Holdings Limited incorporated in the Republic of South Africa.

Transactions between the company and its subsidiaries, which are related parties of the company, have been eliminated on consolidation.

	For the year ended 31 December 2013 R'000	For the year ended 31 December 2012 R'000
Balances between the group and other related parties are as follows:		
CDA Property Consultants (Pty) Limited		
- loan account balance	(19,842)	(17,484)
- included in trade and other payables	(1,156)	-
Ruitersvlei Holdings (Pty) Ltd		
- include in trade and other receivables	15,866	-
Buzz Way (Pty) Ltd		
- loan account balance	(27)	(27)
Gemini Moon Trading 177 (Pty) Ltd		
- loan account balance	(1)	(1)
Hail Investments (Pty) Ltd		
- loan account balance	(5,966)	(2,264)
C Douglas		
- included in trade and other payables	(44)	(24)
NG Vontas		
- included in trade and other payables	(70)	(53)
A Dube		
- Loan account balance	-	(613)
Idube Trust		
- Loan account balance	-	14,170
Dusty Moon Trading 225 (Pty) Limited		
- Loan account balance	9,969	13,607
Karbotech Carbon Technologies (Pty) Limited		

- Loan account balance	(114)	-
Transactions between the group and other related parties are as follows:		
CDA Property Consultants (Pty) Limited		
- property management fee	1,251	1,800
- commission on renewal of leases	-	1,090
- interest on loan account	2,316	2,113
- raising fee	125	65
- consulting fee	1,320	560
Ruitersvlei Holdings (Pty) Ltd		
- risk and performance fee	8,200	-
- interest on loan account	291	-
Hail Investments (Pty) Ltd		
- interest on loan account	926	381
Extra Dimensions 1396 CC		
- introductory commission to Bluezone	-	125
C Douglas		
- office rental	260	240
- venue hire	-	10

A Dube is a director of Carbon and Processing Technologies (Pty) Limited and a trustee of the Idube Trust.

IC MacLean is a director of Carbon and Processing Technologies (Pty) Limited and a director/shareholder of Dusty Moon Trading 225 (Pty) Limited and Karbotech Carbon Technologies (Pty) Limited.

DWB King was a director of Bonatla Property Holdings Limited and is the sole member of Extra Dimensions 1396 CC.

C Douglas is a director of Bonatla Property Holdings Limited and a director and shareholder of the following companies:

CDA Property Consultants (Pty) Limited, Rara Avis Property Investments (Pty) Limited, Gemini Moon Trading 177 (Pty) Limited, Hail Investments (Pty) Limited and Buzz Way (Pty) Limited.

NG Vontas is a director of Bonatla Property Holdings Limited and Ruitersvlei Holdings (Pty) Limited.

23 Compensation of key personnel

Employment	1,370	2,140
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24 Events after the reporting date

A sale of shares agreement has been signed between Bonatla Property Holdings Limited and Namavect Proprietary Limited in terms of which Bonatla will acquire from Namavect its 75.1% stake in a special purpose vehicle formed between Namavect and the Northern Cape Department of Economic Development and Tourism for the purposes of developing the Kimberley Diamond and Jewellery Hub.

A sale of shares agreement has been signed between Bonatla Property Holdings Limited and the Inqaba Trading Trust in terms of which Bonatla will acquire from Inqaba its 75.1% stake in Lincoln Meade Park Proprietary Limited who has acquired the rights to develop 1 214 residential units in Pietermaritzburg through a Land Availability Agreement that has been concluded with the Msunduzi Municipality.

Bonatla has received a conditional offer from Fastpace (HK) Limited for the acquisition of all the shares in Bonatla by way of a share-for-share transaction equating to ZAR 0.50 (fifty cents) per Bonatla share. This offer, which details certain conditions, is subject to limited due diligence.

The transactions in respect of the acquisitions detailed below are proceeding:

Acquisition of GIBA business adjacent to Marianne Hill toll plaza
Acquisition of the lake Jozini project The Heights restaurant, shop, entertainment area, kitchen new offices was completed in February 2014.

The company has just concluded a lease arrangement on the Heights which will both boost the cash flow and the value of this asset

25 Dividends

No dividends were declared during the period.

26 Management of the property portfolio

There are no appointed asset managers and this function is managed by the company during the period under review. The property management function is carried out by CDA Property Consultants (Pty) Ltd, of which the sole shareholder is C Douglas, who also is an Executive director of Bonatla.

27 Board of Directors

- * Mr RL Rainier re-elected as director on 28 August 2013
- # Mr MH Brodie re-elected as director on 28 August 2013, deceased 15 March 2014
- * Mr DA Scott resigned as director on 31 May 2013
- * Mr NG Vontas
- # Mr SST Ngcobo - resigned on 12 April 2013
- * Ms C Douglas
- * Mr W Voigt
- # Mr R Bernstein appointed as director on 19 December 2013
- * = executive directors
- # = non executive and independent directors

The company will look to appoint additional independent non-executive directors, although this remains challenging whilst the company remains suspended on the JSE. The company continues to work pro-actively with the JSE to respond to all issues raised.

28 Contingent liabilities

Various litigations, which are being defended by Bonatla, have been instituted against Bonatla and the dates of the legal cases still have to be set down. There has been no change in the amounts of the contingent liabilities, relating to ongoing litigation cases, from 2012 to 2013.

29 Future prospects

The local and international real estate markets will continue to be under pressure during the forthcoming year including increased pressure on interest rates, rental levels, increases in operating cost structures and investment yields. Against this background, the company will continue to focus on growing the portfolio through value enhancing acquisitions from investment and development properties.

2014 and 2015 are expected to see Bonatla realising its objective of increasing its net assets and become the African investment and development arm of a global investment group.

30 Renewal of cautionary announcement

Shareholders are referred to the previous cautionary announcements dated 6 March 2013, 22 April 2013, 5 July 2013, 8 July 2013, 19 August 2013, 1 November 2013, 4 November 2013, 17 December 2013, 31 January 2014, 21 February 2014 and 5 May 2014 and 17 June 2014 respectively and are advised that certain negotiations referred to therein are still in progress. Shareholders are accordingly advised to continue to exercise caution in dealing in their securities until a further announcement in this regard is made.

30 June 2014

Johannesburg

Directors:

NG Vontas (CEO) , RL Rainier (Executive, acting as chairman), C Douglas (Executive) , W Voigt (FD) , R Bernstein (Non-executive)

Registered address:

31 8th Street, Houghton, Johannesburg, 2198

Company Secretary:

Arcay Client Support (Pty) Limited

Transfer Secretaries:

Computershare Investor Services (Pty) Limited

Auditors:

Nolands Inc.

Sponsors:

Arcay Moela Sponsors (Pty) Limited