ATTACQ

Creating investment opportunities.

Integrated annual report **2014**


builders
express
builders
TRADE DEPOT
builders
warehouse

Contents

About this report

This integrated annual report presents Attacq Limited's financial, operational, social and environmental performance. The report presents a range of financial and non-financial disclosures and performance measures to assist our stakeholders to make an informed assessment of the Group's overall performance over the past year and to assess its ability to create and sustain value in the short, medium and long term.

The Group is guided by the following reporting frameworks and regulations:

- The King Report on Governance for South Africa, and the King Code of Governance Principles;
- The Companies Act;
- The JSE Listings Requirements; and
- International Financial Reporting Standards.

This report has been prepared using the International Integrated Reporting Council <IR> Framework. Attacq has endeavoured to apply the guiding principles and content elements contained in the Framework and we remain committed to improving our reporting to our stakeholders.

Scope and boundary

The board of directors seeks to present a balanced and understandable assessment of the Group's overall position and prospects. This report covers Attacq's South African, African and international activities, including subsidiaries, associates and joint ventures and aims to present a balanced and accurate account of Attacq's performance for the 2014 financial year.

Any material events that have occurred after year end but before publication have also been included. Unless indicated otherwise, data in this report refers to the Group.

Materiality determination

In preparing this report, the Group was guided by the principle of materiality. An item is material if it can substantively affect Attacq's ability to create value over the short, medium and long term. In determining what items are material, a wide range of evidence was consulted, including board documents, risk assessments, media releases and our stakeholder concerns. Furthermore, a materiality workshop was conducted with senior management to gain further insight into the Group's material matters.

Forward-looking statements

This integrated annual report contains forward-looking statements that, unless otherwise indicated, reflect the Group's expectations as at 30 June 2014. Actual results may differ materially from the Group's expectations if known and unknown risks or uncertainties affect its business, or if estimates or assumptions prove inaccurate. The Group cannot guarantee that any forward-looking statement will materialise and, accordingly, readers are cautioned not to place undue reliance on any forward-looking statements. The Group disclaims any intention and assumes no obligation to update or revise any forward-looking statement even if new information becomes available as a result of future events or for any other reason, other than as required by the JSE Listings Requirements.

Highlights

NAV per share
+24%

Total assets
+44.5%

Revenue growth
+39.5%

1 391 203m²
remaining Waterfall bulk

Waterfall m² under construction **+164%**

Waterfall m² completed & held **+182%**

Assurance

Deloitte has independently audited the annual financial statements contained in this report. Their unqualified audit report can be found on page 87. The scope of their audit is limited to the information contained in the annual financial statements and these can be found on pages 97 to 261.

Feedback

We value your feedback in our endeavour to continually improve our reporting. Any comments or requests for additional information can be emailed to reception@attacq.co.za.

Approval of the integrated annual report

The executive directors are charged with the responsibility of determining the adequacy, extent and operation of the systems throughout the year by performing comprehensive reviews and testing of the effectiveness of the internal control systems in operation.

In compliance with its oversight role in relation to the preparation of this report, the audit and risk committee has recommended the integrated report to the board for approval.

The board acknowledges its responsibility to ensure the integrity of the integrated report.

Pursuant to this responsibility, the board has applied its mind to the integrated report and in its opinion the integrated report addresses all material matters and fairly presents the integrated performance of the Group.

The board authorised the integrated annual report for release on 27 November 2014.

P Tredoux
Chairman

MC Wilken
Chief executive officer

Navigation

The following icons indicate where more information can be found:

This icon refers to additional information that can be found in other sections within this report.

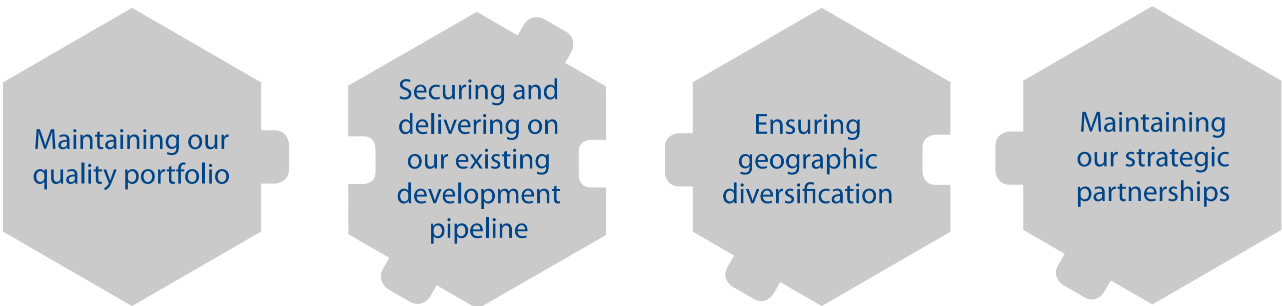
This icon refers to additional information available on our website **http://www.attacq.co.za**

Who we are

Attacq is a leading South African capital growth fund in the real estate sector. Formed in 2005 and based in Waterfall, Johannesburg, we listed on the Main Board of the JSE in October 2013. We have a geographically diverse portfolio of properties and investments located in South Africa, the rest of Africa and Europe.

Attacq focuses on sustainable capital growth through the development and ownership of a balanced portfolio of properties. We have consistently delivered capital growth to investors through our strategic property holdings and developments. Attacq has grown gross assets to R18.5 billion as at 30 June 2014 from an initial gross asset value of R600 million as at 30 June 2005.

Our **strategic** enablers



Attacq has a passionate entrepreneurial spirit, brought to life by a committed and enthusiastic team. A pro-active and hands-on management approach, a positive outlook and belief in the future of South Africa, has built the Group to the highly regarded industry force it is today.

Our executive management has in-depth understanding of the dynamics of the property market and a proven delivery capability. Our multi-disciplinary team boasts a wide range of professionals including engineers, chartered accountants, lawyers, bankers and investment managers.

Our business model and strategy

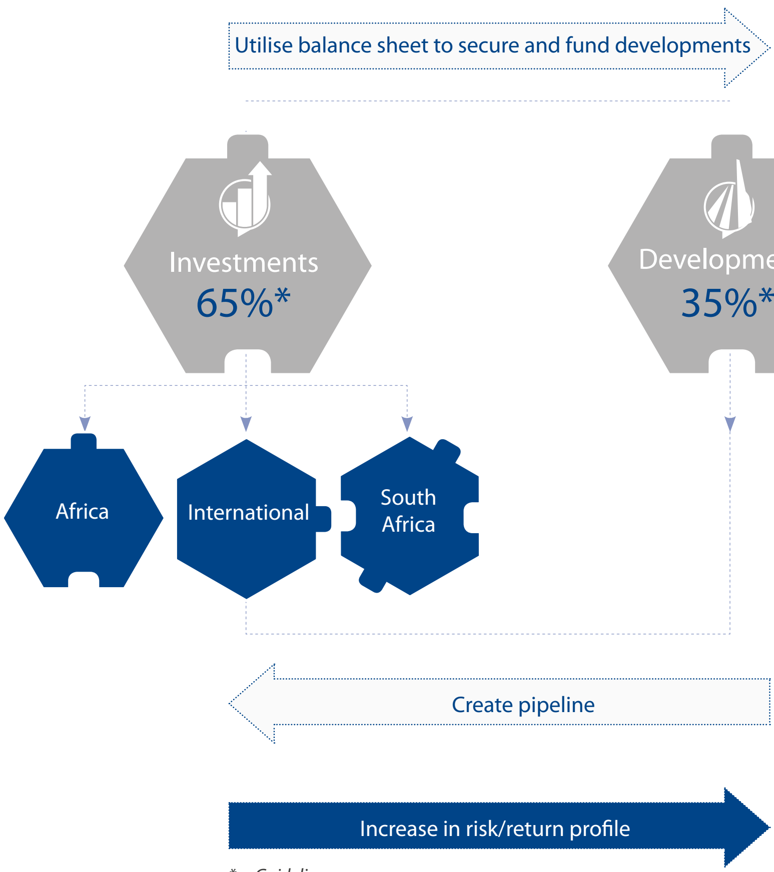
Attacq is a capital growth fund, rather than an income fund. Our strategy is to create sustainable capital appreciation through the development and ownership of a balanced portfolio of properties.

Our business model revolves around two focus areas: **investments and developments**.

Investments comprise our property portfolio of completed buildings held directly or indirectly and our non-controlling shareholdings in companies with underlying property exposure.

Investments provide stable income and balance sheet strength for us to responsibly secure and fund high-growth opportunities within **developments**. In turn, the Group's **developments** generate a pipeline of high-quality investment properties that grow our **investments**.

The current guideline is to have 65% of the portfolio in **investments** and 35% in **developments**.



* *Guideline*

Attacq's South African property portfolio consists of properties owned, either outright or as an undivided share, by Attacq and its subsidiaries and comprises 69% of our assets as at 30 June 2014 (2013: 70%). Investments in associates, including those holding Attacq's non-South African investments, do not form part of Attacq's property portfolio.

Attacq diversifies its investments geographically and we remain well positioned to capture opportunities as they arise. We believe it is vital that we choose strong partners, such as Atterbury Property, MAS and Hyprop. The diversification into other emerging and developed markets provides a hedge against geographical concentration and exchange rate risk.

Key performance indicators

We measure our performance against our strategy using the following metrics:

Key performance indicator	2014	2013 Restated
Total assets (R'000)	18 464 886	12 775 260
Net asset value attributable to owners of the holding company (NAV) (R'000)	9 912 191	5 352 967
Shares in issue (net of treasury shares)	670 965 594	449 406 150
NAV per share (R)	14.77	11.91
NAV per share excluding deferred tax (R)	16.10	13.67
Gearing (%)	34.0	43.2
Number of employees	69	48
BBBEE rating under the property charter	Level 4*	Level 4
Property portfolio value (R'000)	12 829 337	8 921 552
Number of operational properties	20	19
Gross rentable area (primary GLA m^2)	389 882	320 343
Number of properties under development	14	7
Development pipeline (GLA m^2)	281 927	160 862

* *2014 rating in process of verification at time of writing*

External environment

A volatile macro-economic environment impacts us. Escalating utility charges, rates and taxes and the resultant increased cost of occupancy for tenants is a key consideration for our long-term sustainability.

The general level of the economy will impact on the rate at which we can develop the remaining developable bulk at Waterfall.

Environmental impact of the Group

Our material impact on the environment is through the buildings we own, manage and develop. The rising costs of occupancy and the changes and increases in legislation are some of the current challenges and concerns which we face. We believe that focusing on green and sustainable development is a sound business decision as it is the right thing to do and we aim to minimise our impact as much as is commercially viable. With this in mind, we have a long-term green strategy, which is two-pronged and includes incorporating sustainable principles for energy and water efficiency, indoor environment quality, and responsible waste management into the design of our developments and also adopting these principles and practices, where possible, within our existing operational properties.

Employees

Our employees remain key to Attacq's ability to create value. Our people embody the entrepreneurial culture of Attacq and in order to execute our strategy we need a diverse range of skills and people who are highly motivated, innovative and ethical.

Our property portfolio and investments at a glance

International investments

Value of gross investments:

R2.4 billion
up from
R0.9 billion
in 2013

Percentage of total assets:

13.0%
up from
7.0%
in 2013

Key investments:

MAS

African investments (excluding South Africa)

Value of gross investments:

R1.2 billion
up from
R0.7 billion
in 2013

Percentage of total assets:

6.5%
up from
5.5%
in 2013

Key investments:

AttAfrica
Mauritius

Development portfolio

Total value[1]

Under development:

R2.9 billion
up from
R1.5 billion
in 2013

Infrastructure and vacant land:

R2.0 billion
down from
R2.3 billion
in 2013

Key developments:

Waterfall
Newtown Junction

[1] *Cost to date, plus fair value adjustments*

South African portfolio

Value of portfolio:

R10.0 billion
up from
R7.4 billion
in 2013

Percentage of total assets:

54.0%
down from
57.8%
in 2013

Key properties:

Waterfall
Attacq Retail Fund
Lynnwood Bridge

For more information on our Group structure and portfolio, refer to the property portfolio and investments review, starting on page 25.

"We successfully listed on the JSE and this created better liquidity for shareholders".

Pierre Tredoux – Chairman

Entrepreneurs are forward thinkers, agile and innovative, constantly looking for new challenges and opportunities. This is the spirit that embodies Attacq and epitomises our approach to how we do business and conduct ourselves in facing the challenges of the environment in which we operate.

Overview of the year

The 2014 financial year saw many challenges for the South African property sector with poor economic growth resulting in a generally tougher trading environment. South Africa's credit rating downgrade, the prolonged strike in the mining industry and the constricted supply of building materials across the country as a result of the metal workers' strike also impacted the economy.

Attacq again performed well despite the turbulence. We successfully listed on the JSE and this created better liquidity for shareholders, improved awareness of Attacq as a separate entity from Atterbury and granted access to capital to pursue projects that will continue to create value for our shareholders in the long term.

The Group recorded a 24% increase in NAV per share, with a NAV per share of R14.77 as at 30 June 2014.

We continued to improve and simplify our structure through the internalisation of the asset management function and the disposal of several non-core assets such as De Ville Shopping Centre in Durbanville and Atterbury House in the Cape Town CBD. We completed five major projects during the year and at year end had a further 13 developments underway.

Governance to support growth

Attacq strives to operate ethically and responsibly. This means more than simply being compliant – we aim for best practice. The challenge for us as a board lies in finding the balance between appropriate governance and ensuring the Group retains its agility and entrepreneurial flair. As a board, we are committed to using governance as a tool to grow the business and support the management team. As part of this process we work to ensure that Attacq is driven by the principles set out in King III which views good governance as essentially being effective ethical leadership, a principle inherent in the way Attacq strives to operate in every sphere of business, not just in governance.

Remaining socially relevant

Managing our environmental and social impacts remains a business imperative. We aim to create value for the larger community in which we operate by pursuing greener operating methodologies, remaining committed to transformation and contributing to community needs and initiatives.

Environmental management

Our environmental management strategy has a dual focus and is aimed at addressing new developments, existing buildings and taking a pragmatic, phased-in approach to environmental management. The challenge is often the high initial costs for green technology. However, we believe that by reducing the environmental impact of our buildings we contribute towards the long-term sustainability of our business. Ultimately, with this in mind, we reduce our long-term operating costs and improve occupant health and wellbeing, therefore attracting tenants and mitigating future risks.

Socio-economic development

Attacq's future viability as an organisation depends on the sustainability of the communities in which it operates. In addition to our continued support of the Atterbury Trust, we have become involved in the Columba Leadership programme. Attacq's focus, via the Atterbury Trust and Columba, benefits selected disadvantaged young South Africans of all orientations, with the main focus on education.

By investing in and promoting social programmes, we aim to raise living standards, which in turn is a catalyst for economic growth.

Transformation

We remain committed to transformation in our business. As at 30 June 2014, Attacq had a Level 4 rating under the property charter for BBBEE. Our tenants are thus able to claim an 81% BBBEE procurement level of recognition from Attacq.

The Group's black shareholding as at 30 June 2014 was 21%, including 9% owned by black females. The new BBBEE codes present an opportunity and challenge to the Group, and the board remains committed to implementing the codes in the Group in a responsible manner.

Stakeholder engagement

Our approach to stakeholder engagement is guided by our values and the King III report that recognises a stakeholder inclusive approach as being essential to good corporate governance. We recognise stakeholder engagement as an area for ongoing improvement, especially as the Group matures and grows. We believe that our processes regarding stakeholder engagement could be more formalised and that we, as a board, could engage more actively with our stakeholders. However, we feel that good progress was made in identifying and dealing with risks during 2014.

We are confident that the Group will continue to show positive growth as a result of our investment properties, development pipeline, geographic diversity and the nature and strength of the Group's key strategic relationships.

For more detailed information on our stakeholder engagement approach see pages 76 and 77.

We welcome feedback from our readers and stakeholders. Please send your comments through using the contact information on the inside back cover of this report.

Directorate

Francois van Niekerk, one of the founders of the business that led to the creation of Attacq, retired from the board during 2014. I would like to express our appreciation to Francois for his invaluable contribution to the growth of the Group since its inception and wish him well in his retirement.

Lucas Ndala resigned from the board during the year and Lebo Masekela subsequent to year end. I would like to thank them both for their contributions during their time on the board. I am also pleased to welcome Wilhelm Nauta to the Attacq board as a non-executive director.

We continue to review the board's performance and composition, taking into account identified skills gaps, as a means of accommodating our transformation aims and in line with our portfolio diversification strategy. This will ensure the board is adequately positioned to guide our future direction and manage the complexities of a constantly changing risk environment.

Outlook

While the board recognises macro-economic challenges facing the South African economy at present and going forward, we are confident that the Group will continue to show positive growth as a result of our investment properties, development pipeline, geographic diversity and the nature and strength of the Group's key strategic relationships.

Appreciation

I extend our appreciation to our shareholders, a group that has grown quite considerably over the last year. As a board, we will continue to do our utmost to ensure that we are acting in Attacq's best interest while being cognisant of our various stakeholders.

Our employees are the driver of our success, and I thank the management team and staff for their tireless work throughout the year.

The board also wishes to thank our chief executive officer, Morné Wilken, for his leadership and contribution to the Group during the year.

I would also personally like to thank the board members for their commitment and dedication.

P Tredoux
Chairman

27 November 2014

Lynnwood Bridge
Pretoria

"Attacq's key differentiator is our focus on capital growth through greenfields developments and ownership of existing properties".

Morné Wilken – Chief executive officer

Attacq performed well in a constrained economic environment, which saw many challenges, including low GDP growth and subdued consumer spending. Despite these circumstances, we have made good progress against our strategy, positioning the balance sheet to grow our investment portfolio and delivering on our development pipeline.

Our key differentiators

Our capital growth focus

Attacq's key differentiator is our focus on capital growth through greenfields developments and ownership of existing properties. Therefore, our emphasis is on sustainability and maintained growth within the organisation. While the majority of developers focus on improving the initial development yield to optimise profit, we develop property to hold. Therefore, it is vital that we closely monitor the sustainability of the design and the quality of our properties – especially during the development phase – to ensure the quality of our portfolio.

Due to our focus on long-term capital appreciation, Attacq does not pay dividends. For this reason, growth in NAV – as opposed to dividend yield – is the key metric in terms of monitoring our performance. We are pleased to report that following an eventful year, the Group recorded a 24% increase in NAV per share, with a NAV per share of R14.77 as at 30 June 2014.

Our existing and future development pipeline

Waterfall, a greenfields development of unprecedented proportions in South Africa, remains a key focus area. The total estate has been planned from scratch, including infrastructure, services, open public spaces and the buildings themselves. Through this, Attacq has a secured development pipeline that extends up to 15 years and encompasses the super-regional Mall of Africa, the largest single-phase shopping mall in the country.

Our collaborative culture

Our people are our key driver of success. They embody the entrepreneurial spirit of Attacq and remain the heart of the organisation. Going from an unlisted to a listed entity is a major transition but, in the midst of this change, a key organisational priority is to maintain our people-orientated culture. The Attacq team has grown over the last year but has pulled together and worked to become a cohesive whole.

This focus on people and relationships goes beyond the staff working for us. We actively pursue partnerships with organisations aligned to our long-term vision. For example, our partnership with Atterbury, in which we have a 25% shareholding, is a strategic enabler in our developments.

Reflecting on 2014

The 2014 year has been one of consolidation and growth for Attacq. We have experienced many changes including becoming a listed entity, but our priority remains the same – sustainable capital appreciation.

Positioned to capture opportunities

The Group successfully listed on the JSE on 14 October 2013. The Attacq investment proposition of a capital growth fund was very well received by the market, with the R800 million capital raising on listing receiving significant investor interest and was many times oversubscribed.

Post listing, Attacq conducted two capital raisings totalling R1.5 billion, in order to raise cash for our development pipeline as well as for a further substantial investment in MAS. These capital raisings were well supported by investors, being concluded at small discounts to the then market price.

One of the main objectives of listing has thus been met, that of creating a platform from which to raise capital in order to position us to deliver on our strategy and seize opportunities as they arise and we are grateful for the support of our shareholders and investors in making this possible.

Developments

Good progress was made on our developments during 2014. Completed developments include the 44 200m^2 Cell C Campus, the 23 139m^2 Group Five head office, two of the seven proposed office buildings in Maxwell Office Park and Waterfall Corner, the 9 167m^2 trendy neighbourhood retail centre on the corner of Maxwell Drive and the R55.

At year end, Waterfall's secured pipeline of developments planned or underway totalled 193 887m^2 and 79% of 1.75 million m^2 of Waterfall's total developable bulk still remains for future use.

Construction on the 130 188m^2 Mall of Africa remains on track for its April 2016 opening. The structure has visibly taken shape

We will continue to expand our development pipeline. We believe Attacq is well positioned to take advantage of the strong growth opportunities locally, internationally and in Africa.

and the 12 cranes on site make it difficult not to pass by the area without being aware of the scale of the project.

Importantly we have experienced growth across retail, office and industrial sectors in Waterfall, helping to entrench Waterfall as a rapidly growing prime business node.

With the economic challenges we are facing in South Africa, many large companies are consolidating their operations and offices into larger, more streamlined single operating spaces, where there were previously many smaller ones. Attacq is well positioned to meet this need in the Waterfall development, due to its central location and its ability to provide the necessary space tailored to tenant requirements. Advantages of the location include strategic proximity within the Gauteng context: central to Sandton, Johannesburg, Midrand and Tshwane. The location is highly visible with easy connectivity and access from all directions, making it highly attractive to prospective tenants.

Outside of Waterfall, the 72 725m^2 Newtown Junction retail and office development in Newtown, Johannesburg performed a "soft" opening in October 2014 despite the impact of the steel industry strikes. Situated next to the Market Theatre in the heart of Johannesburg, the opening of the development was eagerly awaited, further contributing to the renewal and regeneration of the Johannesburg inner city. The signing of long-term leases with blue-chip clients in the precinct re-affirms business confidence in the regeneration of the Johannesburg CBD.

Investments

Africa

With regard to our broader African strategy, as part of our emphasis on diversification across our portfolio, Attacq acquired 12.4% of African Land Investments, increasing our exposure to sub-Saharan target markets. After year end, Attacq and Hyprop restructured our respective investments in African Land Investments. Following the implementation of the restructure, Hyprop holds 50% of African Land Investments and Atterbury Africa will hold the remaining 50%. The management teams of Atterbury Africa and African Land have been merged and Atterbury Africa rebranded as AttAfrica. The acquisition of a stake in Manda Hill complements AttAfrica's development pipeline by adding scale to its investments in operational shopping centres, which previously only comprised Accra Mall in Ghana and now also includes West Hills Mall in Accra, Ghana which opened in October 2014.

International

During the year, we increased our shareholding in MAS from 21.1% to 47.2% by consolidating a number of our international interests in MAS, positioning us to benefit from a future recovery in the European markets.

Outlook

Despite sluggish macro-economic conditions and a slow recovery, we look to the year ahead with confidence and anticipation. The past year provided an opportunity to take stock of what we have achieved and plan for the future. We have seen many successes but remain cognisant of the challenges we have faced and will face in the year to come.

The Group's investments in retail, office, mixed use and light industrial properties are high quality, generating stable, growing rental income. Additional investments will result from the Group's roll-out of its existing Waterfall development pipeline over the next 15 years, with particular emphasis on its long-term potential as a unique infill development centrally located in the Midrand area of the Gauteng region, South Africa's economic heartland.

We will continue to expand our development pipeline. We believe Attacq is well positioned to take advantage of the strong growth opportunities locally, internationally and in Africa. Through our investment in and partnership with Atterbury Property, AttAfrica and MAS and as a result of our ability to access capital efficiently as opportunities arise, we are positioned to thrive.

Appreciation

I want to take this opportunity to thank the board for their support and guidance during the year, with a special thank you to Pierre Tredoux and Stewart Shaw-Taylor for their support and advice during the listing process.

I would like to express my appreciation to our executive team and all our employees for their dedication and hard work. In particular to Melt Hamman for the leadership he has offered as financial director of Attacq; we appreciate his valuable contribution immensely.

It is also with great sadness that we part ways with Nicolle Weir, who has headed up our asset management team since 2009. The value she has added to Attacq will be sorely missed.

My thanks also extend, of course, to our tenants, shoppers and suppliers for their continued support in challenging economic times.

The work put in over the year by the Atterbury Group deserves recognition, particularly James Ehlers, Cobus van Heerden and Coenie Bezuidenhout. A number of projects in Waterfall were delivered as well as three regional shopping centres, namely Newtown Junction, West Hills Mall in Ghana and the Grove Mall of Namibia in Windhoek.

Finally, to Louis van der Watt and Francois van Niekerk, the founders of the Atterbury Group and Attacq, thank you for trusting me to take Attacq to the next level, and for the guidance and mentorship along the way.

MC Wilken
Chief executive officer

27 November 2014

“2014 was a busy and successful year for the Group”.

Melt Hamman – Financial Director

2014 was a busy and successful year for the Group. We successfully listed on the JSE, implemented all 14 transactions detailed in the Group's prospectus, consolidated our international portfolio, disposed of a number of our non-core assets and executed several strategic transactions. NAVPS at 30 June 2014 was R14.77, 24.0% higher than the prior year NAVPS of R11.91.

The following key transactions impacted on the results for the 2014 financial year.

Acquisitions

Non-controlling interests

During the year, Attacq acquired the non-controlling interest i n Attacq Retail Fund by issuing 12.1 million Attacq shares at R11.63 per share. The transaction was entered into prior to listing and the shares issued subsequent to listing when the market price of an Attacq share was R16.50 per share. This resulted in an IFRS 2: Share-based Payment charge of R59.2 million recognised in operating and other expenses in the current year.

During December 2013, Attacq became the sole shareholder of Mantrablox, the owner of Garden Route Mall, by exercising its call option to acquire the 20% shareholding owned by Hyprop for an amount of R21.4 million and settling the related shareholder loan of R117.6 million.

Shareholding increase in AWIC

Attacq acquired an additional interest of 1.2% in AWIC from Trinsam Trust, a discretionary family trust of which Morné Wilken is a beneficiary. The acquisition price was partly settled by the issue of new Attacq shares at an issue price of R11.96 per share (being the NAVPS as at 30 June 2013 prior to restatement), totalling R13.5 million. An agterskot amount of R11.6 million, escalating at the prime interest rate, is payable on the occurrence of certain events relating to a change in control occurring in Attacq or Morné Wilken ceasing to be a director of Attacq. Should Morné Wilken still be a director of Attacq in 2020, the agterskot amount will be calculated in terms of a formula based on the financial performance of AWIC.

Internalisation of asset management function

Attacq internalised its asset management function as part of its listing by acquiring the entire issued share capital of Attacq Management Services from Atterbury Property Holdings (an associate of Attacq) and Attventure. The objectives of the internalisation are to conform to market practice, to create synergies between Attacq and the asset manager and to remove any potential conflicts of interest between Attacq and the asset manager. The purchase consideration of R271.1 million was settled by way of a cash payment of R135.5 million and by the issue of 11.3 million new Attacq shares issued on 4 October 2013 at the 30 June 2013 NAVPS prior to restatement.

Investment in African Land Investments

Attacq acquired a 12.4% stake in African Land Investments on 5 December 2013 for an amount of R109.8 million. Hyprop acquired 87% of African Land Investments as part of the same transaction. The balance of the shares are owned by management. African Land Investments owns the 43 400m^2 Manda Hill Mall in Lusaka, Zambia. The mall is currently fully let with a strong retail offering. An expansion of 10 000m^2 is planned in the future.

Brooklyn Bridge Office Park

Attacq increased its shareholding in Brooklyn Bridge Office Park from 25% to 100% on 13 March 2014, following the receipt of the competition authorities' approval to implement the transaction. The transaction was entered into prior to listing and the purchase consideration was settled by way of R60.3 million in cash and the balance of R56.3 million by the issue of 4.9 million Attacq shares issued at an issue price of R11.53 per share, being the NAVPS as at 31 March 2013 when the commercial terms of the transaction were agreed. The related shareholder loan of R29.6 million was settled simultaneously.

Additional investment in MAS

Attacq invested R1.3 billion in the MAS private placement which closed on 11 March 2014, enabling it to maintain its stake of 47.2% in the enlarged issued share capital of MAS. MAS will utilise the cash in order to fast track its development pipeline as well as to acquire additional income producing assets. MAS' intention is to have 90% of its portfolio invested in income producing assets by the end of 2016 and the remaining 10% in developments. MAS has a pipeline under exclusivity into which it is investing its capital raising proceeds. However, it will experience some cash drag on its performance until all the proceeds are fully deployed.

Restructure of REACH

Prior to year end, the underlying investments of REACH were unbundled to its shareholders, resulting in Attacq holding direct stakes in Wingspan and Rapfund of 34.4% and 26.6%, respectively. The Rapfund stake was disposed of subsequent to year end and is reflected as a non-current asset held for sale as at 30 June 2014 to the value of R138.8 million.

Disposals

Attacq concluded the following disposals during the current financial year:

- 100% of the issued share capital of Atterbury Parkdev Consortium, owner of Harlequins Office Park, to Delta for a total consideration of R136 million settled by the payment of R95.2 million in cash and 4.9 million Delta units totalling R40.8 million, which units were subsequently sold for a total of R44 million;
- A 50% undivided share in Sanridge Square to Rapfund for an amount of R102 million on 20 August 2013;
- A 26.3% shareholding in the issued share capital and loan notes of Artisan, the owner of the New Waverley (previously Caltongate) development in Edinburgh, in return for 3.1 million shares in MAS, effective on 19 August 2013 and increasing Attacq's shareholding in MAS to 23.9% at the time;
- Atterbury House sold to Ascension Properties for an amount of R341 million on 6 September 2013;
- The merged Karoo I and II investments to MAS in return for 32 million MAS shares, effective on 20 December 2013, increasing Attacq's shareholding in MAS to 47.2%; and
- 100% of the issued share capital of De Ville Shopping Centre (Pty) Ltd, owner of the De Ville Shopping Centre in Durbanville, Cape Town, to Tower Property Fund Limited. The shopping centre was valued at R226 million on the disposal date.

Restatement

It is the Group's policy to account for investment properties at fair value under IAS 40: Investment Properties. Via its subsidiary, AWIC, Attacq accounted for the rental obligations arising as a result of its leasehold rights in respect of Waterfall as a finance lease under IAS 17: Leases, taking estimates of all expected lease payments into account.

During the current year, following detailed advice received, it was concluded that the rental obligations taken into account in the determination of the finance lease liability were contingent in nature and that the finance lease liability previously raised should be de-recognised. However, in applying the requirements of IFRS 13: Fair Value Measurement, investment properties should be carried at the fair value determined with reference to an orderly transaction between market participants at the measurement date under current market conditions. The investment properties should be carried at their net values after taking into account AWIC's future rental obligations arising from its leasehold rights in respect of Waterfall.

Despite the cumulative impact of the restatement on the 2013 net asset value being only R20.1 million lower (4.5 cents per share), a restatement was required in terms of IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors because there are material adjustments to individual line items of the statement of financial position. The net impact of the restatement was a decrease in investment properties of R574.1 million in 2013 (2012: R501.4 million) with a corresponding decrease in the finance lease liability. Deferred tax liabilities increased by R23.7 million in 2013 (2012: R16.9 million) with a corresponding decrease in distributable reserves.

Statement of financial position

The statement of financial position shows the position of the Group's assets, liabilities and equity as at 30 June 2014, and reflects what the Group owns, owes and the equity that is attributable to shareholders.

As at 30 June 2014, our total non-current assets were R16.99 billion consisting of investment properties of R12.83 billion and investments in associates of R2.95 billion with the balance made up by straight-line lease debtors, intangible assets and other investments.

Capital raised

Attacq raised a total of R2.9 billion in cash from shareholders during the current financial year in order to fund developments, make investments and reduce debt:

- R580 million by way of a non-renounceable rights offer prior to listing at R11.50 per share which closed 24 July 2013;
- R800 million by way of a private placement at listing at R14.50 per share;
- R512 million by way of a general issue of shares for cash on 5 February 2014 at R17.65 per share; and
- R1 billion in terms of a vendor placement undertaken on 25 February 2014 at R17.65 per share, in order to fund Attacq's R1.3 billion investment in the MAS private placement that closed on 11 March 2014.

Investment properties

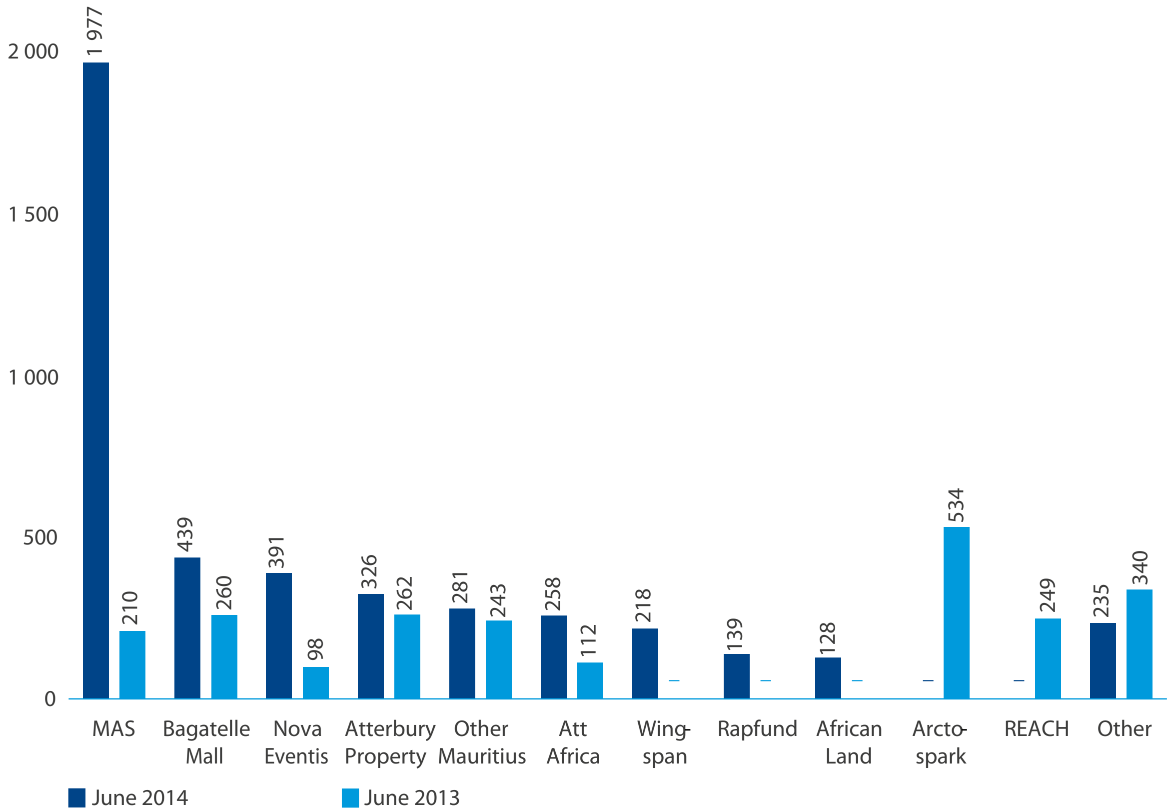
Investment properties increased by 27.3% year-on-year. There were a total of 20 operational properties at year end, up from 19 in 2013. Five properties were completed during the year and, as detailed under disposals above, four properties were sold during the year.

The development pipeline also increased, reflecting the activity on Waterfall, with 14 properties under development as at year end (2013: six properties). As a result of development, vacant land holdings have decreased by 15.1% from R2.3 billion to R2.0 billion.

Summarised balance sheet

R'000	June 2014	June 2013	Change	% change
		Restated		
Total properties	12 829 337	10 081 107	2 748 230	27.3
Completed buildings	7 971 594	5 238 280	2 733 314	52.2
Vacant land and infrastructure	1 966 596	2 314 064	(347 468)	(15.0)
Properties under construction	2 891 147	1 369 208	1 521 939	111.2
Held for sale	–	1 033 251	(1 033 251)	(100)
Inventory	–	126 304	(126 304)	(100)
Intangible assets and goodwill	347 673	–	347 673	nmf
Associates and investments	4 390 979	2 306 526	2 084 453	90.4
Cash	389 293	44 389	344 904	777.0
Other assets	507 604	343 238	164 366	47.9
Total assets	18 464 886	12 775 260	5 689 626	44.5
Interest bearing debt	6 675 248	5 567 017	1 108 231	19.9
Non-interest bearing debt	1 662 880	1 502 993	159 887	10.6
Total liabilities	8 338 128	7 070 010	1 268 118	17.9
Total equity	10 126 758	5 705 250	4 421 508	77.5

Year-on-year changes in the total investment in associates and investments (Rm)



Associates and investments

The graph above shows the year-on-year changes in the total investment in associates and other investments. The total investment is the sum of the value of the equity and loans advanced, where applicable.

The most significant associate investment is the MAS investment which increased due to the disposals of Karoo and New Waverley to MAS and the R1.3 billion invested in the MAS capital raising.

The graph also reflects the results of the simplification of the underlying group structure over the year, namely the restructure of the investments held via Arctospark and the unbundling of REACH to hold the investments in Rapfund and Wingspan directly.

The major contributors to other investments are:

- The Grove Mall of Namibia Limited – R78.5 million;
- The Club Retail Park (Pty) Ltd – R49.7 million; and
- Bishopsgate Student Residential Limited – R22.8 million.

Income statement analysis

Net rental income

Net rental income increased by 55.4% year-on-year due to a 39.5% increase in revenue (including straight-line lease adjustments) with the increase in property expenses being lower at 8.4%. A like-for-like comparison of net rental income is of limited use due to the internalisation of the asset management function as well as a result of changes in the property portfolio during the year. Four properties were disposed of, one property was acquired and a further five properties under development were completed.

Operating and other expenses

Operating expenses include a loss of R68.1 million realised on the disposal of Attacq's investment in the merged Karoo I and Karoo II funds in return for a further 23.4% stake in MAS. See page 41 for more details regarding this transaction. Attacq will share in any realised profit on the Karoo assets directly by way of an agterskot mechanism and indirectly via its increased shareholding in MAS. Operating expenses in the current year include impairments of loans of R46.8 million and IFRS 2: Share-based Payment charges of R66.2 million. Of this, R59.2 million relates to the acquisition of a non-controlling interest in Attacq Retail Fund and the balance of R7.0 million in respect of senior executive management's share options.

Fair value adjustments

Fair value adjustments on investment properties increased by 17.5% to R919.1 million, consisting of R325.4 million (2013: R419.2 million) in respect of completed properties, R560.1 million (2013: R108.0 million) in respect of properties under development and R33.6 million (2013: R254.9 million) on vacant land.

Income statement

R'000	June 2014	June 2013 Restated	Change	% change
Net rental income	646 550	416 170	230 380	55.4
Gross rental income	876 850	628 532	248 318	39.5
Property expenses	(230 300)	(212 362)	(17 938)	8.4
Operating profit	507 247	254 458	252 789	99.3
Fair value adjustments	953 192	856 298	96 894	11.3
Investment income	424 796	48 345	376 451	778.7
Finance costs	(582 122)	(400 440)	(181 682)	45.4
Profit before tax	1 230 410	853 091	377 319	44.2
Property expenses/gross rental income	26.3%	33.8%		

Fair value adjustments

R'000	June 2014	June 2013 Restated	Change	% change
Total properties	919 094	782 061	137 033	17.5
Completed	325 389	419 192	(93 803)	(22.4)
Land	33 592	254 919	(221 327)	(86.8)
Properties under construction	560 113	107 950	452 163	418.9
Other financial assets	34 098	57 137	(23 039)	(40.3)
Other investments	–	17 100	(17 100)	(100.0)
Total	953 192	856 298	96 894	11.3

Fair value increases in respect of completed properties relate mainly to the increase in contracted rentals, with market capitalisation rates remaining largely unchanged from the prior year.

Property valuations as at 30 June 2014 are based on external valuations performed by Jones Lang LaSalle, Old Mutual, Mills Fitchet and Broll.

The valuation in respect of Waterfall's vacant land is based on an external valuation performed on a freehold basis. Management then adjusts this valuation in order to value the land on a leasehold basis by taking into account the estimated future rental obligations attached to the land.

Investment income

Investment income of R424.8 million for the current year includes dividends of R356.2 million and interest income of R68.6 million. R325.8 million of the dividends are of a once-off nature resulting from the unbundling of the underlying investments held by Attacq via certain of its investments in associates. The impairments recognised on these associate investments from the unbundlings resulted in a net loss being reflected in respect of associates.

Finance costs

Finance costs increased by 45.4% year-on-year. This includes a non-cash, non-recurring amount of R123.6 million arising from the transaction concluded between Attacq, Atterbury Investment Managers (Pty) Ltd and Razorbill (a wholly owned subsidiary of Attacq) as detailed in Attacq's listing prospectus and as approved by shareholders at the general meeting held on 27 August 2013. Excluding this amount, the increase is 14.5% and is driven largely by the completion of development properties during the year, resulting in the related finance costs being expensed and no longer capitalised to the property under development.

Borrowings

Total net interest bearing borrowings increased by 13.8% from 2013 with additional debt being incurred to fund our growing property portfolio in accordance with its capital growth model.

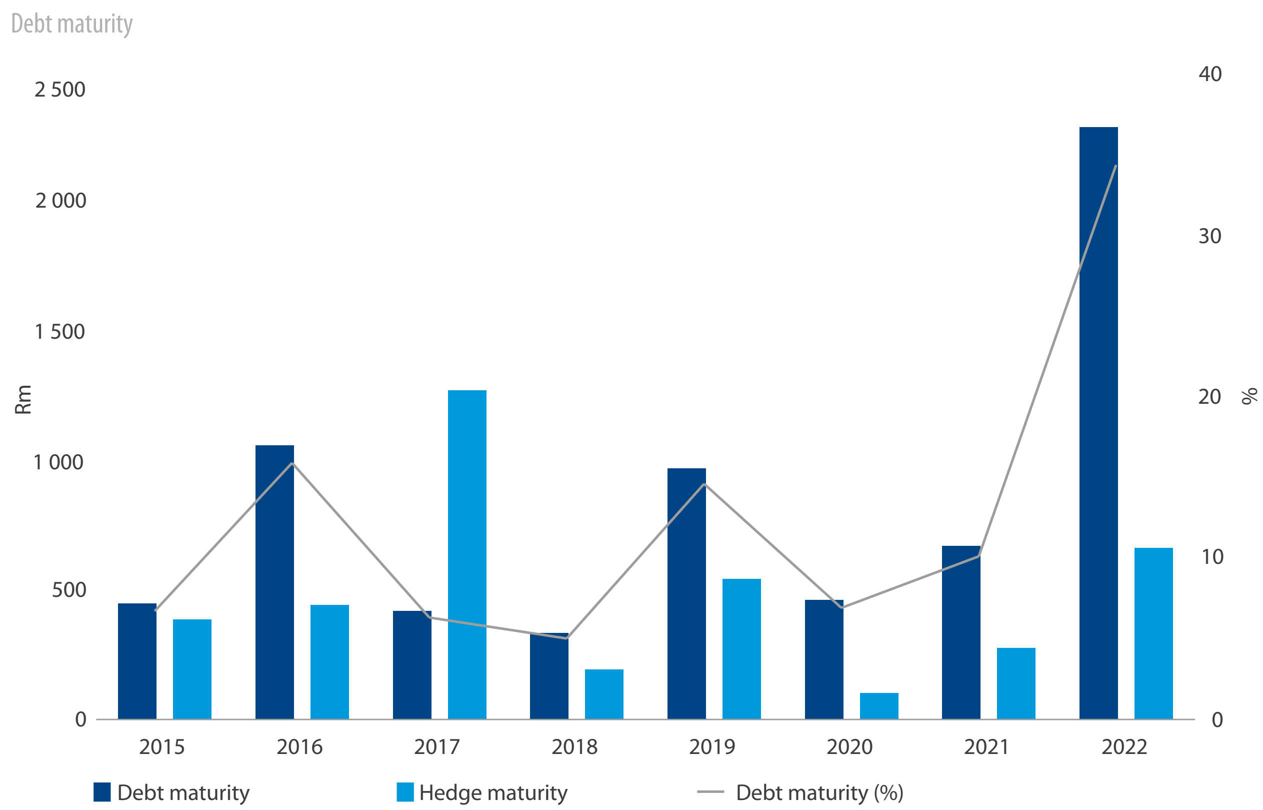
Gearing, calculated as total net external interest-bearing debt (including debt on non-current assets held for sale) less cash on hand to total assets, improved from 43.2% as at 30 June 2013 (restated) to 34.0% as at 30 June 2014. Given the interest rate cycle the economy is entering, hedges are in place and 58.3% of total external interest-bearing debt was fixed as at 30 June 2014 (2013: 52.1%). This excludes forward hedges of R2.7 billion in respect of unutilised committed facilities. The weighted average cost of funding as at 30 June 2014 was 9.5% (2013: 9.1%).

Borrowings

R'000	June 2014	June 2013
Total net interest bearing debt	6 285 955	5 522 628
Long-term interest bearing debt	6 226 221	3 872 731
Short-term interest bearing debt	449 027	1 295 713
Debt on assets held for sale	–	398 573
Cash on hand	(389 293)	(44 389)
Total assets	18 464 886	12 775 260
Gearing	34.0%	43.2%

Facilities and hedging

R'000	June 2014
Committed facilities unutilised	3 761 267
Total committed facilities	10 436 515
Total amount hedged of utilised debt	3 890 957
% of total utilised interest bearing debt hedged	58.3%
Weighted average cost of debt	9.5%
Net cash on hand	389 293
Working capital facilities	180 000
Committed facilities unutilised (USD converted to Rand at R11/USD)	550 000
Forward hedges entered	2 714 000
Total debt hedged	6 604 957
Total hedged as % of total committed facilities	63%



Subsequent events

Restructure of African Land Investments

Subsequent to year end, Attacq and Hyprop restructured 50% of Manda Hill Mall under Atterbury Africa, with the remaining 50% being held directly by Hyprop. The management teams of ALI and Atterbury Africa were merged and Atterbury Africa was rebranded as AttAfrica.

Disposal of Rapfund

In July 2014, Attacq sold its shareholding in Rapfund to a consortium of existing and new Rapfund shareholders for an amount of R139 million. The proceeds were received in August 2014.

Potential major new Waterfall tenant

Post year end, in principle approval was received by Attacq to develop new office premises for PricewaterhouseCoopers. The proposed 40 000m^2 building in Waterfall City will accommodate some 3 500 employees. The conclusion of a formal lease remains subject to conditions precedent.

Appreciation

I would like to thank the entire Attacq team for their hard work, dedication and commitment during the year.

M Hamman
Financial Director

27 November 2014

Brooklyn Bridge
Pretoria

“Streamlining our portfolio”

Cell C Campus, Waterfall

property portfolio and investments review

Property portfolio and investments review

Overview

ATTACQ

Creating investment opportunities.

Property and Investment Holdings

International (excl Africa)

- MAS 47.2%^
- Nova Eventis, Leipzig, Germany 19.9%^^
- Bishopsgate, Birmingham, England 30%^

Africa (excl South Africa)

- Bagatelle Mall of Mauritius, Port Louis, Mauritius 41.8%^
- Bagatelle Office, Port Louis, Mauritius 41.8%^
- AttAfrica^:
  - Accra Mall, Accra, Ghana 14.7%
  - Achimota Mall, Accra, Ghana 23.4%*: Oct 2015
  - West Hills Mall, Accra, Ghana 14.1%: Oct 2014
  - Kumasi City Mall, Kumasi, Ghana 23.4%*: Dec 2016
  - Waterfalls Mall, Lusaka, Zambia 7.8%**
- Manda Hill, Lusaka, Zambia 12.4%^^
- The Grove Mall of Namibia, Windhoek, Namibia 31.3%^*: Nov 2014

South Africa

Retail portfolio

- Garden Route Mall, George 100%
- Brooklyn Mall, Pta 25%#
- Glenfair Boulevard, Pta 100%
- Mooirivier Mall, Potch 100%
- Eikestad Mall, Stellenbosch 80%#
- Andringa Walk, Stellenbosch 100%
- Lynnwood Bridge Retail, Pta 100%
- Waterfall Corner, Waterfall 85.9%
- Wingspan portfolio 34.4%^
- Rapfund portfolio 26.6%^¥
- Fountains Mall, Jeffreys Bay 35.9%^

Industrial portfolio

- Massbuild Distribution Centre, Waterfall 85.9%

Hotel portfolio

- City Lodge, Lynnwood Bridge, Pta 100%

Office and mixed-use portfolio

- Aurecon, Pta 78.1%
- Altech, Waterfall 42.9%#
- Great Westerford, Cape Town 50%#
- Lynnwood Bridge Office, Pta 100%
- Mill Square, Stellenbosch 80%#
- Brooklyn Bridge Office Park, Pta 100%
- Maxwell Office Park 42.9%#
  - Golder and Att House
- Cell C Campus, Waterfall 85.9%
- Group 5, Waterfall 85.9%
- Club 1, Pta 40.7%^
- Club Retail, Pta 40.7%^

Vacant land

- Waterfall land, Waterfall 85.9%*
- Le Chateau, Hartbeespoort Dam 100%
- Val de Vie, Paarl 50%^*
- Geelhoutboom, George 36.7%^
- Paradise Coast, Mossel Bay 44.8%^

Atterbury Property 25.0%^
Strategic investment in property developer

Developments

Retail portfolio

- Newtown, Jhb 62.5%: Sept 2014
- Waterfall
  - Waterfall Lifestyle 85.9%: July 2014
  - Mall of Africa 85.9%: Apr 2016

Office and mixed-use portfolio

- Lynnwood Bridge – Phase III, Pta: Oct 2014
- Newtown and Majestic, Jhb 62.5%: Sept 2014
- Waterfall
  - Maxwell Office Park 42.9%#
    - ~ Premier Foods: July 2014
    - ~ Honda: Nov 2014
  - Novartis 85.9%: Apr 2015

Industrial portfolio

- Waterfall
  - Dräger 85.9%: Nov 2014
  - Cummins 42.9%#: June 2015
  - Angel Shack 85.9%: Aug 2014
  - Westcon 85.9%: Sept 2014
  - Covidien 85.9%: Dec 2014

Hotel portfolio

- City Lodge, Waterfall 85.9%: Nov 2014

KEY

*	In process of development
**	Vacant land
^	Accounted for as an investment in associate
^^	Accounted for as an investment
»	78.1% effective shareholding in Building A; 100% effective shareholding in Building B
#	Undivided share
¥	Held for sale
%	Attacq's effective interest
	Dates represent expected completion dates

Valuation methodology

Operational properties

In arriving at our opinion of market value, we have adopted the discounted cash flow ("DCF") method of valuation. The DCF valuation is also the approach by which private, institutional, local and overseas investors analyse property for investment purposes to estimate the market value.

The DCF valuation method takes into account the time value of money between the valuation date and the date when the income stream theoretically reverts to market levels and is described as follows:

The property is valued by discounting the expected future net income for a specific period at an appropriate discount rate (or total rate of return) to give the present value of the expected net income cash flow. To this figure an applicable final discounted residual or reversionary value is added.

The reversionary value is calculated by the following method:

The net market related income prevailing at the end of the cash flow projection period is capitalised at the appropriate rate and discounted to the present value by the discount rate.

Waterfall land

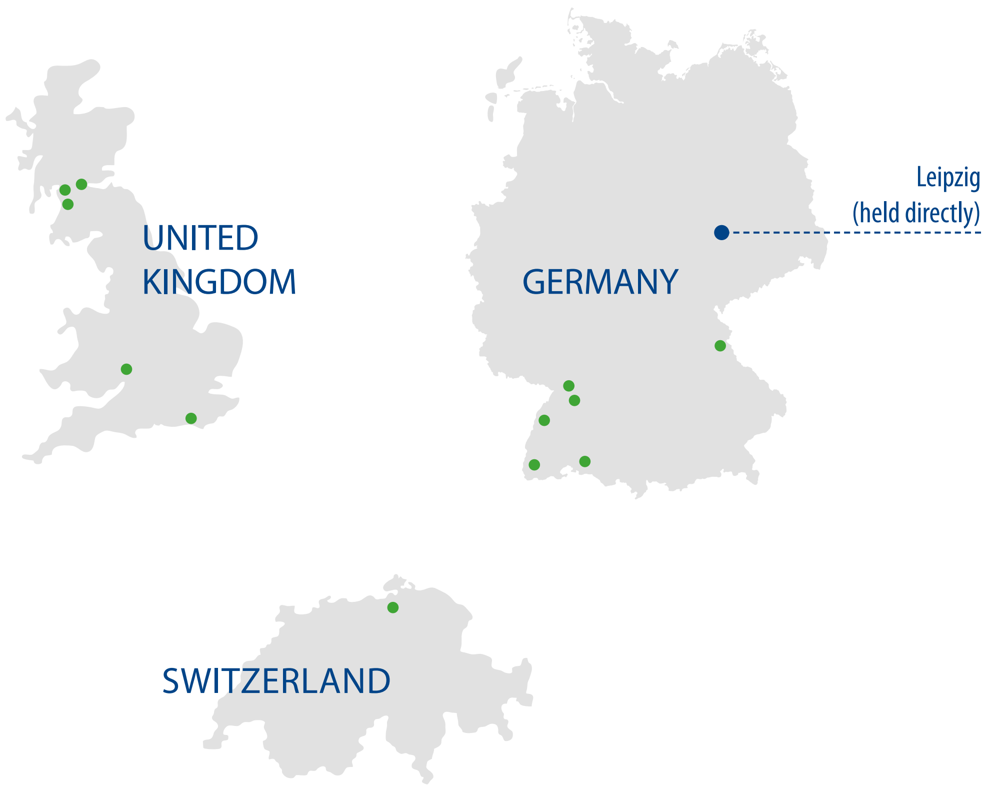
Waterfall land is valued using the residual-land valuation model taking into account:

- The value that serviced land could be sold for between willing buyer and willing seller;
- the cost to be incurred to service unserviced land and any other directly related costs to conclude the sale;
- the estimated time to service the land;
- an appropriate discount rate taking into account the risk associated with the specific land parcel being valued; and
- the present value of the estimated future rental obligations.

Properties under development

Properties under development are valued based on the anticipated fair value of the investment property on completion as determined by an external valuer and determined with reference to the stage of completion of the investment property.

Our International investments



KEY

- Held directly
- Via MAS

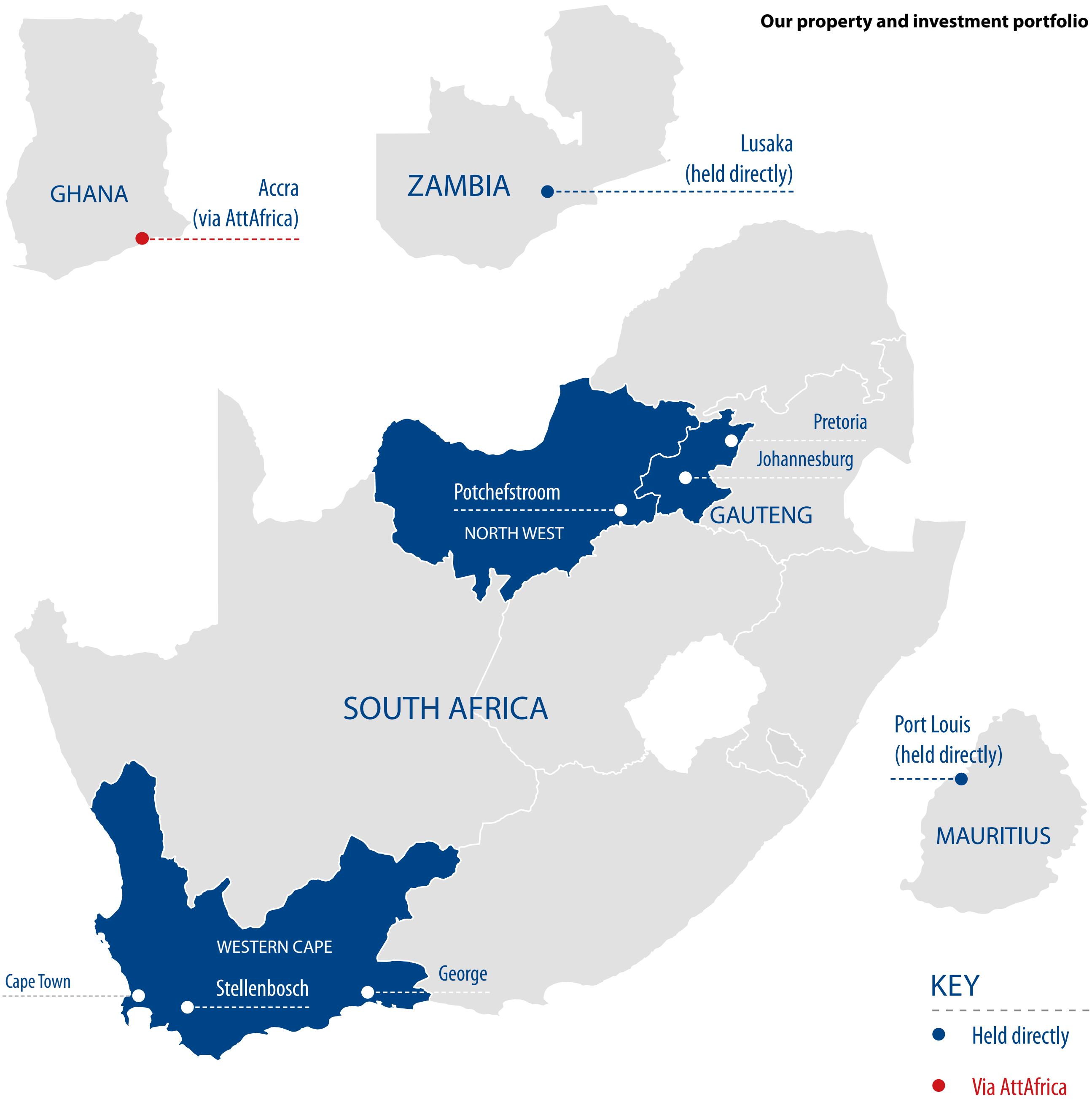
Our African investments

- Ghana
- Zambia
- Mauritius

Our South African properties

- Johannesburg
- Pretoria
- Cape Town
- Potchefstroom
- Stellenbosch
- George

Our property and investment portfolio



Property portfolio overview

Attacq's property portfolio consists of properties owned, either outright or as an undivided share, by Attacq and its subsidiaries and further includes operational properties and properties currently under development. Investments in associates, including those holding Attacq's non-South African investments, do not form part of Attacq's property portfolio.

As at 30 June 2014, Attacq's property portfolio comprised 20 operational properties and 14 properties under development.

	Retail	Office and mixed use	Industrial	Hotel	Total
Operational properties					
Value (R'000)	4 319 215	3 560 125	245 069	168 694	8 293 103
Number of properties	8	10	1	1	20
Average property value (R'000)	539 902	356 013	245 069	168 694	414 655
Total GLA (m^2)	193 977	150 721	37 238	7 946	389 882
Value/m^2 (R)	22 267	23 621	6 581	21 230	21 271
Gross monthly rentals (R'000)	27 170	21 095	1 706	1 152	51 123
Gross monthly rentals/occupied m^2	143	149	46	145	136
Vacancy (%)	1.9	6.0	–	–	3.3
Average annualised property yield	7.6	7.8	7.3	8.2	7.7
Properties under development					
Value as at 30 June 2014 (R'000)	2 069 932	590 897	167 462	63 086	2 891 377
Estimated value on completion (R'000)	5 855 660	840 230	383 413	104 389	7 183 692
Estimated total capital cost (R'000)	4 502 851	687 998	329 798	88 477	5 609 124
Number of properties	3	5	5	1	14
Average property value (R'000)	1 951 887	168 046	76 683	104 389	513 121
Total GLA on completion (m^2)	201 345	35 629	38 773	6 180	281 927

Data is compiled per building, where each building is allocated to a sector according to its predominant use

Our properties

Our operational properties

Property name	Location	Province	Rentable area^ (primary GLA) m²	Weighted average rental per m² per month as at 30 June 2014* R/m²	External valuation as at 30 June 2014 R'000	Value/m²
Retail portfolio						
Garden Route Mall	George	Western Cape	54 914	131	1 139 400	20 749
Glenfair Boulevard	Lynnwood, Pretoria	Gauteng	15 937	169	362 001	22 715
Mooirivier Mall	Potchefstroom	North West	47 707	131	1 013 400	21 242
Eikestad Mall#	Stellenbosch	Western Cape	25 678	130	515 128	20 061
Andringa Walk	Stellenbosch	Western Cape	10 596	99	166 000	15 666
Brooklyn Mall&	Brooklyn, Pretoria	Gauteng	18 689	211	648 572	34 703
Lynnwood Bridge – Retail	Lynnwood, Pretoria	Gauteng	11 289	167	298 000	26 397
Waterfall Corner	Waterfall, Johannesburg	Gauteng	9 167	147	176 714	19 277
Office and mixed use portfolio						
Lynnwood Bridge – Offices	Lynnwood, Pretoria	Gauteng	13 399	193	431 000	32 167
Lynnwood Bridge – Aurecon	Lynnwood, Pretoria	Gauteng	19 104	231	700 100	36 647
Brooklyn Bridge Office Park	Brooklyn, Pretoria	Gauteng	23 525	179	638 028	27 121
Mill Square#	Stellenbosch	Western Cape	3 562	175	73 644	20 675
Altech~	Waterfall, Johannesburg	Gauteng	2 173	155	42 532	19 573
Maxwell Office Park – Golder & Associates~	Waterfall City, Johannesburg	Gauteng	3 029	131	74 547	24 611
Maxwell Office Park – Att House~	Waterfall City, Johannesburg	Gauteng	2 454	138	61 023	24 867
Cell C Campus	Waterfall, Johannesburg	Gauteng	44 200	96	783 342	17 723
Group Five	Waterfall, Johannesburg	Gauteng	23 139	149	517 400	22 361
Great Westerford	Rondebosch, Cape Town	Western Cape	16 136	110	238 509	14 781
Industrial portfolio						
Massbuild Distribution Centre	Waterfall, Johannesburg	Gauteng	37 238	46	245 069	6 581
Hotel portfolio						
City Lodge – Lynnwood Bridge	Lynnwood, Pretoria	Gauteng	7 946	145	168 694	21 230

Data is compiled per building, where each building is allocated to a sector according to its predominant use
Figures reflect Attacq's % ownership of property assets
* *Calculated as the average gross rental per occupied m² of primary GLA as at 30 June 2014*
^ *GLA may differ to prior reported GLA as a result of final measurement for recently completed buildings*
# *Represents Attacq's 80% undivided share in the property*
& *Represents Attacq's 25% undivided share in the property*
~ *Represents Attacq's 50% undivided share in the property*

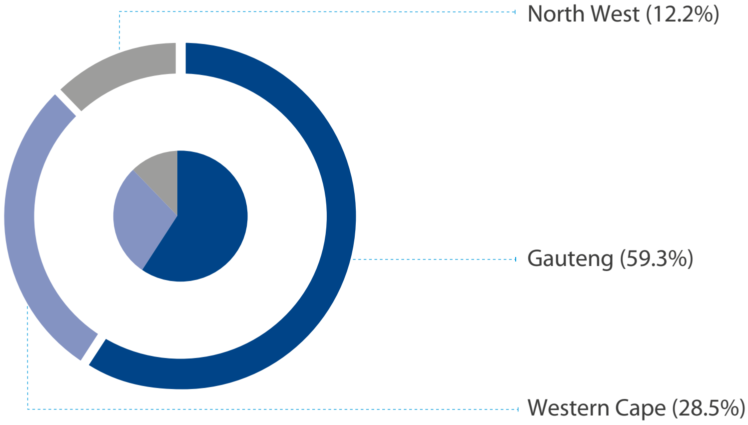
Operational portfolio performance

Despite a challenging domestic environment, the South African portfolio performed well in the current financial year.

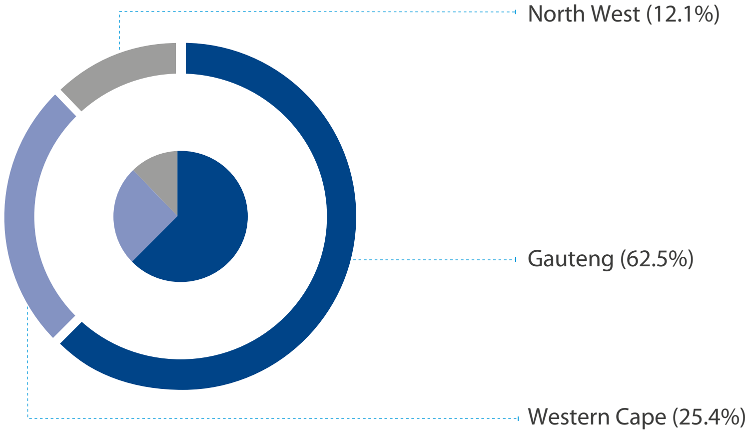
The portfolio was ranked first out of 16 funds comprising the IPD benchmark in June 2014. The portfolio performed well over the longer term, also ranking first for the three year annualised return. Capital growth was the primary driver of return, outperforming the IPD benchmark by 8.6%. This is in line with the portfolio's strategy. The capital growth was underpinned by rental growth of 5.9% and vacancies of 3.4%.

Geographical profile

Geographical profile by GLA as at 30 June 2014

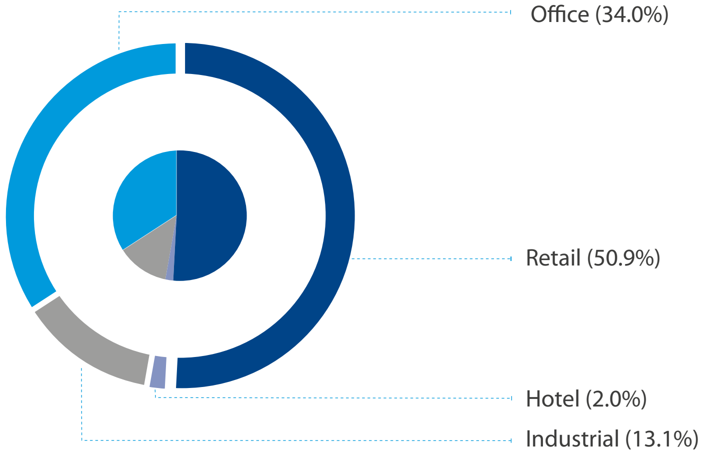


Geographical profile by gross monthly rental as at 30 June 2014

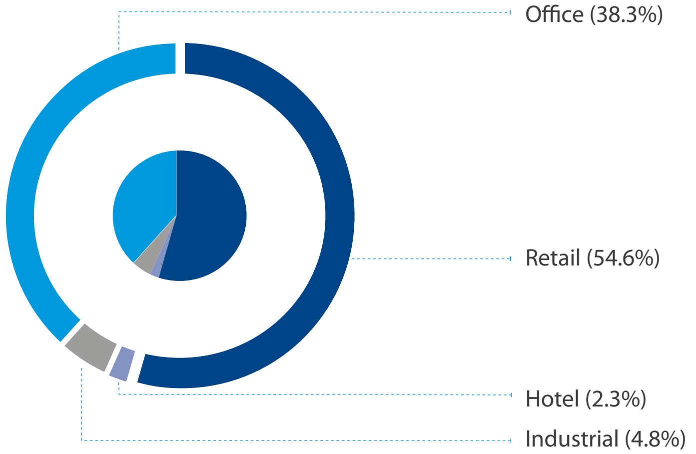


Sectoral profile

Sectoral profile by GLA as at 30 June 2014



Sectoral profile by gross monthly revenue as at 30 June 2014



New operational properties

During 2014, a number of developments came into operation, namely:

Property	Sector	Completion date	GLA m²	Vacancy %	External valuation at 30 June 2014 R'000
Cell C Campus	Office and mixed use	December 2013	44 200	–	783 342
Group Five	Office	January 2014	23 139	–	517 400
Maxwell Office Park – Golder & Associates	Office	December 2013	3 029	–	74 547
Att House (Maxwell Office Park)	Office	December 2013	2 454	19.7	61 023
Waterfall Corner	Retail	April 2014	9 167	4.7	176 714

Attacq also increased its shareholding in Brooklyn Bridge Office Park from 25% to 100% on 13 March 2014, following the receipt of the competition authorities' approval to implement the transaction.

Properties under development at year end

Property name	Location	Province	Completion date	Rentable area^ (primary GLA) m²	Valuation as at 30 June 2014 R'000	Estimated capital cost R'000	Estimated value on completion R'000	Pre-let %
Retail portfolio								
Waterfall Lifestyle	Waterfall, Johannesburg	Gauteng	July 2014	7 540	87 299	114 230	111 497	>60
Newtown	Newtown, Johannesburg	Gauteng	Sept 2014	63 617	987 919	1 174 521	1 226 500	>70
Mall of Africa	Waterfall City, Johannesburg	Gauteng	April 2016	130 188	994 714	3 214 100	4 517 663	>75
Office and mixed use portfolio								
Maxwell Office Park – Premier Foods#	Waterfall City, Johannesburg	Gauteng	July 2014	2 116	42 242	40 574	47 594	100
Maxwell Office Park – Honda Building#	Waterfall City, Johannesburg	Gauteng	Nov 2014*	2 035	41 429	39 576	46 617	>65
Novartis	Waterfall City, Johannesburg	Gauteng	April 2015*	7 055	54 168	179 814	217 812	100
Majestic Offices	Newtown, Johannesburg	Gauteng	Sept 2014	9 108	144 161	98 821	142 800	>70
Lynnwood Bridge Phase III	Lynnwood, Pretoria	Gauteng	Oct 2014*	15 315	308 641	329 213	385 407	>65
Industrial portfolio								
Angel Shack	Waterfall, Johannesburg	Gauteng	Aug 2014	4 558	21 031	27 516	30 095	100
Westcon	Waterfall, Johannesburg	Gauteng	Sept 2014	8 074	52 348	86 438	89 232	100
Dräger	Waterfall, Johannesburg	Gauteng	Nov 2014*	4 674	30 535	54 326	65 098	100
Covidien	Waterfall, Johannesburg	Gauteng	Dec 2014*	11 050	39 236	91 609	109 338	100
Cummins#	Waterfall, Johannesburg	Gauteng	June 2015*	10 417	24 312	69 909	89 650	100
Hotel portfolio								
City Lodge	Waterfall City, Johannesburg	Gauteng	Nov 2014*	6 180	63 086	88 477	104 389	100

Notes:

Data compiled per building, where each building is allocated to a sector according to its predominant use

* *Anticipated completion date*

^ *Estimated GLA, subject to change upon final re-measurement post completion*

Represents Attacq's 50% undivided share in the property

Our vacant land

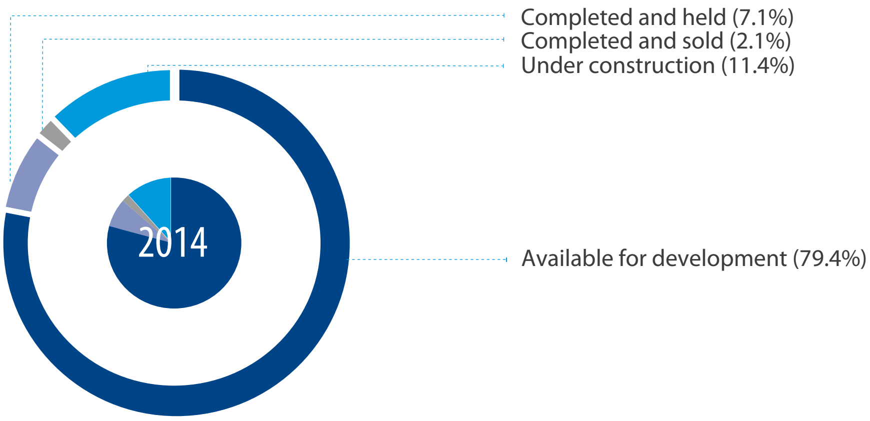
Property name	Location	Province	Bulk m²	Adjusted valuation as at 30 June 2014 R'000
Vacant land portfolio				
Waterfall land	Waterfall on both sides of the N1 Highway between Allandale Road and Buccleuch Interchange	Gauteng	1 752 488	1 503 549
Waterfall infrastructure and services	Waterfall on both sides of the N1 Highway between Allandale Road and Buccleuch Interchange	Gauteng	n/a	446 046
Le Chateau	Estate d' Afrique, Hartbeespoort Dam	North West	n/a	17 000

Attacq's major investment in vacant land is Waterfall. Additional detail regarding Waterfall is provided from page 44.

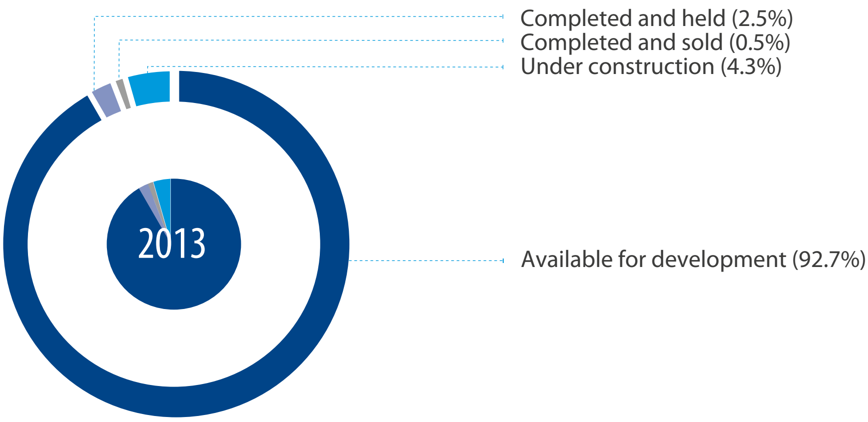
The pie charts below show the progress made during the 2014 financial year in developing out Waterfall's available bulk. As at 30 June 2014, 1 391 203m² of the 1 752 488m² is available for future development.

Our vacant land

Our vacant land - 2014



Our vacant land - 2013



Post year end development activity

Property name	Location	Province	Sector	Rentable area^ (primary GLA) m²	Anticipated completion date	Pre-let %
Secured						
Maxwell Office Park – Colgate Building	Waterfall, Johannesburg	Gauteng	Office	2 121	Aug 2015	100
Maxwell Office Park – Speculative Building	Waterfall, Johannesburg	Gauteng	Office	3 140	Aug 2015	–
Servest	Waterfall, Johannesburg	Gauteng	Industrial	6 650	Aug 2015	100
In principle approved						
PwC Building	Waterfall, Johannesburg	Gauteng	Office	40 000	*	100

^ *Estimated GLA, subject to change upon final re-measurement post completion*

Represents Attacq's 50% undivided share in the property

* *In principle development approval in place, subject to the conclusion of a formal lease agreement*

Disposals

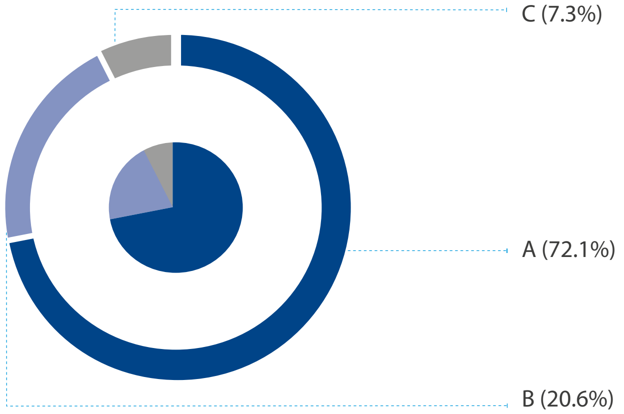
In anticipation of Attacq's listing and as part of management's process of simplifying the group structure and disposing of non-core assets, the following properties were disposed of during the year:

Property	Sector	Location	Province	GLA	Date
Harlequins Office Park	Office and mixed use	Groenkloof, Pretoria	Gauteng	5 175	August 2013
Sanridge Square*	Retail	Midrand, Johannesburg	Gauteng	6 109	August 2013
Atterbury House	Office and mixed use	Cape Town CBD	Western Cape	25 719	September 2013
De Ville Shopping Centre	Retail	Durbanville, Cape Town	Western Cape	12 840	March 2014

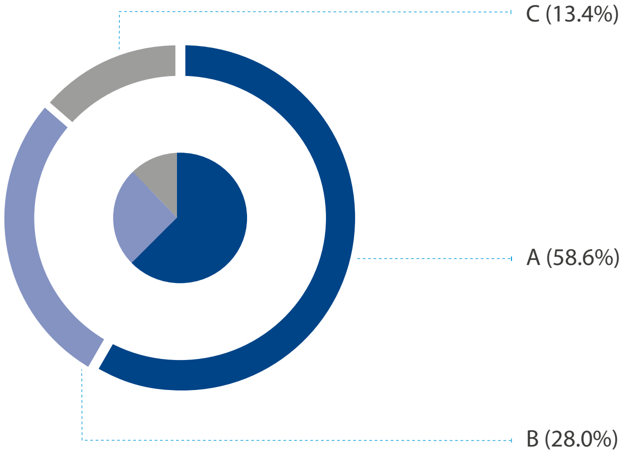
* *50% undivided share*

Tenant profile

Tenant profile by GLA



Tenant profile by gross monthly revenue



The majority of our tenants, 72.1% by GLA, are categorised as "A", being large international and national tenants, listed entities, government or major franchisees. These include, *inter alia*, Nedbank, Absa, Woolworths, Shoprite Checkers, Massbuild, Truworths and Edcon. 20.6% are smaller international and national tenants, categorised as "B", such as The Pro Shop, Virgin Active, Planet Fitness and the Cape Union Mart group. The balance consists of approximately 280 smaller tenants and sole proprietors, categorised as "C". Management puts considerable effort into the tenant mix of each property in order to mitigate risks and offer a superior shopping experience for our customers.

Leasing

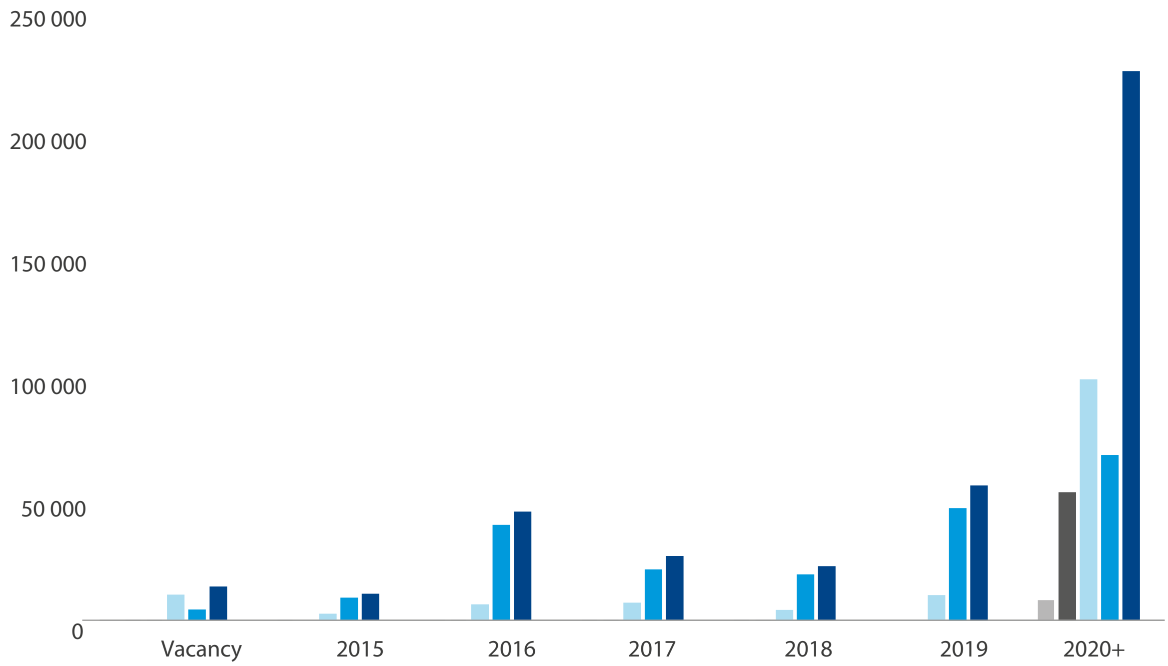
In-house property and asset management with a focus on long-term tenant retention remains a priority and the low vacancies relative to the total portfolio underpins its excellent quality. The major contributor to the vacancy was the relocation of a major tenant at Great Westerford. This building is currently undergoing a major refurbishment and the letting activity is improving, giving rise to confidence in the underlying asset. Our Gauteng mixed use properties are in high demand, contributing to high occupancy rates.

A number of our newer properties are single-tenanted with long-term leases, resulting in a relatively longer-dated lease expiry profile as can be seen on the next page.

Year ending 30 June	Retail		Office		Industrial		Hotel		Total			
	GLA m²	Gross monthly rental R'000	GLA m²	Gross monthly rental R'000	GLA m²	Gross monthly rental R'000	GLA m²	Gross monthly rental R'000	GLA m²	%	Gross monthly rental R'000	%
Vacancy	3 317	–	9 389	–	–	–	–	–	12 706	3.3	–	–
2015	8 152	1 610	1 596	253	–	–	–	–	9 748	2.5	1 863	3.6
2016	37 854	6 126	5 421	772	–	–	–	–	43 275	11.1	6 898	13.5
2017	19 544	3 798	5 957	963	–	–	–	–	25 501	6.5	4 761	9.3
2018	17 611	3 288	3 347	442	–	–	–	–	20 958	5.4	3 730	7.3
2019	45 202	5 482	9 308	1 665	–	–	–	–	54 510	14.0	7 147	14.0
2020+	66 581	7 625	97 405	15 483	51 252	2 464	7 946	1 152	223 184	57.2	26 724	52.3
Total	**198 261**	**27 929**	**132 423**	**19 578**	**51 252**	**2 464**	**7 946**	**1 152**	**389 882**	**100**	**51 123**	**100**

Sectoral classification performed based on the primary GLA of each individual lettable area

Lease expiry profile (GLA m²)



	Vacancy	2015	2016	2017	2018	2019	2020+
Hotel	–	–	–	–	–	–	7 946
Industrial	–	–	–	–	–	–	51 252
Office	9 389	1 596	5 421	5 957	3 347	9 308	97 405
Retail	3 317	8 152	37 854	19 544	17 611	45 202	66 581
Total	12 706	9 748	43 275	25 501	20 958	54 510	223 184
% of overall total	3.3	2.5	11.1	6.5	5.4	14.0	57.2

Rentals

The weighted average rentals per primary GLA m² as at 30 June 2014 as well as the weighted average rental escalations, based on existing leases, are as follows:

Sector	Gross monthly rental R/m²	Weighted average rental escalation %
Retail	145.0	7.8
Office	159.1	9.1
Industrial	48.1	6.8
Hotel	145.0	7.0
Total	**135.5**	**8.3**

Sectoral classification performed based on the primary GLA of each individual lettable areas

Vacancies

Good progress was made in managing vacancies across the portfolio, particularly given the challenging economic climate. Both the retail vacancies of 0.9% (2013: 1.5%) and office vacancies of 2.4% (2013: 5.8%) are well below the current industry norms and showed a decrease year on year.

The vacancy profile provided below reflects the vacancy percentage in terms of current GLA by sector based on existing leases as at 30 June 2014.

Vacancies	Retail	Office	Industrial	Hotel	Total
Vacancy % based on primary GLA	0.9	2.4	–	–	3.3
Vacant GLA m²	3 317	9 389	–	–	12 706

Arrears

Pro-active asset and property management ensure that the arrears across the portfolio remain below industry benchmarks. Tenant vetting prior to signing leases confirming strong financial covenants remains a priority and the arrears across the portfolio remain manageable and are excellent in the context of the current macro-economic climate.

Total arrears, excluding the collections made subsequent to year end, represent less than 5.9% of total monthly collections (2013: 5.7%).

African investments

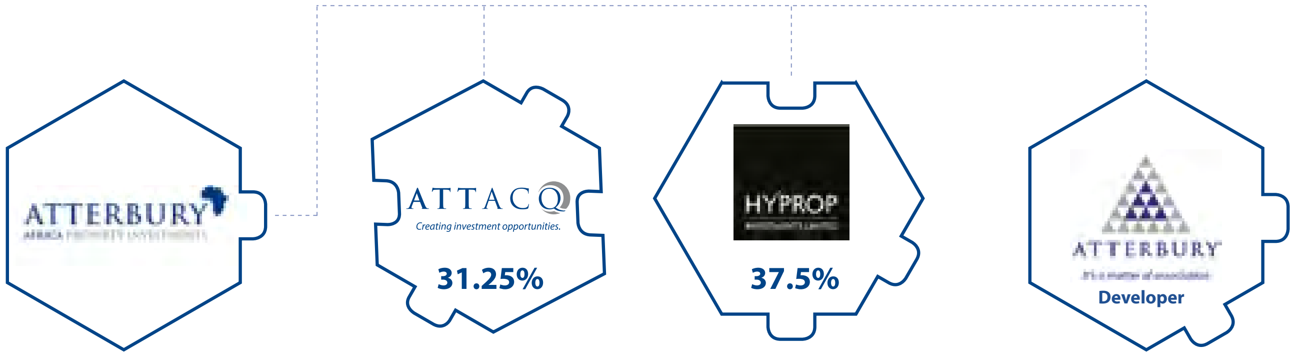
Overview

Our African investments comprise our investments in Africa, outside of South Africa, and constitute 6.4% of our assets. We work with strong partners and involve local expertise to maximise the returns to shareholders. These investments provide geographic diversification and access to the higher growth markets of Africa.

Atterbury Africa

Attacq has a direct 25% (effective 31.25%) shareholding in the retail-focused Atterbury Africa through its wholly-owned subsidiary AIH International.

Hyprop is a co-shareholder in Atterbury Africa with a 37.5% stake with Atterbury Property Developments acting as the developer for Atterbury Africa.



All the assets outlined below are developed in partnership with local investors. For West Hills Mall, the Ghanaian Pension Fund, Social Security National Insurance Trust, is the key local partner.

To date, Attacq has invested R248.2 million in Atterbury Africa, enabling Atterbury Africa to secure the following assets:

Property and location	GLA m² (*proposed)	Atterbury Africa % ownership	Attributable value (USD)	Attacq effective interest	Status
Accra Mall *Accra, Ghana*	19 000	47	38 780	14.7	Income producing, fully let Future expansion planned
West Hills Mall *Accra, Ghana*	27 500	45	29 850	14.1	Phase I 99% let Opened October 2014
Achimota Mall *Accra, Ghana*	13 400*	75	5 567	23.4	Under construction Anchored by Shoprite, Mr Price and Jet Completion October 2015
Kumasi City Mall *Kumasi, Ghana*	27 000*	75	7 380	23.4	Bulk earthworks commenced June 2014 Completion date end 2016
Waterfalls *Lusaka, Zambia*	27 500*	25	1 215	7.8	Land acquired for retail and hotel development

African Land Investments

In December 2013, Attacq acquired a 12.4% holding in the African Land Investments for R110 million. Hyprop acquired 87% of African Land Investments with a small stake being held by management.

African Land Investments is the owner of the 43 400m² Manda Hill Shopping Centre in Lusaka, Zambia. The mall has a strong retail offering with anchor tenants such as Shoprite, Game, Woolworths, Homecorp and Foschini and is currently fully let. An expansion of 10 000m² is planned in the future.

At year end Manda Hill was valued at USD153 million.

Subsequent to year end, Attacq and Hyprop restructured 50% of Manda Hill under AttAfrica, with the remaining 50% being held directly by Hyprop. The management teams of African Land Investments and Atterbury Africa were merged and Atterbury Africa was rebranded as AttAfrica.

The restructure provides AttAfrica with a holding in another operational asset and further strengthens the reach and management team of AttAfrica.

Namibia

We have an effective shareholding of 31.3% in The Grove – Mall of Namibia, a 55 000m^2 regional shopping mall located in the heart of Kleine Kuppe, the fastest growing node in Windhoek. The mall opened in early November 2014.

Mauritius

We are invested in the Bagatelle Precinct in Mauritius, strategically located in the heart of the most economically active region in Mauritius, 10 kilometres south of the capital, Port Louis and five kilometres north of the Ebené Cyber City zone.

The Bagatelle Precinct covers an area of 102 hectares and comprises the Bagatelle – Mall of Mauritius, the Gardens of Bagatelle office development and the Motor City vehicle-focused retail development being built in a phased approach.

Bagatelle - Mall of Mauritius, in which Attacq owns an effective 41.8% shareholding, is a 45 420m^2 mixed-use development. It opened in October 2011 and comprises a retail centre, a 102-room hotel and an Engen petrol station. The fourth floor of the hotel is currently being upgraded to include further meeting facilities and rooms.

The mall continues to show excellent year-on-year growth in the trading fundamentals with the monthly footfall at the mall increasing by 10% year-on-year. The vacancy in the mall at 30 June 2014 was 2%, which is expected to be let subsequent to year end.

An extension of 735m^2 will also be undertaken for Woolworths, increasing the store size to over 2 300m^2.

International investments

Our international investments comprise our investments outside of the African continent, providing geographic diversification as well as a hedge against the devaluation of the Rand.

MAS

MAS' investment focus covers the UK, Germany and Switzerland with the intention of having 90% of its portfolio invested in income producing assets by the end of 2016, with the remaining 10% invested in developments. MAS currently has a primary listing on the Euro-MTF market of the Luxembourg Stock Exchange and has a secondary listing on the AltX of the JSE in South Africa. A move to the JSE's Main Board is planned for the latter part of 2014.

During the financial year, Attacq increased its shareholding in MAS from 21.1% to 47.2%.

This was achieved by the disposal of the 26.3% interest in the shares and loan notes of Artisan Investment Projects 10 Limited, the owner of the New Waverley (previously Caltongate) development in Edinburgh, to MAS, thereby increasing the MAS holding to 23.9% at the time.

In December 2013, Attacq disposed of the merged Karoo I and II investments to MAS in return for 32 million MAS shares, increasing Attacq's shareholding to 47.2%.

Attacq also participated in the €183 million MAS capital raising which closed on 11 March 2014 by investing a further R1.3 billion in MAS in order to maintain its shareholding at 47.2% of the enlarged MAS.

New Waverley development, Edinburgh, Scotland (an artist's impression)

Nova Eventis

Attacq has an effective interest of 19.9% in this 91 000m^2 super-regional retail centre located in Leipzig, Germany. The centre continues to experience stable trade and has positive cash flow, with vacancies below 1%. The local management team's focus is on strengthening the centre's lease profile by early renewal of the leases of the existing national retailer as a large number of leases expire in the next 24 months.

Comparison of listing forecast to actual results

As part of Attacq's listing process, Attacq provided a two year forecast covering the financial years 30 June 2014 and 30 June 2015.

Attacq's actual results for the year ended 30 June 2014 exceeded the forecast on a revenue, net rental income, earnings and headline earnings per share level.

A high-level comparison of the forecast and actual performance for 2014 is provided below:

		Actual	Forecast	% change
Gross revenue from continuing operations	R'000	876 850	836 434	4.8
Revenue from continuing operations (excluding straight-lining)	R'000	769 199	732 936	4.9
Net rental income	R'000	646 550	597 166	8.3
Earnings	R'000	946 147	828 154	14.2
Headline earnings	R'000	305 797	78 214	291.0
Actual number of shares in issue*	Number	670 965 594	571 953 000	17.3
Weighted average number of shares in issue	Number	578 976 838	547 110 000	5.8

** Adjusted for 46 427 553 treasury shares (2013: 73 583 735)*

Given the size of the Attacq Group, the reasons for the forecast being exceeded is due to the net cumulative impact of a number of factors. The impact of the larger assumptions is summarised below:

Positive impact against forecast	Negative impact against forecast
The following developments were not included in the forecast: • Maxwell Office Park – Honda Building • Westcon • Covidien • Novartis • Cummins • Waterfall Lifestyle • Angel Shack	The increase in the prime interest rate to 9.25% over the forecast period
No additional capital raisings were assumed in the forecast	The acquisition of Brooklyn Bridge Office Park was concluded later than forecast
Great Westerford was not sold	
No change in capitalisation rates was forecast	
No fair value adjustments on financial instruments were forecast	

Looking ahead

Attacq's focus remains the delivery of Waterfall. The 2014 financial year was a year in which Waterfall gained critical mass, with a total of 87 472m^2 brought into use and a further 281 927m^2 of secured pipeline planned or underway at year end.

In Africa, AttAfrica will soon be invested in three operational malls, being Accra Mall, Manda Hill Mall and West Hills Mall with two further developments underway.

Internationally, MAS' capital raising has positioned it strongly to acquire further income producing assets as well as to execute on its development pipeline with construction on New Waverley underway since August 2014 and planning permission expected to be received before calendar year end on its Lewes development.

Waterfall

Top: *Waterfall Corner, Waterfall*

Bottom: *Virgin Active, Waterfall Lifestyle Centre, Waterfall*

Mall of Africa, Waterfall City (an artist's impression)

Maxwell Office Park, Waterfall City

WATERFALL CITY

It is only when one sees an aerial view of Waterfall that one gets a true sense of the sheer scale of the project and just how unique the opportunity to develop this site is.

Introduction

Waterfall is a 2 200ha piece of land located between the Allandale interchange and Woodmead offramp on both sides of the M1/N1 highway in Johannesburg, Gauteng. The land joins Modderfontein to the east and Kyalami and Sunninghill in the west, creating a large commercial growth node which enjoys superb access from Pretoria via the N1, R21 and R55 and from Sandton and Johannesburg via the M1, N1, N3 and R55.

In 2008, AWIC secured the rights to develop commercial properties on Waterfall, contained in various land parcels and covering an area of approximately 311ha on which 1.75 million m^2 of developable bulk has been approved to date.

Attacq owns 81.2% of AWIC, with the balance being owned by Atterbury Property Holdings, which also acts as the developer for AWIC.

The rights to develop the residential property in Waterfall were secured by Century Property Developments, these being Waterfall Country Lifestyle Estate, Waterfall Country & Equestrian Estate and the Waterfall Valley and Waterfall Hills Mature Lifestyle Community estates.

Once completed, Waterfall will eventually comprise Attacq's commercial and retail developments in Waterfall, surrounded by secure residential estates; retirement villages; a Netcare hospital and schools, including a Reddam House private school.

History

The farm "Waterval" took its name from the 1.5 metre waterfall discovered by Peter McDonald, the first surveyor of the farm in May 1888, working for the then owner, Miss E Pymont. The first title deed was signed off in January 1889 by Paul Kruger, President of the Transvaal.

Its owners thereafter, the brothers James and John Gibson, bred cattle and ran a stagecoach business between Johannesburg and Pretoria. The outbreak of the second Anglo Boer War forced the brothers to hand over their horses to the British, resulting in their eventual bankruptcy.

In 1934, the farm was sold to Moosa Ismail Mia, who registered it in the name of Witwatersrand Estates Limited and built a religious training facility and a school for Indian and black orphans on parts of the land.

Today Waterfall forms part of land that is held in trust by the Waterfall Islamic Institute who, while it may not sell the land, allows its development on the basis of 99 year renewable leases.

The leases over the property underlying Attacq's development rights renew automatically every three years for a further 99 years, as such they are in effect perpetual leases.

Creating long-term value

The concept behind Waterfall is to create a mixed-use development in which people felt they were able to live, play and work. The total estate has been planned as a greenfields development, in other words, developed from scratch, which allows the best urban design principles to be applied in determining infrastructure, services, open public spaces and allows for the use of green architectural design.

A greenfields development of this magnitude is uncommon in South Africa, but as a result of careful planning and strategic implementation, the city is shaping up to be a model of what city life could be, with all elements integrated seamlessly and efficiently. Consolidated and centralised services within the estate improve efficiency and reduce waste and contain costs.

Infrastructure upgrades and accessibility

A key advantage for Waterfall is its accessibility to major road infrastructure. The most significant infrastructure improvement to Waterfall was the upgrade of the Allandale interchange that cost SANRAL approximately R800 million. The upgrade has resulted in a free flow interchange that has significantly improved accessibility. AWIC has also undertaken various infrastructure developments since 2008 and continues to upgrade Allandale Road and the K101.

Future road infrastructure to be put in place includes two bridges over the N1, which will improve east-west traffic flows and also provide a direct link to Waterfall City.

Besides road transport, Waterfall is easily accessed from the Midrand Gautrain station by a 10 minute bus ride and it is expected that the area will also be served by a future Gautrain station planned for next to the existing Gautrain maintenance yard located between the Midrand and Marlboro stations.

The development also enjoys superb proximity to OR Tambo International Airport, Midrand's Grand Central Airport and Lanseria International Airport. We believe this access creates a significant competitive edge for Waterfall.

Protecting our natural capital

Being responsible custodians of our natural capital has been a key driver for all involved since the development's inception.

The development strategy allows only indigenous trees to be planted on the estate unless these are not suitable and would not thrive, such as in the case of greening our malls where alternatives have been explored.

Incorporating green design elements into the buildings being developed has also been a major priority, with all proposed developments being scored against the Sustainable Initiatives checklist as part of the design review process. During development, care has been taken to preserve and rehabilitate existing ecologies where possible, with green belts and parklands planned in consultation with environmental consultants.

Our opportunity

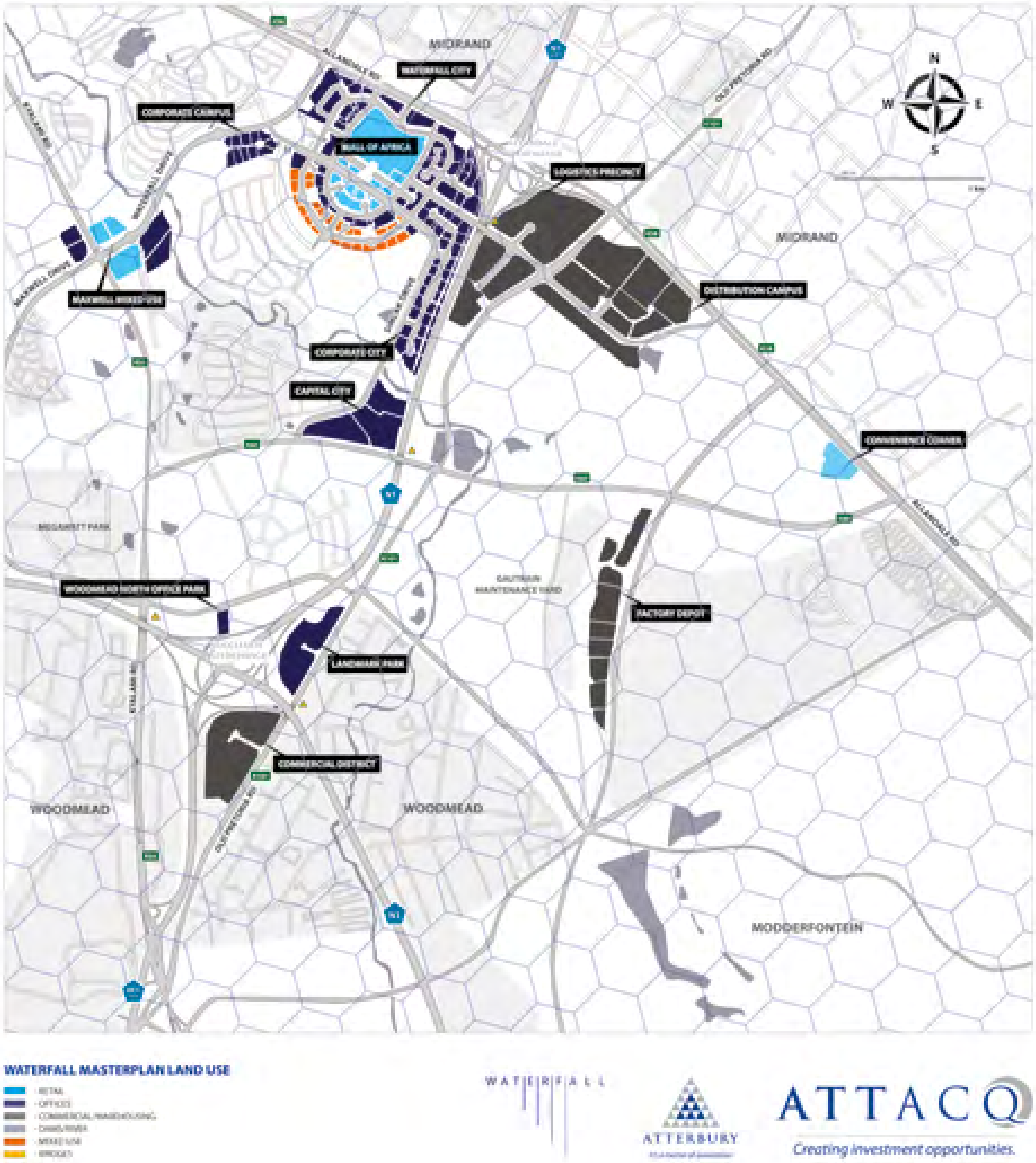
Our 1.75 million m^2 of developable bulk is spread across 12 land parcels. As at 30 June 2014, development has been completed of 162 269m^2 or 9.3% of the available developable bulk, with a further 208 453m^2 either under development or secured. Over 79% of the developable bulk is thus available for future development.

It is only when one sees an aerial view of Waterfall that one gets a true sense of the sheer scale of the project and just how unique the opportunity to develop this site is.

In addition, we hope to increase the allowable bulk on the land parcels, as the spatial development framework of the City of Johannesburg evolves over time.

Under construction: Aerial view of Maxwell Office Park, Waterfall City – March 2014

Case study: Waterfall *continued*



Land parcel number	Land parcel name	Total developable bulk m²	Completed – held m²	Competed – sold m²	Under construction at year end m²	Remaining for develop-ment m²
Land parcel 3	Convenience Centre	15 000	–	–	–	15 000
Land parcel 8	Distribution Campus	198 132	35 671	9 000	11 050	142 411
Land parcel 9	Logistics Precinct	165 592	–	–	7 500	158 092
Land parcel 10	Waterfall City	800 000	11 104	–	139 954	648 942
Land parcel 10a	Corporate City	120 000	–	–	–	120 000
Land parcel 10b	Corporate Campus	20 000	–	–	–	20 000
Land parcel 12	Capital City	72 520	–	–	–	72 520
Land parcel 15	Waterfall Lifestyle	50 600	29 100	–	9 000	12 500
Land parcel 20	Woodmead North Office Park	4 194	4 194	–	–	–
Land parcel 21	Landmark Park	58 200	44 200	–	–	14 000
Land parcel 22	Commercial District	94 000	–	29 000	31 512	33 488
Land parcel 24	Factory Depot	154 250	–	–	–	154 250
Total		**1 752 488**	**124 269**	**38 000**	**199 016**	**1 391 203**

Inside Group Five Head Office

Case study: Waterfall *continued*

Waterfall City – the heart of Waterfall

The heart of Waterfall will be Waterfall City, a land parcel with an area of 1 045 000m^2 and developable bulk of 800 000m^2 zoned for mixed use comprising retail, office, hotels and residential developments.

Waterfall City will be built around the 130 188m^2 super-regional Mall of Africa and its adjoining 13 400m^2 open intercity park. The mall's architectural form is inspired by the beauty of Africa, using wood, stone, glass, concrete and other natural materials. It combines the latest international trends and environmentally sustainable materials and technologies.

Surrounding the Mall of Africa will be 400 000m^2 of A-grade corporate offices, 30 000m^2 of hotel developments, a business development of approximately 150 000m^2 of bulk and up to 960 high density residential units.

Artist's impression: Aerial view of Mall of Africa and surrounds

Mall of Africa in progress. Opening April 2016

Group Five Head Office Waterfall

case study

Group Five's offices

The new Group Five Head Office in Waterfall was awarded a "5-Star Green Star SA-Office Design VI" rating by the GBCSA.

The Green Star South African tool allows for certification of buildings based on the following levels of achievement:

- 4-Star Green Star SA Certification – "Best Practice"
- 5-Star Green Star SA Certification – "South African Excellence"
- 6-Star Green Star SA Certification – "World Leadership"

The building is one of a handful of buildings in Gauteng to receive this prestigious rating. It is also the first building in Waterfall to receive a Green Star rating. Some of the sustainable business features include:

- 70% of all demolition and construction waste was recycled or reused;
- Low volatile organic compound paints, carpets and sealants have been specified and low formaldehyde composite timber products were used in the shopfitting;
- Water saving is achieved by capturing rainwater for reuse within the building;
- 50% of the timber is specified to be either Forest Stewardship Council Certified, reused or to have a post-consumer recycled content; and
- The site will develop a watercourse protection plan to ensure that there is no degradation of the Jukskei River as a result of activities from the Group Five site.

sustainability

"We believe that focusing on green development is as much a sound business decision as it is the right thing to do"

Environmental report

Key drivers

We believe that focusing on green development is as much a sound business decision as it is the right thing to do. Green design, although costing more upfront, results in long-term savings. This is especially true in the South African context. We are facing potential carbon taxes, stricter regulations and rising utility costs and constraints, with the supply of electricity a particular concern. In light of these challenges, green design is a way to mitigate our risk.

We are also seeing an increasing demand from tenants for green buildings, especially from international companies, due to the fact that in many countries it is mandatory to disclose levels of building performance. Although in South Africa disclosure is voluntary, pressure is on the rise. More and more tenants are interested in the sustainability and cost of occupancy of the buildings they occupy as a means of supporting their corporate social investment or environmental, social and governance responsibilities.

On our retail side, green buildings have become a key differentiator. Online shopping is increasingly placing pressure on retail spaces to offer an experience worth leaving the house for. The demand for green shopping centres has pushed South African design to keep abreast of the latest international trends and has resulted in the incorporation of aesthetically pleasing natural elements that also serve an eco-friendly function. A case in point would be the Mall of Africa. With the materials used in the design inspired by the geological beauty of Africa, once complete, the centre is planned to be eco-friendly and offer a superb shopping experience.

Our environmental strategy

Our green strategy has a dual focus and includes reviewing all new buildings coming on line, as well as the existing building portfolio.

Attacq's environmental strategy

Existing buildings			New buildings	
Phase 1	**Phase 2**	**Phase 3**	**Design**	**Build**
Implementation of interventions across the portfolio to reduce common area energy and water consumption and a drive to educate tenants to reduce consumption and increase recycling quantities to reduce waste to landfill	Additional interventions to be implemented to further reduce common area consumption by 3% as well as the GBCSA Existing Building Pilot rating of two buildings to measure actual operational performance and identify items for improvement	Future investigations to ascertain whether additional interventions will result in further reduction in energy and water consumption to reduce the cost of occupancy	Implement guidelines to ensure that new buildings conform to international best practice for sustainable design and performance	Measuring whether new buildings designed according to sustainable criteria perform as expected and to identify design items that influence operational efficiency for inclusion in design guidelines

Existing buildings

Replacement of common area down lighters was completed at a number of our properties with the following decreases being achieved in common area electricity consumption: Brooklyn Bridge by 9%, Glenfair Boulevard by 3% and Lynnwood Bridge by 8%. These decreases were achieved over the period May 2013 to May 2014.

Due to the tariff restructuring by the Tshwane Metropolitan Municipality in July 2013, the overall municipal electrical cost at these buildings actually increased, however the decrease in common area power consumption reduced the impact of the tariff restructuring and also resulted in a greener building footprint.

We encourage tenants to participate in waste source separation where recyclable and non-recyclable materials are separated at source to improve the recycling percentages and reduce waste removal costs. Furthermore tenants are encouraged to separate wet and dry waste within their premises to increase recycling volumes. Separate bins are provided for wet and dry waste in the communal recycling areas. Waste management is implemented at all buildings: recyclable materials are sorted separately in order to reduce the waste volumes ultimately sent to landfill.

New buildings

In terms of our development portfolio, all our new buildings are being designed based on the principles encompassed in a 4-Star Green Building. Although official 4-Star Green Star ratings will not be pursued for all new buildings (unless specifically requested by a tenant), the idea is that these buildings will be benchmarked and rated according to the existing building performance tool released by the GBCSA. This tool will improve the quality of the ongoing sustainable performance of the buildings.

With regard to new buildings being erected in Waterfall, it is required that the developer scores the proposed development against the Sustainable Initiatives checklist as part of the design review process to ensure that the development focus is maintained on sustainable design and construction practices.

Once the building is completed, an assessment on the building is carried out to ascertain its level of sustainable performance. This includes the new GBCSA energy and water benchmarking, which is performed to determine whether the sustainable design translates into actual reduced energy and water consumption and ultimately reduced costs. In addition, selected buildings have and will be identified to apply for full existing building performance green rating and aim for a minimum 4-Star rating.

Looking ahead

We are currently investigating a number of measures to improve energy and water consumption in respect of existing buildings such as the replacement of light fittings by energy efficient fittings, the installation of CO activation sensors to basement fans and retrofitting of low water use taps and toilets. The investigations in respect of retrofitting the buildings are done in light of the cost thereof versus the benefit derived for Attacq and the occupants of the buildings.

Tenant policies with regard to sustainability are encouraged with the aim to involve all employees in creating an environmentally friendly work environment. With increased market demand and clear financial rewards, coupled with mounting government regulations and stakeholder pressures, there are multiple incentives to developing green buildings and improving on the performance of our existing portfolio. We will continue exploring new ways to incorporate green design into our developments and evaluate the sustainability of our portfolio on an ongoing basis to consider areas where we may improve.

Attacq staff

Employee report

We believe the calibre of our people is a key differentiator in an increasingly competitive property sector. We recognise that to achieve our strategic objectives we need an appropriately skilled and diverse team of employees who are motivated and dynamic.

Growing Attacq

Our people embody the entrepreneurial culture of Attacq and continue to be a key stakeholder in the success and sustainability of our business. Attacq has grown from one full time employee in 2012 to 69 staff members as at 30 June 2014. As we continue to expand, our challenge is to preserve the entrepreneurial spirit upon which the company was founded. We aim to nurture this spirit in our people, encouraging them to take accountability and focus on finding solutions and opportunities.

Our values remain central to the way in which we conduct ourselves in the property sector. We believe our integrity drives our success, maintaining our licence to operate, and sets minimum standards of behaviour for our people. In line with our desire to maintain high standards of ethics, Gauteng-based employees recently participated in anti-corruption training.

Another key challenge for our leadership as we grow is to maintain a corporate culture where every employee feels like a valued member of the team. To preserve this sentiment, several key initiatives were rolled out to ensure staff interacts with one another on a regular basis. For example, we have created an internal fund to allow for the organisation of social events for the staff where they can interact and engage as a larger team wherever their offices might be based.

Our staff profile

With the internalisation of the Asset and Property Manager, Attacq absorbed the existing employees and appointed a number of new employees from 1 July 2013.

Our human resource priority in filling each position is to find the best candidate for the job, giving preference to transformation. We follow this policy, understanding that diversity is essential to create organisational strength. We continue our efforts to employ individuals from previously disadvantaged groups, as well as to improve gender representation, especially in our core skill areas and senior management.

Employee table

	2014	2013
Total Attacq employees	69	48
Head office employees	24	18
Direct portfolio property management employees	45	30
Total gross asset value per employee (R)	267 607 043	266 151 250

Attracting and retaining our people

To attract and retain the right skills, we manage performance, train and develop, provide career opportunities and competitive remuneration. We work to understand the specific skill set of each employee and ensure that the work they do is aligned to their strengths. That way, they enjoy what they do and ultimately do it well.

We value the passion and drive of our people and are committed to continually investing in them. Our training approach offers in-house training and also encourages employees to seek opportunities outside our immediate environment, thus exposing them to learning experiences that will increase our organisational knowledge as a whole.

We are in the process of drawing up and implementing policies and procedures for staff, including formal development and retention policies. It has been a challenging, multi-faceted process as we work to implement policies necessary for a listed entity while striving to retain the flexibility and dynamism that has always characterised Attacq. We have made good progress in this regard, with most policies in place or in draft stage to be approved in the next financial year. We understand that this will be an ongoing process and policies will need to be reworked as the need arises, but we are pleased with the strides made in the 2014 financial year.

Looking ahead

Further to approving and implementing policies, we will be putting in place a formal induction programme for all new employees. The induction will give new employees a complete overview of the Group and provide them with an understanding of our business objectives, our culture and expectations.

We believe that Attacq's future viability as an organisation depends on the sustainability of the communities in which it operates. By investing in and promoting social programmes within these communities, we hope to raise their living standards, which in turn is a catalyst for economic growth.

We are ever mindful in a digital world characterised by instant customer feedback and growing demands for transparency of our responsibility to build a strong brand based on the wider impact of our business. The social sustainability practice of giving back to the community is embedded in Attacq's DNA. As we grow as an organisation, this remains a priority.

Atterbury Trust

Attacq remains involved in the Atterbury Trust. The close relationship between Atterbury and Attacq makes this involvement a logical one. The philosophy behind the continued support of the trust is that the achievement of organisational success must, as an inherent part of its definition, involve giving back to the community. The founders of the Atterbury Group, Louis van der Watt and Francois van Niekerk, initially allocated a significant portion of their shareholding to the Atterbury Trust. It is this example of personal social responsibility that sets the corporate standard for the company.

The main objectives of the trust are to provide disadvantaged students with the benefit of an education and to promote the advancement of arts and culture. Contributions by Attacq to the trust are specifically allocated to the promotion of education. To date, 175 students have received their tertiary degrees and a number of schools in the west of Pretoria are supported by the trust. Attacq currently supports the initiatives via donations to the trust and donated R550 000 during the year.

One example of a school that is benefiting from the trust is the Beyers Bytjies Pre-School, which is a private school for underprivileged children. It is a non-profit organisation, depending on donations and help from the community. The school accommodates 178 children between the ages of four and six years old. The mission of the school is to provide quality education for these children as well as a meal a day, which for many of these children is their only meal of the day.

Columba Leadership programme

During the 2014 financial year Attacq become involved in the Columba Leadership programme and a R250 000 contribution was made. The Columba programme seeks to empower young people from previously disadvantaged backgrounds by focusing on instilling personal, social and environmental responsibility and drawing heavily on the teaching power of lessons from the natural environment.

Many young people coming from difficult circumstances find it hard to believe in their own capacity to make a positive difference in their own lives or in their schools and communities. Columba Leadership works to engage these young people in a programme of leadership development that elicits and unleashes their latent potential to be agents of positive social change. Attacq has made a five year commitment to Columba and will initially become involved in a school identified in Tembisa.

Mandela Day

Attacq staff, directors and a number of their family members spent Mandela Day at the Dimphonyana Tsa Lapeng Foster Home, a home for abandoned children in Olievenhoutbosch, repainting and refurbishing the children's rooms. The contribution was valued by the home and the day also served as a useful team building exercise across the various Attacq business units.

Looking ahead

In addition to the projects set out above, Attacq will increase its involvement in the Newtown development by advancing skills development to the previously unemployed individuals in the Newtown district.

Our desire is to make a sustainable difference, not only through funding but also through our involvement as individuals and as a team of professionals with skills and knowledge to share. We will continue to seek out and be responsive to the needs of our stakeholders through community participation programmes and funding arrangements in ever-increasing measures.

corporate governance

Under construction: Newtown Junction, Newtown Precinct, Johannesburg CBD

> "We are committed to the principles of transparency, integrity, fairness and accountability."

Corporate governance report

Commitment to governance

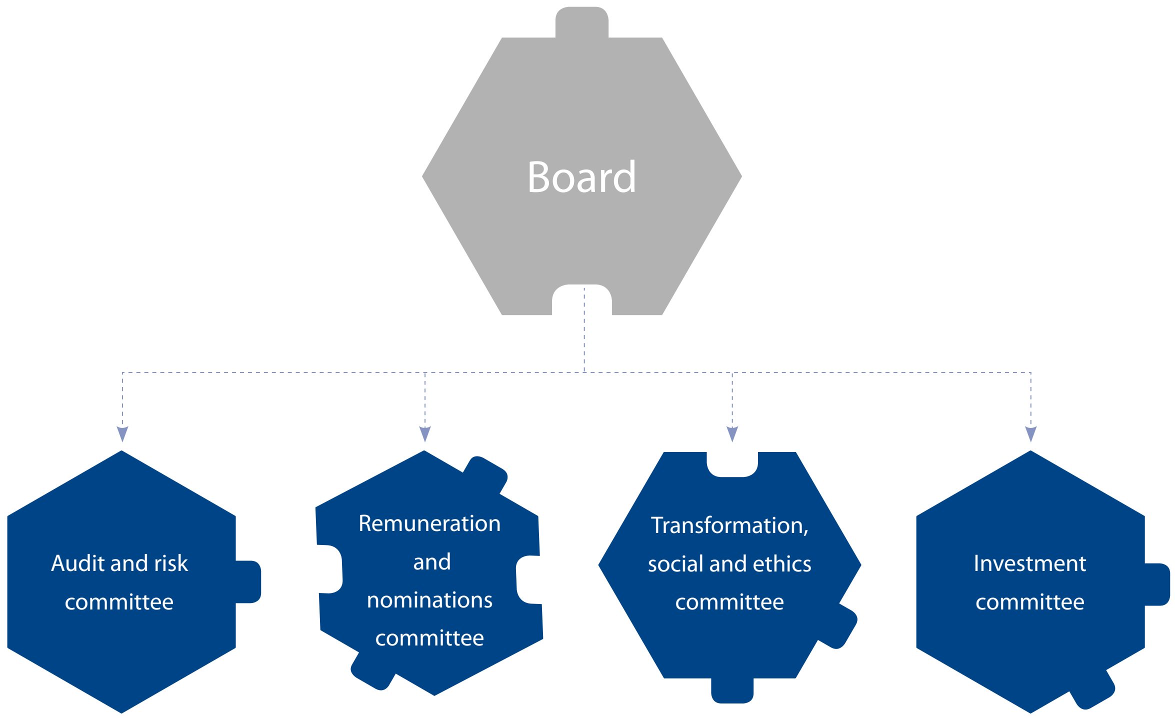
The Attacq board regards responsible corporate citizenship as a key component of its growth strategy, strategic decisions, audits and assessments. Attacq is committed to complying with all legislation and regulations applicable to its business, including all tax legislation, the JSE Listings Requirements, the Companies Act, as well as the recommendations of established corporate governance frameworks such as the guidelines contained in King III.

We are committed to the principles of transparency, integrity, fairness and accountability as advocated in the King Code. We strive to meet these objectives as set out in the King Code. Refer to our website (www.attacq.co.za) for our detailed King III checklist indicating Attacq's compliance with the principles of King III.

Governance framework

Attacq seeks to maintain strong corporate governance structures and processes by working within a clearly defined governance framework, enabling the delivery of sustainable growth to all our stakeholders.

The governance framework allows the board to delegate authority while enabling effective control and preserving its accountability. Certain matters are delegated to committees of the board and these are described in the terms of reference of the committees. The board also delegates authority to the executive management to manage the business and affairs of the Group.



Board of directors

Overview

The board sets the strategic objectives for Attacq and determines Attacq's investment and performance criteria. It is also responsible for the sustainability of the Group, proper management, control, compliance and ethical behaviour of the businesses under its direction.

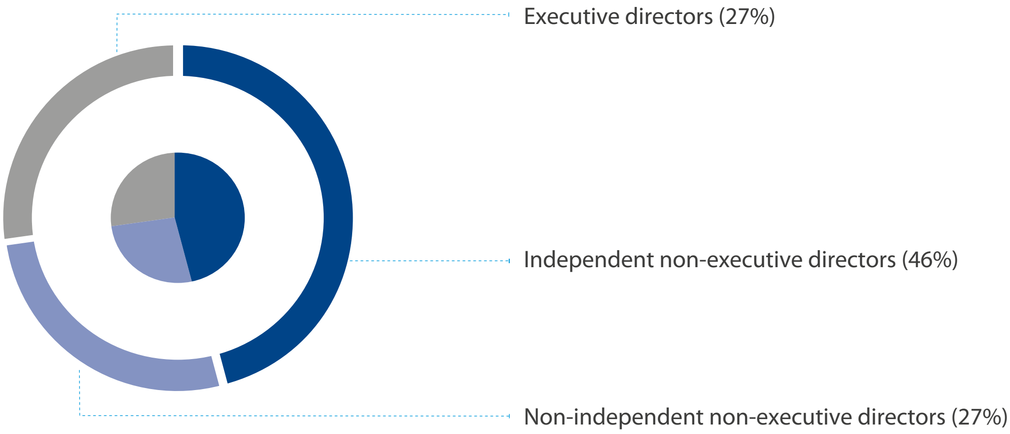
The board meets at least four times per year. *Ad hoc* board meetings are held as and when required to plan and review strategy, financial performance, resources, operations, risk, capital expenditure, reporting and compliance matters, standards of conduct, transformation, diversity, employment equity, human resources and environmental management. A clear division of responsibilities between the directors is maintained to ensure that no single director has unfettered decision-making powers.

Board composition

At year end, the board of directors consists of three executive directors and eight non-executive directors. Five of the non-executive directors are considered independent in accordance with the principles of King III, including the chairman.

The non-executive directors are persons with the necessary skills and experience to provide judgement that is independent of management on issues relating to strategy, performance, resources, transformation, diversity, employment equity, standards of conduct and evaluation of performance.

Composition of the board



Board		
Roles and responsibilities	**Members**	**Attendance**
• Governing the company on behalf of its shareholders	**Independent non-executive directors**	
• Being responsible for strategy, strategic decision-making and execution	Pierre Tredoux (Chairman)	4/4
• Appointing the chief executive officer	Stewart Shaw-Taylor	4/4
• Ensuring communication with stakeholders is timeous and transparent	Hellen El Haimer	4/4
• Ensuring compliance with relevant legal requirements	Thys du Toit	4/4
• Approving and monitoring the annual budget	Lebo Masekela~	4/4
• Guarding and promoting values and ethics of Attacq	**Non-executive directors**	
	Francois van Niekerk#	4/4
	Pieter Faure	4/4
	Johan van der Merwe	2/4
	Thomas Reilly*	1/1
	Wilhelm Nauta^	2/2
	Lucas Ndala#	2/3
	Executive directors	
	Morné Wilken	4/4
	Melt Hamman	4/4
	Louis van der Watt	3/4

* *Alternate to JHP van der Merwe*
^ *Appointed during the year*
\# *Resigned during the year*
~ *Resigned subsequent to year end*

Please refer to pages 68 to 71 for brief curricula vitae of our board members.

Board training

A formal induction programme assists new directors and is overseen by the chairman and the company secretary. Should directors lack experience, mentorship programmes are available to assist them. Continuing professional development programmes ensure directors receive regular briefings on changes in risks, regulations and other matters.

Board evaluation

The board conducted an internal performance evaluation process covering, *inter alia*, the following areas:

- An individual evaluation of each board member performed by the chairman;
- An evaluation of the role of the chairman and the company secretary;
- The composition and effectiveness of the board; and
- The functioning of the board subcommittees.

Overall, the findings were that the balance of the board had improved and that a suitable mix of skills, experience, diversity and knowledge was represented on the board.

The role, terms of reference and composition of the board subcommittees were found to be functioning well.

The role of the board in formulating and prioritising the Group's strategy will remain a focus area and the mix of financial and operational information to support this needs to be refined.

Succession planning was identified as an area requiring attention in respect of board members as well as management.

Board committees

The board has established specific committees to give detailed attention to certain of its responsibilities. The board is conscious of the fact that such delegation of duties is not an abdication of the board members' responsibilities and the committees operate within defined, written terms of reference which are subject to change as and when required by the board to accommodate the changing needs of the company. The committees are governed by terms of reference that have been approved by the board and serve to outline each committee's role, authority, responsibilities and accountability. The committees report quarterly to the board on their activities.

Transformation, social and ethics (TSE) committee

The Charter of the TSE committee as well as its policy and framework were finalised and approved by the board on 12 June 2014. The committee's roles and responsibilities as well as its composition are set out below. The committee meets on a quarterly basis and more frequently if necessary.

Transformation, social and ethics committee		
Roles and responsibilities	**Members**	**Attendance**
• Planning, implementing and monitoring Attacq's strategy for BBBEE transformation	Lebo Masekela (Chairman) *Independent non-executive director*	6/6
• Monitoring the impact of compliance with legislation	Hellen El Haimer *Independent non-executive director*	6/6
• Monitoring employment equity and fair labour practices	Melt Hamman *Executive director*	6/6
• Monitoring good corporate citizenship and Attacq's contribution to the development of communities	Talana Smith *Company secretary*	6/6
• Driving environmental responsibility and sustainability issues	Helena Austen *Head of legal*	5/5*
• Formulating and implementing a green policy throughout the Group		
• Reporting to Attacq shareholders on matters within the mandate of the committee		

* *Appointed to the subcommittee during the year*

In respect of Attacq's employees, it is the aim of the committee to ensure that the company creates a workplace where employees are treated with fairness, dignity and respect. The Group will provide opportunities for personal improvement and growth. The sharing of ideas is encouraged and suggestions are welcomed.

For more information on the Group's employees, please refer to the employee report on page 56.

BBBEE rating

During 2013, Attacq achieved a Level 4 rating under the property charter for BBBEE. The existing scorecard is valid until 28 January 2015. Our tenants were able to claim an 81% BBBEE procurement level of recognition from Attacq. An indicative scorecard for 2014 indicates that Attacq will once again achieve a Level 4 rating. Having regard to the revised BBBEE Codes which will come into effect on 30 April 2015, Attacq is being pro-active in engaging with its suppliers and focusing on skills development going forward. Attacq has at this stage made a once-off contribution to the Property Point Enterprise Development Programme. Attacq is monitoring the value that it would receive from this contribution (which was allocated for enterprise development of a number of small BBBEE suppliers on the Nieuwtown development) before committing funds for a longer period.

Attacq has, in respect of its 2014 financial year, made a payment to the Royal Bafokeng Leadership Programme in the amount of R1.5 million. Attacq is liaising with management of the programme to discuss a possible supplier pipeline on its developments going forward.

For information on Attacq's socio-economic development initiatives, refer to page 57.

Audit and risk committee		
Roles and responsibilities	**Members**	**Attendance**
• Providing the board with additional assurance regarding the efficacy and reliability of the financial information used by the directors to assist them in the discharge of their duties	Stewart Shaw-Taylor (Chairman) *Independent non-executive director*	5/5
• Reviewing interim and annual financial statements and the integrated report	Hellen El Haimer *Independent non-executive director*	3/4*
• Overseeing the internal audit function	Lebo Masekela *Independent non-executive director*	5/5~
• Reviewing the expertise and qualifications of the finance function	Lucas Ndlala *Non-executive director*	3/4^
• Ensuring that significant business, financial and other risks have been identified and are being suitably managed	Pieter Faure *Non-executive director*	1/1#
• Ensuring good standards of governance, reporting and compliance are in operation		

* *Appointed to the board and subcommittee during the year*
^ *Resigned from the board and subcommittee during the year*
\# *Resigned from the subcommittee during the year*
~ *Resigned from the board and subcommittee subsequent to year end*

Chief executive officer, Morné Wilken and financial director, Melt Hamman attend meetings by invitation. The board is satisfied that the independence, experience and qualifications of each member enable them to fulfil the committee's mandates.

In addition to the quarterly meetings with the board, the committee is also required to meet at least once a year with the internal and external auditors of the company without management being present. The internal audit function is outsourced to PwC Internal Audit.

Remuneration and nominations committee

The remuneration committee and nominations committee have been combined to form the remuneration and nominations committee. All of the committee members are non-executive directors, the majority of whom are independent. When dealing with remuneration matters, Johan van der Merwe chairs the committee and when dealing with nomination matters, Attacq's chairman, Pierre Tredoux, chairs the committee.

Remuneration and nominations committee		
Roles and responsibilities	**Members**	**Attendance**
• Identifying and nominating new directors for approval by the board	Johan van der Merwe (Chairman) *Non-executive director*	1/2
• Ensuring that any and all appointments to the board are formal and transparent	Pierre Tredoux *Independent non-executive chairman*	2/2
• Approving the classification of directors as independent	Stewart Shaw-Taylor* *Independent non-executive director*	2/2
• Overseeing induction and training of directors and conducting annual performance reviews of the board and board committees		
• Overseeing an appropriate separation between executive, non-executive and independent directors		
• Ensuring the proper and effective functioning of the group's various boards of directors		
• Reviewing the Group's board structures, the size and composition of the various boards and making recommendations		

* *Resigned from the subcommittee during the year. Replaced by Thys du Toit*

Investment committee

The investment committee is governed by a mandate which has been approved by the board and outlines the committee's role, authority, responsibilities and accountability.

The investment committee meets when necessary to consider acquisitions, redevelopments and sales of investment properties (investment proposals). A quorum consists of two non-executive directors and two executive directors being present at the meeting. Where the non-executive directors do not unanimously approve an investment proposal or wherever certain maximum amounts, as determined by the investment committee's mandate, are exceeded, the investment proposal is referred to the board.

Investment committee

Roles and responsibilities	Members	Attendance
• Reviewing the Group's investment strategy	Pierre Tredoux (Chairman) *Independent non-executive chairman*	3/5
• Setting investment targets and criteria	Pieter Faure *Non-executive director*	4/5
• Approving strategic investments	Wilhelm Nauta* *Non-executive director*	3/4
• Approving proposals for development, acquisitions and possible disposals	Lucas Ndala^ *Non-executive director*	0/1
	Thys du Toit *Independent non-executive director*	3/5
	Stewart Shaw-Taylor# *Independent non-executive director*	1/1
	Morné Wilken *Executive director*	5/5
	Louis van der Watt *Executive director*	5/5
	Melt Hamman *Executive director*	5/5

* *Appointed to the board and subcommittee during the year*
\# *Appointed to the subcommittee during the year*
^ *Resigned from the board and subcommittee during the year*

Conflicts of interest

Attacq directors are required to formally disclose their shareholdings, additional directorships and any potential conflicts of interest at each board and investment committee meeting.

Share dealings

Prior to its listing, Attacq implemented a formal policy on any dealings in Attacq shares by board members, directors of major subsidiaries, the company secretary and their associates. Board members are required to obtain clearance from the financial director or chief executive officer prior to any share dealings and dealings by any directors or their associates are announced as required in terms of the JSE Listings Requirements.

The company operates a policy of prohibiting dealings by directors and certain staff in periods following interim period or year end prior to the announcement of financial results, any period while the company is trading under cautionary and at any other time deemed necessary by the board.

Insider trading, bribery and corruption

During the year, in-house training was provided to staff members on insider trading, bribery and corruption.

Prescribed officers

As set out in the Companies Act regulations, a person is a prescribed officer if such person exercises general executive control over and management of the whole, or a significant portion, of the business and activities of the company or regularly participates to a material degree in the exercise of general executive control over and management of the whole, or significant portion, of the activities of the company.

Further detail on prescribed officers can be found on page 235.

Attacq is in essence a property investment company with a strong development focus.

Company secretary

The board of directors has direct access to the company secretary, Talana Smith, who provides guidance and assistance in line with the requirements outlined in the Companies Act, King III and the JSE Listings Requirements. She advises on corporate governance and is responsible for the administration of the company documentation.

The company secretary, where necessary, arranges training on changing regulations and legislation and could involve the Group's sponsors, auditors or organisations such as the Institute of Directors.

The board has considered and is satisfied with the company secretary's competence, qualifications and experience. The company secretary is not a member of the board and an arm's-length relationship between the board and the company secretary is regulated through the provisions of a service agreement.

Internal control

To meet the company's responsibility to provide reliable financial information, the company maintains financial and legal compliance and operational systems of internal control. These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management's authority, that the assets are adequately protected against material losses, unauthorised acquisition, use or disposal, and those transactions are properly authorised and recorded.

The systems include a documented organisational structure and division of responsibility, established policies and procedures, which are communicated throughout the Group, and the careful selection, training, and development of people.

Internal audit

Attacq maintains internal controls and systems designed to provide reasonable assurance regarding the reliability of the financial statements and to adequately protect, verify and maintain accountability for its assets. These controls are implemented by trained personnel with segregated duties and responsibilities. Since listing on the JSE, Attacq has moved to a more formalised environment and therefore such controls are in the process of being documented and communicated throughout the organisation.

Attacq has outsourced its internal audit function to PricewaterhouseCoopers, PwC Internal Audit, a professional service provider, ensuring that an independent strategically aligned function exists. The function is responsible for preparing and implementing the annual risk based internal audit plan approved by the audit and risk committee. This internal audit function operates under the direction of the audit and risk committee, which approves the scope of the work to be performed. Critical and significant findings are reported to the audit and risk committee on a quarterly basis. Corrective action is taken to address internal control deficiencies identified in the execution of work.

A risk-based internal audit plan was developed during the 2014 financial year. The results of the risk-based audits were reported to the audit and risk committee. The audit and risk committee has evaluated the internal audit report, and has not identified any material breakdowns in internal controls within the areas reviewed. Follow-up audits will be conducted to ensure that corrective actions were implemented where necessary and the results will be reported to the audit and risk committee.

Going concern

The board considers and assesses the Group's status as a going concern in the preparation of the annual financial statements at year end. The directors have reviewed the Group's cash flow forecast for the year ending 30 June 2015 and, in light of this review and the current financial position, they are satisfied that the Group has access to adequate resources to continue in operational existence for the next 12 months. The annual financial statements and the integrated report have been prepared on the going concern basis.

Glenfair Boulevard
Pretoria

Board of directors

Pierre Tredoux

Independent
Non-executive chairman

- **Appointed:** February 2005 as a director
- **Qualification:** CA(SA)
- **Committees:** Investment; remuneration and nominations

Founder and executive director of the Barnstone group, Pierre is also a former partner and managing director of Deloitte Consulting South Africa. He has advised many of South Africa's leading organisations on corporate strategy and structure, operational and performance improvement, enterprise applications and corporate governance. Pierre has worked in the financial services, manufacturing, mining and resources, communications, beverages, professional services, tourism and leisure sectors locally and internationally. He is also the executive chairman of Atterbury Property, the property development company in which Attacq holds a 25% interest. He has served on the board of directors of Attacq since 2005 and was appointed as Non-executive chairman in 2012.

Thys du Toit

Independent
Non-executive director

- **Appointed:** August 2013
- **Qualifications:** BSc Agric, MBA
- **Committees:** Investment; remuneration and nominations

Thys is an investment professional with 29 years of experience. He graduated with a BSc Agric and MBA *cum laude* from Stellenbosch University. Thys started his career as a stockbroker at George Huysamer & Partners and in 1990 joined Syfrets Managed Assets as a portfolio manager. In 1993, he was one of the founding members of Coronation Fund Managers, which listed on the JSE in June 2003. Thys held the position of CEO from 1997 to 2008 and, during his tenure with Coronation, grew the business into the second largest independent fund manager in South Africa. Thys is a director of a number of JSE-listed companies, including PSG Group and Pioneer Foods. He now runs an investment management business, Rootstock Investment Management.

Hellen El Haimer

Independent
Non-executive director

- **Appointed:** August 2013 (up for re-election at the next AGM)
- **Qualifications:** BSoc Sci, LLB (Hons) Strategic Management, HDip Property Investment
- **Committees:** Audit and risk; transformation, social and ethics

Hellen is the managing director of the FM Institute (Pty) Ltd, a facilities and property management consulting company. She is an attorney with over 16 years' post-qualification experience in the legal, property and facilities management fields. Hellen has held senior positions in the Department of Public Works and SARS in property and facilities disciplines and held an executive position at Absa, responsible for the facilities and property management of their national property portfolio. She also worked as a legal manager at Standard Bank Properties.

Stewart Shaw-Taylor

Independent
Non-executive director

- **Appointed:** November 2012 (up for re-election at the next AGM)
- **Qualifications:** CA(SA), Harvard PMD
- **Committees:** Audit and risk; investment

Stewart has more than 31 years' experience in Investment Banking and Real Estate. He is currently the Head of Real Estate Investments, Corporate and Investment Banking, a division of The Standard Bank of South Africa Limited. He is responsible for the equity related real estate activities undertaken by Corporate and Investment Banking. In addition to his Standard Bank responsibilities he serves on a number of listed and unlisted boards.

Lebo Masekela

Independent
Non-executive director

- **Appointed:** March 2010
- **Qualification:** BSc Eng
- **Committees:** Audit and risk; transformation, social and ethics

Lebo is the former CEO of Infotech (Pty) Ltd, a position he held for eight years. Prior to this, he was CEO of Lechabile Quality Strategies (Pty) Ltd. He has also worked as an engineer for SA Breweries, Engen Petroleum and Denel. Lebo has been involved in the founding, running and growing of several private businesses and has over 20 years of management experience. Lebo's skills include business development and growth, strategy development and new business ventures.

Pieter Faure

Non-independent
Non-executive director

- **Appointed:** May 2008
- **Qualifications:** CA(SA), BCom (Law), HDip International Tax
- **Committee:** Investment

Pieter is the CEO of the Mertech Group comprising an internationally diversified investment portfolio operating across various industries, including property, technology, clean energy, logistics and financial services. He also oversees the activities of the Mergon Foundation, an independent charitable foundation established in 1982. Pieter is the former Chief Financial Officer of Infotech (Pty) Ltd and worked across several professional divisions at PwC, where he ultimately specialised in Corporate International Tax.

Wilhelm Nauta

Non-independent
Non-executive director

- **Appointed:** May 2014
- **Qualification:** CA(SA)
- **Committee:** Investment

Wilhelm started his career in 1994 in the Financial Institutions Team of Deloitte in Johannesburg. Thereafter he joined the Barnard Jacobs Mellet equity research team in 1999 as an investment analyst. During his 10 years in equity research, he covered almost the full spectrum of financial sub-sectors, including banks, investment banks, asset managers, consumer finance companies and insurance brokers, short-term insurance and commercial property. Wilhelm was rated in the *Financial Mail* survey from 2001 to 2008, including seven number one ratings in various sectors. He joined the Strategic Investments Team of Royal Bafokeng Holdings (RBH) in 2010. As Manager: Strategic Investments he takes responsibility for the management and growth of specific investments, mergers and acquisitions of the portfolio investments, and several aspects of RBH strategy.

Johan van der Merwe

Non-independent
Non-executive director

- **Appointed:** May 2008
- **Qualifications:** CA(SA), MCom (Tax), MPhil Finance
- **Committee:** Remuneration and nominations

Johan has more than 20 years of financial and investment experience and has been the CEO of Sanlam Investment Management for over 10 years. Prior to that Johan was a director and executive committee member of Investec Asset Management, where he was responsible for Private Equity and its Botswana Office. At Investec Asset Management, Johan also served as Global Sector Head of Resources, Head of Equities and Sector Head of SA Resources. Johan also worked for Gencor Corporate Finance division. He was on the core team to finalise the Gencor/BHP Billiton transaction and was responsible for Corporate Finance and Tax at BHP Billiton.

Morné Wilken

Chief executive officer

- **Appointed:** August 2009
- **Qualification:** BEng (Hons) Industrial
- **Committee:** Investment

Leading Attacq's listing on the JSE, Morné has extensive experience in property development, property investment, property finance, corporate restructuring and acquisitions. Morné, spent 10 years in the Property Finance Division of First National Bank and Rand Merchant Bank (divisions of FirstRand Bank Limited), where he excelled as a top dealmaker. Morné then led the strategic roll-out and development of Waterfall for Atterbury Property before joining Attacq in 2009 as chief operating officer. He was appointed as the chief executive officer in 2011 and also serves as a non-executive director of MAS.

Louis van der Watt

Executive director

- **Appointed:** January 1997
- **Qualifications:** CA(SA), ACMA
- **Committee:** Investment

Louis co-founded the Atterbury Group in 1994 and has grown the group into one of the largest and most successful property developers in the country. In 2009, he was awarded the Christo Wiese Medal for Entrepreneurship by the South African Academy for Science and Arts and in 2012, he received the University of Pretoria Alumni Laureate Award. Louis is the current CEO of Atterbury Property and also serves as a non-executive director on the board of Hyprop.

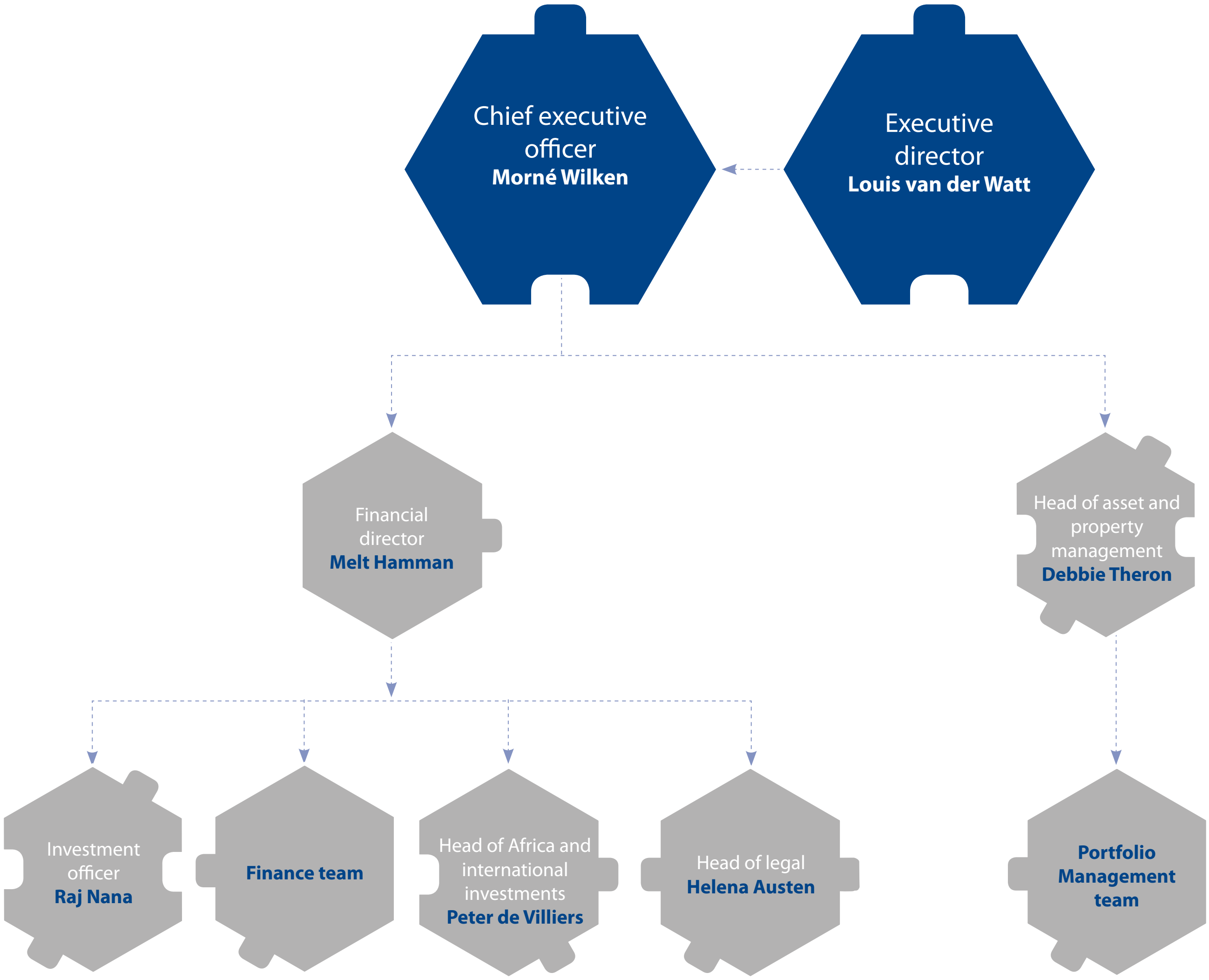
Melt Hamman

Financial director

- **Appointed:** July 2013
- **Qualification:** CA(SA)
- **Committees:** Investment; transformation, social and ethics

Prior to joining Attacq in July 2013, Melt was the Chief Risk Officer at WesBank, a division of FirstRand Bank Limited and served on the WesBank Executive Committee. Melt has served as Credit Risk Manager at Nedbank Limited and a director of Loubser du Plessis Consulting (Pty) Ltd. Subsequently, he was the Head of Credit for FNB Corporate Property Finance Division and a Financial Director of Eagle Ink Systems (Pty) Ltd. Melt has extensive experience in banking and business operations.

Executive management and reporting structure



Morné Wilken

Chief executive officer

See board of directors.

Louis van der Watt

Executive director

See board of directors.

Raj Nana

Investment officer

- **Qualifications:** CA(SA)
- **Committee:** Investment

Raj completed his BCom Accounting degree at the University of Witwatersrand and completed his articles with FirstRand Group. During his career in investment banking, Raj was employed at RMB and Barclays Africa where he worked in the sectors of property finance, corporate debt, financial sponsors and acquisitions and leveraged finance. Prior to joining Attacq in in April 2014, Raj was a leveraged finance transactor.

Debbie Theron

Head of asset and property management

- **Qualifications:** CBA Law
- **Committee:** Transformation, social and ethics

During the course of a diverse 23-year career in property including property management, investment and asset management, Debbie commenced her career in property as part of a dynamic team at Goldfields managing a diverse mixed use portfolio across South Africa. Thereafter Debbie not only spearheaded phase 1 of the prestigious Melrose Arch development during her stay at Investec, but also managed an extremely successful portfolio of properties at Growthpoint Properties as the Sector Head assisting towards their growth to largest listed property fund within SA. Debbie now works for Attacq as the head of asset and property management ensuring realisation of new heights and greater achievements for Attacq.

Melt Hamman

Financial director

See board of directors.

Helena Austen

Head of legal

- **Qualifications:** BProc, LLM, HDip Tax
- **Committee:** Transformation, social and ethics

Helena joined Attacq as the head of the legal department effective 1 September 2013. Helena was admitted as an attorney in March 2002 and is a former partner in Vorster Pereira and director of Faber Goërtz Ellis Austen Inc. Helena has extensive experience and knowledge in South African tax legislation having assisted and advised on various tax matters. Helena also has experience structuring black economic empowerment transactions, carrying out schemes of arrangement, drafting contracts, corporate governance, general company law and company secretarial work.

Peter de Villiers

Head of Africa and international investments

- **Qualifications:** CA(SA), CFA
- **Committee:** Investment

Peter studied BCom Accounting Sciences at the University of Pretoria and completed his articles at Deloitte, qualifying as a chartered accountant in 2002. Thereafter he worked at Deloitte Corporate Finance, BJM Corporate Finance and One Capital prior to joining the Atterbury Group in March 2013.

Executive management is responsible for the Group's operational activities, developing strategy and policy proposals for consideration by the board and implementing the board's directives. Other responsibilities include: providing leadership to senior management and employees; developing the annual budget and business plans for approval by the board; and developing, implementing and monitoring internal controls, governance, risk management, ethics and authority levels.

our stakeholders

Under construction: Novartis SA Head Office, Waterfall City

"Creating investment opportunities"

Our approach to stakeholder engagement

Attacq believes that developing and nurturing positive relationships with our key stakeholders is a key driver of business success. Our approach to stakeholder engagement is guided by the King III report, which recognises a stakeholder inclusive approach as being essential to good corporate governance.

While we recognise stakeholder engagement as an area for ongoing improvement, especially as the organisation matures and grows, we feel that good progress was made in identifying risks and taking steps to address these areas.

Engagement channels

We engage with our stakeholders through a variety of means and channels, formal and informal, scheduled and *ad hoc*. The table that follows details the stakeholders with whom Attacq engages on a regular basis and how these engagements are undertaken. The frequency of engagement with our various stakeholder groups varies according to the needs of the Group and the particular issue. We strive to take our stakeholders' needs into account and work to maintain a reputation for flexibility, support and a pro-active approach to problem solving.

Stakeholder	Stakeholder concerns	Means of engagement/addressing concern
Employees	• Fair remuneration • Safe and enjoyable work environment • Training and development • Career paths	• Group communication • Regular employee forums • Formal evaluations by management, peers and subordinates • Open door policy with all senior management • One-on-one meetings with Human Resources • Human Resources committee formed in 2014 • Human Resources manager deals with concerns as they arise • Flexible working hours in place where possible
Financiers	• Adequacy of security • Ability to service debt • Credit quality of tenants • Calibre of management	• Active and open relationships with funding institutions • Site visits • Meetings with senior management • Tenant credit ratings • Provision of financial information • Interim and annual results
Waterfall Investment Company	• Success of Waterfall as a commercial node	Continuous engagement through our CEO and other senior management
Industry associations	Industry issues such as • Environmental and sustainability • Empowerment • Service delivery	Involvement in industry associations and organisations including: • South African Council of Shopping Centres (SACSC) • South African Property Owners Association (SAPOA) • Green Building Council of South Africa
Local communities and civil society	• Impact on infrastructure and access • Security and safety	• Group newsletters and advertising • Sponsorship and promotion of community events and organisations • Support of local charities, partnerships with local schools and other corporate social investment projects • Active involvement in community organisations and city improvement districts
Government, (national and local), municipalities and regulators	• Compliance with laws and regulations • Contribution to and management of infrastructure • Payment of taxes	• Filing of tax returns • Regular meetings with relevant regulatory authorities
Press and media	• Access to management and information	Engagement with media when strategic and newsworthy events occur Our website is updated once a month For recent news on Attacq, please visit our website www.attacq.co.za and click on the 'News' tab

Stakeholder	Stakeholder concerns	Means of engagement/addressing concern
Property brokers	• Equal access • Fair payment • Feedback	• One-on-one presentations and engagement • Incentive plans • Broker functions • Broker liaison
Shareholders and equity analysts	• Share price performance • Transparency of financial results and position • Access to senior management	• Group announcements published in the press, on SENS and posted on the company website • Two results presentations and one AGM per year • Quarterly reviews of the shareholder register to identify changes in the Group's shareholding • CEO and FD engage with financial media where appropriate • Communication with institutional shareholders and equity analysts: – One-on-one interactions; – Press announcements; – *Ad hoc* meetings on request; and – Investors anonymously polled following results to assess areas of concern • Hosting of site visits • Executive directors are available to answer queries from shareholders For more information on our shareholders, please see our shareholder information on page 262 or visit our website www.attacq.co.za and click on the 'Investors' tab
Shoppers	• Safe and secure shopping environment • Ease of access • Convenience	• Shopping centre websites • Focus groups • Feedback forms • Print media • Newsletters • Social media platforms such as Facebook and Twitter
Suppliers	• Reasonable payment terms • Equal opportunities • Fair and transparent tender processes	• Regular discussions with top management • Service level agreements • Incentive schemes
Tenants	• Cost of occupation • Safety and security • Property condition • Location • Tenant mix • Marketing	• Customer relationship manager visits • Customer satisfaction surveys • On-site property management team available to tenants • Cost saving initiatives in respect of power and waste • Green building principles • Property maintenance and refurbishments • Trained security personnel • City improvement districts

Looking ahead

We will continue to work to build and maintain good relationships with all our stakeholders. Consulting with these individuals and groups enables us to enhance our operational profile, to develop our strategy, and to anticipate and deal with any issues that may arise. In line with this, we will continue to formalise and embed our stakeholder engagement strategy in the year to come, focusing on areas of identified weakness.

Risk management

Attacq's risk management framework has been developed with the assistance of PwC Advisory Services and is reviewed and assessed by the audit and risk committee on an ongoing basis.

Attacq is cognisant of the fact that it faces a number of risks in achieving its strategic objectives. Effective identification and management of risk are factors within Attacq's ability to measure against its strategic objectives. The Attacq risk management process identifies and addresses relevant risks in an efficient and effective manner.

1	Identified risks are divided into the following categories: strategic, financial, credit, foreign operations, operational management, deal assessment and implementation, fund management, new developments, stakeholder, legal and regulatory, information technology (IT), environmental and human resources.
2	The risks are assessed according to likelihood and impact.
3	After a detailed analysis of the above, the risks are further divided according to the following responses: • No action is required due to the lack in severity of the risk; • Transferring or sharing of the risk (i.e. Insurance); • Assuming the risk; or • Active management to mitigate the risk.
4	Both management and the audit and risk committee assess the combined action plans.

The board plans for improvement based on residual risk calculations including control strategies as the most cost-effective way of mitigating risks.

Management is required to make a quarterly attestation that all potential risks, including any new emerging risks, have been identified and recorded and controls have been reviewed for effectiveness and action plans prepared where appropriate. The key risks are reviewed by the audit and risk committee on a quarterly basis.

Through the risk management process, the group has identified the key inherent risks, which are outlined in the table that follows.

Key inherent risks

Risk	Potential impact	Stakeholder	Mitigation	Risk category
Volatile macro-economic conditions	A potential slowdown in the South African economy and increasing labour unrest could lessen South Africa's attractiveness to investors resulting in limited growth and thus lower demand for rental space	Financiers Shareholders Tenants	By becoming the supplier of choice through the development of quality buildings and timely delivery Large developments are undertaken only on the back of a signed tenant lease Diversification of Attacq portfolio into Africa and internationally	Financial
Concentration risk at Waterfall Development	Overexposure at Waterfall Possible risk of the developer being unable to roll out the development plan resulting in penalties and reputational risk	Suppliers Financiers Shareholders Developer	Diversification guidelines have been set and are reviewed annually The development agreement is continually monitored and managed	Financial Operational
Attraction and retention of key skills	Inability to attract or retain the right people could result in insufficient workforce to meet the strategic needs of the organisation Considerable loss of knowledge and resources if key personnel leave due to the relatively small size of the team	Employees Shareholders	Employment of new talent Sharing of resources from Attacq's associated companies if faced with a crisis All key management have an existing and/or potential shareholding in the company via existing shares and options A staff incentive scheme is currently being considered for senior management	Human resources

Risk	Potential impact	Stakeholder	Mitigation	Risk category
Escalating utility charges, rates and taxes	Rates and taxes have a substantial impact, increasing operational costs	Government, (national and local) Municipalities and regulators Shareholders Suppliers Tenants	By conducting environmental studies and pursuing the equivalent of 4-Star Green designs for new developments and existing properties we optimise our buildings' operational efficiencies We conducted an Eskom retrofit in the common areas of many of the existing properties, which resulted in a notable decrease in electricity consumption	Financial Operational
Interest rates and volatility in the global bond market	Increased interest rates will result in a negative financial impact	Financiers Shareholders	Exposure to interest rates is managed by fixing interest rates over periods in relation to the maturity of the funding	Financial
Debt funding requirements	Breach of covenants with funders due to non-adherence to funding terms and conditions resulting in a loss of funding	Financiers Shareholders	A covenant report is submitted to the financial institutions on a quarterly basis and reporting and investment officer roles have been set up as a control Internal audit reviews that are conducted with regard to adherence and accuracy of calculations in the quarterly reports	Credit
Adequacy and availability of funding	Lack of financing availability and renewal, as well as the cost of funding and repayment, are possible limitations to developing the Waterfall and other future developments	Financiers Shareholders	Funding is spread between the major South African banks Staggered debt maturities are in place to manage refinancing concentration risk	Credit
Cash flow risk	Lack of cash to meet commitments and for new developments Market risk affecting external finance and reliance on more equity from shareholders	Suppliers Financiers Shareholders	Cash flows are monitored on a weekly basis to ensure that cash resources and facilities are adequate to cover commitments Cash flow forecasts are presented on a quarterly basis to the board Reporting Officer and Investment Officer roles have been established	Financial
Compliance and regulatory risk	Non-adherence will result in fines and penalties, as well as reputational risk	Employees Shareholders	A compliance risk assessment process was undertaken.	Legal and Regulatory
Adequacy and availability of IT systems	If IT and systems infrastructure do not meet the needs of the organisation it will result in inability to process, store data and report information	Employees Financiers Shareholders	Regular review of legislation and adherence thereto Outsource agreement has been made and regular meetings are held to plan the way forward.	Operational

Risk	Potential impact	Stakeholder	Mitigation	Risk category
Stakeholder engagement	Inadequate stakeholder engagement could result in deterioration of relationships and disruption to business	Employees Equity analysts Financiers Waterfall Investment Company Industry associations Local communities and civil society Government, (national and local), municipalities and regulators Press and media Property brokers Shareholders Suppliers Tenants	Increased effort in formalising engagement channels. Refer to pages 76 and 77 for more detail on stakeholder engagement	Operational
Reliability of financial reporting	Unreliable information could result in an inability to make decisions based on accurate information and to communicate actual performance to stakeholders resulting in reputational damage, litigation, penalties and fines	Financiers Shareholders	Monthly property meetings attended by the property and finance teams Financial results reviewed at the quarterly fund meetings External review of interim results Year end results audited	Financial

Attacq board

Remuneration strategy

Attacq's remuneration strategy aims to attract, retain and incentivise high-quality employees with the right competence who will contribute to long-term value creation for the company. Employees' compensation should encourage good performance, sound behaviour and risk-taking that is aligned with the company's appetite. The compensation is based on experience and performance and promotes a long-term commitment to creating value.

Non-executive remuneration

	2015 Proposed fees R	2014 Approved fees R
Per annum		
Basic fees		
Board chairman	**320 000**	300 000
Non-executive director	**210 000**	195 000
Committee fees		
Audit and risk – Chairman	**118 000**	110 000
Audit and risk – member	**94 400**	88 000
TSE – Chairman	**40 800**	37 500
TSE – member	**34 000**	30 000
Remuneration and nominations – Chairman	**40 800**	25 000
Remuneration and nominations – member	**34 000**	20 000
Investment – Chairman	**81 250***	75 000
Investment – member	**65 000***	60 000

* *Covers four meetings per annum. The chairman will receive R20 313 per additional meeting and committee members will receive R16 250 per additional meeting*

Executive remuneration

Management's incentives

Staff's remuneration is a combination of total guaranteed package, a short-term incentive (STI) and a long-term incentive (LTI). The objective of the STI is to motivate employees, drive performance and retain key talent over the one year operating cycle. As for the LTI, the objective is similar in terms of staff motivation and retention but slightly different in that the main focus is to deliver sustained performance over the long term to create shareholder wealth. The measurement of the performance is the annual growth in the NAV per share.

The employment agreements of Morné Wilken and Melt Hamman, in their capacities as the executive directors, include a formula based STI. The quantum of the STI is a function of the annual growth in the NAV per share of the company on a consolidated basis. Only if the annual growth in the NAV per share exceeds 7%, a standard reward percentage will be applied to their annual guaranteed package.

The following specific LTIs are currently in place:

Morné Wilken

At a shareholders' meeting on 29 November 2012, it was approved that Morné is entitled to 2 000 000 Attacq ordinary shares at a price of R8.50 per share. The first 40% of the share options vested on or before 30 June 2013 and was exercised by Morné during the month of August 2013. The remaining 60% may be exercised in equal portions of 20% per year in 2014, 2015 and 2016.

Melt Hamman

At the shareholders' meeting on 27 August 2013, it was approved that Melt, in his capacity as financial director, is entitled to 1 200 000 Attacq ordinary shares at a price of R9.50 per share.

The first 60% of the shares may be exercised on 30 June 2016, the following 20% on 30 June 2017 and the remaining 20% on 30 June 2018. Melt will be entitled to take delivery of the shares into his portfolio within six months of the vesting date.

Helena Austen

Under a general authority approved at the same shareholders' meeting, Helena, in her capacity as head of legal, has been given the option to acquire 500 000 Attacq shares at a price of R11.96 per share. The first 60% of the shares may be exercised on 30 September 2016, the following 20% on 30 September 2017 and the remaining 20% on 30 September 2018. Helena will be entitled to take delivery of the shares into her portfolio within six months of the vesting date.

For more details on executive remuneration, please refer to note 33 of the annual financial statements, starting on page 221.

New LTI plan and Attacq's remuneration policy

Attacq will present a new LTI plan to shareholders for approval at its annual general meeting to be held in January 2015. Attacq will also table its remuneration policy for a non-binding advisory vote by shareholders at the same meeting. Details of the proposed LTI plan and remuneration policy are contained in the notice to the meeting which can be obtained on our website.

The Club Retail
Pretoria

Newtown Junction, Newtown Precinct, Johannesburg CBD

financial statements

Directors' responsibilities and approval

The directors are required in terms of the Companies Act, 71 of 2008 (as amended) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate financial statements fairly present the state of affairs of the Group and company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards.

The consolidated and separate financial statements are prepared in accordance with International Financial Reporting Standards, issued by the International Accounting Standards Board, and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that, in all reasonable circumstances, is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the Group.

While operating risk cannot be fully eliminated, the Group endeavours to minimise the said risk by ensuring that appropriate infrastructure, controls, system and ethical behaviour are applied and managed within predetermined procedures and constraints. The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's and company's cash flow forecast for the year to 30 June 2015 and, in light of this review and the current financial position, they are satisfied that the Group and company have access to adequate resources to continue in operational existence for the foreseeable future.

The consolidated and separate financial statements, set out on pages 97 to 261 of this report, have been prepared on the going concern basis.

The external auditors are responsible for independently auditing and reporting on the consolidated and separate financial statements. The financial statements have been examined by the Group's external auditors and their report is presented on page 87.

The consolidated and separate financial statements set out on pages 97 to 261 were approved by the board on 29 September 2014 and were signed on its behalf by:

P Tredoux
Chairman
29 September 2014

MC Wilken
Chief executive officer
29 September 2014

To the shareholders of Attacq Limited

We have audited the consolidated and separate financial statements of Attacq Limited set out on pages 97 to 261 which comprise the statements of financial position as at 30 June 2014, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Attacq Limited as at 30 June 2014, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act

As part of our audit of the consolidated and separate financial statements for the year ended 30 June 2014 we have read the directors' report, the audit and risk committee's report and the company secretary's certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated and separate financial statements.

These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited consolidated and separate financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

Deloitte + Touche

Deloitte & Touche
Registered Auditors
Per: Z Jasper
Partner
29 September 2014

Riverwalk Office Park, Block B
41 Matroosberg Road, Ashlea Gardens X6
Pretoria, 0081
PO Box 11007, Hatfield, 0028

National Executive: LL Bam Chief Executive, AE Swiegers Chief Operating Officer, GM Pinnock Audit, DL Kennedy

Risk Advisory, NB Kader Tax, TP Pillay Consulting, K Black Clients & Industries, JK Mazzocco Talent & Transformation,

MJ Jarvis Finance, M Jordan Strategy, S Gwala Managed Services, TJ Brown Chairman of the Board, MJ Comber

Deputy Chairman of the Board Office Managing Partner: X Botha

Member of Deloitte Touche Tohmatsu Limited

Report of the audit and risk committee

The Group's audit and risk committee is a committee of the board of directors. The activities of the audit and risk committee are determined by its terms of reference as approved by the board and its statutory responsibilities as per the South African Companies Act, 71 of 2008 (as amended) ("the Companies Act").

The membership of the audit and risk committee comprises the following non-executive directors:

S Shaw-Taylor (Chairman)		Independent
AW Nauta	Appointed April 2014	Non-independent
HR El Haimer	Appointed August 2013	Independent
PH Faure	Resigned August 2013	Non-independent
LM Ndala	Resigned April 2014	Non-independent
WL Masekela		Independent

Statutory duties

In the execution of its statutory duties during the past financial year, the audit and risk committee:

- nominated for appointment as auditor, Deloitte & Touche ("Deloitte") (engagement partner: Z Jasper), who, in our opinion, is independent of the Group;
- determined the fees to be paid to Deloitte;
- determined Deloitte's terms of engagement;
- defined the non-audit services Deloitte may provide on a pre-approved basis;
- approved the non-audit services provided by Deloitte during the year;
- approved the appointment of PricewaterhouseCoopers as the internal audit function;
- received no complaints relating to the accounting practices of the Group, the content or auditing of its financial statements, the internal financial controls or any other related matter; and
- recommended for approval the financial statements and report for the year ended 30 June 2014.

Delegated duties

The audit and risk committee also assisted the board with reviewing the key risks facing the Group and the risk management processes implemented.

External audit

The audit and risk committee is satisfied with the independence of the external auditor, Deloitte, including the provision of non-audit services in compliance with the Group policy. We have recommended to the board that Deloitte be retained as independent external auditors for the financial year ending 30 June 2015.

Finance function

We are satisfied that the financial director of the Group, Melt Hamman, has the necessary expertise and experience to carry out his duties and to meet his responsibilities.

Compliance

The audit and risk committee has reviewed and recommended for approval to the board the consolidated and separate financial statements set out on pages 97 to 261.

On behalf of the audit and risk committee

S Shaw-Taylor
Audit and risk committee chairman
29 September 2014

Brooklyn Mall, Pretoria

Certificate by company secretary

for the year ended 30 June 2014

I hereby certify that, to the best of my knowledge and belief, the company has filed all such returns and notices as are required of a public company in terms of the Companies Act with the CIPC for the financial year ended 30 June 2014, and that all such returns and notices appear to be true, correct and up to date.

T Smith
Company secretary
29 September 2014

The directors have pleasure in submitting their annual report for the year ended 30 June 2014.

1. Nature of business

Attacq Limited ("Attacq" or "the company" or "the Group") carries on the business of a property holding, development and investment group through the ownership of:

- directly held investment properties; and
- subsidiaries, associates and other investments with directly held investment properties and property investments.

The business of the Group is to invest in and develop A-grade properties as long-term investments which generate quality rental income and sustainable capital growth for its shareholders.

2. Internalisation of the asset management

Attacq internalised its asset management function as part of its listing by acquiring the entire issued share capital of Attacq Management Services (Pty) Ltd ("AMS") (previously, Atterbury Asset Managers (Pty) Ltd) from Atterbury Property Holdings (Pty) Ltd (an associate of Attacq Limited) and Attventure (Pty) Ltd.

The objectives of the internalisation are to conform to market practice, to create synergies between Attacq Limited and the asset manager and to remove any potential conflicts of interest between Attacq Limited and the asset manager.

The purchase consideration of R271.1 million was settled by way of a cash payment of R135.5 million and the issue of 11.3 million new Attacq Limited shares issued at R11.96 per share on 14 October 2013, being the net asset value per share of Attacq Limited as at 30 June 2013.

3. Listing on the JSE

Attacq Limited listed on the Main Board of the JSE in the "Real Estate – Real Estate Holdings and Development" sector on 14 October 2013. The listing was well received by the market, with the capital raising on listing of R800 million, prior to expenses, being significantly oversubscribed.

4. Authorised and issued share capital

As approved by the shareholder meeting convened on 27 August 2013, the ordinary authorised and issued share capital of the company was converted from par value shares of R0.0001 each to no par value shares and the number of authorised shares was increased from 1 000 000 000 (one billion) to 2 000 000 000 (two billion) shares.

In addition to the shares issued to internalise the asset manager, as noted above, during the year ended 30 June 2014, the following significant changes in the issued share capital occurred:

- 50.4 million shares were issued by way of a non-renounceable rights offer which closed on 24 July 2013 to raise R580 million;
- 36.1 million shares that were originally issued to Atterbury Investment Managers (Pty) Ltd ("AIM") were cancelled in terms of the approval received from shareholders on 27 August 2013;
- 36.1 million shares were issued to AIM to reinstate the terms of the original agreement between the company and AIM in terms of the approval received from shareholders on 27 August 2013;
- 25.2 million shares were repurchased from AIM at the share price of R10.32 per share in terms of the approval received from shareholders on 27 August 2013;
- 55.2 million shares were issued at R14.50 per share by way of a private placement on listing date of 14 October 2013 to raise R800 million;
- 12.1 million shares were issued to Nedbank Limited in terms of agreements to purchase Nedbank Limited's interest in Attacq Retail Fund (Pty) Ltd (previously Abacus Holdings (Pty) Ltd);
- 29.0 million shares were issued at a share price of R17.65 by way of a general issue of shares for cash in terms of an approval received from shareholders on the annual general meeting held on 24 January 2014; and
- 56.7 million shares were issued at R17.65 per share by way of a vendor placement undertaken on 25 February 2014 to raise R1 billion to fund Attacq's R1.3 billion investment in MAS Real Estate Inc. ("MAS").

As at 30 June 2014, Attacq's issued share capital comprised:

Total issued shares	717 393 147
Treasury shares	(46 427 553)
Razorbill Properties 91 (Pty) Ltd	16 701 037
Attacq Retail Fund (Pty) Ltd	29 726 516
Net issued shares	**670 965 594**

5. Directors' interest in Attacq shares

	30 June 2014			30 June 2013		
Name	**Direct**	**Indirect**	**Total**	**Direct**	**Indirect**	**Total**
MC Wilken	–	2 125 263	2 125 263	–	404 747	404 747
M Hamman	60 000	–	60 000	–	–	–
LLS van der Watt	2 284	16 598 667	16 600 951	2 284	17 307 683	17 309 967
P Tredoux	–	27 733	27 733	–	40 165	40 165
S Shaw-Taylor	650 000	–	650 000	650 000	–	650 000
BF van Niekerk*	–	18 288 397	18 288 397	–	43 430 377	43 430 377
HR El Haimer	–	–	–	–	–	–
MM du Toit	–	–	–	–	–	–
WL Masekela	224 820	38 094	262 914	–	121 882	121 882
JHP van der Merwe	–	778 033	778 033	–	541 226	541 226
PH Faure	–	1 715 674	1 715 674	–	3 563 906	3 563 906
AW Nauta**	–	–	–	–	–	–
TJA Reilly	–	–	–	–	–	–
LM Ndala***	–	–	–	–	–	–
Total	**937 104**	**39 571 861**	**40 508 965**	**652 284**	**65 409 986**	**66 062 270**

* *Resigned 27 June 2014*
** *Appointed 30 April 2014*
*** *Resigned 30 April 2014*

5.1 Movements subsequent to year end

No movements occurred between the end of the financial year and the date of approval of statements except for shares sold by BNF Investments (Pty) Ltd as a result of which BF van Niekerk's indirect beneficial interest in Attacq shares decreased by 1 555 556 shares to 16 732 841 shares.

6. Direct subsidiaries and associates

			%		Shares	
Name	**Nature of company**	**Issued shares**	**30 June 2014**	**30 June 2013**	**30 June 2014**	**30 June 2013**
Aldabri 96 (Pty) Ltd (note j)	Property investment	100	100.00	Indirect	100	Indirect
Attacq Management Services (Pty) Ltd	Asset management	9 028	100.00	–	9 028	–
Atterbury Attfund Investment Company No. 1 (Pty) Ltd	Investment	10 000	100.00	100.00	10 000	10 000
Atterbury Attfund Investment Company No. 2 (Pty) Ltd (note i)	Investment	100	100.00	Indirect	100	Indirect
Atterbury Attfund Investment Company No. 3 (Pty) Ltd	Investment	92 800	100.00	80.00	92 800	8 000

6. Direct subsidiaries and associates (continued)

Name	Nature of company	Issued shares	% 30 June 2014	% 30 June 2013	Shares 30 June 2014	Shares 30 June 2013
Atterbury Mauritius Consortium (Pty) Ltd (note c)	Property investment	100	80.00	80.00	80	80
Atterbury Property Investments (Pty) Ltd	Investment	100	100.00	100.00	100	100
Atterbury Property Johannesburg (Pty) Ltd (note k)	Dormant	100	–	100.00	–	100
Attacq Waterfall Investment Company (Pty) Ltd (note d)	Property investment	100 000	81.23	80.00	81	80
De Ville Shopping Centre (Pty) Ltd (note l)	Property investment	1 000	–	100.00	–	1 000
Harlequin Duck Properties 204 (Pty) Ltd	Dormant	400	100.00	100.00	400	400
Highgrove Property Holdings (Pty) Ltd	Investment	100 000	100.00	100.00	100 000	100 000
Le Chateau Property Development (Pty) Ltd	Development	1 000	100.00	100.00	1 000	1 000
Lord Charles & Lady Brooks Office Park Holdings (Pty) Ltd	Dormant	1 000	100.00	100.00	1 000	1 000
Lady Brooks (Pty) Ltd	Dormant	1 000	100.00	100.00	1 000	1 000
Leipzig Nova Eventis Consortium (Pty) Ltd	Investment	100	100.00	–	100	–
Lynnwood Bridge Office Park (Pty) Ltd	Development	1 000	100.00	100.00	1 000	1 000
Atterbury Parkdev Consortium (Pty) Ltd (note m)	Property investment	100	–	100.00	–	100
Attacq Retail Fund (Pty) Ltd (prev Abacus Holdings (Pty) Ltd	Property investment	659 955	100.00	75.00	659 995	495 663
Mantrablox (Pty) Ltd	Property investment	100	100.00	80.00	100	80
Lynnaur Investments (Pty) Ltd (note e)	Property investment	100	75.00	75.00	75	75
AIH International Limited (Mauritian)	Investment	1	100.00	100.00	1	1
Razorbill Properties 91 (Pty) Ltd	Investment	100	100.00	100.00	100	100
Atterbury Property Holdings (Pty) Ltd	Development	100 000 000	25.00	25.00	25 000 000	2 697 948
MAS Real Estate Inc.	Property investment and develop–ment	279 483 999	47.24	21.00	132 049 113	13 974 309
Majestic Offices (Pty) Ltd (note b)	Development	100	50.00	50.00	50	50
Nieuwtown Property Development Company (Pty) Ltd (note b)	Development	100	50.00	50.00	50	50
Retail Africa Consortium Holdings (Pty) Ltd (note a)	Property investment	780 592	50.00	20.00	390 296	125
Retail Africa Wingspan Investments (Pty) Ltd	Property investment	630 732	34.44	–	217 201	–
Paradise Coast Property Development (Pty) Ltd (note h)	Property investment	100	33.00	33.00	33	33
Brooklyn Bridge Office Park (Pty) Ltd	Property investment	1 000	100.00	25.00	1 000	250

6. Direct subsidiaries and associates (continued)

Name	Nature of company	Issued shares	% 30 June 2014	% 30 June 2013	Shares 30 June 2014	Shares 30 June 2013
Geelhoutboom Estate (Pty) Ltd	Property investment	1 200	37.00	37.00	440	440
Keysha Investments 213 (Pty) Ltd	Property investment	1 000	50.00	50.00	500	500
Travenna Development Company (Pty) Ltd	Property investment	1 000	36.00	36.00	360	360
Arctospark (Pty) Ltd (note n)	Investment	100	–	50.00	–	50
The Grove Mall of Namibia Limited (Namibian company) (note g)	Property investment	300	25.00	25.00	75	75
Rapfund Holdings (Pty) Ltd	Holding	27 498 902	26.60	–	7 307 677	–
The Club Retail Park (Pty) Ltd (note f)	Property investment	1 198	31.10	31.10	372	372
Fountains Regional Mall (Pty) Ltd	Property investment	100 000	12.73	12.73	12 731	12 731

The effective shareholding that the Group has in the entities above, is shown below:

a. The convertible equity loan was converted to equity during 2014

b. The Group has an effective share of 62.5% via its investment in Atterbury Property Holdings (Pty) Ltd

c. The Group has an effective share of 83.75% via its investment in Atterbury Property Holdings (Pty) Ltd

d. The Group has an effective share of 85.92% (82.75% in 2013) via its investment in Atterbury Property Holdings (Pty) Ltd

e. The Group has an effective share of 78.125% via its investment in Atterbury Property Holdings (Pty) Ltd

f. The Group has an effective share of 40.71% via its investment in Atterbury Property Holdings (Pty) Ltd

g. The Group has an effective share of 31.25% via its investment in Atterbury Property Holdings (Pty) Ltd

h. The Group has an effective share of 44.80% via its investment in Atterbury Property Holdings (Pty) Ltd

i. The Group had, in previous years, an effective share of 100% via its investment in Atterbury Property Investments (Pty) Ltd. The structure was simplified in the current year and Attacq Limited now owns 100% directly

j. The Group had, in previous years, an effective share of 100% via its investment in Atterbury Attfund Investment Company No. 2 (Pty) Ltd. The structure was simplified in the current year and Attacq Limited now owns 100% directly

k. This company was sold during the 2014 financial year

l. This company was sold during the 2014 financial year

m. This company was sold during the 2014 financial year

n. This company was sold during the 2014 financial year

7. Special resolutions passed by subsidiaries

The following special resolutions were passed by Attacq Waterfall Investment Company (Pty) Ltd in respect of material matters since the date of the previous directors' report:

- on 9 December 2013, the conversion of the par value shares in the capital of the company being 1 000 ordinary par value shares consisting of 800 Class A ordinary par value shares and 200 Class B ordinary par value shares of R1.00 into 800 Class A ordinary no par value shares and 200 Class B ordinary no par value shares; and
- on 9 December 2013, an increase of the 800 Class A ordinary par value shares to 100 000 shares by the creation of 99 200 Class A ordinary no par value shares and an increase of the 200 Class B ordinary par value shares to 20 000 shares by the creation of 19 800 Class B ordinary no par value shares resulted in a total authorised capital of 120 000 shares.

8. Investment property

Investment property increased by 43.80% on prior year largely due to the continued roll-out of Waterfall. Additions to investment property totalled R2.48 billion, comprising R2.15 billion spent on properties under development and R333 million on the acquisition of existing properties. Fair value adjustments on investment property amounted to R919 million this year.

9. Disposals

The following assets were disposed of during the year as part of Attacq's strategy of simplifying its Group structure and disposing of non-core assets:

- 100% of the issued share capital of Atterbury Parkdev Consortium (Pty) Ltd, owner of Harlequins Office Park, to Delta Property Fund Limited ("Delta") for a total consideration of R136 million settled by the payment of R95.2 million in cash and 4.9 million Delta units totalling R40.8 million, which units were subsequently sold for a total of R44 million;
- a 50% undivided share in Sanridge Square to Rapfund for an amount of R102 million on 20 August 2013;
- a 26.3% shareholding in the issued share capital and loan notes of Artisan Investment Projects 10 Limited, the owner of the New Waverley (previously Caltongate) development in Edinburgh, in return for 3.1 million shares in MAS, effective on 19 August 2013 and increasing Attacq's shareholding in MAS to 23.9% at the time;
- Atterbury House, sold to Ascension Properties Limited for an amount of R341 million on 6 September 2013;
- the merged Karoo I and II investments to MAS in return for 32 million MAS shares, effective on 20 December 2013, increasing Attacq's shareholding in MAS to 47.2%; and
- 100% of the issued share capital of De Ville Shopping Centre (Pty) Ltd, owner of the De Ville Shopping Centre in Durbanville, Cape Town, to Tower Property Fund Limited. The shopping centre was valued at R226 million on the disposal date.

10. Post-year end transactions

Restructure of African Land Investments Limited ("ALI")

Subsequent to year end, Attacq and Hyprop Investments Limited ("Hyprop") restructured 50% of Manda Hill, the shopping centre in Lusaka, Zambia held by ALI, under Atterbury Africa Limited ("Atterbury Africa"), with the remaining 50% being held directly by Hyprop.

Consequently, Attacq disposed of its 12.43% stake in Manda Hill to Atterbury Africa. The management teams of ALI and Atterbury Africa were merged and Atterbury Africa was rebranded as AttAfrica.

Disposal of Rapfund (Pty) Ltd ("Rapfund")

In July 2014, Attacq sold its shareholding in Rapfund to a consortium of existing and new Rapfund shareholders for an amount of R139 million.

Potential major new Waterfall tenant

Post year end, in principle approval was received by Attacq to develop new office premises for PricewaterhouseCoopers. The proposed 40 000m^2 building in Waterfall City will accommodate some 3 500 employees. The conclusion of a formal lease remains subject to conditions precedent.

11. Dividends

No dividends were declared by Attacq during the current or prior year.

12. Board of directors

P Tredoux	Independent non-executive chairman
MC Wilken	Chief executive officer
M Hamman	Financial director (Appointed 8 July 2013)
LLS van der Watt	Executive director
BF van Niekerk	Non-executive director (Resigned 27 June 2014)
AW Nauta	Non-executive director (Appointed 30 April 2014)
LM Ndala	Non-executive director (Resigned 30 April 2014)
JHP van der Merwe	Non-executive director
S Shaw-Taylor	Independent non-executive director
HR El Haimer	Independent non-executive director (Appointed 2 August 2013)
PH Faure	Non-executive director
MM du Toit	Independent non-executive director (Appointed 2 August 2013)
WL Masekela	Independent non-executive director
TJA Reilly	Non-executive director (Alternate to JHP van der Merwe)

13. Company secretary

Attacq's company secretary is Talana Smith.

14. Auditors

It will be proposed at the next annual general meeting that Deloitte & Touche continue in office in accordance with the Companies Act.

Statements of financial position

as at 30 June 2014

	Notes	Group 2014 R'000	Group 2013 R'000 Restated	Group 2012 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Assets						
Non-current assets						
Property, plant and equipment	5	11 061	5 666	2 367	4 581	1 466
Investment property	6	12 829 337	8 921 552	7 995 766	585 255	316 909
Per valuation		13 138 938	9 089 523	8 105 709	600 509	327 500
Straight-line lease debtor		(309 601)	(167 971)	(109 943)	(15 254)	(10 591)
Straight-line lease debtor		309 601	167 971	109 943	15 254	10 591
Deferred initial lease expenditure		7 174	4 504	4 351	4 344	4 538
Intangible assets	7	284 826	–	–	–	–
Goodwill	8	62 847	–	16 929	–	–
Investment in associates	9	2 950 274	1 145 246	1 156 943	2 639 482	695 541
Investment in subsidiaries	10	–	–	–	4 120 961	2 377 042
Other investments	11	523 750	58 379	476 997	454 436	58 379
Deferred tax assets	12	11 570	8 103	4 194	–	–
Total non-current assets		**16 990 440**	**10 311 421**	**9 767 490**	**7 824 313**	**3 464 466**
Current assets						
Inventory	13	–	126 304	41 644	–	–
Taxation receivable		896	1 497	711	–	–
Trade and other receivables	14	167 302	155 497	81 351	6 928	22 995
Other financial assets – current	15	6 173	47 368	104 199	8 502	45 135
Loans to shareholders		–	–	6 308	–	–
Loans to associates	16	771 936	487 142	621 652	288 021	405 983
Loans to subsidiaries	17	–	–	–	3 612 055	2 762 374
Cash and cash equivalents	18	389 293	44 389	200 501	216 653	–
Total current assets		**1 335 600**	**862 197**	**1 056 366**	**4 132 159**	**3 236 487**
Non-current assets held for sale	6,10 & 19.1	138 846	1 601 642	262 122	138 846	1 265 782
Total assets		**18 464 886**	**12 775 260**	**11 085 978**	**12 095 318**	**7 966 735**
Equity and liabilities						
Equity						
Stated capital/issued capital and share premium	20	5 798 843	2 196 594	2 196 596	6 171 930	2 808 061
Available-for-sale reserve		83 746	–	–	2 587 048	1 349 758
Distributable reserves		3 836 930	3 150 726	2 427 717	1 482 361	1 587 435
Share-based payment reserve	21	83 317	5 488	–	83 317	5 488
Foreign currency translation reserve		111 929	159	(668)	–	–
Acquisition of non-controlling interest reserve		(2 574)	–	–	–	–
Equity attributable to owners of the holding company		**9 912 191**	**5 352 967**	**4 623 645**	**10 324 656**	**5 750 742**
Non-controlling interests	10.3	214 567	352 283	392 821	–	–
Total equity		**10 126 758**	**5 705 250**	**5 016 466**	**10 324 656**	**5 750 742**

Statements of financial position *continued*

as at 30 June 2014

	Notes	Group 2014 R'000	Group 2013 R'000 Restated	Group 2012 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Non-current liabilities						
Long-term borrowings	22	6 226 221	3 872 731	3 640 378	721 082	270 884
Other financial liabilities	15	48 026	70 944	127 331	10 158	11 707
Finance lease obligation	23	56 009	56 891	52 793	–	–
Provisions for liabilities relating to associates	9	8 844	71 355	58 202	8 844	71 355
Provisions for liabilities relating to other investments		–	–	9 049	–	–
Provisions for liabilities relating to subsidiaries	10	–	–	–	–	16 189
Deferred tax liabilities	12	900 811	799 088	608 688	532 818	361 358
Total non-current liabilities		**7 239 911**	**4 871 009**	**4 496 441**	**1 272 902**	**731 493**
Current liabilities						
Long-term borrowings – current portion	22	449 027	1 295 713	1 062 004	85 294	631 869
Other financial liabilities – current	15	5 851	145 257	213 177	5 851	4 916
Loans from associates – current	16	246 079	–	9 284	72 449	–
Loans from subsidiaries – current	17	–	–	–	286 567	496 902
Taxation payable		11 158	25 759	7 198	10 680	16 562
Trade and other payables	24	375 960	327 990	150 231	36 919	51 135
Provisions	25	10 142	5 709	–	–	–
Bank overdraft	18	–	–	–	–	49 688
Total current liabilities		**1 098 217**	**1 800 428**	**1 441 894**	**497 760**	**1 251 072**
Non-current liabilities directly associated with assets held for sale	19.2	–	398 573	131 177	–	233 428
Total liabilities		**8 338 128**	**7 070 010**	**6 069 512**	**1 770 662**	**2 215 993**
Total equity and liabilities		**18 464 886**	**12 775 260**	**11 085 978**	**12 095 318**	**7 966 735**

	2014	2013 Restated	2012 Restated	2014	2013
Net asset value per share (cents)	1 477	1 191	1 029	1 439	1 100
Net asset value per share – excluding deferred tax (cents)	1 610	1 367	1 163	1 513	1 169
Number of shares in issue	670 965 594	449 406 150	449 406 150	717 393 147	522 989 885

Statements of profit or loss and other comprehensive income

for the year ended 30 June 2014

		Group		Company	
	Notes	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Continuing operations					
Gross revenue		876 850	628 532	83 900	43 326
Rental income		769 199	543 279	86 940	39 725
Straight-line lease income adjustment		107 651	85 253	(3 040)	3 601
Property expenses		(230 300)	(212 362)	(42 184)	(16 043)
Net rental income		**646 550**	**416 170**	**41 716**	**27 283**
Gross profit from sale of inventory		**41 332**	**–**	**–**	**–**
Sale of inventory		263 209	–	–	–
Cost of sales		(221 877)	–	–	–
Bargain purchase on acquisition of subsidiary	10.1	43 783	–	–	–
Other income	26	59 325	126 348	119 322	19 230
Operating and other expenses	26	(283 743)	(288 060)	(551 910)	(142 196)
Operating profit (loss)		**507 247**	**254 458**	**(390 872)**	**(95 683)**
Amortisation of intangible asset		(14 634)	–	–	–
Fair value adjustments		953 192	856 298	479	59 619
Investment properties – fair value adjustments on direct buildings	6	919 094	782 061	(5 590)	23 804
Other financial assets (liabilities) – fair value adjustments	15	34 098	57 137	6 069	6 449
Other investments – fair value adjustments	11	–	17 100	–	29 366
Gain on available-for-sale financial assets		–	–	(7 484)	34 907
Net (loss) income from associates	9	(58 069)	94 430	–	–
Investment income	27	424 796	48 345	719 118	175 094
Finance costs	28	(582 122)	(400 440)	(223 263)	(99 590)
Profit before taxation		**1 230 410**	**853 091**	**97 978**	**74 347**
Income tax expense	29	(218 156)	(209 405)	56 892	(19 254)
Current tax		(69 508)	(20 949)	(50 565)	(12 077)
Deferred tax		(148 648)	(188 456)	107 457	(7 177)
Profit from continuing operations		**1 012 254**	**643 686**	**154 870**	**55 093**
Discontinued operations					
Profit from discontinued operations net of taxation	19.3	–	108 788	–	77 398
Profit for the year		**1 012 254**	**752 474**	**154 870**	**132 491**
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Gain on available-for-sale financial assets	9, 10 & 11	104 950	–	1 508 723	768 571
Taxation relating to components of other comprehensive income	29	(21 204)	–	(278 917)	(135 006)
Realisation of available-for-sale financial assets		–	–	7 484	(28 398)
Other comprehensive income for the year net of taxation		**83 746**	**–**	**1 237 290**	**605 167**
Total comprehensive income for the year		**1 096 000**	**752 474**	**1 392 160**	**737 658**
Attributable to:					
Owners of the company		1 029 893	723 009	–	–
Non-controlling interests		66 107	29 465	–	–
		1 096 000	**752 474**	**–**	**–**
Earnings per share					
From continuing and discontinued operations					
Basic (cents)	30	163.4	160.9	–	–
Diluted (cents)	30	163.1	160.7	–	–
From continuing operations					
Basic (cents)	30	163.4	136.7	–	–
Diluted (cents)	30	163.1	136.5	–	–

Statements of changes in equity

for the year ended 30 June 2014

	Stated capital R'000	Share capital R'000	Share premium R'000	Total share capital R'000
Group				
Balance at 1 July 2012 – as previously reported	**–**	**47**	**2 196 549**	**2 196 596**
Restatement – refer to note 4	–	–	–	–
Balance at 1 July 2012 – restated	**–**	**47**	**2 196 549**	**2 196 596**
Total comprehensive income	**–**	**–**	**–**	**–**
Profit for the year	–	–	–	–
Other comprehensive income	–	–	–	–
Derecognition of foreign currency translation reserve and non-controlling interests due to sale of subsidiaries	–	–	–	–
Dividends paid	–	–	–	–
Foreign currency translation reserve	–	–	–	–
Recognition of share-based payment reserve	–	–	–	–
Issue of shares	–	(2)	–	(2)
Balance at 30 June 2013 – Restated	**–**	**45**	**2 196 549**	**2 196 594**
Balance at 30 June 2013 – as previously reported	**–**	**45**	**2 196 549**	**2 196 594**
Restatement – refer to note 4	–	–	–	–
Issue of shares	–	5	579 995	580 000
Issue of shares – adjustment	–	(4)	(136 369)	(136 373)
	–	**46**	**2 640 175**	**2 640 221**
Conversion of par value shares to no par value shares	2 640 221	(46)	(2 640 175)	–
Issue of shares	3 180 922	–	–	3 180 922
Share buyback through reserves	(22 300)	–	–	(22 300)
Total comprehensive income	**–**	**–**	**–**	**–**
Profit for the year	–	–	–	–
Other comprehensive income	–	–	–	–
Recognition of change in ownership reserve	–	–	–	–
Derecognition of foreign currency translation reserve and non-controlling interests due to sale of subsidiaries	–	–	–	–
Foreign currency translation reserve	–	–	–	–
Recognition of share-based payment reserve	–	–	–	–
Balance at 30 June 2014	**5 798 843**	**–**	**–**	**5 798 843**
Note	20	20	20	
Company				
Balance at 1 July 2012	**–**	**52**	**2 808 009**	**2 808 061**
Total comprehensive income	**–**	**–**	**–**	**–**
Profit for the year	–	–	–	–
Other comprehensive income	–	–	–	–
Issue of shares	–	–	–	–
Balance at 30 June 2013	**–**	**52**	**2 808 009**	**2 808 061**
Issue of shares	–	5	579 995	580 000
Issue of shares - adjustment	–	(4)	(136 369)	(136 373)
	–	**53**	**3 251 635**	**3 251 688**
Conversion of par value shares to no par value shares	3 251 688	(53)	(3 251 635)	–
Issue of shares	2 942 542	–	–	2 942 542
Share buy-back through reserves	(22 300)	–	–	(22 300)
Total comprehensive income	**–**	**–**	**–**	**–**
Profit for the year	–	–	–	–
Other comprehensive income	–	–	–	–
Recognition of share-based payment reserve	–	–	–	–
Balance at 30 June 2014	**6 171 930**	**–**	**–**	**6 171 930**
Note	20	20	20	

	Available-for-sale reserve R'000	Share-based payment reserve R'000	Foreign currency translation reserve R'000	Distributable reserves R'000	Acquisition of non-controlling interest reserve R'000	Equity attributable to owners of the holding company R'000	Non-controlling interests R'000	Total equity R'000
	–	–	(668)	2 442 040	–	4 637 968	395 348	5 033 316
	–	–	–	(14 323)	–	(14 323)	(2 527)	(16 850)
	–	–	(668)	2 427 717	–	4 623 645	392 821	5 016 466
	–	–	–	723 009	–	723 009	29 465	752 474
	–	–	–	723 009	–	723 009	29 465	752 474
	–	–	–	–	–	–	–	–
	–	–	–	–	–	–	(5 000)	(5 000)
	–	–	321	–	–	321	(65 003)	(64 682)
	–	–	506	–	–	506	–	506
	–	5 488	–	–	–	5 488	–	5 488
	–	–	–	–	–	(2)	–	(2)
	–	5 488	159	3 150 726	–	5 352 967	352 283	5 705 250
	–	5 488	159	3 170 832	–	5 373 073	355 831	5 728 904
	–	–	–	(20 106)	–	(20 106)	(3 548)	(23 654)
	–	–	–	–	–	580 000	–	580 000
	–	–	–	–	–	(136 373)	–	(136 373)
	–	5 488	159	3 150 726	–	5 796 594	352 283	6 148 877
	–	–	–	–	–	–	–	–
	–	–	–	–	–	3 180 922	–	3 180 922
	–	–	–	(259 943)	–	(282 243)	–	(282 243)
	83 746	–	–	946 147	–	1 029 893	66 107	1 096 000
	–	–	–	946 147	–	946 147	66 107	1 012 254
	83 746	–	–	–	–	83 746	–	83 746
	–	–	–	–	(2 574)	(2 574)	–	(2 574)
	–	–	–	–	–	–	(203 823)	(203 823)
	–	–	111 770	–	–	111 770	–	111 770
	–	77 829	–	–	–	77 829	–	77 829
	83 746	83 317	111 929	3 836 930	(2 574)	9 912 191	214 567	10 126 758
	744 591	5 488	–	1 454 944	–	5 013 084	–	5 013 084
	605 167	–	–	132 491	–	737 658	–	737 658
	–	–	–	132 491	–	132 491	–	132 491
	605 167	–	–	–	–	605 167	–	605 167
	–	–	–	–	–	–	–	–
	1 349 758	5 488	–	1 587 435	–	5 750 742	–	5 750 742
	–	–	–	–	–	580 000	–	580 000
	–	–	–	–	–	(136 373)	–	(136 373)
	1 349 758	5 488	–	1 587 435	–	6 194 369	–	6 194 369
	–	–	–	–	–	–	–	–
	–	–	–	–	–	2 942 542	–	2 942 542
	–	–	–	(259 944)	–	(282 244)	–	(282 244)
	1 237 290	–	–	154 870	–	1 392 160	–	1 392 160
	–	–	–	154 870	–	154 870	–	154 870
	1 237 290	–	–	–	–	1 237 290	–	1 237 290
	–	77 829	–	–	–	77 829	–	77 829
	2 587 048	83 317	–	1 482 361	–	10 324 656	–	10 324 656

Statements of cash flows

for the year ended 30 June 2014

	Notes	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Cash flow from operating activities					
Cash generated from (utilised in) operations	31	503 049	402 579	(38 274)	35 999
Interest received	27	68 585	41 784	170 109	86 518
Dividends received	27	356 212	6 561	549 009	88 576
Interest paid	28	(582 122)	(400 440)	(223 263)	(99 590)
Taxation paid		(69 208)	(29 039)	(56 447)	(38 028)
Cash flow relating to non-current assets held for sale		–	(40 750)	–	(25 842)
Net cash generated from (utilised in) operating activities		**276 515**	**(19 305)**	**401 134**	**47 633**
Cash flows from investing activities					
Expenditure to maintain operating capacity					
Proceeds from disposal of investment properties	6	25 785	318 810	–	284 715
Property, plant and equipment acquired	5	(8 645)	(4 816)	(4 709)	(1 761)
Property, plant and equipment disposed	5	–	46	–	46
Expenditure to expand operating capacity					
Subsidiaries (acquired) disposed	10	(418 128)	40 601	(554 205)	–
Investment properties acquired	6	(2 148 715)	(1 451 249)	(16 154)	(18 593)
Associates acquired	9	(2 156 821)	(162 319)	(2 156 821)	(162 319)
Other investments acquired	11	(347 258)	–	(271 887)	(14 819)
Other investments disposed	11	43 803	466 458	–	380 403
Other loans raised	15	41 196	16 973	–	–
Cash flow relating to non-current assets held for sale		997 824	138 972	990 673	90 627
Net cash (utilised in) generated from investing activities		**(3 970 959)**	**(636 524)**	**(2 013 103)**	**558 299**
Cash flows from financing activities					
Capital raised	20	3 594 417	–	3 386 169	–
Share buy-back	20	(282 243)	–	(282 244)	–
Long-term borrowings raised	22	1 997 180	1 769 837	540 408	453 887
Long-term borrowings repaid	22	(946 750)	(786 017)	(636 785)	(502 868)
Loans to shareholders repaid		–	6 308	–	–
Loans from associates raised (repaid)	16	246 079	(9 284)	144 724	(7 843)
Loans advanced to Group companies	16	(330 482)	(354 316)	(1 037 861)	(526 033)
Other financial assets raised	15	–	–	(5 800)	–
Other financial liabilities repaid	15	(139 405)	–	–	–
Other financial liabilities raised	15	11 179	–	3 127	–
Cash flow relating to non-current assets held for sale		(398 573)	(79 205)	(233 428)	(55 924)
Net cash generated from (utilised in) financing activities		**3 751 402**	**547 323**	**1 878 310**	**(638 781)**
Total cash movement for the year		**56 959**	**(108 506)**	**266 341**	**(32 849)**
Cash at the beginning of the year		44 389	200 501	(49 688)	(16 839)
Cash acquired (disposed) with subsidiaries	10	287 945	(47 606)	–	–
Cash and cash equivalents at the end of the year		**389 293**	**44 389**	**216 653**	**(49 688)**

1.1 Basis of presentation of financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and requirements of the South African Companies Act, 71 of 2008 (as amended). The financial statements have been prepared on the historical cost basis, except for the measurement of investment properties and financial instruments at fair value or amortised cost, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

The accounting policies applied are consistent with those adopted and disclosed in the financial statements for the year ended 30 June 2013, except for changes arising from the adoption of new standards and interpretations as detailed in note 3 and the restatement in note 4. When an accounting policy is altered, comparative figures are restated if required by the applicable accounting statement and where material. No restatement was required in these financial statements with respect to the adoption of new standards and interpretations.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

1.2 Basis of consolidation

The consolidated annual financial statements incorporate the financial statements of the company and the entities it controls (collectively known as "the Group") as at 30 June 2014. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to affect those returns through its power over the investee.

The Group considers all relevant facts and circumstances in assessing whether it has power over an investee and re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including but not limited to:

- the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at the previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributable to the owners of the Group and to non-controlling interests. Total comprehensive income of subsidiaries is attributable to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All inter-company transactions and balances, income and expenses are eliminated in full on consolidation. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Group.

Separate disclosure is made of non-controlling interests where the Group's investment is less than 100%. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the allocated share of changes in equity since the date of the combination. Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if it results in a deficit balance.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between:

- the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interest.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified or permitted by applicable IFRS).

The fair value of any investment retained in the former subsidiary, at the date when control is lost, is regarded as the fair value on the initial recognition of a financial asset in accordance with *IAS 39 Financial Instruments: Recognition and Measurement* or, when applicable, the cost on the initial recognition of an investment in an associate or a joint venture.

1.3 Fair value measurement

The Group measures financial instruments, such as derivatives and certain investments and investment properties, at fair value at each reporting date. The fair values of financial instruments measured at amortised cost are disclosed should it be determined that the carrying value of these instruments does not reasonably approximate their fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on the above basis, except for share-based payment transactions that are within the scope of *IFRS 2 Share-based Payment*, leasing transactions that are within the scope of *IAS 17 Leases*, and the measurements that have some similarities to fair value but are not fair value, such as net realisable value in *IAS 2 Inventories* or value in use in *IAS 36 Impairment of Assets*.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities; or
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; or
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between the levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.4 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are expensed as incurred and included in "Other operating costs'" in the income statement.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under *IFRS 3 Business Combinations* are recognised at their fair values at the acquisition date, except for:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with *IAS 12 Income Taxes* and *IAS 19 Employee Benefits*, respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payments arrangements in the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with *IFRS 2 Share-based Payment* at the acquisition date; and
- non-current assets (or disposal groups) that are classified as held for sale in accordance with *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations*, which are recognised and measured at fair value less costs to sell.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's net fair value of the identifiable net assets.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of *IAS 39 Financial Instruments: Recognition and Measurement* or *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* is measured at fair value with changes in fair value recognised either in profit or loss or as a charge to other comprehensive income. If the contingent consideration is not within this scope, it is measured in accordance with the appropriate IFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interest in the acquiree prior to the acquisition date that have been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the item for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

1.5 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") expected to benefit from the synergies of the combination.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit *pro rata* on the basis of the carrying amount of each asset in the unit. An impairment loss recognised in goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.6 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in associates and joint ventures are accounted for using the equity method, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, investments in associates and joint ventures are carried in the consolidated statement of financial position at cost, adjusted for post-acquisition changes in the Group's share of net assets of the associate, less any impairment losses.

Losses in an associate and joint ventures in excess of the Group's interest in that associate are recognised only to the extent that the Group has incurred a legal or constructive obligation to make payments on behalf of the associate.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amounts of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of *IAS 39 Financial Instruments: Recognition and Measurement* are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with *IAS 36 Impairment of Assets* as a single asset by comparing its recoverable amount (the higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with *IAS 36 Impairment of Assets* to the extent that the recoverable amount of the investment subsequently increases.

The Group continues the use of the equity method when an investment in an associate becomes an investment in a joint venture and *vice versa*. There is no remeasurement to fair value upon such change in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets and liabilities.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at the fair value at the date and the fair value is regarded as its fair value on the initial recognition in accordance with *IAS 39 Financial Instruments: Recognition and Measurement*.

The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture are included in the determination of the gain or loss on disposal of the associate or joint venture.

In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When a Group entity transacts with an associate or joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

1.7 Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations to the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets , including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue, including its share of revenue arising from the sale of the output arising from the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for assets, liabilities, revenue and expenses relating to its interest in a joint operation in accordance with the IFRS applicable to the particular assets, liabilities, revenues and expenses.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

1.8 Investment properties

Investment properties are properties held to earn rentals and/or capital appreciation, including land, development rights, infrastructure and services, and developments under construction for such purposes.

An investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

An investment property is initially recognised at cost, including transaction costs. Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised. Maintenance and repairs, which neither materially add to the value of the properties nor prolong their useful lives, are charged against profit or loss.

Where an investment property is under construction with the purpose of holding the completed property for long-term rental yields or for capital appreciation, such property is classified as a development under construction.

Tenant installations are cost paid by the lessor on behalf of the lessee on signature of the lease agreement for cost spent by the lessor to ensure the buildings is in a condition suitable for the lease. Tenant installations on the first lease are capitalised against the development, while tenant installations on subsequent leases signed are capitalised and expensed through the statements of comprehensive income over the initial lease period, where such tenant installations will not be recovered through a lump sum or through rental over the initial lease period.

Subsequent measurement

Subsequent to initial measurement, an investment property is measured and recognised at fair value.

Where an investment property is under construction, fair value is measured and recognised as the present value of the anticipated fair value of the investment property on completion and determined with reference to the stage of completion of the investment property.

If the fair value of an investment property under construction is not determinable, it is measured at cost until the earlier of the date it becomes determinable or construction is complete.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in which the investment property is derecognised.

1.9 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. Depreciation is provided on all property, plant and equipment to write down the cost, less residual value, using the straight-line method of depreciation, over the items' estimated useful lives.

The assets' residual values and useful lives are reviewed annually and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater that its estimated recoverable amount.

1.10 Intangible assets

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss when the asset is derecognised.

1.11 Inventories

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.12 Financial instruments

Initial recognition and measurement

The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised initially when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are recognised initially at fair value. In the case of financial assets or liabilities not classified at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial instruments are added to the fair value.

Financial assets

Financial assets are classified into the following specified categories:

- fair value through profit or loss ("FVTPL") – These include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term; or on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or it is a derivative that is not designated and effective as a hedging instrument;
- loans and receivables – These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market;
- held-to-maturity investments – These are non-derivative financial assets with fixed or determinable payments and fixed maturities and the Group has the positive intention and ability to hold them to maturity; and
- available for sale – These include equity investments and debt securities. Equity investments classified as available for sale are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities are those that are intended to be held for an indefinite period of time and that may be sold for liquidity needs or in response to changes in market conditions. The Group holds no debt securities classified as available for sale.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All financial assets are initially recognised at fair value plus transaction costs, except for financial assets recorded at fair value through profit or loss which are measured at fair value.

Subsequent measurement

Financial assets are subsequently measured according to their category classification:

- FVTPL – These are held at fair value and any adjustments to fair value are taken to the income statement. Listed investments are carried at market value, which is calculated by reference to stock exchange quoted selling prices at the close of business on the reporting date;
- loans and receivables – These are held at amortised cost using the effective interest rate method less any impairment losses recognised to reflect irrecoverable amounts. Amortised cost is calculated considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Amortisation is recognised in finance income in the income statement. Impairment losses on loans are recognised in finance costs and impairment losses on receivables are recognised in "Other operating costs" in the income statement;
- held-to-maturity investments – These are held at amortised cost using the effective interest rate method less any impairment losses recognised to reflect irrecoverable amounts. Amortised cost is calculated considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Amortisation is recognised in finance income in the income statement. Impairment losses on loans are recognised in finance costs and impairment losses on receivables are recognised in "Other operating costs" in the income statement; and
- available for sale – These are held at fair value and any adjustment to fair value is recognised as other comprehensive income as a non-distributable reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the income statement. Where the investment is determined to be impaired, the cumulative gain or loss is reclassified to the income statement.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular-way trades) are recognised on the trade date, which is the date that the Group commits to purchase or sell the asset.

Derecognition

A financial asset is derecognised when the rights to receive cash flows have expired or the Group has transferred its right to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to the third party (where the Group has transferred the risk and rewards of the asset or has transferred control of the asset).

Impairment

At each reporting date, the Group reviews whether there is any objective evidence that a financial asset may be impaired as a result of one or more events that have occurred since the initial recognition of the asset and whether that event or events have an impact on the estimated future cash flows of the financial asset. Where objective evidence exists, an impairment loss is calculated.

- financial assets carried at amortised cost – The impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The discount rate is the original effective interest rate and where a loan has a variable interest rate, the discount rate is the current effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised. The recovery is credited to the income statement; and
- available for sale – The impairment loss is measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised. Impairment losses on equity investments are not reversed through the income statement; increases in fair value of the instrument that can be objectively related to an event occurring after the recognition of the impairment, are recognised directly in other comprehensive income.

Financial liabilities and equity

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments.

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified into the following specified categories:

- FVTPL – These include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term; on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or it is a derivative that is not designated and effective as a hedging instrument; and
- liabilities at amortised cost – These are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market.

The classification depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition. All financial liabilities are initially recognised at fair value and, in the case of liabilities at amortised cost, net of directly attributable transaction costs.

Compound instruments

The component parts of compound instruments (convertible notes) issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest rate method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured.

In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case the balance recognised in equity will be transferred to stated capital. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to distributable reserves. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest rate method.

Subsequent measurement

Financial liabilities are subsequently measured according to their category classification:

- FVTPL– Fair value gains and losses on liabilities at fair value through profit or loss are recognised in the income statement; and
- liabilities at amortised cost – These are held at amortised cost using the effective interest rate method. Amortised cost is calculated considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Amortisation costs are recognised in finance costs in the income statement.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. Gains are recognised in the income statement when the liability is derecognised. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability is substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with IAS 37; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

Effective interest rate method

This is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as "at fair value through profit or loss".

Significant financial instruments

Loans to (from) Group companies

These include loans to and/or from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Loans to Group companies are classified as loans and receivables.

Loans from Group companies are classified as financial liabilities measured at amortised cost.

Loans to shareholders, directors, managers and employees

These financial assets are classified as loans and receivables.

Trade and other receivables

Trade receivables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Trade and other payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Bank overdraft and borrowings

Bank overdrafts and borrowings are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

1.13 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross-currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the contracts are not measured at FVTPL.

1.14 Taxation

Tax expenses

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the year, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income; or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

Current tax

Current tax is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Deferred tax

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, and the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which these can be utilised. Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities, which affects neither the tax profit nor the accounting profit at the time of the transaction.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax is calculated at the tax rates (and tax laws) that are expected to apply to the period when the asset is realised or the liability settled, using tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred tax is recognised in the income statement, except when it relates to items credited or charged to other comprehensive income or directly to equity, in which case the deferred tax is recognised in either other comprehensive income or directly in equity.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The board of directors reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the "sale" presumption set out in the amendments to *IAS 12 Income Taxes* is not rebutted.

1.15 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are capitalised at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor, net of finance charges, is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss.

A leased asset is depreciated over the useful life of the asset, unless it is carried at fair value. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Contingent rental costs are expensed when incurred.

1.16 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with *IAS 39 Financial Instruments: Recognition and Measurement* unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method (see the accounting policy regarding investments in associates or joint ventures above).

Non-current assets (and disposal groups) classified as held for sale, other than investment properties, are measured at the lower of their previous carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

1.17 Impairment of assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period; and
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

The Group assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss cannot exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.18 Share capital and equity

If the company reacquires its own equity instruments, the consideration paid, including any directly attributable incremental costs (net of income taxes) on those instruments are deducted from equity until the shares are cancelled or reissued. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

1.19 Provisions

Provisions are recognised when:

- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed, formal plan for the restructuring, identifying at least:
  - the business or part of a business concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for terminating their services;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and

- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

1.20 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Rental income

Rental income includes all recoveries from tenants, excluding value added tax. Rental income excludes tenant security deposits, which represent financial advances made by tenants as guarantees during the lease and are repayable by the Group upon termination of the lease contracts.

Rental income receivable is recognised on a straight-line basis over the term of the lease. Directly attributable lease incentives are recognised within rental income on the same basis.

Contingent rents, being those lease payments that are not fixed at the inception of a lease, for example, increases arising on rent reviews or rents linked to tenant revenues, are recorded as income in the periods in which they are earned. Rent reviews are recognised as income from the date of the rent review, based on management's estimates. Estimates are derived from knowledge of market rents for comparable properties determined on an individual property basis and updated for progress of negotiations.

Service charge income is recognised on an accruals basis in line with the service being provided.

As specified in the lease agreements, the Group has the primary responsibility for providing services to tenants (electricity, water and gas utilities, interior and exterior cleaning, security, maintenance, repairs, etc.). The Group negotiates directly with the suppliers all contracts for services provided to tenants. These contracts are concluded between the Group subsidiaries which own the properties and the direct supplier.

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

The stage of completion of the contract is determined as follows:

- installation fees are recognised by reference to the stage of completion of the installation, determined as the proportion of the total time expected to install that has elapsed at the end of the reporting period;
- servicing fees included in the price of products sold are recognised by reference to the proportion of the total cost of providing the servicing for the product sold; and
- revenue from time and material contracts is recognised at the contractual rates as labour hours and direct expenses are incurred.

Revenue on the sale of inventory is recognised when the significant risks and rewards of ownership have been transferred to the buyer. This will normally take place on exchange of contracts.

Interest income

Interest is recognised, in profit or loss, using the effective interest rate method.

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

1.21 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings; and

- weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised cannot exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.22 Foreign currencies

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these financial statements, the assets and liabilities of the Group's foreign operations are translated into currency units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and is not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

1.23 Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 21.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimate, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

1.24 Determination and presentation of operating segments

The Group determines and presents operating segments based on information that is provided internally to the Chief Operating Decision-Maker, namely the Chief Executive Officer.

Segment results that are reported to the Chief Operating Decision-Maker include items directly attributable to a segment or a region, as well as those that can be allocated on a reasonable basis.

On a primary basis, the operations are organised into the following business segments – office and mixed use, retail, vacant land, projects and light industrial. The Chief Operating Decision-Maker, however, assesses each investment property on an individual basis in making decisions about its performance.

Any capital expenditure relating to investment properties will be accounted for as under note 1.8 (Investment properties) and will be shown separately under note 6 (Investment property) of the financial statements.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions and judgements concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Critical accounting judgements

Control over certain investment in associates

The Group has certain investments in associates in which it effectively owns an excess of 35% of the issued share capital of the associates. In several cases, the Group is the single largest shareholder in these investments. The Group has deemed these investments to be associates as it does not have control. The assessment of control over these investments took into account the following:

- the number of directors the Group has on the boards of the investments;
- the involvement in decision-making over significant transactions and/or events of the investments; and
- the pattern of shareholder voting at shareholder meetings.

Determination of fair value of investment properties

The Group measures and recognises all investment properties initially at cost and subsequently at fair value as per note 1.8. The fair value estimates are made using independent external valuators on an annual basis.

However, the Group makes the following adjustments to the fair value estimate from the independent valuer:

- an adjustment for the estimate of the future rental obligations to the lessor of the Waterfall Business Estate;
- completed developments – a straight-lining adjustment for the future cash flows from rental income included in the future discounted cash flows; and
- developments under construction – an adjustment to the present value of the difference between the estimated fair value of the investment property at completion and the total estimated development cost using the stage of completion method. The stage of completion is determined with reference to the cost incurred to date versus the total anticipated cost of the development, excluding the cost allocated to the land. The discount rates applied in the calculation of the present values are disclosed in note 6.

The above adjustments are made to reflect the fair value at which the asset could be exchanged between market participants at the reporting date under current market conditions.

Key sources of estimation uncertainty

Trade receivables and loans and receivables

The Group assesses its trade receivables and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

Item	***Useful life***
Cleaning equipment	3 years
Computer equipment	3 years
Motor vehicles	5 years
Kitchen equipment	3 years
Other fixed assets	5 to 10 years

Effective date of property transactions

In the event of an investment property being disposed or acquired, the effective date of the transaction is generally treated as the date when all suspensive conditions have been met, and the buyer becomes contractually entitled to the income and expenses associated with the property, and not necessarily when the property is transferred.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

Where possible, independent external values are used to fair value the financial instruments of the company.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are compared at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared for expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, including industry-specific and macro-economic variances.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the provision.

Provisions relating to profit share agreements entered into by the Group have been recognised. Such provisions are raised and determined by management on an estimate based on the information available per the relevant agreement.

Expected manner of realisation for deferred tax

Deferred tax is provided for on the fair value adjustments of investment properties based on the expected manner of recovery, i.e. sale or use. This manner of recovery affects the rate used to determine the deferred tax liability. Refer note 12 – Deferred tax.

The deferred tax rate applied to the fair value adjustments of an investment property is determined by the expected manner of recovery. Where the expected recovery of the investment property is through sale, the capital gains tax rate of 18.648% (2013: 18.648%) is applied. If the expected manner of recovery is through definite use, the normal tax rate of 28% (2013: 28%) is applied. If the manner of recovery is partly through use and partly through sale, a combination of capital gains rate and normal tax rate is used.

The applicable tax rates on timing differences are based on management's best estimate of the manner in which these timing differences will realise.

Gains in the fair value of investment property give rise to taxable timing differences, being the difference between the original cost price and the market value as determined annually by external valuers. Refer to note 6 for valuation details of investment property.

Market value of investment properties represents the best estimate of value to be realised in the open market between a willing buyer and a willing seller. Thus disposal of investment properties will primarily give rise to capital gains tax.

In determining the amount of deferred tax to be raised, accounting standards require:

- in respect of the investment property, management is required to estimate the expected period of use until sale and an estimated sales value (residual value). The fair value adjustment is then split between a use value and a sale value component and the respective tax consequences applied to each component.

Given the overall nature of the Group's investment property portfolio, the historic performance of the portfolio as a whole, as well as the individual properties, management estimates the expected future sale value (residual value) of the investment properties to at least be equal to the market values at year end. Thus the fair value attributable to the value-in-use component of the investment properties is most likely to be nil. There is thus no benefit to value land separately for determining deferred tax consequences.

Consequently:

- net fair value gains on investment properties are included at capital gains tax rates;
- straight-line rentals are included at normal tax rates;
- future recoupment of wear and tear allowances on individual depreciable components of investment properties are included normal tax rates; and
- deferred initial lease costs are included at normal tax rates.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The board, through the chief executive officer, financial director and head of asset management, determine the appropriate valuation techniques and input for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third-party qualified valuers to perform the valuation. The above officers work closely with the qualified external valuers to establish the appropriate valuation techniques and input to the model.

The above officers report the decisions to the board every reporting period to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and input used in determining the fair value of various assets and liabilities are disclosed in notes 6, 11, 15 and 21.

Amortisation of intangible asset arising from the asset management of the Group's investment property

Management has determined the useful life of the intangible asset to be 15 years. The residual value relating to the intangible asset has been determined as Rnil. In making this estimate, management has considered the following:

- the general initial lease period related to the underlying investment properties which is generally seven to 10 years for offices and industrial tenants;
- the initial renewal period of the above leases;
- the general and initial renewal period of all other leases; and
- the likelihood of renewal by the tenants following the initial lease period.

Estimation of the future rental payments to Waterfall Development Company (Pty) Ltd ("WDC")

In 2009, Attacq Waterfall Investment Company (Pty) Ltd ("the lessee"), a subsidiary of the Group, entered into a sale of development rights and lease agreements with WDC ("the lessor") in terms of which it obtained the right to develop the relevant land parcels and to call for the registration of long-term lease agreements against the title deeds of these land parcels.

In terms of the agreements, the lessee is obliged to pay, to the lessor, an amount equal to 6% of the net rentals it generates from the leasehold improvements. This obligation is deemed inseparable from the leased land and should therefore impact the fair value of the relevant investment property.

The 6% net rental obligation is calculated based on:

- staggered rental income streams based on anticipated completion dates of the various leasehold improvements or disposal of leasehold rights;
- discounting of anticipated cash flow streams to determine the present value of the obligation at rates between 16% and 22% (2013: 18% to 25%); and
- discounting of anticipated cash flow streams to determine the present value of the obligation at a rate of 0% (2013: 0%) for Land Parcel 3.

3. Changes in accounting policies and disclosures

The following accounting amendments, standard and interpretation became effective in the current reporting period:

3.1 New and revised IFRS affecting presentation and disclosure only

Standard or interpretation	Nature and impact
• Amendments to IFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities	• The Group applied the amendments to IFRS 7 for the first time in the current year. The amendments require entities to disclose information about rights of offset and related arrangements for financial instruments under an enforceable master netting agreement or similar arrangement. • As the Group does not have any offsetting arrangements in place, the application of the amendments has no material impact on the disclosures or on the amounts recognised in the financial statements.
• IFRS 12 Disclosure of Interests in Other Entities	• IFRS 12 sets out the requirements for disclosures relating to an entity's interests in subsidiaries (including related non-controlling interests), joint arrangements, associates and structured entities. Other than the additional disclosures, the application of IFRS 12 has not had any material impact on the amounts recognised in the consolidated financial statements. These disclosures are reflected within the relevant notes to the financial statements.
• IFRS 13 Fair Value Measurement	• The Group has applied IFRS 13 for the first time in the current year. IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. IFRS 13 applies to both financial instrument items and non-financial instrument items for which other IFRS require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of *IFRS 2 Share-based Payment*, leasing transactions that are within the scope of *IAS 17 Leases*, and measurements that have some similarities to fair value but are not fair value. • IFRS 13 requires prospective application from 1 January 2013. Other than the additional disclosures, the application of IFRS 13 has not had any material impact on the amounts recognised in the financial statements.
• Amendments to IAS 1 Presentation of Items of Other Comprehensive Income	• The amendments to IAS 1 require items of other comprehensive income to be disclosed in two categories in the other comprehensive income section: (i) items that will not be reclassified subsequently to profit or loss; and (ii) items that may be reclassified subsequently to profit or loss when specific conditions are met. • Income tax on items of other comprehensive income has been allocated on the same basis. This amendment had no financial or disclosure impact on the financial statements.

3.2 New and revised IFRS affecting the reported financial performance and/or financial position with no material effect on the financial statements

Standard or interpretation	Nature and impact
• IFRS 10 Consolidated Financial Statements and IAS 27 Separate Financial Statements	• IFRS 10 replaces the parts of IAS 27 that dealt with consolidated financial statements. The new standard changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to control those returns through its power over the investee. • The adoption of IFRS 10 has had no impact on the consolidation of investments held by the Group.
• IFRS 11 Joint Arrangements and IAS 28 Investments in Associates and Joint Ventures	• IFRS 11 replaces *IAS 31 Interests in Joint Ventures* and *SIC-13 Jointly controlled Entities – Non-monetary Contributions by Ventures*. The new standard changes the classifications for joint arrangements and removes the option to account for joint ventures using proportionate consolidation. • Under IFRS 11, investments in joint arrangements are classified as either joint ventures or joint operations based on the rights and obligations of the parties to the arrangement. In a joint venture, the parties sharing joint control of the arrangement have rights to the net assets and must account for their interests in the arrangement using the equity method. In a joint operation, the parties have rights to the assets and obligations for the liabilities and must account for the assets and liabilities, revenues and expenses for which they have rights or obligations, including their share of such items held or incurred jointly using proportionate consolidation. • The Group has two properties which it operates through a joint arrangement, namely, Maxwell Office Park and Woodmead North Office Park (Altech Building). Based on the joint arrangement, the parties to the arrangement have rights to the assets and obligation for the liabilities, revenues and expenses for which they have rights or obligations, including their share of such items held or incurred jointly. Consequently, the joint arrangements are classified as joint operations and are accounted for using proportionate consolidation. • These joint arrangements were proportionately consolidated in the prior year and, as a result, the adoption of IFRS 11 has had no impact on the financial statements.
• IAS 16 Property, Plant and Equipment	• The amendment clarified that servicing equipment is Property, Plant and Equipment ("PP&E") when used for more than one period; otherwise it should be classified as inventory. The amendment deletes the requirement that spare parts and servicing equipment used only in connection with an item of PP&E should be classified as PP&E. • This amendment had no financial or disclosure impact on the financial statements.

3.2 New and revised IFRS affecting the reported financial performance and/or financial position with no material effect on the financial statements (continued)

Standard or interpretation	Nature and impact
• IAS 19 Employee Benefits Revised	• The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the "corridor approach" permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. • The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the statement of financial position to reflect the full value of the plan deficit or surplus. The interest cost and expected return on plan assets used in the previous version of IAS 19 are replaced with a net interest amount under the revised standard, which is calculated by applying the discount rate to the net defined benefit liability or asset. In addition, there are certain changes to presentation of the defined benefit cost including more extensive disclosures. • This amendment had no financial or disclosure impact on the financial statements.
• IAS 34 Interim Financial Reporting	• The amendment aligns the disclosure requirements in *IAS 34 Interim Financial Reporting* with those of *IFRS 8 Operating Segments*. The amendment clarified that total assets for a particular reportable segment need only be disclosed when both: (i) the amounts are regularly provided to the Chief Operating Decision-Maker; and (ii) there has been a material change in the total assets for that segment from the amount disclosed in the last annual financial statements. • This amendment had no financial or disclosure impact on the financial statements.

3.3 New and revised IFRS not yet effective

The Group has not yet adopted the following pronouncements, which have been issued by the International Accounting Standards Board. The board of directors does not currently believe the adoption of these pronouncements will have a material impact on its results, financial position or cash flow.

Standard or Interpretation	Nature	Effective date
• IFRS 2 Share-based Payment	• Amendments resulting from Annual Improvements 2010–2012 Cycle (definition of "vesting condition").	• 1 July 2014
• IFRS 3 Business Combinations	• Amendments resulting from Annual Improvements 2011–2013 Cycle (scope exception for joint ventures).	• 1 July 2014
• IFRS 8 Operating Segments	• Amendments resulting from Annual Improvements 2010–2012 Cycle (aggregation of segments, reconciliation of segment assets).	• 1 July 2014
• IFRS 9 Financial Instruments	• Reissue to incorporate a hedge accounting chapter and permit the early application of the requirements for presenting in other comprehensive income the "own credit" gains or losses on financial liabilities designated under the fair value option without early applying the other requirements of IFRS 9.	• 1 January 2018
• IFRS 10 Consolidated Financial Statements	• Amendments for investment entities.	• 1 January 2014
• IFRS 11 Joint Arrangements	• Amendments regarding the accounting for acquisitions of an interest in a joint operation.	• 1 January 2016
• IFRS 12 Disclosure of Interests in Other Entities	• Amendments for investment entities.	• 1 January 2014
• IFRS 13 Fair Value Measurement	• Amendments resulting from Annual Improvements 2011–2013 Cycle (scope of the portfolio exception in paragraph 52 of IFRS 13).	• 1 July 2014
• IFRS 14 Regulatory Deferral Accounts	• Permits an entity which is a first-time adopter of IFRS to continue to account, with some limited changes, for "regulatory deferral account balances" in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.	• 1 January 2016
• IFRS 15 Revenue from Contracts with Customers	• Provides a single, principle-based five-step model to be applied to all contracts with customers. Guidance is provided on topics such as the point at which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.	• 1 January 2017
• IAS 16 Property, Plant and Equipment	• Amendments resulting from Annual Improvements 2010–2012 Cycle (proportionate restatement of accumulated depreciation on revaluation).	• 1 July 2014
	• Amendments regarding the clarification of acceptable methods of depreciation and amortisation.	• 1 January 2016

3.3 New and revised IFRS not yet effective (continued)

Standard or interpretation	Nature	Effective date
IAS 19 Employee Benefits	Amended to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service.	1 July 2014
IAS 24 Related Party Disclosures	Amendments resulting from Annual Improvements 2010–2012 Cycle (management entities).	1 July 2014
IAS 27 Separate Financial Statements (as amended in 2011)	Amendments for investment entities.	1 January 2014
IAS 32 Financial Instruments: Presentation	Amendments relating to the offsetting of assets and liabilities.	1 January 2014
IAS 36 Impairment of Assets	Amendments arising from Recoverable Amount Disclosures for Non-financial Assets.	1 January 2014
IAS 38 Intangible Assets	Amendments resulting from Annual Improvements 2010–2012 Cycle (proportionate restatement of accumulated depreciation on revaluation).	1 July 2014
	Amendments regarding the clarification of acceptable methods of depreciation and amortisation.	1 January 2016
IAS 39 Financial Instruments: Recognition and Measurement	Amendments for novations of derivatives.	1 July 2014
	Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the "own use" scope exception.	1 January 2018
IAS 40 Investment Property	Amendments resulting from Annual Improvements 2011–2013 Cycle (interrelationship between IFRS 3 and IAS 40).	1 July 2014
IFRIC 21 Levies	IFRIC 21 Levies provides guidance on when to recognise a liability for a levy imposed by a government, both for levies that are accounted for in accordance with *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* and those where the timing and amount of the levy is certain. The interpretation covers the accounting for outflows imposed on entities by governments (including government agencies and similar bodies) in accordance with laws and/or regulations. However, it does not include income taxes, fines and other penalties, liabilities arising from emissions trading schemes and outflows within the scope of other standards. The Interpretation does not supersede *IFRIC 6 Liabilities Arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment*, which remains in force and is consistent with IFRIC 21 Levies.	1 January 2014

4. Restatement

Certain prior year figures have been restated as detailed below.

In 2009, Attacq Waterfall Investment Company (Pty) Ltd ("the lessee"), a subsidiary of the Group, entered into a sale of development rights and lease agreements with Waterfall Development Company (Pty) Ltd ("the lessor"), in terms of which it obtained the right to develop the relevant land parcels and to call for the registration of long-term lease agreements against the title deeds of these land parcels. These agreements were treated as finance leases.

Previously, the relevant investment properties were valued at the gross value, i.e the valuations did not take into account the negative impact of the land lease in place. However, this obligation was disclosed separately in the financial statements.

The rentals payable to the lessor are dependent on the anticipated rentals to be earned by Attacq Waterfall Investment Company (Pty) Ltd, and therefore are contingent in nature. *IAS 17 Leases* does not allow for contingent rentals to be included in the determination of the finance lease liability. Therefore the finance lease obligation had to be derecognised retrospectively in the current year.

Investment property should be valued at fair value as required by *IAS 40 Investment Property* and *IFRS 13 Fair Value Measurement*. In line with these standards, the investment property valuation takes into account the current and future payments to the lessor.

A difference on deferred tax arose due to the different tax rates applied to fair value adjustments, which are calculated at the capital gains rate of 18.648% (2013: 18.648%), and to finance costs, which are calculated applying a normal tax rate of 28% (2013: 28%).

4. Restatement (continued)

The impact of the restatement is as follows:

	2013 Before R'000	2013 Restatement R'000	2013 After R'000	2012 Before R'000	2012 Restatement R'000	2012 After R'000
Statements of financial position						
Non-current assets						
Investment property	9 495 681	(574 129)	8 921 552	8 497 139	(501 373)	7 995 766
Equity						
Distributable reserves	3 170 832	(20 106)	3 150 726	2 442 040	(14 323)	2 427 717
Non-controlling interests	355 831	(3 548)	352 283	395 348	(2 527)	392 821
Non-current liabilities						
Finance lease obligation	624 358	(567 467)	56 891	440 148	(387 355)	52 793
Deferred tax liabilities	775 434	23 654	799 088	591 838	16 850	608 688
Current liabilities						
Finance lease obligation	6 662	(6 662)	–	114 018	(114 018)	–
Statements of profit or loss and other comprehensive income						
Fair value adjustments – investment properties	854 817	(72 756)	782 061	1 020 769	(65 469)	955 300
Finance costs	(473 196)	72 756	(400 440)	(492 349)	(65 469)	426 880
Taxation	(202 601)	(6 804)	(209 405)	(185 041)	(6 123)	(191 164)
Notes to the financial statements						
Investment property						
Fair value adjustment						
Balance at 1 July 2012						
Development rights	1 282 226	(493 353)	788 873	1 425 125	(501 373)	923 752
Developments under construction	300 044	(65 237)	234 807	–	–	–
Completed developments	4 927 165	(15 539)	4 911 626	–	–	–

4. Restatement (continued)

	2013 Before R'000	2013 Restatement R'000	2013 After R'000	2012 Before R'000	2012 Restatement R'000	2012 After R'000
Net gain from fair value adjustment						
Development rights	244 900	8 020	252 920	425 869	(65 469)	360 400
Developments under construction	217 098	(65 237)	151 861	–	–	–
Completed developments	501 937	(15 539)	486 398	10 488	–	10 488
Carrying amount at 1 July 2012						
Development rights	2 236 381	(493 354)	1 743 027	2 214 000	(501 373)	1 712 627
Developments under construction	1 434 444	(65 237)	1 369 207	–	–	–
Completed developments	5 253 819	(15 539)	5 238 280	35 500	–	35 500
Finance lease obligation	631 020	(574 129)	56 891	554 166	(501 373)	52 793
Deferred tax liabilities	775 434	23 654	799 088	591 838	16 850	608 688
Finance costs	(473 196)	72 756	(400 440)	(492 349)	65 469	(426 880)
Taxation	(202 601)	(6 804)	(209 405)	(185 041)	(6 123)	(191 164)
Cash flows from operating activities						
Fair value adjustments – investment property	(854 817)	72 756	(782 061)	1 020 769	(65 469)	955 300
Finance costs	514 426	(72 756)	441 670	(492 349)	65 469	(426 880)
	(340 391)	–	(340 391)	528 420	–	528 420

5. Property, plant and equipment

	Cleaning equipment R'000	Computer equipment and software R'000	Kitchen equipment R'000	Motor vehicles R'000	Other fixed assets R'000	Total R'000
Group						
Cost						
Balance at 1 July 2013	**484**	**1 553**	**139**	**155**	**5 639**	**7 970**
Additions	340	3 546	–	–	4 759	8 645
Additions – *IFRS 3 Business Combinations*	232	–	–	–	29	261
Transfer to non-current assets held for sale	–	–	–	–	(66)	(66)
Balance at 30 June 2014	**1 056**	**5 099**	**139**	**155**	**10 361**	**16 810**
Accumulated depreciation						
Balance at 1 July 2013	**206**	**253**	**139**	**118**	**1 588**	**2 304**
Depreciation	51	1 741	–	31	1 645	3 468
Additions – *IFRS 3 Business Combinations*	–	–	–	–	5	5
Transfer to non-current assets held for sale	–	–	–	–	(28)	(28)
Balance at 30 June 2014	**257**	**1 994**	**139**	**149**	**3 210**	**5 749**
Carrying amount at 30 June 2013	**278**	**1 300**	**–**	**37**	**4 051**	**5 666**
Carrying amount at 30 June 2014	**799**	**3 105**	**–**	**6**	**7 151**	**11 061**
Cost						
Balance at 1 July 2012	484	96	139	277	2 280	3 276
Additions	–	1 457	–	–	3 359	4 816
Disposals	–	–	–	(122)	–	(122)
Balance at 30 June 2013	484	1 553	139	155	5 639	7 970
Accumulated depreciation						
Balance at 1 July 2012	181	96	139	144	349	909
Depreciation	25	157	–	50	1 239	1 471
Disposals	–	–	–	(76)	–	(76)
Balance at 30 June 2013	206	253	139	118	1 588	2 304
Carrying amount at 1 July 2012	303	–	–	133	1 931	2 367
Carrying amount at 30 June 2013	278	1 300	–	37	4 051	5 666

5. **Property, plant and equipment (continued)**

	Cleaning equipment R'000	Computer equipment and software R'000	Kitchen equipment R'000	Motor vehicles R'000	Other fixed assets R'000	Total R'000
Company						
Cost						
Balance at 1 July 2013	**131**	**1 431**	**314**	**381**	**776**	**3 033**
Additions	108	3 263	–	–	1 338	4 709
Balance at 30 June 2014	**239**	**4 694**	**314**	**381**	**2 114**	**7 742**
Accumulated depreciation						
Balance at 1 July 2013	**123**	**68**	**314**	**342**	**720**	**1 567**
Depreciation	1	1 445	–	31	117	1 594
Balance at 30 June 2014	**124**	**1 513**	**314**	**373**	**837**	**3 161**
Carrying amount at 30 June 2013	**8**	**1 363**	**–**	**39**	**56**	**1 466**
Carrying amount at 30 June 2014	**115**	**3 181**	**–**	**8**	**1 277**	**4 581**
Cost						
Balance at 1 July 2012	**131**	**33**	**314**	**536**	**413**	**1 427**
Additions	–	1 398	–	–	363	1 761
Disposals	–	–	–	(155)	–	(155)
Balance at 30 June 2013	**131**	**1 431**	**314**	**381**	**776**	**3 033**
Accumulated depreciation						
Balance at 1 July 2012	**98**	**33**	**314**	**401**	**238**	**1 084**
Depreciation	25	35	–	50	482	592
Disposals	–	–	–	(109)	–	(109)
Balance at 30 June 2013	**123**	**68**	**314**	**342**	**720**	**1 567**
Carrying amount at 1 July 2012	**33**	**–**	**–**	**135**	**175**	**343**
Carrying amount at 30 June 2013	**8**	**1 363**	**–**	**39**	**56**	**1 466**

6. Investment property

	Group	
	Development rights R'000	**Infrastructure and services R'000**
2014		
Cost		
Balance at 1 July 2013	**677 467**	**554 038**
Additions	–	127 705
Additions – *IFRS 3 Business Combinations*	–	–
Disposals	(13 051)	–
Transfer between components	(85 136)	(235 696)
Transfer from non-current assets held for sale	–	–
Balance at 30 June 2014	**579 280**	**446 047**
Fair value adjustment		
Balance at 1 July 2013 – restated	**1 065 560**	**–**
Additions	33 591	–
Additions – *IFRS 3 Business Combinations*	–	–
Disposals	(4 166)	–
Transfer between components	(170 716)	–
Transfer from non-current assets held for sale	–	–
Balance at 30 June 2014	**924 269**	**–**
Carrying amount at 30 June 2013 – restated	**1 743 027**	**554 038**
Carrying amount at 30 June 2014	**1 503 549**	**446 047**
2013		
Cost		
Balance at 1 July 2012	**788 873**	**300 292**
Additions	–	539 375
Disposals	(10 781)	–
Transfer between components	(100 625)	(285 629)
Transfer to non-current assets held for sale	–	–
Transfer to inventory	–	–
Balance at 30 June 2013	**677 467**	**554 038**
Fair value adjustment		
Balance at 1 July 2012 – restated	**923 753**	**–**
Additions	252 920	–
Disposals	(12 944)	–
Transfer between components	(98 169)	–
Transfer to non-current assets held for sale	–	–
Transfer to inventory	–	–
Balance at 30 June 2013	**1 065 560**	**–**
Carrying amount at 1 July 2012 – restated	**1 712 626**	**300 292**
Carrying amount at 30 June 2013 – restated	**1 743 027**	**554 038**

The investment properties are encumbered as per note 22.

Group				Company
Land R'000	Develop-ments under construction R'000	Completed develop-ments R'000	Total R'000	Completed develop-ments R'000
37 508	**1 124 961**	**4 416 770**	**6 810 744**	**253 700**
–	1 950 910	70 100	2 148 715	16 154
–	–	333 070	333 070	–
–	–	–	(13 051)	–
–	(719 988)	1 040 820	–	–
–	–	173 789	173 789	173 789
37 508	**2 355 883**	**6 034 549**	**9 453 267**	**443 643**
(20 508)	**244 246**	**821 510**	**2 110 808**	**63 209**
–	566 706	318 797	919 094	(5 590)
–	–	266 341	266 341	–
–	–	–	(4 166)	–
–	(275 688)	446 404	–	–
–	–	83 993	83 993	83 993
(20 508)	**535 264**	**1 937 045**	**3 376 070**	**141 612**
17 000	**1 369 207**	**5 238 280**	**8 921 552**	**316 909**
17 000	**2 891 147**	**7 971 594**	**12 829 337**	**585 255**
37 508	**234 807**	**4 911 626**	**6 273 106**	**793 690**
–	591 209	322 028	1 452 612	18 593
–	–	(231 062)	(241 843)	(171 219)
–	323 721	62 533	–	–
–	–	(648 355)	(648 355)	(387 364)
–	(24 776)	–	(24 776)	–
37 508	**1 124 961**	**4 416 770**	**6 810 744**	**253 700**
(22 508)	**1 005**	**820 410**	**1 722 660**	**359 679**
2 000	151 861	486 398	893 179	129 720
–	–	(122 119)	(135 063)	(118 907)
–	98 169	–	–	–
–	–	(363 179)	(363 179)	(307 283)
–	(6 789)	–	(6 789)	–
(20 508)	**244 246**	**821 510**	**2 110 808**	**63 209**
15 000	**235 812**	**5 732 036**	**7 995 766**	**1 153 369**
17 000	**1 369 207**	**5 238 280**	**8 921 552**	**316 909**

6. Investment property (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Title deeds relating to the owned investment properties can be inspected at the following address:				
Att House, 2nd Floor				
Maxwell Office Park				
Magwa Crescent West				
Waterfall City				
2090				
Development rights – Attacq Waterfall Investment (Pty) Ltd				
Independent valuer's valuation	2 045 000	2 254 000	–	–
Adjusted for				
Adjustment relating to the rental obligation	(528 684)	(493 354)		
Undeveloped land on Maxwell Office Park held directly by JV partner	(12 767)	(17 619)	–	–
Adjusted valuation	1 503 549	1 743 027	–	–
The valuation is done by applying the residual-land valuation model and includes the following key assumptions:				
• serviced land prices between R2 250 and R3 350 (2013: R2 250 and R3 350) per bulk square metre, depending on services installed and intended usage;				
• estimated capital outlays and professional fees as per independent quantity surveyor;				
• provision for any additional costs, for example, agents' commission and marketing;				
• an estimated development plan spanning one to 10 years (2013: one to eight years);				
• discount rates for present value calculations between 16% and 22% (2013: 18% to 25%); and				
• discount rates for present value calculations of 0% (2013: 0%) for Land Parcel 3.				
The estimated impact of a change in the following significant unobservable inputs would result in a fair value estimate as follows:				
• an extension by one year of the estimated development plan	1 741 962	1 875 870	–	–
• an increase of 100 basis points in the discount rate	1 975 603	2 184 380	–	–
The effective date of the revaluations of the development rights was 30 June 2014. Revaluations were performed by an independent valuer, Mr Bruce Eastman – N Dip Property Valuation, Property Associated Valuer of Old Mutual Investment Group: South Africa. Mr Bruce Eastman and Old Mutual Investment Group: South Africa are not connected to the Group.				
There was no change to the valuation technique from the prior year. The fair value of development rights is deemed to be a Level 3 input as defined by *IFRS 13 Fair Value Measurements*.				

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
In 2009, the company entered into a sale of development rights and lease agreements with Waterfall Development Company (Pty) Ltd in terms of which it obtained the right to develop the land parcels listed below and to call for the registration of long-term lease agreements against the title deeds of the land parcels. (It is anticipated that all the lease agreements will be registered within the foreseeable future.)				

For both years presented, Waterfall obtained development rights relating to:

- Land parcel 3 of portion 1/RE on the Farm Waterfall No. 5
- Remainder of land parcel 8 of portion 1/RE on the Farm Waterfall No. 5
- Remainder of land parcel 9 of portion 1/RE on the Farm Waterfall No. 5
- Remainder of land parcel 10 of portion 1/RE on the Farm Waterfall No. 5
- Land parcel 10a of portion 1/RE on the Farm Waterfall No. 5
- Land parcel 10b of portion 1/RE on the Farm Waterfall No. 5
- Land parcel 12 of portion 1/RE on the Farm Waterfall No. 5
- Remainder of land parcel 15 of Portion 62 of the Farm Waterfall No. 5
- Remainder of land parcel 22 of Portion 78 of the Farm Waterfall No. 5
- Land parcel 24 of portion 1/RE on the Farm Waterfall No. 5

Land – Le Chateau Property Development (Pty) Ltd

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Directors' valuation	17 000	17 000	–	–

Developments under construction

The value of developments under construction is determined with reference to the cost incurred to date plus a portion of the present value of the final anticipated fair value gain upon completion of the building. The final anticipated fair value gain upon completion of the buildings is the difference between the total costs of development and the fair value of the building at completion based on the independent valuer's valuation.

The present value of the anticipated fair value gain is determined with reference to the stage of completion of the building. The stage of completion of the building is determined with reference to the cost to date of the top structure and the total anticipated costs, excluding the land and the related funding costs.

The fair value of developments under construction is deemed to be a Level 3 input as defined by *IFRS 13 Fair Value Measurements*.

Developments under construction were valued as at 30 June 2014 and 30 June 2013 by independent valuers using the discounted cash flow of future income streams method.

6. Investment property (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
All independent valuers were registered in terms of section 19 of the Property Valuers Professional Act, 47 of 2000.				
For both years, the valuers were as follows:				
Old Mutual Investment Group: South Africa				
(i) M Prins – BSc Hons (Property Studies), Property Associate Valuer				
(ii) K Hook – BSc Hons (Property Studies), Property Associate Valuer				
(iii) M Smit – ND Property Valuation, Property Associate Valuer				
(iv) S Crous – ND Real Estate (Property Valuation), Chartered Valuation Surveyor				
Mills Fitchet KZN				
(v) T Bate – MSc, BSc Land Econ (UK), MRICS, MIV(SA), Professional Valuer				
Broll Valuation and Advisory Services (Pty) Ltd				
(vi) R Hunting – MRICS Dip TP MIV(SA), Professional Valuer				
(vii) D Orchard – Dip PV MIV(SA), Professional Valuer				
The independent valuer's valuation of the following developments under construction represents 50% of the valuer's value as they are being developed through a joint operation: • Cummins – with Trunzen 116 Trust ("Zenprop"); and • Maxwell Office Park – with East & West Investments (Pty) Ltd ("The Moolman Group").				
Developments under construction consist of:				
Hotel				
City Lodge – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	1 594	–	–	–
Transfer from infrastructure and services	2 430	–	–	–
Transfer of fair value from development rights	6 323	–	–	–
Additions	44 136	–	–	–
Net gain from fair value adjustment	8 603	–	–	–
Independent valuer's valuation – adjusted	63 086	–	–	–
Reconciled as follows:				
Cost	48 160	–	–	–
Fair value adjustment	14 926	–	–	–
Adjusted valuation	63 086	–	–	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
The following unobservable inputs were used by the independent valuer in estimating the fair value of the investment property:				
• Discount rate	13.25%	–	–	–
• Reversionary discount rate	13.25%	–	–	–
• Market cap rate	7.25%	–	–	–
• Reversionary cap rate	8.50%	–	–	–
• Expense growth	7.00%	–	–	–
• Income growth	6.00%	–	–	–
• Long-term vacancy rate	0.00%	–	–	–
The estimated impact of a change in the following significant unobservable inputs would result in a fair value estimate as follows:				
• a decrease of 50 basis points in the discount rate	66 315	–	–	–
• an increase of 50 basis points in the discount rate	59 993	–	–	–
• a decrease of 50 basis points in the reversionary cap rate	65 980	–	–	–
• an increase of 50 basis points in the reversionary cap rate	60 514	–	–	–
Light industrial				
Angel Shack Head Office and Distribution Centre – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	3 033	–	–	–
Transfer from infrastructure and services	1 878	–	–	–
Transfer of fair value from development rights	(138)	–	–	–
Additions	14 629	–	–	–
Net gain from fair value adjustment	1 629	–	–	–
Independent valuer's valuation – adjusted	21 031	–	–	–
Reconciled as follows:				
Cost	19 540	–	–	–
Fair value adjustment	1 491	–	–	–
Adjusted valuation	21 031	–	–	–
Covidien SA Headquarters and Distribution Centre – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	3 589	–	–	–
Transfer from infrastructure and services	5 994	–	–	–
Transfer of fair value from development rights	6 990	–	–	–
Additions	18 520	–	–	–
Net gain from fair value adjustment	4 143	–	–	–
Independent valuer's valuation – adjusted	39 236	–	–	–
Reconciled as follows:				
Cost	28 103	–	–	–
Fair value adjustment	11 133	–	–	–
Adjusted valuation	39 236	–	–	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Cummins Regional Parts Distribution Centre – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	6 762	–	–	–
Transfer from infrastructure and services	6 289	–	–	–
Transfer of fair value from development rights	4 166	–	–	–
Additions	5 330	–	–	–
Net gain from fair value adjustment	1 765	–	–	–
Independent valuer's valuation – adjusted	24 312	–	–	–
Reconciled as follows:				
Cost	18 381	–	–	–
Fair value adjustment	5 931	–	–	–
Adjusted valuation	24 312	–	–	–
Dräger SA Headquarters and Distribution Centre – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	3 110	–	–	–
Transfer from infrastructure and services	2 662	–	–	–
Transfer of fair value from development rights	4 753	–	–	–
Additions	16 198	–	–	–
Net gain from fair value adjustment	3 812	–	–	–
Independent valuer's valuation – adjusted	30 535	–	–	–
Reconciled as follows:				
Cost	21 970	–	–	–
Fair value adjustment	8 565	–	–	–
Adjusted valuation	30 535	–	–	–
Westcon Head Office – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	4 363	–	–	–
Transfer from infrastructure and services	3 671	–	–	–
Transfer of fair value from development rights	6 960	–	–	–
Additions	35 977	–	–	–
Net gain from fair value adjustment	1 377	–	–	–
Independent valuer's valuation – adjusted	52 348	–	–	–
Reconciled as follows:				
Cost	44 011	–	–	–
Fair value adjustment	8 337	–	–	–
Adjusted valuation	52 348	–	–	–
The following unobservable inputs were used by the independent valuer in estimating the fair value of the investment property:				
• Discount rate	13.25% – 13.50%	–	–	–
• Reversionary discount rate	13.25% – 13.50%	–	–	–
• Market cap rate	7.25% – 7.50%	–	–	–
• Reversionary cap rate	8.75%	–	–	–
• Expense growth	7.00%	–	–	–
• Income growth	6.00%	–	–	–
• Long-term vacancy rate	0.00%	–	–	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
The estimated impact of a change in the following significant unobservable inputs would result in a fair value estimate as follows:				
• a decrease of 50 basis points in the discount rate	179 066	–	–	–
• an increase of 50 basis points in the discount rate	156 342	–	–	–
• a decrease of 50 basis points in the reversionary cap rate	177 222	–	–	–
• an increase of 50 basis points in the reversionary cap rate	158 752	–	–	–
Office				
Maxwell Office Park, Premier Foods Head Office (Building 5) – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	771	–	–	–
Transfer from infrastructure and services	1 426	–	–	–
Transfer of fair value from development rights	1 429	–	–	–
Additions	32 569	–	–	–
Net gain from fair value adjustment	6 047	–	–	–
Independent valuer's valuation	42 242	–	–	–
Reconciled as follows:				
Cost	34 766	–	–	–
Fair value adjustment	7 476	–	–	–
Independent valuer's valuation	42 242	–	–	–
Maxwell Office Park, Building 6 – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	754	–	–	–
Transfer from infrastructure and services	1 395	–	–	–
Transfer of fair value from development rights	1 398	–	–	–
Additions	31 861	–	–	–
Net gain from fair value adjustment	6 021	–	–	–
Independent valuer's valuation – adjusted	41 429	–	–	–
Reconciled as follows:				
Cost	34 010	–	–	–
Fair value adjustment	7 419	–	–	–
Adjusted valuation	41 429	–	–	–
Novartis Head Office – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	2 718	–	–	–
Transfer from infrastructure and services	6 963	–	–	–
Transfer of fair value from development rights	549	–	–	–
Additions	36 535	–	–	–
Net gain from fair value adjustment	7 403	–	–	–
Independent valuer's valuation – adjusted	54 168	–	–	–
Reconciled as follows:				
Cost	46 216	–	–	–
Fair value adjustment	7 952	–	–	–
Adjusted valuation	54 168	–	–	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Lynnwood Bridge Phase 3 (Tower A) – Lynnwood Bridge Office Park (Pty) Ltd				
Balance at the beginning of the year	81 877	20 220	–	–
Additions	64 302	38 075	–	–
Net gain from fair value adjustment	3 959	23 582	–	–
Independent valuer's valuation – adjusted	150 138	81 877	–	–
Reconciled as follows:				
Cost	122 597	58 295	–	–
Fair value adjustment	27 541	23 582	–	–
Adjusted valuation	150 138	81 877	–	–
Lynnwood Bridge Phase 3 (Tower B) – Lynnwood Bridge Office Park (Pty) Ltd				
Balance at the beginning of the year	84 101	20 769	–	–
Transfer between components	–	–	–	–
Additions	66 048	39 110	–	–
Net gain from fair value adjustment	8 354	24 222	–	–
Independent valuer's valuation – adjusted	158 503	84 101	–	–
Reconciled as follows:				
Cost	125 927	59 879	–	–
Fair value adjustment	32 576	24 222	–	–
Adjusted valuation	158 503	84 101	–	–
Majestic Offices – Majestic Offices (Pty) Ltd				
Balance at the beginning of the year	37 165	24 251	–	–
Additions	73 059	20 487	–	–
Net gain from fair value adjustment	33 937	(7 573)	–	–
Independent valuer's valuation – adjusted	144 161	37 165	–	–
Reconciled as follows:				
Cost	117 797	44 738	–	–
Fair value adjustment	26 364	(7 573)	–	–
Adjusted valuation	144 161	37 165	–	–
The following unobservable inputs were used by the independent valuer in estimating the fair value of the investment property:				
• Discount rate	13.50% – 13.75%	–	–	–
• Reversionary discount rate	8.25% – 13.75%	–	–	–
• Market cap rate	7.50% – 8.50%	–	–	–
• Reversionary cap rate	7.75% – 9.50%	–	–	–
• Expense growth	7.00% – 7.50%	–	–	–
• Income growth	6.00%	–	–	–
• Long-term vacancy rate	0.00% – 1.00%	–	–	–

6. Investment property (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
The estimated impact of a change in the following significant unobservable inputs would result in a fair value estimate as follows:				
• a decrease of 50 basis points in the discount rate	610 193	–	–	–
• an increase of 50 basis points in the discount rate	569 123	–	–	–
• a decrease of 50 basis points in the reversionary cap rate	618 399	–	–	–
• an increase of 50 basis points in the reversionary cap rate	563 488	–	–	–
Retail				
Mall of Africa – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	46 226	–	–	–
Transfer from infrastructure and services	185 432	–	–	–
Transfer of fair value from development rights	123 323	–	–	–
Additions	442 997	–	–	–
Net gain from fair value adjustment	196 736	–	–	–
Independent valuer's valuation – adjusted	994 714	–	–	–
Reconciled as follows:				
Cost	674 655	–	–	–
Fair value adjustment	320 059	–	–	–
Adjusted valuation	994 714	–	–	–
Waterfall Lifestyle – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	6 158	–	–	–
Transfer from infrastructure and services	879	–	–	–
Transfer of fair value from development rights	7 330	–	–	–
Additions	74 966	–	–	–
Net loss from fair value adjustment	(2 034)	–	–	–
Independent valuer's valuation – adjusted	87 299	–	–	–
Reconciled as follows:				
Cost	82 003	–	–	–
Fair value adjustment	5 296	–	–	–
Adjusted valuation	87 299	–	–	–
Newtown – Nieuwtown Property Development (Pty) Ltd				
Balance at the beginning of the year	427 363	173 274	–	–
Additions	565 193	259 647	–	–
Net gain from fair value adjustment	(4 637)	(5 558)	–	–
Independent valuer's valuation – adjusted	987 919	427 363	–	–
Reconciled as follows:				
Cost	998 114	432 921	–	–
Fair value adjustment	(10 195)	(5 558)	–	–
Adjusted valuation	987 919	427 363	–	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
The following unobservable inputs were used by the independent valuer in estimating the fair value of the investment property:				
• Discount rate	12.50% – 14.00%	–	–	–
• Reversionary discount rate	12.50% – 14.00%	–	–	–
• Market cap rate	6.50% – 8.50%	–	–	–
• Reversionary cap rate	6.50% – 9.50%	–	–	–
• Expense growth	7.00%	–	–	–
• Income growth	6.00%	–	–	–
• Long-term vacancy rate	0.50% – 1.50%	–	–	–
The estimated impact of a change in the following significant unobservable inputs would result in a fair value estimate as follows:				
• a decrease of 50 basis points in the discount rate	2 249 003	–	–	–
• an increase of 50 basis points in the discount rate	1 898 627	–	–	–
• a decrease of 50 basis points in the reversionary cap rate	2 290 300	–	–	–
• an increase of 50 basis points in the reversionary cap rate	1 879 818	–	–	–
Developments under construction are transferred to completed developments on the date of practical completion as certified by the principal agent on the development.				
The impact of the change in estimate from the unobservable inputs and the sensitivity analysis relating to the following investment properties is disclosed under completed developments.				
Developments under construction transferred to completed developments include:				
Cell C Campus – Attacq Waterfall Investment Company (Pty) Ltd				
Balance at the beginning of the year	478 236	–	–	–
Transfer of cost from development rights	–	86 930	–	–
Additions	169 351	254 145	–	–
Net gain from fair value adjustment	62 965	137 161	–	–
Independent valuer's valuation – adjusted	710 552	478 236	–	–
Transfer to complete developments	(710 552)	–	–	–
Independent valuer's valuation – adjusted	–	478 236	–	–
Reconciled as follows:				
Cost	510 426	341 075	–	–
Fair value adjustment	200 126	137 161	–	–
Adjusted valuation	710 552	478 236	–	–
Less transfer to completed developments	(710 552)	–	–	–
Adjusted valuation	–	478 236	–	–

6. Investment property (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Group 5 Head Office – Attacq Waterfall Investment Company (Pty) Ltd				
Balance at the beginning of the year	206 345	–	–	–
Transfer of cost from development rights	–	13 898	–	–
Transfer of fair value from development rights	–	34 561	–	–
Additions	174 838	138 434	–	–
Net gain from fair value adjustment	110 616	19 452	–	–
Independent valuer's valuation – adjusted	491 799	206 345	–	–
Transfer to complete developments	(491 799)	–	–	–
Independent valuer's valuation – adjusted	–	206 345	–	–
Reconciled as follows:				
Cost	327 170	152 332	–	–
Fair value adjustment	164 629	54 013	–	–
Adjusted valuation	491 799	206 345	–	–
Less transfer to completed developments	(491 799)	–	–	–
Adjusted valuation	–	206 345	–	–
Maxwell Office Park, Golder and Associate Head Office (Building 1) – Attacq Waterfall Investment Company (Pty) Ltd				
Balance at the beginning of the year	29 566	–	–	–
Transfer of cost from development rights	–	2 280	–	–
Transfer from infrastructure and services	–	4 321	–	–
Transfer of fair value from development rights	–	809	–	–
Additions	28 262	13 839	–	–
Net gain from fair value adjustment	8 256	8 317	–	–
Independent valuer's valuation – adjusted	66 084	29 566	–	–
Transfer to complete developments	(66 084)	–	–	–
Independent valuer's valuation – adjusted	–	29 566	–	–
Reconciled as follows:				
Cost	48 702	20 440	–	–
Fair value adjustment	17 382	9 126	–	–
Adjusted valuation	66 084	29 566	–	–
Less transfer to completed developments	(66 084)	–	–	–
Adjusted valuation	–	29 566	–	–
Maxwell Office Park, Att House (Building 2) – Attacq Waterfall Investment Company (Pty) Ltd				
Balance at the beginning of the year	24 554	–	–	–
Transfer of cost from development rights	–	1 893	–	–
Transfer from infrastructure and services	–	3 589	–	–
Transfer of fair value from development rights	–	672	–	–
Additions	24 133	11 494	–	–
Net gain from fair value adjustment	6 857	6 906	–	–
Independent valuer's valuation – adjusted	55 544	24 554	–	–
Transfer to completed developments	(55 544)	–	–	–
Independent valuer's valuation – adjusted	–	24 554	–	–
Reconciled as follows:				
Cost	41 109	16 976	–	–
Fair value adjustment	14 435	7 578	–	–
Adjusted valuation	55 544	24 554	–	–
Less transfer to completed developments	(55 544)	–	–	–
Adjusted valuation	–	24 554	–	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Waterfall Corner – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer of cost from development rights	6 057	–	–	–
Transfer from infrastructure and services	16 678	–	–	–
Transfer of fair value from development rights	7 632	–	–	–
Additions	90 678	–	–	–
Net gain from fair value adjustment	42 201	–	–	–
Independent valuer's valuation – adjusted	163 246	–	–	–
Transfer to completed developments	(163 246)	–	–	–
Independent valuer's valuation – adjusted	–	–	–	–
Reconciled as follows:				
Cost	113 413	–	–	–
Fair value adjustment	49 833	–	–	–
Adjusted valuation	163 246	–	–	–
Less transfer to completed developments	(163 246)	–	–	–
Adjusted valuation	–	–	–	–

Completed developments

The fair value of completed developments is deemed to be a Level 3 input as defined by *IFRS 13 Fair Value Measurements,* except for Sanridge Square, which is deemed to be a Level 2 input.

Completed developments were valued as at 30 June 2014 using the discounted cash flow of future income streams method (2013: Capitalisation of normalised net income methodology) by independent valuers. This represents a change in estimate as per *IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors*.

In the prior year, Brooklyn Mall in which the Group has a 25% undivided share, was valued using the discounted cash flow methodology, the valuation technique chosen by the 75% shareholder, Growthpoint Properties Limited.

All independent valuers were registered in terms of section 19 of the Property Valuers Professional Act, 47 of 2000. For both years, the valuers were as follows:

Old Mutual Investments: South Africa

(i) M Prins – BSc Hons (Property Studies), Property Associate Valuer
(ii) T King – BSc DipSurv MRIC Valuer (SA), Professional and Chartered Valuation Surveyor
(iii) AS Smith – BSc Hons (Property Studies), Professional Valuer

Mills Fitchet KZN

(iv) T Bate – MSc, BSc Land Econ (UK), MRICS, MIV(SA), Professional Valuer

6. Investment property (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
(v) R Long – BSc MBA FRICS MIV(SA) Chartered Valuation Surveyor				
(vi) K Pfaff – BSc MRICS, Chartered Valuation Surveyor, Professional Valuer				
(vii) J Karg – Senior Valuer				
The independent valuer's valuation of the following developments completed represents 50% of the valuer's value as they are held through a joint operation or an undivided share:				
• Altech Building – with East and West Investments (Pty) Ltd (The Moolman Group);				
• Maxwell Office Park – with East and West Investments (Pty) Ltd (The Moolman Group);				
• Great Westerford – with Leaf Capital; and				
• Sanridge Square – with Rapfund (Pty) Ltd.				
The total and individual impact of the change in estimate is listed below for each business segment relating to the investment properties.				
Total impact of change in estimate on independent valuers' valuations				
Discounted cash flow of future income stream methodology	7 592 611	–	600 510	–
Capitalisation of normalised net income methodology	7 579 653	–	600 009	–
Difference	12 958	–	501	–
Completed developments consist of:				
Hotel				
Lynnwood Bridge City Lodge Hotel – Lynnwood Bridge Office Park (Pty) Ltd				
Balance at the beginning of the year	154 624	138 000	–	–
Net gain from fair value adjustment	11 000	20 000		
Straight-line lease income adjustment against fair value	(2 526)	(3 376)	–	–
Independent valuer's valuation – adjusted	163 098	154 624		
Reconciled as follows:				
Cost	138 000	138 000	–	–
Fair value adjustment	31 000	20 000	–	–
Independent valuer's valuation	169 000	158 000	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(5 902)	(3 376)	–	–
Adjusted valuation	163 098	154 624	–	–
Impact of change in estimate on independent valuer's valuation				
Discounted cash flow of future income stream methodology	169 000	–	–	–
Capitalisation of normalised net income methodology	167 000	–	–	–
Difference	2 000	–	–	–

6. Investment property (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
The following unobservable inputs were used by the independent valuer in estimating the fair value of the investment property:				
• Discount rate	14.00%	–	–	–
• Reversionary discount rate	8.50%	–	–	–
• Market cap rate	8.00%	–	–	–
• Reversionary cap rate	8.50%	–	–	–
• Expense growth	7.50%	–	–	–
• Income growth	6.50%	–	–	–
• Long-term vacancy rate	0.50%	–	–	–
The estimated impact of a change in the following significant unobservable inputs would result in a fair value estimate as follows:				
• a decrease of 50 basis points in the discount rate	171 775	–	–	–
• an increase of 50 basis points in the discount rate	165 687	–	–	–
• a decrease of 50 basis points in the reversionary cap rate	175 666	–	–	–
• an increase of 50 basis points in the reversionary cap rate	162 496	–	–	–
Light industrial				
Massbuild Distribution Campus – Attacq Waterfall Investment Company (Pty) Ltd				
Balance at the beginning of the year	231 820	–	–	–
Additions	–	197 696	–	–
Net gain from fair value adjustment	2 069	45 304	–	–
Straight-line lease debtor adjustment against fair value	(8 927)	(11 180)	–	–
Independent valuer's valuation – adjusted	224 962	231 820	–	–
Reconciled as follows:				
Cost	197 696	197 696	–	–
Fair value adjustment	47 373	45 304	–	–
Independent valuer's valuation	245 069	243 000	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(20 107)	(11 180)	–	–
Adjusted valuation	224 962	231 820	–	–
Impact of change in estimate on independent valuer's valuation				
Discounted cash flow of future income stream methodology	245 069	–	–	–
Capitalisation of normalised net income methodology	239 069	–	–	–
Difference	6 000	–	–	–
The following unobservable inputs were used by the independent valuer in estimating the fair value of the investment property:				
• Discount rate	12.50%	–	–	–
• Reversionary discount rate	15.05%	–	–	–
• Market cap rate	7.75%	–	–	–
• Reversionary cap rate	9.05%	–	–	–
• Expense growth	7.50%	–	–	–
• Income growth	6.00%	–	–	–
• Long-term vacancy rate	0.00%	–	–	–

6. **Investment property (continued)**

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000 Restated
The estimated impact of a change in the following significant unobservable inputs would result in a fair value estimate as follows:				
• a decrease of 50 basis points in the discount rate	249 142	–	–	–
• an increase of 50 basis points in the discount rate	241 236	–	–	–
• a decrease of 50 basis points in the reversionary cap rate	249 139	–	–	–
• an increase of 50 basis points in the reversionary cap rate	241 424	–	–	–
Offices				
Atterbury House – Attacq Limited				
Balance at the beginning of the year	–	285 296	–	285 296
Additions	–	11 782	–	11 782
Net gain from fair value adjustment	–	38 951	–	38 951
Straight-line lease debtor adjustment against fair value	–	(87)	–	(87)
Independent valuer's valuation – adjusted	–	335 942	–	335 942
Transfer to non-current assets held for sale	–	(335 942)	–	(335 942)
	–	–	–	–
Reconciled as follows:				
Cost	–	146 473	–	146 473
Fair value adjustment	–	191 825	–	191 825
Independent valuer's valuation	–	338 298	–	338 298
Adjusted for:				
Straight-line lease debtor against fair value	–	(2 356)	–	(2 356)
Adjusted valuation	–	335 942	–	335 942
Less transfer to non-current assets held for sale	–	(335 942)	–	(335 942)
Adjusted valuation	–	–	–	–
Great Westerford – Attacq Limited				
Balance at the beginning of the year	–	486 000	–	486 000
Additions	5 121	2 875	5 121	2 875
Net gain from fair value adjustment	(28 212)	57 834	(28 212)	57 834
Straight-line lease debtor adjustment against fair value	(171)	2 288	(171)	2 288
Independent valuer's valuation – adjusted	(23 262)	548 997	(23 262)	548 997
Disposal of 50% undivided share in Great Westerford	–	(290 126)	–	(290 126)
Transfer from (to) non-current assets held for sale	258 871	(258 871)	258 871	(258 871)
Adjusted valuation	235 609	–	235 609	–
Reconciled as follows:				
Cost	178 910	345 008	178 910	345 008
Fair value adjustment	59 599	206 718	59 599	206 718
Independent valuer's valuation	238 509	551 726	238 509	551 726
Disposal of 50% undivided share in Great Westerford	–	(290 126)	–	(290 126)
Transfer to non-current assets held for sale	–	(258 871)	–	(258 871)
Independent valuer's valuation	238 509	2 729	238 509	2 729
Adjusted for:				
Straight-line lease debtor against fair value	(2 900)	(2 729)	(2 900)	(2 729)
Adjusted valuation	235 609	–	235 609	–

6. Investment property (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Great Westerford was classified as held for sale in the prior year as it was expected to be sold shortly after 30 June 2014. The building is no longer held for sale as the sale transaction has not taken place and is not expected to take place in the foreseeable future.				
Altech Building, Woodmead North Office Park – Attacq Waterfall Investment Company (Pty) Ltd				
Balance at the beginning of the year	34 068	35 500	–	–
Additions	–	3 263	–	–
Net gain from fair value adjustment	6 032	(2 263)	–	–
Straight-line lease debtor adjustment against fair value	904	(2 432)	–	–
Independent valuer's valuation – adjusted	41 004	34 068	–	–
Reconciled as follows:				
Cost	25 502	25 502	–	–
Fair value adjustment	17 030	10 998	–	–
Independent valuer's valuation	42 532	36 500	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(1 528)	(2 432)	–	–
Adjusted valuation	41 004	34 068	–	–
Cell C Campus – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer from developments under construction	710 552	–	–	–
Additions	21 351	–	–	–
Net gain from fair value adjustment	51 439	–	–	–
Straight-line lease debtor adjustment against fair value	(22 013)	–	–	–
Independent valuer's valuation – adjusted	761 329	–	–	–
Reconciled as follows:				
Cost	531 777	–	–	–
Fair value adjustment	251 565	–	–	–
Independent valuer's valuation	783 342	–	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(22 013)	–	–	–
Adjusted valuation	761 329	–	–	–
Group 5 Head Office – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer from developments under construction	491 799	–	–	–
Additions	23 794	–	–	–
Net gain from fair value adjustment	(1 137)	–	–	–
Straight-line lease debtor adjustment against fair value	(10 036)			
Independent valuer's valuation – adjusted	504 420	–	–	–
Reconciled as follows:				
Cost	350 964	–	–	–
Fair value adjustment	166 436	–	–	–
Independent valuer's valuation	517 400	–	–	–
Adjusted for:				
Costs to complete against fair value	(2 944)	–	–	–
Straight-line lease debtor against fair value	(10 036)	–	–	–
Adjusted valuation	504 420	–	–	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Maxwell Office Park, Golder & Associate Head Office (Building 1) – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer from developments under construction	66 084	–	–	–
Additions	2 975	–	–	–
Net gain from fair value adjustment	4 292	–	–	–
Straight-line lease debtor adjustment against fair value	(871)			
Independent valuer's valuation – adjusted	72 480	–	–	–
Reconciled as follows:				
Cost	51 677	–	–	–
Fair value adjustment	22 870	–	–	–
Independent valuer's valuation	74 547	–	–	–
Adjusted for:				
Costs to complete against fair value	(1 196)	–	–	–
Straight-line lease debtor against fair value	(871)	–	–	–
Adjusted valuation	72 480	–	–	–
Maxwell Office Park, Att House (Building 2) – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer from developments under construction	55 544	–	–	–
Additions	2 506	–	–	–
Net gain from fair value adjustment	296	–	–	–
Straight-line lease debtor adjustment against fair value	(332)			
Independent valuer's valuation – adjusted	58 014	–	–	–
Reconciled as follows:				
Cost	43 615	–	–	–
Fair value adjustment	17 408	–	–	–
Independent valuer's valuation	61 023	–	–	–
Adjusted for:				
Costs to complete against fair value	(2 677)	–	–	–
Straight-line lease debtor against fair value	(332)	–	–	–
Adjusted valuation	58 014	–	–	–
Aurecon Building – Lynnaur Investments (Pty) Ltd				
Balance at the beginning of the year	644 158	625 299	–	–
Additions	192	174	–	–
Net gain from fair value adjustment	24 808	44 826	–	–
Straight-line lease debtor adjustment against fair value	(31 205)	(26 141)	–	–
Independent valuer's valuation – adjusted	637 953	644 158	–	–
Reconciled as follows:				
Cost	463 566	463 374	–	–
Fair value adjustment	237 434	212 626	–	–
Independent valuer's valuation	701 000	676 000	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(63 047)	(31 842)	–	–
Adjusted valuation	637 953	644 158	–	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Lynnwood Bridge Office Park – Lynnwood Bridge Office Park (Pty) Ltd				
Balance at the beginning of the year	378 970	370 840	–	–
Additions	2 887	1 156	–	–
Net gain from fair value adjustment	8 113	23 833		
Straight-line lease debtor adjustment against fair value	(10 400)	(16 859)	–	–
Independent valuer's valuation – adjusted	379 570	378 970	–	–
Reconciled as follows:				
Cost	399 054	396 167	–	–
Fair value adjustment	31 946	23 833	–	–
Independent valuer's valuation	431 000	420 000	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(51 430)	(41 030)	–	–
Adjusted valuation	379 570	378 970	–	–
Brooklyn Bridge Office Park – Brooklyn Bridge Office Park (Pty) Ltd				
Additions – *IFRS 3 Business Combinations*	599 411	–	–	–
Additions	5 525			
Net gain from fair value adjustment	33 092	–	–	–
Straight-line lease debtor adjustment against fair value	(29 753)			
Independent valuer's valuation – adjusted	608 275	–	–	–
Reconciled as follows:				
Cost	338 595	–	–	–
Fair value adjustment	299 433	–	–	–
Independent valuer's valuation	638 028	–	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(29 753)	–	–	–
Adjusted valuation	608 275	–	–	–
Impact of change in estimate on independent valuers' valuations				
Discounted cash flow of future income stream methodology	3 447 312	–	238 509	–
Capitalisation of normalised net income methodology	3 410 033	–	236 009	–
Difference	37 279	–	2 500	–
The following unobservable inputs were used by the independent valuer in estimating the fair value of the investment property:				
• Discount rate	12.50% – 15.00%	–	15.00%	–
• Reversionary discount rate	8.25% – 15.25%	–	15.00%	–
• Market cap rate	7.50% – 9.17%	–	9.00%	–
• Reversionary cap rate	7.75% – 9.50%	–	9.50%	–
• Expense growth	7.00% – 7.50%	–	7.50%	–
• Income growth	6.00%	–	6.00%	–
• Long-term vacancy rate	0.00% – 2.00%	–	2.00%	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000 Restated
The estimated impact of a change in the following significant unobservable inputs would result in a fair value estimate as follows:				
• a decrease of 50 basis points in the discount rate	3 545 922	–	243 146	–
• an increase of 50 basis points in the discount rate	3 429 244	–	233 985	–
• a decrease of 50 basis points in the reversionary cap rate	3 532 475	–	247 904	–
• an increase of 50 basis points in the reversionary cap rate	3 450 28	–	230 054	–
Retail				
Sanridge Square – Attacq Limited				
Balance at the beginning of the year	–	92 798	–	92 798
Additions	–	106	–	106
Net gain from fair value adjustment	–	7 597	–	7 597
Straight-line lease debtor adjustment against fair value	–	(667)	–	(667)
Transfer to non-current assets held for sale	–	(99 834)	–	(99 834)
Balance at the end of the year	–	–	–	–
Reconciled as follows:				
Cost	–	67 102	–	67 102
Fair value adjustment	–	35 351	–	35 351
Valuation based on sales contract	–	102 453	–	102 453
Adjusted for:				
Straight-line lease debtor against fair value	–	(2 619)	–	(2 619)
Adjusted valuation	–	99 834	–	99 834
Transfer to non-current assets held for sale		(99 834)		(99 834)
Adjusted valuation	–	–	–	–

The valuation of Sanridge Square in the prior year was based on the sales contract. The 50% undivided share was sold in August 2013. It is deemed to be a Level 2 as defined by *IFRS 13 Fair Value Measurements*.

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000 Restated
Glenfair Boulevard Shopping Centre – Attacq Limited				
Balance at the beginning of the year	316 909	289 275	316 909	289 275
Additions	11 033	3 830	11 033	3 830
Net gain from fair value adjustment	23 468	27 405	23 468	27 405
Straight-line lease debtor adjustment against fair value	(1 764)	(3 601)	(1 764)	(3 601)
Independent valuer's valuation – adjusted	349 646	316 909	349 646	316 909
Reconciled as follows:				
Cost	264 733	253 700	264 733	253 700
Fair value adjustment	97 268	73 800	97 268	73 800
Independent valuer's valuation	362 001	327 500	362 001	327 500
Adjusted for:				
Straight-line lease debtor against fair value	(12 355)	(10 591)	(12 355)	(10 591)
Adjusted valuation	349 646	316 909	349 646	316 909

6. Investment property (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Waterfall Corner – Attacq Waterfall Investment Company (Pty) Ltd				
Transfer from developments under construction	163 246	–	–	–
Additions	3 722	–	–	–
Net gain from fair value adjustment	3 847	–	–	–
Straight-line lease debtor adjustment against fair value	(1 223)	–		–
Independent valuer's valuation – adjusted	169 592	–	–	–
Reconciled as follows:				
Cost	117 135	–	–	–
Fair value adjustment	59 579	–	–	–
Independent valuer's valuation	176 714	–	–	–
Adjusted for:				
Costs to complete against fair value	(5 899)	–	–	–
Straight-line lease debtor against fair value	(1 223)	–	–	–
Adjusted valuation	169 592	–	–	–
Lynnwood Bridge Retail – Lynnwood Bridge Office Park (Pty) Ltd				
Balance at the beginning of the year	276 788	248 415	–	–
Net gain from fair value adjustment	12 000	31 000	–	–
Straight-line lease debtor adjustment against fair value	(1 796)	(2 627)	–	–
Independent valuer's valuation – adjusted	286 992	276 788	–	–
Reconciled as follows:				
Cost	255 000	255 000	–	–
Fair value adjustment	43 000	31 000	–	–
Independent valuer's valuation	298 000	286 000	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(11 008)	(9 212)	–	–
Adjusted valuation	286 992	276 788	–	–
Garden Route Mall – Mantrablox (Pty) Ltd				
Balance at the beginning of the year	1 023 185	957 423	–	–
Net gain from fair value adjustment	91 400	76 000	–	–
Straight-line lease debtor adjustment against fair value	(2 844)	(10 238)	–	–
Independent valuer's valuation – adjusted	1 111 741	1 023 185	–	–
Reconciled as follows:				
Cost	888 000	888 000	–	–
Fair value adjustment	251 400	160 000	–	–
Independent valuer's valuation	1 139 400	1 048 000	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(27 659)	(24 815)	–	–
Adjusted valuation	1 111 741	1 023 185	–	–
Andringa Walk – Attacq Retail Fund (Pty) Ltd				
Balance at the beginning of the year	146 293	141 559	–	–
Additions	1 252	25 505	–	–
Net gain (loss) from fair value adjustment	13 203	(18 362)	–	–
Straight-line lease debtor adjustment against fair value	(236)	(2 409)	–	–
Independent valuer's valuation – adjusted	160 512	146 293	–	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Reconciled as follows:				
Cost	327 264	326 012	–	–
Fair value adjustment	(161 264)	(177 278)	–	–
Independent valuer's valuation	166 000	148 734	–	–
Adjusted for:				
Costs to complete against fair value	(2 811)	–	–	–
Straight-line lease debtor against fair value	(2 677)	(2 441)	–	–
Adjusted valuation	160 512	146 293	–	–
Eikestad Mall – Attacq Retail Fund (Pty) Ltd				
Balance at the beginning of the year	483 267	451 281	–	–
Additions	1 702	3 938	–	–
Net gain from fair value adjustment	20 665	34 460	–	–
Straight-line lease debtor adjustment against fair value	(2 185)	(6 412)	–	–
Independent valuer's valuation – adjusted	503 449	483 267	–	–
Reconciled as follows:				
Cost	359 888	358 186	–	–
Fair value adjustment	155 240	134 575	–	–
Independent valuer's valuation	515 128	492 761	–	–
Adjusted for:				
Costs to complete against fair value	–	–	–	–
Straight-line lease debtor against fair value	(11 679)	(9 494)	–	–
Adjusted valuation	503 449	483 267	–	–
Mill Square – Attacq Retail Fund (Pty) Ltd				
Balance at the beginning of the year	58 019	–	–	–
Additions	12 430	53 464	–	–
Net gain from fair value adjustment	3 168	4 582	–	–
Straight-line lease debtor adjustment against fair value	(421)	(27)	–	–
Independent valuer's valuation – adjusted	73 196	58 019	–	–
Reconciled as follows:				
Cost	65 894	53 464	–	–
Fair value adjustment	7 750	4 582	–	–
Independent valuer's valuation	73 644	58 046	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(448)	(27)	–	–
Adjusted valuation	73 196	58 019	–	–
Mooirivier Mall – Attacq Retail Fund (Pty) Ltd				
Balance at the beginning of the year	915 178	793 631	–	–
Net gain from fair value adjustment	83 127	132 273	–	–
Straight-line lease debtor adjustment against fair value	(6 040)	(10 726)	–	–
Independent valuer's valuation – adjusted	992 265	915 178	–	–
Reconciled as follows:				
Cost	724 000	724 000	–	–
Fair value adjustment	289 400	206 273	–	–
Independent valuer's valuation	1 013 400	930 273	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(21 135)	(15 095)	–	–
Adjusted valuation	992 265	915 178	–	–

6. Investment property (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Brooklyn Mall (25% undivided share) – Attacq Retail Fund (Pty) Ltd				
Balance at the beginning of the year	575 000	508 368	–	–
Additions	8 070	22 052	–	–
Net gain from fair value adjustment	59 066	46 439	–	–
Straight-line lease debtor adjustment against fair value	(4 621)	(1 859)	–	–
Independent valuer's valuation – adjusted	637 515	575 000	–	–
Reconciled as follows:				
Cost	345 508	337 438	–	–
Fair value adjustment	303 064	243 998	–	–
Independent valuer's valuation	648 572	581 436	–	–
Adjusted for:				
Straight-line lease debtor against fair value	(11 057)	(6 436)	–	–
Adjusted valuation	637 515	575 000	–	–
Impact of change in estimate on independent valuers' valuations				
Discounted cash flow of future income stream methodology	3 731 229	–	362 001	–
Capitalisation of normalised net income methodology	3 763 552	–	364 000	–
Difference	(32 323)	–	(1 999)	–
The following unobservable inputs were used by the independent valuer in estimating the fair value of the investment property:				
• Discount rate	12.50% – 14.00%	–	14.00%	–
• Market cap rate	8.00% – 14.00%	–	8.00%	–
• Reversionary cap rate	6.75% – 8.56%	–	8.50%	–
• Expense growth	6.75% – 8.25%	–	7.50%	–
• Income growth	6.00% – 8.00%	–	6.00%	–
• Long-term vacancy rate	1.50% – 6.00%	–	1.50%	–
The estimated impact of a change in the following significant unobservable inputs would result in a fair value estimate as follows:				
• a decrease of 50 basis points in the discount rate	3 771 215	–	369 131	–
• an increase of 50 basis points in the discount rate	4 287 562	–	356 014	–
• a decrease of 50 basis points in the reversionary cap rate	3 864 661	–	370 575	–
• an increase of 50 basis points in the reversionary cap rate	4 205 067	–	343 070	–

7. Intangible assets

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Additions through business combinations	299 460	–	–	–
• Attacq Management Services (Pty) Ltd	110 809	–	–	–
• Attacq Retail Services (Pty) Ltd	188 651	–	–	–
Amortisation expense	(14 634)	–	–	–
Total	**284 826**	**–**	**–**	**–**

The Group acquired the entire issued share capital of Attacq Management Services (Pty) Ltd and Attacq Retail Fund (Pty) Ltd, which is considered to be a business combination as defined by *IFRS 3 Business Combinations*.

The intangible assets are amortised over 15 years and are tested for impairment on an annual basis or when there are indications that the intangible assets may be impaired.

Management of the Group has tested the intangible assets for impairment as at 30 June 2014 and concluded that the intangible assets are not impaired.

8. Goodwill

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Balance at the beginning of the year	–	16 929	–	–
Additions through business combinations	62 847	–	–	–
Impairment	–	(16 929)	–	–
Total	**62 847**	**–**	**–**	**–**
The goodwill relates to the following cash-generating units:				
• Attacq Management Services (Pty) Ltd	38 570	–	–	–
• Attacq Retail Services (Pty) Ltd	24 277	–	–	–
Total	**62 847**	**–**	**–**	**–**

Refer to note 10.1 for details of the acquisition of goodwill.

The goodwill is not amortised but tested for impairment on an annual basis and when there are indications that the goodwill may be impaired.

Management of the Group has tested goodwill for impairment as at 30 June 2014 and concluded that the goodwill is not impaired based on the following:

- the positive net asset value of the cash-generating units;
- no impairment of the investment by the Group in the underlying cash-generating units;
- the present value of the future discounted cash flows generated by the cash-generating units; and
- the additions to the asset base which will be managed by the cash-generating units.

In the prior year, management assessed the cash flows of the cash-generating units that goodwill could be allocated to and decided to impair the then existing goodwill. In the prior year, the amount was impaired and allocated to the statement of profit or loss and other comprehensive income under "operating and other expenses". Management did not believe that the goodwill represented additional value to be unlocked in the assets.

9. Investment in associates

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Balance at the beginning of the year	1 073 891	1 098 742	624 186	523 619
Additions	2 156 821	175 438	2 156 821	174 311
Movement in cross-shareholding adjustment	(17 264)	(66 012)	–	–
Disposal due to loss of control in subsidiary (Waterfall Mall Limited and Accra Mall Limited)	–	(145 202)	–	–
Fair value adjustment through other comprehensive income	–	–	247 756	78 857
Movement in foreign currency translation effect	1 488	3 863	–	–
Impairment loss	–	(74 667)	(257 747)	(74 667)
Movement in provision for liabilities relating to associates	62 511	(18 754)	62 511	(18 754)
Share in retained profits – Continued operations	(133 128)	160 442	–	–
Share in retained profits – Discontinued operations	–	14 895	–	–
Transfer due to loss of control in subsidiary (Atterbury Africa Limited)	–	(5 637)	–	–
Transfer from other investments	–	(9 049)	–	(9 049)
Transfer to non-current assets held for sale	(138 846)	(60 168)	(138 846)	(50 131)
Transfer to investment in subsidiaries	(64 043)	–	(64 043)	–
Balance at the end of the year	2 941 430	1 073 891	2 630 638	624 186
Reconciled as follows:				
Cost	3 107 301	1 159 791	2 843 476	736 656
Net gain from fair value adjustment	–	–	343 184	95 557
Share of retained profits since acquisition	124 646	343 448	–	–
Cross-shareholding adjustment	(83 276)	(66 012)	–	–
Foreign currency translation effect	4 492	4 594	–	–
Impairment	–	(86 541)	(344 288)	(86 541)
Disposal due to loss of control in subsidiary (Waterfall Mall Limited and Accra Mall Limited)	–	(149 866)	–	–
Transfer to non-current assets held for sale	(138 846)	(60 168)	(138 847)	(50 131)
Transfer to investment in subsidiaries	(64 043)	–	(64 043)	–
Subtotal	2 950 274	1 145 246	2 639 482	695 541
Provision for liabilities relating to associates	(8 844)	(71 355)	(8 844)	(71 355)
Balance at the end of the year	2 941 430	1 073 891	2 630 638	624 186
Investment in associates comprise the following:				
Arctospark (Pty) Ltd				
Balance at the beginning of the year	–	(14 649)	–	(14 649)
Additions	–	50 000	–	50 000
Fair value adjustment through other comprehensive income	–	–	–	14 780
Share of retained profits for the year	–	14 780	–	–
Transfer to non-current assets held for sale	–	(50 131)	–	(50 131)
Balance at the end of the year	–	–	–	–
Reconciled as follows:				
Cost	–	50 001	–	50 001
Net gain from fair value adjustment	–	–	–	130
Share of retained profits since acquisition	–	130	–	–
Transfer to non-current assets held for sale	–	(50 131)	–	(50 131)
Balance at the end of the year	–	–	–	–

9. Investment in associates (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Atterbury Property Holdings (Pty) Ltd				
Balance at the beginning of the year	49 707	102 600	115 718	103 726
Movement in cross-shareholding adjustment	(17 264)	(66 012)	–	–
Additions	3 333	13 119	3 333	11 992
Impairment loss	–	–	(16 526)	–
Share of retained losses for the year	(16 526)	–	–	–
Balance at the end of the year	19 250	49 707	102 525	115 718
Reconciled as follows:				
Cost	119 052	115 719	119 051	115 718
Cross-shareholding adjustment	(83 276)	(66 012)	–	–
Impairment	–	–	(16 526)	–
Share of retained losses since acquisition	(16 526)	–	–	–
Balance at the end of the year	19 250	49 707	102 525	115 718

The Group has shareholding in subsidiaries in which Atterbury Property Holdings (Pty) Ltd ("APH") has a shareholding. The Group is consolidated using the effective consolidation method. Under this method, the effective shareholding, and not the direct shareholding, in a subsidiary is taken into account.

The net asset value of Atterbury Property Holdings (Pty) Ltd ("APH"), on which the value of the investment in APH is determined, includes the results of the subsidiaries in which the Group has a shareholding. The effective consolidated method has the effect of accounting for the results of these subsidiaries twice. An adjustment is made to the value of the investment in APH to remove this effect.

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Brooklyn Bridge Office Park (Pty) Ltd				
Balance at the beginning of the year	55 473	50 537	55 473	50 537
Fair value adjustment through other comprehensive income	–	–	8 570	4 936
Share of retained profits for the year	8 570	4 936	–	–
Transfer to investment in subsidiaries	(64 043)	–	(64 043)	–
Balance at the end of the year	–	55 473	–	55 473
Reconciled as follows:				
Cost	50 330	50 330	50 330	50 330
Net gain from fair value adjustment	–	–	13 713	5 143
Share of retained profits since acquisition	13 713	5 143	–	–
Transfer to investment in subsidiaries	(64 043)	–	(64 043)	–
Balance at the end of the year	–	55 473	–	55 473

9. Investment in associates (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000 Restated
The Club Retail Park (Pty) Ltd				
Balance at the beginning of the year	(3 851)	(1 810)	(3 851)	(1 810)
Additions	1	–	1	–
Fair value adjustment through other comprehensive income	–	–	3 019	–
Impairment loss	–	–	9 387	–
Share of retained profits for the year	12 406	–	–	–
Movement in provision for liabilities relating to associates	3 851	(2 041)	3 851	(2 041)
Balance at the end of the year	12 407	(3 851)	12 407	(3 851)
Reconciled as follows:				
Cost	9 388	9 387	9 388	9 387
Impairment	–	(9 387)	–	(9 387)
Net gain from fair value adjustment	–	–	3 019	–
Share of retained losses since acquisition	3 019	–	–	–
Provision for liabilities relating to associates	–	(3 851)	–	(3 851)
Balance at the end of the year	12 407	(3 851)	12 407	(3 851)
Fountains Regional Mall (Pty) Ltd				
Balance at the beginning of the year	(24 034)	–	(24 034)	–
Transfer from other investments	–	(9 049)	–	(9 049)
Movement in provision for liabilities relating to associates	19 974	(14 985)	19 974	(14 985)
Balance at the end of the year	(4 060)	(24 034)	(4 060)	(24 034)
Reconciled as follows:				
Cost*	–	–	–	–
Provision for liabilities relating to associates	(4 060)	(24 034)	(4 060)	(24 034)
Balance at the end of the year	(4 060)	(24 034)	(4 060)	(24 034)
Geelhoutboom Estate (Pty) Ltd				
Balance at the beginning of the year	(28 857)	(16 965)	(28 857)	(16 965)
Movement in provision for liabilities relating to associates	24 073	(11 892)	24 073	(11 892)
Balance at the end of the year	(4 784)	(28 857)	(4 784)	(28 857)
Reconciled as follows:				
Cost*	–	–	–	–
Provision for liabilities relating to associates	(4 784)	(28 857)	(4 784)	(28 857)
Balance at the end of the year	(4 784)	(28 857)	(4 784)	(28 857)
The Grove Mall of Namibia (Pty) Ltd				
Balance at the beginning of the year	(123)	–	(123)	–
Fair value adjustment through other comprehensive income	–	–	15 764	–
Movement in provision for liabilities relating to associates	123	(123)	123	(123)
Share of retained profits for the year	15 764	–	–	–
Balance at the end of the year	15 764	(123)	15 764	(123)
Reconciled as follows:				
Cost*	–	–	–	–
Net gain from fair value adjustment	–	–	15 764	–
Share of retained profits since acquisition	15 764	–	–	–
Provision for liabilities relating to associates	–	(123)	–	(123)
Balance at the end of the year	15 764	(123)	15 764	(123)

** The cost of this investment is less than R1 000.*

9. Investment in associates (continued)

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
		Restated		
Keysha Investments 213 (Pty) Ltd (Val de Vie)				
Balance at the beginning of the year	(13 664)	(24 430)	(13 664)	(24 430)
Movement in provision for liabilities relating to associates	13 664	10 766	13 664	10 766
Balance at the end of the year	–	(13 664)	–	(13 664)
Reconciled as follows:				
Cost	1	1	1	1
Net gain from fair value adjustment	–	–	–	(1)
Share of retained losses since acquisition	–	(1)	–	–
Provision for liabilities relating to associates	–	(13 664)	–	(13 664)
Transfer to non-current assets held for sale	(1)	–	(1)	–
Balance at the end of the year	–	(13 664)	–	(13 664)
MAS Real Estate Inc.				
Balance at the beginning of the year	209 627	109 565	209 627	109 565
Additions	1 840 817	50 084	1 840 817	50 084
Fair value adjustment through other comprehensive income	–	–	171 942	49 978
Share of retained (losses)/profits for the year	(73 607)	49 978	–	–
Balance at the end of the year	1 976 837	209 627	2 222 386	209 627
Reconciled as follows:				
Cost	1 990 901	150 084	1 990 901	150 084
Net gain from fair value adjustment	–	–	231 485	59 543
Share of retained (losses)/profits since acquisition	(14 064)	59 543	–	–
Balance at the end of the year	1 976 837	209 627	2 222 386	209 627
Paradise Coast Property Development (Pty) Ltd				
Balance at the beginning of the year	(826)	(347)	(826)	(347)
Movement in provision for liabilities relating to associates	826	(479)	826	(479)
Balance at the end of the year	–	(826)	–	(826)
Reconciled as follows:				
Cost*	–	–	–	–
Provision for liabilities relating to associates	–	(826)	–	(826)
Balance at the end of the year	–	(826)	–	(826)
Rapfund Holdings (Pty) Ltd				
Additions	140 430	–	140 430	–
Impairment loss	–	–	(1 584)	–
Share of retained (losses)/profits for the year	(1 584)	–	–	–
Transfer to non-current assets held for sale	(138 846)	–	(138 846)	–
Balance at the end of the year	–	–	–	–
Reconciled as follows:				
Cost	140 430	–	140 430	–
Impairment	–	–	(1 584)	–
Share of retained losses since acquisition	(1 584)	–	–	–
Transfer to non-current assets held for sale	(138 846)	–	(138 846)	–
Balance at the end of the year	–	–	–	–

** The cost of this investment is less than R1 000.*

9. Investment in associates (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Retail Africa Consortium Holdings (Pty) Ltd (REACH)				
Balance at the beginning of the year	249 024	261 456	249 024	261 456
Additions	–	62 235	–	62 235
Impairment loss	–	(74 667)	(249 024)	(74 667)
Share of retained losses for the year	(249 024)	–	–	–
Balance at the end of the year	–	249 024	–	249 024
Reconciled as follows:				
Cost	326 178	326 178	326 178	326 178
Impairment	–	(77 154)	(326 178)	(77 154)
Net gain from fair value adjustment	–	–	–	–
Share of retained losses since acquisition	(326 178)	–	–	–
Balance at the end of the year	–	249 024	–	249 024
Retail Africa Wingspan Investments (Pty) Ltd				
Additions	172 240	–	172 240	–
Fair value adjustment through other comprehensive income	–	–	45 926	–
Share of retained profits for the year	45 926	–	–	
Balance at the end of the year	218 166	–	218 166	–
Reconciled as follows:				
Cost	172 240	–	172 240	–
Net gain from fair value adjustment	–	–	45 926	–
Share of retained profits since acquisition	45 926	–	–	–
Balance at the end of the year	218 166	–	218 166	–
Travenna Development Company (Pty) Ltd				
Balance at the beginning of the year	65 699	56 536	65 699	56 536
Fair value adjustment through other comprehensive income	–	–	2 535	9 163
Share of retained profits for the year	2 535	9 163	–	–
Balance at the end of the year	68 234	65 699	68 234	65 699
Reconciled as follows:				
Cost	34 957	34 957	34 957	34 957
Net gain from fair value adjustment	–	–	33 277	30 742
Share of retained profits since acquisition	33 277	30 742	–	–
Balance at the end of the year	68 234	65 699	68 234	65 699
The shareholdings in the following investments are held via a subsidiary, Atterbury Mauritius Consortium (Pty) Ltd.				
Bagaprop Limited				
Balance at the beginning of the year	252 692	181 753	–	–
Share of retained profits for the year	96 795	70 939	–	–
Balance at the end of the year	349 487	252 692	–	–
Reconciled as follows:				
Cost	104 595	104 595	–	–
Share of retained profits since acquisition	244 892	148 097	–	–
Balance at the end of the year	349 487	252 692	–	–

9. Investment in associates (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Mall of Mauritius at Bagatelle Limited				
Balance at the beginning of the year	242 652	221 979	–	–
Share of retained profits for the year	24 615	20 673	–	–
Balance at the end of the year	267 267	242 652	–	–
Reconciled as follows:				
Cost	141 795	141 795	–	–
Share of retained profits since acquisition	125 472	100 857	–	–
Balance at the end of the year	267 267	242 652	–	–
The shareholdings in the following investments are held via a subsidiary, AIH International Limited.				
Bishopsgate Student Residential Limited				
Balance at the beginning of the year	20 372	17 435	–	–
Movement in foreign currency translation effect	1 488	3 004	–	–
Share of retained profits (losses) for the year	1 002	(67)	–	–
Balance at the end of the year	22 862	20 372	–	–
Reconciled as follows:				
Cost	17 435	17 435	–	–
Foreign currency translation effect	4 492	3 004	–	–
Share of retained profits (losses) since acquisition	935	(67)	–	–
Balance at the end of the year	22 862	20 372	–	–
Atterbury Africa Limited				
Balance at the beginning of the year	–	–	–	–
Share of retained profits for the year	–	5 637	–	–
Transfer due to loss of control in subsidiary	–	(5 637)	–	–
Balance at the end of the year	–	–	–	–
Reconciled as follows:				
Cost	–	–	–	–
Share of retained profits since acquisition	–	5 637	–	–
Transfer due to loss of control in subsidiary	–	(5 637)	–	–
Balance at the end of the year	–	–	–	–
Accra Mall Limited				
Balance at the beginning of the year	–	136 633	–	–
Share of retained losses for the year	–	(1 790)	–	–
Movement in foreign currency translation effect	–	31	–	–
Disposal	–	(134 874)	–	–
Balance at the end of the year	–	–	–	–
Reconciled as follows:				
Cost	–	141 923	–	–
Share of retained losses since acquisition	–	(6 805)	–	–
Foreign currency translation effect	–	(244)	–	–
Disposal	–	(134 874)	–	–
Balance at the end of the year	–	–	–	–

9. Investment in associates (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Waterfall Mall Limited				
Balance at the beginning of the year	–	9 372	–	–
Share of retained profits for the year	–	973	–	–
Movement in foreign currency translation effect	–	(17)	–	–
Disposal	–	(10 328)	–	–
Balance at the end of the year	–	–	–	–
Reconciled as follows:				
Cost	–	10 330	–	–
Share of retained losses since acquisition	–	(908)	–	–
Foreign currency translation effect	–	(67)	–	–
Disposal	–	(9 355)	–	–
Balance at the end of the year	–	–	–	–
Artisan Investment Projects 10 Limited				
Balance at the beginning of the year	–	9 077	–	–
Movement in foreign currency translation effect	–	845	–	–
Share of retained profits for the year	–	115	–	–
Transfer to non-current assets held for sale	–	(10 037)	–	–
Balance at the end of the year	–	–	–	–
Reconciled as follows:				
Cost	–	7 056	–	–
Net gain from fair value adjustment	–	–	–	–
Foreign currency translation effect	–	1 901	–	–
Share of retained profits since acquisition	–	1 080	–	–
Transfer to non-current assets held for sale	–	(10 037)	–	–
Balance at the end of the year	–	–	–	–

9. Investment in associates (continued)

	Group 2014 %	Group 2013 % Restated	Company 2014 %	Company 2013 % Restated
The effective and proportionate shareholding in the associates is as follows:				
Arctospark (Pty) Ltd	–	50.00%	–	50.00%
Artisan Investment Projects 10 Limited	–	26.30%	–	–
Atterbury Africa Limited	31.25%	31.25%	–	–
Atterbury Pemba Properties Limited	33.33%	–	–	–
Atterbury Property Holdings (Pty) Ltd	25.00%	25.00%	25.00%	25.00%
Bagaprop Limited	41.79%	41.79%	–	–
Bishopsgate Student Residential Limited	30.00%	30.00%	–	–
Brooklyn Bridge Office Park (Pty) Ltd^	–	25.00%	–	25.00%
Fountains Regional Mall (Pty) Ltd	35.90%	35.90%	12.73%	12.73%
Geelhoutboom Estate (Pty) Ltd	36.70%	36.70%	36.70%	36.70%
Keysha Investments 213 (Pty) Ltd (Val de Vie)	50.00%	50.00%	50.00%	50.00%
Mall of Mauritius at Bagatelle Limited	41.79%	41.79%	–	–
MAS Real Estate Inc.	47.24%	21.10%	47.24%	21.10%
Paradise Coast Property Development (Pty) Ltd	44.80%	44.80%	33.33%	33.33%
Rapfund Holdings (Pty) Ltd	26.57%	–	26.57%	–
Retail Africa Consortium Holdings (Pty) Ltd (REACH)	50.00%	20.00%	50.00%	20.00%
Retail Africa Wingspan Investments (Pty) Ltd	34.44%	–	34.44%	–
The Club Retail Park (Pty) Ltd	40.71%	40.71%	31.96%	31.05%
The Grove Mall of Namibia (Pty) Ltd	31.25%	31.25%	25.00%	25.00%
Travenna Development Company (Pty) Ltd	36.00%	36.00%	36.00%	36.00%

^ *The remaining 75% of the shares in Brooklyn Bridge Office Park (Pty) Ltd were acquired in the current financial year. The investment is disclosed as a subsidiary in the current financial year.*

9. Investment in associates (continued)

	2014			
	Assets R'000	Liabilities R'000	Revenue R'000	Total comprehensive income/(loss) for the year R'000
The assets, liabilities, and revenue of the Group's associates are as follows:				
Group				
Arctospark (Pty) Ltd	–	–	–	–
Artisan Investment Projects 10 Limited	–	–	–	–
Atterbury Africa Limited	1 339 380	1 366 265	63 459	(22 779)
Atterbury Parkdev Consortium (Pty) Ltd	–	–	–	–
Atterbury Pemba Properties Limited	43 416	43 673	–	(257)
Atterbury Property Holdings (Pty) Ltd	1 354 985	890 190	194 783	194 783
Bagaprop Limited	1 593 630	714 593	155 036	136 990
Bishopsgate Student Residential Limited	187 168	104 306	16 811	3 407
Brooklyn Bridge Office Park (Pty) Ltd	–	–	22 391	34 226
Fountains Regional Mall (Pty) Ltd	323 207	331 317	30 744	46 479
Geelhoutboom Estate (Pty) Ltd	61 935	148 151	–	(7 522)
Keysha Investments 213 (Pty) Ltd (Val de Vie)	28 189	85 676	432	(1 866)
Mall of Mauritius at Bagatelle Limited	687 564	151 958	10 233	(4 925)
MAS Real Estate Inc.	4 482 863	298 855	73 815	73 105
Paradise Coast Property Development (Pty) Ltd	16 057	29 023	–	(10 489)
Rapfund Holdings (Pty) Ltd	267 062	–	–	(2)
Retail Africa Consortium Holdings (Pty) Ltd (REACH)	1 980	1 277	–	(589 454)
Retail Africa Wingspan Investments (Pty) Ltd	2 065 907	1 465 466	246 876	253 446
The Club Retail Park (Pty) Ltd	304 649	265 828	15 404	51 198
The Grove Mall of Namibia (Pty) Ltd	801 830	738 775	89	63 679
Travenna Development Company (Pty) Ltd	233 466	43 908	–	10 393
Company				
Arctospark (Pty) Ltd	–	–	–	–
Atterbury Property Holdings (Pty) Ltd	1 354 985	890 190	194 783	194 783
Brooklyn Bridge Office Park (Pty) Ltd	–	–	22 391	34 226
Fountains Regional Mall (Pty) Ltd	323 207	331 317	30 744	46 479
Geelhoutboom Estate (Pty) Ltd	61 935	148 151	–	(7 522)
Keysha Investments 213 (Pty) Ltd (Val de Vie)	28 189	85 676	432	(1 866)
MAS Real Estate Inc.	4 482 863	298 855	73 815	73 105
Paradise Coast Property Development (Pty) Ltd	16 057	29 023	–	(10 489)
Retail Africa Consortium Holdings (Pty) Ltd (REACH)	1 980	1 277	–	(589 454)
Retail Africa Wingspan Investments (Pty) Ltd	2 065 907	1 465 466	246 876	253 446
The Club Retail Park (Pty) Ltd	304 649	265 828	15 404	51 198
The Grove Mall of Namibia (Pty) Ltd	801 830	738 775	89	63 679
Travenna Development Company (Pty) Ltd	233 466	43 908	–	10 393
Rapfund Holdings (Pty) Ltd	267 062	–	–	(2)

The assets, liabilities, and revenue of the following associates are not disclosed as they are nil for both years:
Accra Mall Limited; and
Waterfalls Mall Limited.

2013			
Assets R'000	Liabilities R'000	Revenue R'000	Total comprehensive income/(loss) for the year R'000
1 682 680	1 343 604	20 924	268 375
134 086	97 776	452	436
587 286	530 188	1 937	(5 237)
138 659	108 921	14 351	
–	–	–	–
929 475	696 288	126 328	118 241
1 388 120	831 722	133 489	104 076
149 505	83 385	8 459	(224)
624 119	402 227	93 737	17 529
269 670	458 462	41 635	(84 287)
5 841	59 434	–	(7 330)
28 610	84 223	371	(6 761)
574 806	88 529	179 924	(2 011)
1 108 572	271 191	52 548	(11 630)
24 538	27 016	–	(1 715)
–	–	–	–
644 629	54 294	–	(2 643)
–	–	–	–
227 777	240 180	11 100	(15 780)
310 648	311 263	–	–
382 974	203 812	31 993	25 522
1 682 680	1 343 604	20 924	268 375
929 475	696 288	126 328	118 241
624 119	402 227	93 737	15 026
269 670	458 462	41 635	(84 287)
5 841	59 434	–	(7 330)
28 610	84 223	371	(6 761)
1 108 572	271 191	52 548	(11 630)
24 538	27 016	–	(1 715)
644 629	54 294	–	(2 643)
–	–	–	–
227 777	240 180	11 100	(15 780)
310 648	311 263	–	–
382 974	203 812	31 993	25 522
–	–	–	–

10. Investment in subsidiaries

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Balance at the beginning of the year	–	–	2 360 853	1 730 932
Additions	–	–	554 205	–
Disposal	–	–	–	(36 267)
Fair value adjustment through other comprehensive income	–	–	1 163 634	705 629
Reversal of impairment loss (impairment loss)	–	–	(37 963)	(8 390)
Movement in provision for liabilities relating to subsidiaries	–	–	16 189	(1 313)
Transfer to non-current assets held for sale	–	–	–	(29 738)
Transfer from investment in associates	–	–	64 043	–
Balance at the end of the year	–	–	4 120 961	2 360 853
Reconciled as follows:				
Cost	–	–	1 443 682	876 370
Impairment	–	–	(55 453)	(17 490)
Net gain from fair value adjustment	–	–	2 732 732	1 547 900
Transfer to non-current assets held for sale	–	–	–	(29 738)
Sub total	–	–	4 120 961	2 377 042
Provision for liabilities relating to subsidiaries	–	–	–	(16 189)
Net investment in subsidiaries	–	–	4 120 961	2 360 853
Investment in subsidiaries comprise the following:				
AIH International Limited				
Balance at the beginning of the year	–	–	159	–
Fair value adjustment through other comprehensive income	–	–	4 777	159
Balance at the end of the year	–	–	4 936	159
Reconciled as follows:				
Net gain from fair value adjustment	–	–	4 936	159
Balance at the end of the year	–	–	4 936	159
Aldabri 96 (Pty) Ltd				
Balance at the beginning of the year	–	–	18 112	18 130
Additions	–	–	202	–
Impairment loss	–	–	(7 747)	–
Fair value adjustment through other comprehensive income	–	–	(10 313)	(18)
Balance at the end of the year	–	–	254	18 112
Reconciled as follows:				
Cost	–	–	8 001	7 799
Net gain from fair value adjustment	–	–	–	10 313
Impairment	–	–	(7 747)	–
Balance at the end of the year	–	–	254	18 112
Attacq Management Services (Pty) Ltd				
Balance at the beginning of the year	–	–	–	–
Additions	–	–	271 395	–
Balance at the end of the year	–	–	271 395	–
Reconciled as follows:				
Cost	–	–	271 395	–

10. Investment in subsidiaries (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Attacq Retail Fund (Pty) Ltd				
Balance at the beginning of the year	–	–	608 807	448 668
Additions	–	–	159 847	–
Fair value adjustment through other comprehensive income	–	–	388 606	160 139
Balance at the end of the year	–	–	1 157 260	608 807
Reconciled as follows:				
Cost	–	–	867 786	707 939
Net gain from fair value adjustment	–	–	289 474	(99 132)
Balance at the end of the year	–	–	1 157 260	608 807
Attacq Waterfall Investment Company (Pty) Ltd				
Balance at the beginning of the year	–	–	861 137	541 435
Additions	–	–	25 096	–
Fair value adjustment through other comprehensive income	–	–	437 836	319 702
Balance at the end of the year	–	–	1 324 069	861 137
Reconciled as follows:				
Cost	–	–	25 097	1
Net gain from fair value adjustment	–	–	1 298 972	861 136
Balance at the end of the year	–	–	1 324 069	861 137
Atterbury Attfund Investment Company No. 1 (Pty) Ltd				
Balance at the beginning of the year	–	–	54 027	53 928
Fair value adjustment through other comprehensive income	–	–	(14)	99
Balance at the end of the year	–	–	54 013	54 027
Reconciled as follows:				
Cost	–	–	2 508	2 508
Net gain from fair value adjustment	–	–	51 505	51 519
Balance at the end of the year	–	–	54 013	54 027
Atterbury Attfund Investment Company No. 2 (Pty) Ltd				
Balance at the beginning of the year	–	–	20 360	18 657
Impairment loss	–	–	(6 690)	–
Fair value adjustment through other comprehensive income	–	–	(13 578)	1 703
Balance at the end of the year	–	–	92	20 360
Reconciled as follows:				
Cost	–	–	6 782	6 782
Net gain from fair value adjustment	–	–	–	13 578
Impairment	–	–	(6 690)	–
Balance at the end of the year	–	–	92	20 360

10. Investment in subsidiaries (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Atterbury Attfund Investment Company No. 3 (Pty) Ltd				
Balance at the beginning of the year	–	–	33 843	42 233
Reversal of impairment loss (impairment loss)	–	–	8 267	(8 390)
Balance at the end of the year	–	–	42 110	33 843
Reconciled as follows:				
Cost	–	–	51 333	51 333
Impairment	–	–	(9 223)	(17 490)
Balance at the end of the year	–	–	42 110	33 843
Atterbury Mauritius Consortium (Pty) Ltd				
Balance at the beginning of the year	–	–	144 796	81 439
Fair value adjustment through other comprehensive income	–	–	81 304	63 357
Balance at the end of the year	–	–	226 100	144 796
Reconciled as follows:				
Net gain from fair value adjustment	–	–	226 100	144 796
Balance at the end of the year	–	–	226 100	144 796
Atterbury Parkdev Consortium (Pty) Ltd				
Balance at the beginning of the year	–	–	–	43 050
Fair value adjustment through other comprehensive income	–	–	–	(13 312)
Transfer to non-current assets held for sale	–	–	–	(29 738)
Balance at the end of the year	–	–	–	–
Reconciled as follows:				
Cost	–	–	–	37 222
Net gain from fair value adjustment	–	–	–	(7 484)
Transfer to non-current assets held for sale	–	–	–	(29 738)
Balance at the end of the year	–	–	–	–
Atterbury Property Investments (Pty) Ltd				
Balance at the beginning of the year	–	–	93 854	98 479
Impairment loss	–	–	(28 729)	–
Fair value adjustment through other comprehensive income	–	–	(65 125)	(4 625)
Balance at the end of the year	–	–	–	93 854
Reconciled as follows:				
Cost	–	–	28 729	28 729
Net gain from fair value adjustment	–	–	–	65 125
Impairment	–	–	(28 729)	–
Balance at the end of the year	–	–	–	93 854

10. Investment in subsidiaries (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000 Restated
Atterbury Property Johannesburg (Pty) Ltd				
Balance at the beginning of the year	–	–	–	(111)
Movement in provision for liabilities relating to subsidiaries	–	–	–	111
Balance at the end of the year	–	–	–	–
Brooklyn Bridge Office Park (Pty) Ltd				
Balance at the beginning of the year	–	–	–	–
Transfer from investment in associates	–	–	64 043	–
Additions	–	–	76 210	–
Fair value adjustment through other comprehensive income	–	–	54 163	–
Balance at the end of the year	–	–	194 416	–
Reconciled as follows:				
Cost	–	–	126 540	–
Net gain from fair value adjustment	–	–	67 876	–
Balance at the end of the year	–	–	194 416	–
De Ville Shopping Centre (Pty) Ltd				
Balance at the beginning of the year	–	–	(11 188)	(7 265)
Movement in provision for liabilities relating to subsidiaries	–	–	11 188	(3 923)
Balance at the end of the year	–	–	–	(11 188)
Reconciled as follows:				
Provision for liabilities relating to subsidiaries	–	–	–	(11 188)
Balance at the end of the year	–	–	–	(11 188)
Harlequin Duck Properties 204 (Pty) Ltd				
Balance at the beginning of the year	–	–	5 454	5 763
Fair value adjustment through other comprehensive income	–	–	(3 229)	(309)
Balance at the end of the year	–	–	2 225	5 454
Reconciled as follows:				
Net gain from fair value adjustment	–	–	2 225	5 454
Balance at the end of the year	–	–	2 225	5 454
Highgrove Property Holdings (Pty) Ltd				
Balance at the beginning of the year	–	–	73 740	86 007
Fair value adjustment through other comprehensive income	–	–	1 926	(12 267)
Balance at the end of the year	–	–	75 666	73 740
Reconciled as follows:				
Cost	–	–	18 943	18 943
Net gain from fair value adjustment	–	–	56 723	54 797
Balance at the end of the year	–	–	75 666	73 740

10. Investment in subsidiaries (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Lady Brooks (Pty) Ltd				
Balance at the beginning of the year	–	–	25 938	25 882
Impairment loss	–	–	(3 065)	–
Fair value adjustment through other comprehensive income	–	–	(22 873)	56
Balance at the end of the year	–	–	–	25 938
Reconciled as follows:				
Cost	–	–	3 065	3 065
Net gain from fair value adjustment	–	–	–	22 873
Impairment	–	–	(3 065)	–
Balance at the end of the year	–	–	–	25 938
Le Chateau Property Company (Pty) Ltd				
Balance at the beginning of the year	–	–	(5 002)	(7 500)
Movement in provision for liabilities relating to subsidiaries	–	–	5 002	2 498
Balance at the end of the year	–	–	–	(5 002)
Reconciled as follows:				
Cost	–	–	1	1
Net gain from fair value adjustment	–	–	(1)	(1)
Provision for liabilities relating to subsidiaries	–	–	–	(5 002)
Balance at the end of the year	–	–	–	(5 002)
Lord Charles and Lady Brooks Office Park Holdings (Pty) Ltd				
Balance at the beginning of the year	–	–	47 003	46 865
Fair value adjustment through other comprehensive income	–	–	37	138
Balance at the end of the year	–	–	47 040	47 003
Reconciled as follows:				
Cost	–	–	1	1
Net gain from fair value adjustment	–	–	47 039	47 002
Balance at the end of the year	–	–	47 040	47 003
Lynnaur Investments (Pty) Ltd				
Balance at the beginning of the year	–	–	99 911	102 815
Fair value adjustment through other comprehensive income	–	–	14 608	(2 904)
Balance at the end of the year	–	–	114 519	99 911
Reconciled as follows:				
Cost*	–	–	–	–
Net gain from fair value adjustment	–	–	114 519	99 911
Balance at the end of the year	–	–	114 519	99 911
Lynnwood Bridge Office Park (Pty) Ltd				
Balance at the beginning of the year	–	–	222 378	72 269
Fair value adjustment through other comprehensive income	–	–	53 638	150 109
Balance at the end of the year	–	–	276 016	222 378
Reconciled as follows:				
Cost	–	–	12 048	12 048
Net gain from fair value adjustment	–	–	263 968	210 330
Balance at the end of the year	–	–	276 016	222 378

** The cost of this investment is less than R1 000.*

10. Investment in subsidiaries (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Majestic Offices (Pty) Ltd				
Balance at the beginning of the year	–	–	3 029	5 103
Fair value adjustment through other comprehensive income	–	–	9 037	(2 074)
Balance at the end of the year	–	–	12 066	3 029
Reconciled as follows:				
Net gain from fair value adjustment	–	–	12 066	3 029
Balance at the end of the year	–	–	12 066	3 029
Mantrablox (Pty) Ltd				
Balance at the beginning of the year	–	–	15 877	–
Additions	–	–	21 454	–
Fair value adjustment through other comprehensive income	–	–	80 482	15 877
Balance at the end of the year	–	–	117 813	15 877
Reconciled as follows:				
Cost	–	–	21 454	–
Net gain from fair value adjustment	–	–	96 359	15 877
Balance at the end of the year	–	–	117 813	15 877
Nieuwtown Property Development Company (Pty) Ltd				
Balance at the beginning of the year	–	–	20 131	18 818
Fair value adjustment through other comprehensive income	–	–	(174)	1 313
Balance at the end of the year	–	–	19 957	20 131
Reconciled as follows:				
Net gain from fair value adjustment	–	–	19 957	20 131
Balance at the end of the year	–	–	19 957	20 131
Razorbill Properties 91 (Pty) Ltd				
Balance at the beginning of the year	–	–	28 486	–
Fair value adjustment through other comprehensive income	–	–	152 525	28 486
Balance at the end of the year	–	–	181 011	28 486
Reconciled as follows:				
Net gain from fair value adjustment	–	–	181 011	28 486
Balance at the end of the year	–	–	181 011	28 486
Riverport Trading 143 (Pty) Ltd				
Balance at the beginning of the year	–	–	–	36 267
Disposal	–	–	–	(36 267)
Balance at the end of the year	–	–	–	–

10. Investment in subsidiaries (continued)

10.1 Business combinations

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Attacq Management Services (Pty) Ltd				
Acquired 100% of the company on 4 October 2013.				
Attacq Management Services (Pty) Ltd, which carries on asset management as its principal activity, was acquired with the main purpose of internalising the asset management function of the Group.				
Consideration transferred				
Cash	271 089	–	–	–
Assets acquired and liabilities recognised at the date of acquisition				
Non-current assets				
Property, plant and equipment	146	–	–	–
Intangible assets	299 460	–	–	–
Current assets				
Cash and cash equivalents	290 570	–	–	–
Trade and other receivables	3 152	–	–	–
Non-current liabilities				
Long-term liabilities	(13 480)	–	–	–
Deferred taxation	(83 485)	–	–	–
Current liabilities				
Tax payable	(10 035)	–	–	–
Loan accounts	(271 088)	–	–	–
Trade and other payables	(4 424)	–	–	–
Provisions	(2 575)	–	–	–
Fair value of identifiable net assets acquired	208 241	–	–	–
Consideration transferred	(271 089)	–	–	–
Goodwill arising on acquisition	62 848	–	–	–
At the date of acquisition, the assets and liabilities of the subsidiary were fairly valued. Included in the fair value of the assets is an intangible asset valued at R299 460.				
Net cash inflow on acquisition of subsidiaries				
Consideration paid in cash	271 089	–	–	–
Less: cash and cash equivalent balances acquired	(290 570)	–	–	–
Total	(19 481)	–	–	–
Impact of acquisitions on the results of the Group				
Loss for the year attributable to the additional business	(6 658)	–	–	–
Revenue for the year attributable to the additional business	35 868	–	–	–

10. Investment in subsidiaries (continued)

10.1 Business combinations (continued)

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
		Restated		
Brooklyn Bridge Office Park (Pty) Ltd				
Acquired 75% of the company on 13 March 2014.				
Brooklyn Bridge Office Park (Pty) Ltd, which holds property for the purposes of earning rental and capital appreciation, was acquired as the Brooklyn Bridge Office Park is seen as one of the Group's core assets and also due to the Group's interest in Brooklyn Mall.				
Consideration transferred		–	–	–
Cash	46 000			
Issue of Attacq Limited shares at a discount	30 132	–	–	–
	76 132	–	–	–
Brooklyn Bridge Office Park (Pty) Ltd				
Assets acquired and liabilities recognised at the date acquisition				
Non-current assets				
Property, plant and equipment	25	–	–	–
Investment property	599 411	–	–	–
Straight-line lease debtors	28 404			
Current assets				
Trade and other receivables	899	–	–	–
Deferred leasing charges	1 526	–	–	–
Cash and cash equivalents	4 701	–	–	–
Non-current liabilities				
Long-term liabilities	(442 894)	–	–	–
Current liabilities				
Trade and other payables	(8 642)	–	–	–
Fair value of identifiable net assets acquired	183 430	–	–	–
Fair value of previously held equity interest	(63 515)			
Consideration transferred	(76 132)			
Gain on bargain purchase arising on acquisition	43 783	–	–	–
The gain on bargain purchase arose due to the increase in fair value of the investment property. This increase in fair value is a direct result of vacancies that were filled and achieving market related rentals from the date of the contract to the effective date as defined in *IFRS 3 Business Combinations*.				
Net cash outflow on acquisition of subsidiaries				
Consideration paid in cash	46 000	–	–	–
Less: cash and cash equivalent balances acquired	(4 701)	–	–	–
Total	41 299	–	–	–
Impact of acquisitions on the results of the Group				
Profit for the year attributable to the additional business	7 023	–	–	–
Revenue for the year attributable to the additional business	19 148	–	–	–

10. Investment in subsidiaries (continued)

10.2 Subsidiaries disposed

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Atterbury Parkdev Consortium (Pty) Ltd				
Disposed of the Group's 100% shareholding in the company on 20 August 2013. Atterbury Parkdev Consortium (Pty) Ltd, which was held for purposes of earning rental and capital appreciation, was disposed of as it was considered not to form a part of the core business of the Group.				
Consideration transferred				
Cash	1 243	–	–	–
Delta Property Fund Limited units	40 800	–	–	–
Total consideration	42 043	–	–	–
Assets disposed and liabilities derecognised at the date of disposal				
Non-current assets				
Investment property	132 885	–	–	–
Straight-line lease debtor	3 163	–	–	–
Current assets				
Cash and cash equivalents	4 458	–	–	–
Trade and other receivables	492	–	–	–
Non-current liabilities				
Long-term liabilities	(92 089)	–	–	–
Deferred tax liabilities	(14 035)	–	–	–
Current liabilities				
Trade and other payables	(3 042)			
Fair value of identifiable net assets disposed	31 832	–	–	–
Consideration transferred	42 043	–	–	–
Loss on disposal	(10 211)	–	–	–
Net cash inflow on disposal of subsidiaries				
Consideration received in cash	1 243	–	–	–
Less: cash and cash equivalent balances disposed	(4 458)	–	–	–
Net cash inflow	(3 215)	–	–	–

10. Investment in subsidiaries (continued)

10.2 Subsidiaries disposed (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
De Ville Shopping Centre (Pty) Ltd				
Disposed of 100% of the company on 31 March 2014.				
De Ville Shopping Centre (Pty) Ltd, which was held for purposes of earning rental and capital appreciation, was disposed of as it was considered not to form a part of the core business of the Group.				
Consideration transferred				
Cash	203 771	–	–	–
Assets disposed and liabilities derecognised at the date of disposal				
Non-current assets				
Property, plant and equipment	37	–	–	–
Current assets				
Trade and other receivables	1 675	–	–	–
Cash and cash equivalents	2 868	–	–	–
Non-current assets classified as held for sale	225 963	–	–	–
Non-current liabilities				
Deferred tax liabilities	(3 789)	–	–	–
Current liabilities				
Trade and other payables	(3 904)	–	–	–
Non-current liabilities held directly associated with assets held for sale	(1)	–	–	–
Fair value of identifiable net assets disposed	222 849	–	–	–
Consideration transferred	(203 771)	–	–	–
Profit on disposal	19 078	–	–	–
Net cash inflow on disposal of subsidiaries				
Consideration received in cash	203 771	–	–	–
Less: cash and cash equivalent balances disposed	(2 868)	–	–	–
Total	200 903	–	–	–

10. Investment in subsidiaries (continued)

10.2 Subsidiaries disposed (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Riverport Trading 143 (Pty) Ltd				
Disposed of 51% of the investment in July 2012. Effectively holding 0% on 30 June 2013.				
Assets disposed and liabilities derecognised at the date of disposal				
Non-current assets				
Investment property	–	129 976	–	–
Straight-line debtor	–	12 181	–	–
Current assets				
Trade and other receivables	–	885	–	–
Cash and cash equivalents	–	3 147	–	–
Non-current liabilities				
Other financial liabilities	–	(51 871)	–	–
Deferred tax	–	(17 103)	–	–
Loans from shareholders	–	(4 037)	–	–
Current liabilities				
Trade and other payables	–	(1 854)	–	–
Fair value of identifiable net assets disposed	–	71 324	–	–
Non-controlling interest derecognised	–	(34 856)	–	–
Consideration transferred	–	(40 601)	–	–
Loss on disposal	–	(4 133)	–	–
Atterbury Africa Limited				
Sold effectively 37.5% of the company in December 2012. Directly holding 25% on 30 June 2014 (2013: 25%).				
Assets disposed and liabilities derecognised at the date of disposal				
Non-current assets				
Property, plant and equipment	–	9	–	–
Investment property	–	63 054	–	–
Investments in associates	–	144 568	–	–
Current assets				
Other financial assets	–	11 154	–	–
Loans to associates and joint ventures	–	18 766	–	–
Trade and other receivables	–	10 201	–	–
Cash and cash equivalents	–	44 459	–	–
Non-current liabilities				
Other financial liabilities	–	(205 885)	–	–
Loans from shareholders	–	(36 994)	–	–

10. Investment in subsidiaries (continued)

10.2 Subsidiaries disposed (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Current liabilities				
Trade and other payables	–	(43 507)	–	–
Non-controlling interest held in Atterbury Africa Limited	–	(28 381)	–	–
Fair value of identifiable net assets disposed	–	(22 556)	–	–
Non-controlling interest derecognised	–	8 459	–	–
Transfer to investment in associates	–	5 639	–	–
Profit on disposal	–	(8 458)	–	–

10.3 Non-controlling interests

The balance comprises the following major components:

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Attacq Retail Fund (Pty) Ltd	–	171 601	–	–
Attacq Waterfall Investment Company (Pty) Ltd	140 455	101 918	–	–
Atterbury Mauritius Consortium (Pty) Ltd	16 695	29 412	–	–
Mantrablox (Pty) Ltd	–	4 507	–	–
Lynnaur Investments (Pty) Ltd	33 401	27 476	–	–
Nieuwtown Property Development Company (Pty) Ltd	14 967	15 098	–	–
Majestic Offices (Pty) Ltd	9 049	2 271	–	–
Total	214 567	352 283	–	–

10. Investment in subsidiaries (continued)

	2014			
	Assets R'000	Liabilities R'000	Revenue R'000	Total compre-hensive income/(loss) for the year R'000
The assets, liabilities, and revenue of the company's subsidiaries are as follows:				
Company				
AIH International Limited	319 515	314 090	–	4 409
Aldabri 96 (Pty) Ltd	256	2	–	(90 305)
Attacq Management Services (Pty) Ltd	35 016	3 452	–	40 640
Attacq Retail Services (Pty) Ltd	3 076	2 197	29 127	255
Attacq Retail Fund (Pty) Ltd	2 991 845	1 834 584	270 584	323 956
Attacq Waterfall Investment Company (Pty) Ltd	5 441 080	4 021 194	145 102	429 142
Atterbury Waterfall Pocket 22A (Pty) Ltd	–	–	–	–
Atterbury Africa Limited	–	–	–	–
Atterbury Attfund Investment Company No. 1 (Pty) Ltd	54 013	–	–	(14)
Atterbury Attfund Investment Company No. 2 (Pty) Ltd	92	–	–	(76 704)
Atterbury Attfund Investment Company No. 3 (Pty) Ltd	42 110	–	–	(194)
Atterbury Mauritius Consortium (Pty) Ltd	719 571	436 946	–	101 630
Atterbury Parkdev Consortium (Pty) Ltd	–	–	2 694	2 094
Atterbury Property Investments (Pty) Ltd	–	–	–	5
Atterbury Property Johannesburg (Pty) Ltd	1	–	–	24
Brooklyn Bridge Office Park (Pty) Ltd	653 079	458 662	42 604	7 023
De Ville Shopping Centre (Pty) Ltd	–	–	18 014	31 074
Design Square Shopping Centre (Pty) Ltd	141 561	49 189	843	1 091
Harlequin Duck Properties 204 (Pty) Ltd	2 225	–	649	(3 229)
Highgrove Property Holdings (Pty) Ltd	141 561	65 894	–	888
Lady Brooks (Pty) Ltd	1	–	–	(25 937)
Le Chateau Property Company (Pty) Ltd	17 001	44 096	–	(70)
Leipzig Nova Eventis Consortium (Pty) Ltd	68 512	68 512	–	–
Lord Charles and Lady Brooks Office Park Holdings (Pty) Ltd	47 040	–	–	37
Lynnaur Investments (Pty) Ltd	715 809	563 117	101 230	19 478
Lynnwood Bridge Office Park (Pty) Ltd	1 227 941	951 930	118 099	53 744
Majestic Offices (Pty) Ltd	149 778	125 646	–	19 194
Mantrablox (Pty) Ltd	1 149 474	1 031 661	114 743	95 277
Nieuwtown Property Development Company (Pty) Ltd	1 158 054	1 118 141	–	6 035
Razorbill Properties 91 (Pty) Ltd	299 283	118 272	–	47 054

2013			
Assets R'000	Liabilities R'000	Revenue R'000	Total comprehensive income/(loss) for the year R'000
930	(771)	–	1 360
92 155	1 596	–	4
–	–	–	–
–	–	–	–
2 597 472	1 764 167	234 347	180 282
4 053 978	3 039 580	22 555	331 710
–	–	–	–
–	–	–	–
54 225	198	–	99
149 319	13 586	–	168
42 474	169	–	71
504 211	323 216	–	(5 918)
138 659	108 921	14 351	17 529
115 374	21 520	–	(2)
22	46	–	(12)
–	–	–	–
200 583	211 770	22 327	(6 669)
155 746	64 466	–	(3 545)
5 454	–	–	(309)
140 469	65 691	–	–
26 019	81	–	(21)
17 194	44 218	–	1 483
–	–	–	–
47 003	–	13	(389)
715 251	582 036	90 314	32 036
1 123 003	900 625	119 916	108 217
40 097	35 159	–	(5 572)
1 055 760	1 033 224	118 006	56 299
479 887	446 009	–	3 960
523 864	389 907	–	(101)

11. Other investments

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Balance at the beginning of the year	58 379	467 947	58 379	380 804
Additions	347 258	14 819	271 887	14 819
Fair value adjustment	97 466	17 100	97 466	28 104
Reversal of impairment loss (impairment loss)	20 647	(10 403)	26 704	(10 403)
Disposal	–	(440 133)	–	(363 994)
Transfer to investment in associates	–	9 049	–	9 049
Balance at the end of the year	523 750	58 379	454 436	58 379
Reconciled as follows:				
Cost	434 226	86 967	358 854	86 967
Net gain from fair value adjustment	89 524	(28 588)	95 582	(28 588)
	523 750	58 379	454 436	58 379
Other investments comprise the following:				
African Land Investments Limited				
Balance at the beginning of the year	–	–	–	–
Additions	109 458	–	109 458	–
Fair value adjustment	18 208	–	18 208	–
Balance at the end of the year	127 666	–	127 666	–
Reconciled as follows:				
Cost	109 458	–	109 458	–
Net gain from fair value adjustment	18 208	–	18 208	–
	127 666	–	127 666	–
Rainprop (Pty) Ltd				
Balance at the beginning of the year	5 479	6 741	5 479	6 741
Fair value adjustment	–	(1 262)	–	(1 262)
Balance at the end of the year	5 479	5 479	5 479	5 479
Reconciled as follows:				
Cost	2	2	2	2
Net gain from fair value adjustment	5 477	5 477	5 477	5 477
	5 479	5 479	5 479	5 479
Fountains Regional Mall (Pty) Ltd				
Balance at the beginning of the year	–	(9 049)	–	(9 049)
Transfer to investment in associates	–	9 049	–	9 049
Balance at the end of the year	–	–	–	–
Hyprop Investments Limited				
Balance at the beginning of the year	–	421 771	–	334 628
Disposal	–	(440 133)	–	(363 994)
Fair value adjustment	–	18 362	–	29 366
Balance at the end of the year	–	–	–	–

11. Other investments (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000 Restated
The following investments are held through Foreign Investment Allowances:				
Investec Securities Limited				
Balance at the beginning of the year	52 900	48 484	52 900	48 484
Additions	77 621	14 819	2 249	14 819
Reversal of impairment loss (impairment loss)	20 647	(10 403)	26 704	(10 403)
Balance at the end of the year	151 168	52 900	81 853	52 900
Reconciled as follows:				
Cost	164 586	86 965	89 214	86 965
Net gain from fair value adjustment	(13 418)	(34 065)	(7 361)	(34 065)
	151 168	52 900	81 853	52 900
Sasfin Limited				
Balance at the beginning of the year	–	–	–	–
Additions	160 181	–	160 181	–
Fair value adjustment	79 258	–	79 258	–
Balance at the end of the year	239 439	–	239 439	–
Reconciled as follows:				
Cost	160 181	–	160 181	–
Net gain from fair value adjustment	79 258	–	79 258	–
	239 439	–	239 439	–
The effective and proportionate shareholding in the investments is as follows:				
African Land Investments Limited	12.43%	–	12.43%	–
Stenham European Shopping Centre Fund Limited (SESCF)	19.91%	4.50%	16.03%	4.50%
Rainprop (Pty) Ltd	1.50%	1.50%	1.50%	1.50%

12. Deferred tax assets and liabilities

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
The balance comprises:				
Deferred tax assets				
• Tax losses available for set off against future taxable income	5 965	4 443	–	–
• Finance lease obligation	14 280	–	–	–
• Capital gains on fair value adjustments and equity accounting	(10 526)	(12 252)	–	–
• Other	1 851	15 912	–	–
Total	11 570	8 103	–	–
Reconciliation of deferred tax assets				
Balance at the beginning of the year	8 103	4 194	–	–
• Originating (reversing) temporary differences on tax losses available for set off against future taxable income	1 522	(13 154)	–	–
• Originating temporary difference on finance lease obligation	14 280	–	–	–
• Originating temporary difference on wear and tear allowance	–	1 240	–	–
• Originating temporary difference on straight-line debtor	–	681	–	–
• Originating temporary difference on pre-production interest	–	1 773	–	–
• Reversing temporary difference on bad debt allowance	–	(201)	–	–
• Originating (reversing) temporary difference on capital gains on fair value adjustments and equity accounting	1 726	(9 907)	–	–
• (Reversing) originating temporary difference on other movements	(14 061)	15 912	–	–
• Originating temporary difference on assessed losses not recognised	–	7 565	–	–
Balance at the end of the year	11 570	8 103	–	–
Deferred tax liabilities				
• Fair value gain on property and investments	(884 546)	(875 361)	(527 968)	(341 442)
• Fair value gain on interest rate swaps and forward fixes	11 720	19 864	1 579	3 278
• Finance lease obligation	1 403	–	–	–
• Rental income received in advance	5 650	2 788	504	371
• Prepayments	(563)	(697)	(190)	(676)
• Wear and tear allowance	(80 600)	(20 882)	(8 092)	(10 204)
• Deferred initial lease expenditure	(1 766)	(1 112)	(303)	(1 112)
• Straight-line lease debtor	(90 286)	(57 195)	(4 271)	(5 018)
• Bad debt allowance	50	763	11	337
• Tax losses available for set off against future taxable income	220 623	154 333	–	–
• Pre-production interest	(76 687)	(26 306)	–	–
• Other	(5 808)	4 717	5 912	(6 892)
Total	(900 811)	(799 088)	(532 818)	(361 358)

12. Deferred tax assets and liabilities (continued)

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Reconciliation of deferred tax liabilities				
Balance at the beginning of the year	(799 088)	(631 609)	(361 358)	(278 768)
• Originating temporary difference on revaluation of property and investments	(9 185)	(191 264)	(186 526)	(191 264)
• Originating (reversing) temporary difference on straight-line lease debtor	(33 091)	(31 163)	747	(31 163)
• Reversing temporary difference on revaluation on finance lease liability	1 403	–	–	–
• Originating temporary difference on revaluation on interest rate swap and forward fixes	(8 144)	(6 256)	(1 699)	(6 256)
• Originating (reversing) temporary difference on revaluation on deferred initial lease expenditure	(654)	(14 614)	809	(14 614)
• (Originating) reversing temporary difference on revaluation on wear and tear allowance	(59 718)	5 393	2 112	5 393
• Originating (reversing) temporary difference on revaluation on bad debt allowance	(713)	383	(326)	383
• Reversing temporary difference on revaluation on prepayments	134	649	486	649
• Reversing temporary difference on tax losses available for set off against future taxable income	66 290	54 043	–	54 043
• Reversing temporary difference on recognition of rental income received in advance	2 862	5 103	133	5 103
• (Originating) reversing temporary difference on pre-production interest	(50 381)	20 631	–	20 631
• Originating temporary difference on unutilised interest expense on foreign investments	–	(13 023)	–	(13 023)
• Other	(10 525)	2 639	12 804	2 639
Balance at the end of the year	(900 811)	(799 088)	(532 818)	(799 088)

Use and sales tax rate

The deferred tax rate applied to the fair value adjustments of investment property and financial asset is determined by the expected manner of recovery. Where the expected recovery of the investment property or financial assets is through sale, the capital gains tax rate of 18.648% (2013: 18.648%) is used. If the expected manner of recovery is through definite use the normal tax rate of 28% (2013: 28%) is applied. If the manner of recovery is partly through use and partly through sale, a combination of capital gains rate and normal tax rate is used.

The applicable tax rates on timing differences are based on management's best estimate of the manner in which these timing differences will realise.

Gains in the fair value of investment property give rise to taxable timing differences, being the difference between the original cost price and the fair value as determined annually by external valuers. Refer to note 6 for valuation details.

13. Inventory

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Balance at the beginning of the year	126 304	41 660	–	–
Transfer from investment property	–	31 565	–	–
Additions	95 573	53 079	–	–
Disposal	(221 877)	–	–	–
	–	126 304	–	–
Inventory comprised of the following:				
Attacq Waterfall Investment Company (Pty) Ltd				
MB Technologies Building				
Balance at the beginning of the year	84 644	–	–	–
Additions	95 573	31 565	–	–
Transfer from investment property	–	53 079	–	–
Disposal	(180 217)	–	–	–
	–	84 644	–	–
Lynnwood Bridge Office Park (Pty) Ltd				
Atterbury Theatre				
Balance at the beginning of the year	41 660	41 644	–	–
Additions	–	16	–	–
Disposal	(41 660)	–	–	–
	–	41 660	–	–

14. Trade and other receivables

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Trade receivables	5 622	19 108	337	7 269
Provision for doubtful debts	(1 722)	(3 877)	(51)	(1 604)
Deposits	12 157	3 735	412	374
Sundry receivables	104 023	67 573	5 314	15 581
Value added tax	47 222	68 958	916	1 375
	167 302	155 497	6 928	22 995
The fair value of deposits, sundry receivables, and trade debtors are deemed to be the same as the carrying value.				
Trade and receivables that are past due but not impaired	1 364	2 194	272	1 155
Trade and other receivables age analysis excluding amounts impaired and provided for:				
– Current	2 536	13 037	14	4 510
– 30 days	696	319	225	116
– 60 days	234	792	11	207
– 90 days	579	623	12	735
– 120 days and more	1 577	4 337	75	1 701
	5 622	19 108	337	7 269
Trade receivables that are past due, considered to be impaired and provided for	(1 722)	(3 877)	(51)	(1 604)
	3 900	15 231	286	5 665
Movement in the provision for doubtful debt				
Opening balance	3 877	1 861	1 604	808
Impairment losses recognised on receivables	85	2 453	51	962
Impairment losses reversed	(2 240)	(437)	(1 604)	(166)
	1 722	3 877	51	1 604

The creation and release of provision for impaired receivables have been included in operating expenses in the statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

In considering any impairments on debtor accounts, the Group takes into account deposit held, bank guarantees issued by the debtor, additional sureties provided by the principals of the debtors and running credit checks on debtors and their principals.

15. Other financial assets (liabilities)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000 Restated
Current assets				
• Derivative financial instruments	–	–	2 329	–
• Loans and receivables	6 173	47 368	6 173	45 135
Other financial assets	6 173	47 368	8 502	45 135
Non-current liabilities				
• Derivative financial instruments	(48 026)	(70 944)	(10 158)	(11 707)
Current liabilities				
• Loans and payables	(5 851)	(145 257)	(5 851)	(4 916)
Other financial liabilities	(53 877)	(216 201)	(16 009)	(16 623)

Derivative financial instruments	2014 Balance at the beginning of the year R'000	Fair value adjustment through profit or loss R'000	Additions/ derivatives realised R'000	Balance at the end of the year R'000
Group				
At fair value through profit or loss				
Investec Bank Limited	–	581	(6 655)	(6 074)
Nedbank Limited	(59 237)	27 798	–	(31 439)
Rand Merchant Bank – a division of FirstRand Bank Limited	(705)	3 103	(4 525)	(2 127)
Standard Bank Limited	(11 002)	2 616	–	(8 386)
	(70 944)	34 098	(11 180)	(48 026)
Non-current liabilities	–	–	–	(48 026)
Company				
At fair value through profit or loss				
Attacq Waterfall Investment Company (Pty) Ltd	–	2 329	–	2 329
Rand Merchant Bank – a division of FirstRand Bank Limited	(705)	1 805	(2 192)	(1 092)
Standard Bank Limited	(11 002)	4 264	–	(6 738)
Nedbank Limited	–	(2 329)	–	(2 329)
	(11 707)	6 069	(2 192)	(7 830)
Non-current assets	–	–	–	2 329
Non-current liabilities	–	–	–	(10 159)
	–	–	–	(7 830)

2013			
Balance at the beginning of the year R'000	**Fair value adjustment through profit or loss R'000**	**Additions/ derivatives realised R'000**	**Balance at the end of the year R'000**
–	–	–	–
(109 175)	50 688	(750)	(59 237)
(2 334)	1 629	–	(705)
(15 822)	4 820	–	(11 002)
(127 331)	57 137	(750)	(70 944)
–	–	–	(70 944)
–	–	–	–
(2 334)	1 629	–	(705)
(15 822)	4 820	–	(11 002)
–	–	–	–
(18 156)	6 449	–	(11 707)
–	–	–	–
–	–	–	(11 707)
–	–	–	(11 707)

15. Other financial assets (liabilities) (continued)

	2014 Fixed rate (%)	2014 Notional amount R'000	2014 Mark-to-market R'000	Expiry date	2013 Notional amount R'000	2013 Mark-to-market R'000
Group						
Derivative financial instruments comprise of the following:						
Investec Bank Limited						
• Brooklyn Bridge Office Park (Pty) Ltd	8.40	38 975	(3 754)	June-18	–	–
• Brooklyn Bridge Office Park (Pty) Ltd	10.35	38 975	(2 320)	October-15	–	–
Total			(6 074)			
Nedbank Limited						
• Attacq Limited	7.57	511 429	(2 329)	January-19	–	–
• Attacq Retail Fund (Pty) Ltd	9.57	1 100 000	(9 399)	October-16	1 100 000	(18 650)
• Lynnwood Bridge Office Park (Pty) Ltd	8.45	299 411	(4 872)	March-15	299 411	(13 136)
• Lynnwood Bridge Office Park (Pty) Ltd	8.58	300 000	(9 300)	March-16	300 000	(17 244)
• Lynnwood Bridge Office Park (Pty) Ltd	8.52	150 000	(5 539)	May-21	150 000	(8 246)
• Lynnwood Bridge Office Park (Pty) Ltd	–	–	–	–	90 856	(1 961)
Total			(31 439)			(59 237)
Rand Merchant Bank – a division of First Rand Bank Limited						
• Attacq Limited	7.90	7 156	(894)	December-16	–	–
• Attacq Limited	8.29	42 133	(198)	April-17	–	–
• Attacq Limited	–	–	–	December-13	18 533	(226)
• Attacq Limited	–	–	–	December-13	31 339	(479)
• Lynnaur Investments (Pty) Ltd	8.95	42 133	(1 035)	March-15	–	–
Total			(2 127)			(705)
Standard Bank Limited						
• Attacq Limited	9.28	30 986	(1 131)	March-16	28 132	(2 095)
• Attacq Limited	9.07	25 000	(863)	June-16	21 951	(1 559)
• Attacq Limited	9.24	30 984	(1 418)	March-17	28 134	(2 293)
• Attacq Limited	8.99	14 267	(607)	May-18	12 461	(940)
• Attacq Limited	8.95	45 000	(1 895)	June-18	39 511	(2 924)
• Attacq Limited	9.18	15 491	(823)	March-19	14 069	(1 191)
• Attacq Waterfall Investment Company (Pty) Ltd	7.95	30 000	(459)	July-19	–	–
• Attacq Waterfall Investment Company (Pty) Ltd	8.20	69 796	(1 190)	November-19	–	–
Total			(8 386)			(11 002)
Summary:						
Derivative financial liabilities			(48 026)			(70 944)
Non-current assets			–			–
Non-current liabilities			(48 026)			(70 944)

15. **Other financial assets (liabilities) (continued)**

	2014			2013		
	Fixed rate (%)	Notional amount R'000	Mark-to-market R'000	Expiry date	Notional amount R'000	Mark-to-market R'000
Company						
Derivative financial instruments comprise of the following:						
Nedbank Limited						
• Attacq Waterfall Investment Company (Pty) Ltd	7.57%	511 429	2 329	January-19	–	–
• Nedbank Limited	7.57%	511 429	(2 329)	January-19	–	–
Total			–			
Standard Bank						
• Attacq Limited	9.28%	30 986	(1 131)	March-16	28 132	(2 095)
• Attacq Limited	9.07%	25 000	(863)	June-16	21 951	(1 559)
• Attacq Limited	9.24%	30 984	(1 418)	March-17	28 134	(2 293)
• Attacq Limited	8.99%	14 267	(607)	May-18	12 461	(940)
• Attacq Limited	8.95%	45 000	(1 895)	June-18	39 511	(2 924)
• Attacq Limited	9.18%	15 491	(824)	March-19	14 069	(1 191)
Total			(6 738)			(11 002)
Rand Merchant Bank – a division of First Rand Bank Limited						
• Attacq Limited	7.90%	7 156	(894)	December-16	7 156	–
• Attacq Limited	8.29%	42 133	(198)	April-17	42 133	–
• Attacq Limited	–	–	–	December-13	18 533	(226)
• Attacq Limited	–	–	–	December-13	31 339	(479)
Total			(1 092)			(705)
Summary:						
Derivative financial assets			2 329			–
Derivative financial liabilities			(10 158)			(11 707)
			(7 829)			(11 707)
Non-current assets			2 329			–
Non-current liabilities			(10 158)			(11 707)

15. Other financial assets (liabilities) (continued)

Loans and receivables (payables)	Repayment date	Interest Rate
Group		
Abacus Trust	None	None
African Land Investments Limited	None	None
Association for People with Disabilities	None	None
Atterbury Property Development (Pty) Ltd	None	None
Atterbury Property Development (Pty) Ltd	None	None
Atterbury Property Foundation (Pty) Ltd	None	None
Atterbury Waterfall City (Pty) Ltd	None	None
Genesis Properties One (Pty) Ltd	Aug-14	5.40%
Hyprop Investments Limited	None	None
Leipzig Nova Eventis Consortium (Pty) Ltd	None	None
Lynnwood Bridge Property Owners Association	None	None
Mooirivier Mall (Pty) Ltd	None	Prime – 2.00%
Nedbank Limited	None	None
Rainprop (Pty) Ltd	None	16.00%
Scarlett Sky Investment 36 (Pty) Ltd	None	None
Travenna Development Company (Pty) Ltd	None	None
Wattchatt (Pty) Ltd	None	None
West Hills Mall Limited	None	None
Windfall 86 Properties (Pty) Ltd	None	None
Pickard Family Investment Trust	Jul-14	Prime + 2.00%
Kruger Family Investment Trust	Jul-14	Prime + 2.00%
Eygenberger Investment Trust	Jul-14	Prime + 2.00%
JJ Pickard Developments	Jul-14	Prime + 2.00%
Zwelinzima Holdings (Pty) Ltd	Jul-14	Prime + 2.00%
Loans and receivables		
Loans and payables		
Company		
African Land Investments Limited	None	None
Atterbury Property Development (Pty) Ltd	None	None
Atterbury Property Foundation (Pty) Ltd	None	None
Genesis Properties One (Pty) Ltd	Aug-14	5.40%
Leipzig Nova Eventis Consortium (Pty) Ltd	None	None
Mooirivier Mall (Pty) Ltd	None	Prime – 2.00%
Rainprop (Pty) Ltd	None	None
Wattchatt (Pty) Ltd	None	None
West Hills Mall Limited	None	None
Windfall 86 Properties (Pty) Ltd	None	None
Pickard Family Investment Trust	Jul-14	Prime + 2.00%
Kruger Family Investment Trust	Jul-14	Prime + 2.00%
Eygenberger Investment Trust	Jul-14	Prime + 2.00%
JJ Pickard Developments	Jul-14	Prime + 2.00%
Loans and receivables		
Loans and payables		

2014 Loan amount R'000	2014 Impairment R'000	2014 Total R'000	2013 Loan amount R'000	2013 Impairment R'000	2013 Total R'000
–	–	–	(412)	–	(412)
(2 630)	–	(2 630)	–	–	–
–	–	–	88	(88)	–
–	–	–	(22 288)	–	(22 288)
–	–	–	10 677	(10 677)	–
21	–	21	1 785	–	1 785
–	–	–	(4 653)	–	(4 653)
(1 121)	–	(1 121)	–	–	–
–	–	–	(117 600)	–	(117 600)
–	–	–	87 058	(42 296)	44 762
–	–	–	69	–	69
(2 100)	–	(2 100)	–	–	–
–	–	–	(304)	–	(304)
223	–	223	230	–	230
–	–	–	3 012	(3 012)	–
–	–	–	379	–	379
1	–	1	–	–	–
–	–	–	143	–	143
1 050	–	1 050	–	–	–
1 624	–	1 624	–	–	–
1 516	–	1 516	–	–	–
1 226	–	1 226	–	–	–
512	–	512	–	–	–
–	–	–	263	(263)	–
6 173	–	6 173	103 704	(56 336)	47 368
(5 851)	–	(5 851)	(145 257)	–	(145 257)
322	–	322	(41 553)	(56 336)	(97 889)
(2 630)	–	(2 630)	–	–	–
–	–	–	(4 916)	–	(4 916)
21	–	21	–	–	–
(1 121)	–	(1 121)	–	–	–
–	–	–	87 058	(42 296)	44 762
(2 100)	–	(2 100)	–	–	–
223	–	223	230	–	230
1	–	1	–	–	–
–	–	–	143	–	143
1 050	–	1 050	–	–	–
1 624	–	1 624	–	–	–
1 516	–	1 516	–	–	–
1 226	–	1 226	–	–	–
512	–	512	–	–	–
6 173	–	6 173	87 431	(42 296)	45 135
(5 851)	–	(5 851)	(4 916)	–	(4 916)
322	–	322	82 515	(42 296)	40 219

16. Loans to (from) associates

	Repayment date	Interest rate
Group		
Loans to associates		
Atterbury Africa Limited	None	8.00%
Atterbury Property Holdings (Pty) Ltd	None	Variable
Bagaprop Limited	None	None
Brooklyn Bridge Office Park (Pty) Ltd	None	None
Fountains Regional Mall (Pty) Ltd	None	None
Geelhoutboom Estate (Pty) Ltd	None	None
Keysha Investments 213 (Pty) Ltd	None	None
Mall of Mauritius at Bagatelle Limited	None	None
Paradise Coast Property Development (Pty) Ltd	None	None
The Grove Mall of Namibia (Pty) Ltd	None	None
The Club Retail Park (Pty) Ltd	None	Prime
The Club Retail Park (Pty) Ltd	None	None
Loans from associates		
Atterbury Property Holdings (Pty) Ltd	None	None
Atterbury Property Holdings (Pty) Ltd	None	None
Atterbury Property Holdings (Pty) Ltd	None	None
Travenna Development Company (Pty) Ltd	None	None

	Repayment terms	Interest rate
Company		
Loans to associates		
Atterbury Property Holdings (Pty) Ltd	None	Variable
Brooklyn Bridge Office Park (Pty) Ltd	None	None
Fountains Regional Mall (Pty) Ltd	None	None
Geelhoutboom Estate (Pty) Ltd	None	None
Keysha Investments 213 (Pty) Ltd	None	None
Paradise Coast Property Development (Pty) Ltd	None	None
The Grove Mall of Namibia (Pty) Ltd	None	None
The Club Retail Park (Pty) Ltd	None	Prime
The Club Retail Park (Pty) Ltd	None	None
Travenna Development Company (Pty) Ltd	None	None
Loans from associates		
Travenna Development Company (Pty) Ltd		

	2014			2013		
	Loan amount R'000	Impairment R'000	Total R'000	Loan amount R'000	Impairment R'000	Total R'000
	257 954	–	257 954	112 355	–	112 355
	307 187	–	307 187	212 019	–	212 019
	89 152	–	89 152	7 638	–	7 638
	–	–	–	2 697	–	2 697
	15 781	(15 781)	–	13 684	–	13 684
	19 008	(19 008)	–	14 840	–	14 840
	26 061	(22 371)	3 690	27 009	(14 134)	12 875
	13 541	–	13 541	–	–	–
	12 468	(12 049)	419	3 885	–	3 885
	62 711	–	62 711	64 333	–	64 333
	17 000	–	17 000	17 000	–	17 000
	20 282	–	20 282	35 203	(9 387)	25 816
	841 145	(69 209)	771 936	510 663	(23 521)	487 142
	(2 248)	–	(2 248)	–	–	–
	(102 641)	–	(102 641)	–	–	–
	(68 741)	–	(68 741)	–	–	–
	(72 449)	–	(72 449)	–	–	–
	(246 079)	–	(246 079)	–	–	–
	595 066	(69 209)	525 857	510 663	(23 521)	487 142

	2014			2013		
	Loan amount R'000	Impairment R'000	Total R'000	Loan amount R'000	Impairment R'000	Total R'000
	183 919	–	183 919	250 474	–	250 474
	–	–	–	2 697	–	2 697
	15 781	(15 781)	–	13 684	–	13 684
	19 008	(19 008)	–	14 840	–	14 840
	26 061	(22 371)	3 690	27 009	(14 134)	12 875
	12 468	(12 049)	419	3 885	–	3 885
	62 711	–	62 711	64 333	–	64 333
	17 000	–	17 000	17 000	–	17 000
	20 282	–	20 282	35 203	(9 387)	25 816
	–	–	–	379	–	379
	357 230	(69 209)	288 021	429 504	(23 521)	405 983
	(72 449)	–	(72 449)	–	–	–
	284 781	(69 209)	215 572	429 504	(23 521)	405 983

17. Loans to (from) subsidiaries

	Repayment date	Interest rate
Company		
Aldabri 96 (Pty) Ltd	None	None
Attacq Management Services (Pty) Ltd	None	None
Attacq Retail Fund (Pty) Ltd	None	None
Attacq Waterfall Investment Company (Pty) Ltd	None	Prime
Attacq Waterfall Investment Company (Pty) Ltd	None	None
Attacq Waterfall Investment Company (Pty) Ltd	Dec-23	3 month JIBAR + 1.00%
Atterbury Attfund Investment Company No. 1 (Pty) Ltd	None	None
Atterbury Attfund Investment Company No. 2 (Pty) Ltd	None	None
Atterbury Attfund Investment Company No. 3 (Pty) Ltd	None	None
AIH International Limited	None	8.00%
Atterbury Mauritius Consortium (Pty) Ltd	None	None
Atterbury Parkdev Consortium (Pty) Ltd	None	None
Atterbury Property Johannesburg (Pty) Ltd	None	None
Atterbury Property Investments (Pty) Ltd	None	None
Atterbury Waterfall Pocket 22A (Pty) Ltd	None	None
Brooklyn Bridge Office Park (Pty) Ltd	None	None
Design Square Shopping Centre (Pty) Ltd	None	None
De Ville Shopping Centre (Pty) Ltd	None	None
Harlequin Duck Properties 204 (Pty) Ltd	None	None
Highgrove Property Holdings (Pty) Ltd	None	None
Lady Brooks (Pty) Ltd	None	None
Le Chateau Property Company (Pty) Ltd	None	None
Leipzig Nova Eventis Consortium (Pty) Ltd	None	None
Lord Charles and Lady Brooks Office Park (Pty) Ltd	None	None
Lynnaur Investments (Pty) Ltd	None	None
Lynnwood Bridge Office Park (Pty) Ltd	None	None
Majestic Offices (Pty) Ltd	None	None
Mantrablox (Pty) Ltd	None	None
Nieuwtown Property Development Company (Pty) Ltd	None	None
Razorbill Properties 91 (Pty) Ltd	None	None
Loans receivable		
Loans payable		

2014 Loan amount R'000	2014 Impairment R'000	2014 Total R'000	2013 Loan amount R'000	2013 Impairment R'000	2013 Total R'000
3	–	3	(91 777)	–	(91 777)
3 452	–	3 452	–	–	–
10 093	–	10 093	3 182	–	3 182
878 868	–	878 868	211 420	–	211 420
804 625	–	804 625	804 625	–	804 625
542 708	–	542 708	–	–	–
(54 013)	–	(54 013)	(54 207)	–	(54 207)
–	–	–	(75 979)	–	(75 979)
(42 110)	–	(42 110)	(42 453)	–	(42 453)
314 011	–	314 011	172 474	–	172 474
298 130	–	298 130	223 884	–	223 884
–	–	–	36 772	–	36 772
–	–	–	(21)	–	(21)
–	–	–	25	–	25
–	–	–	15	–	15
8 961	–	8 961	–	–	–
(141 182)	–	(141 182)	(154 644)	–	(154 644)
–	–	–	98 907	–	98 907
(2 225)	–	(2 225)	(5 432)	–	(5 432)
50 388	–	50 388	50 388	–	50 388
–	–	–	(25 926)	–	(25 926)
41 848	(27 095)	14 753	36 968	(22 023)	14 945
86 047	(17 535)	68 512	–	–	–
(47 037)	–	(47 037)	(46 463)	–	(46 463)
–	–	–	11 716	–	11 716
139 824	–	139 824	169 219	–	169 219
57	–	57	6 521	–	6 521
244 820	–	244 820	484 794	–	484 794
147 435	–	147 435	107 296	–	107 296
85 415	–	85 415	366 191	–	366 191
3 370 118	(44 630)	3 325 488	2 287 495	(22 023)	2 265 472
		3 612 055			2 762 374
		(286 567)			(496 902)
		3 325 488			2 265 472

18. Cash and cash equivalents

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Bank accounts and cash on hand	389 293	44 389	216 653	(49 688)

The Group, through Attacq Limited, has an overdraft facility to the amount of R100 million (2013: R100 million) and through Attacq Waterfall Investment Company (Pty) Ltd, Rnil (2013: R5 million) with Nedbank Limited. A letter of undertaking for the amount of R20 million, as at 30 June 2013, issued by Nedbank Property Partners relating to the Waterfall development was provided as security. The overdraft facilities bear interest at prime.

The Group, through Attacq Limited, also has an overdraft facility to the amount of R80 million with Standard Bank, secured by a mortgage bond over Waterfall Land parcel 10A. The overdraft facility bears interest at prime.

19. Non-current assets and liabilities held for sale

19.1 Non-current assets classified as held for sale

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
The following investment properties are presented as held for sale:				
• Atterbury House	–	335 942	–	335 942
• De Ville Shopping Centre	–	184 239	–	–
• Great Westerford	–	258 871	–	258 871
• Harlequins Office Park	–	132 838	–	–
• Sanridge Square	–	99 834	–	99 834
	–	1 011 724	–	694 647
Straight-line debtor relating to investment property	–	21 527	–	7 704
	–	1 033 251	–	702 351
The following subsidiary, associates and loans to associates are presented as held for sale:				
Investment in associates and related loans:				
• Arctospark (Pty) Ltd	–	50 131	–	50 131
• Loan to Arctospark (Pty) Ltd	–	24 661	–	
• Artisan Investment Projects 10 Limited – Caltongate (Edinburgh)	–	10 037	–	–
• Loan to Arctospark (Pty) Ltd	–	483 562	–	483 562
• Rapfund Holdings (Pty) Ltd	138 846	–	138 846	–
Investment in subsidiaries and related loans:				
• Atterbury Parkdev Consortium (Pty) Ltd	–	–	–	29 738
	138 846	568 391	138 846	563 431
Total non-current assets classified as held for sale	138 846	1 601 642	138 846	1 265 782

The sale transaction of the shares in Rapfund Holdings (Pty) Ltd was finalised in July 2014.

19. Non-current assets and liabilities held for sale (continued)

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
19.2 Non-current liabilities directly associated with non-current assets classified as held for sale				
The following non-current assets are associated with non-current assets held for sale:				
• De Ville Shopping Centre	–	109 644	–	–
• Great Westerford	–	233 428	–	233 428
• Harlequins Office Park	–	55 501	–	–
Total non-current liabilities directly associated with non-current assets classified as held for sale	–	398 573	–	233 428
19.3 Profit from discontinued operations associated directly with assets classified as held for sale:				
Profit and loss				
• Income	–	135 510	–	78 804
• Fair value adjustments on investment properties	–	113 789	–	105 916
• Net income from associates	–	14 895		
• Expenses	–	(129 442)	–	(90 680)
Profit before taxation	–	134 752	–	94 040
Taxation	–	(25 964)	–	(16 642)
	–	108 788	–	77 398

20. Stated capital/issued capital and share premium

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Authorised				
2 billion ordinary no par value shares (2013: 1 billion ordinary par vale shares of R0.0001 each).	–	100	–	100
Issued				
Ordinary par value shares	–	45	–	52
Share premium	–	2 196 549	–	2 808 009
Ordinary no par value shares	5 798 843	–	6 171 930	–
	5 798 843	2 196 594	6 171 930	2 808 061
Reconciliation of shares issued in Rand value				
Share capital				
Balance at the beginning of the year	45	54	52	52
Issue of par value shares	5	(2)	5	–
Issue of par value shares – adjustment	(4)	–	(4)	–
Adjusted for treasury shares held:				
Attacq Retail Fund (Pty) Ltd	–	(3)	–	–
Razorbill Properties 91 (Pty) Ltd	–	(4)	–	–
	46	45	53	52
Conversion of par value shares to no par value shares	(46)	–	(53)	–
	–	45	–	52

20. Stated capital/issued capital and share premium (continued)

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Share premium				
Balance at the beginning of the year	2 196 549	2 196 549	2 808 009	2 808 009
Issue of par value shares	579 995	–	579 995	–
Issue of par value shares – adjustment	(136 369)	–	(136 369)	–
	2 640 175	2 196 549	3 251 635	2 808 009
Conversion of par value shares to no par value shares	(2 640 175)	–	(3 251 635)	–
	–	2 196 549	–	2 808 009
Stated capital				
Balance at the beginning of the year	–	–	–	–
Conversion of par value shares to no par value shares	2 640 221	–	3 251 688	–
Issue of no par value shares	3 180 922	–	2 942 542	–
Share buy-back	(22 300)	–	(22 300)	–
	5 798 843	–	6 171 930	–
	5 798 843	2 196 594	6 171 930	2 808 061

140 838 136 ordinary shares (2013: 477 010 115) were under the control of the directors in terms of resolution of members passed at the last annual general meeting. This authority was granted and all the shares that were placed under the control of the directors have been issued.

The conversion of all the ordinary authorised par value shares in the capital of the company, being 1 billion shares with a par value of R0.0001 each, to 1 billion ordinary no par value shares, was approved by the shareholders a general meeting held on 27 August 2013.

The increase of the authorised share capital of the company, from 1 billion ordinary no par value shares to 2 billion ordinary no par value shares in the authorised share capital of the company was approved by the shareholders at a general meeting held on 27 August 2013.

	Group 2014	Group 2013	Company 2014	Company 2013
Reconciliation of number of shares issued				
Reported at the beginning of the year	522 989 885	522 989 885	522 989 885	522 989 885
Issue of share capital during the year	257 940 345	–	194 403 262	–
Re-acquired and cancelled during the year	(63 537 083)	–	–	–
	717 393 147	522 989 885	717 393 147	522 989 885
Adjusted for treasury shares held				
Attacq Retail Fund (Pty) Ltd	(29 726 516)	(29 726 516)	–	–
Lynnwood Bridge Office Park (Pty) Ltd	–	(57 165)	–	–
Razorbill Properties 91 (Pty) Ltd	(16 701 037)	(43 800 054)	–	–
	670 965 594	449 406 150	717 393 147	522 989 885

21. Share-based payment reserve

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
Opening balance	5 488	–	5 488	–
Purchase of investment in Attacq Waterfall Investment Company (Pty) Ltd from Trinsam Trust	11 586	–	11 586	–
Purchase of Attacq Retail Fund (Pty) Ltd shares from Nedbank Limited	59 159	–	59 159	–
Recognition of share options expense	7 084	5 488	7 084	5 488
	83 317	5 488	83 317	5 488
Reconciled as follows:				
Share-based payments	70 745	–	70 745	–
Share options	12 572	5 488	12 572	5 488
	83 317	5 488	83 317	5 488
Share-based payments				
Purchase of Attacq Retail Fund (Pty) Ltd shares from Nedbank Limited	59 159	–	59 159	–

Acquisition of 18.05% in the issued share capital of Attacq Retail Fund (Pty) Ltd from Nedbank Limited, resulting in an IFRS 2 charge of R59 159 635 due to the increase in the share price of Attacq subsequent to the agreement of commercial terms with Nedbank prior to listing on 14 October 2014. Subsequent to listing, the share price at which the agreed number of shares was issued upon implementation of the acquisition on 25 November 2013 was R16.50 as opposed to the contractually agreed issue price of R11.63.

Purchase of investment in Attacq Waterfall Investment Company (Pty) Ltd from Trinsam Trust	11 586	–	11 586	–

This amount represents the fair value of the agterskot payment to be paid to Trinsam Trust in respect of the acquisition of a 1.225% stake in Attacq Waterfall Investment Company (Pty) Ltd from the Trinsam Trust, determined with reference to the estimated future development profits to be earned by Attacq Waterfall Investment Company (Pty) Ltd up to and including 30 June 2020, present value at a rate of 28%.

The future development profits will be determined with reference to valuations of the completed developments, as determined by an external valuer, less the related costs of development escalated at prime from the date of completion to 30 June 2020. In respect of any developments completed and sold prior to 2020, the development profit will be determined with reference to the actual disposal proceeds, less the related costs of development escalated from the date of completion of the development to the date of sale, and the profit so determined will be escalated at the prime interest rate from the date of sale to 30 June 2020.

21. Share-based payment reserve (continued)

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
Share options				
Movements in number of share options during the year are as follows:				
Balance at the beginning of the year	2 000 000	2 000 000	2 000 000	2 000 000
Granted during the year	3 625 000	–	3 625 000	–
Exercised during the year	(800 000)	–	(800 000)	–
Balance at the end of the year	4 825 000	2 000 000	4 825 000	2 000 000

The above share options were exercised on 28 August 2013 at a price of R8.98.

Key employees, expected to have an impact on the company's future performance, were offered share options as part of the share incentive scheme.

For all grants made after 31 December 2012, 60% of the share options will vest in the third year after grant date, 20% of the options will vest in the fourth year and the final 20% will vest in year five. The employee has six months after vesting date to exercise his or her options.

The first grant, made on 31 December 2012, differs from the subsequent grants since it vests in equal portions over the five years following the grant date. There is no maturity date by which the options need to be exercised.

The following share-based payment arrangements were in existence during the current and prior years:
Granted on 31 December 2012
Granted on 1 July 2013
Granted on 1 September 2013
Granted on 1 November 2013
Granted on 1 December 2013
Granted on 1 April 2014
Granted on 1 June 2014

Fair value of options granted in the year

The weighted average fair value of share options granted during the financial year is R5.57 (2013: R2.72).

Options were priced using the Black-Scholes option pricing model. As most of the grants' options expire six months after vesting date, the maximum exercise period has been allowed considering the closed periods for Attacq Limited.

The following inputs, including the exercise price as detailed above, were taken into account in valuating the share options:
Granted on 31 December 2012
Granted on 1 July 2013
Granted on 1 September 2013
Granted on 1 November 2013
Granted on 1 December 2013
Granted on 1 April 2014
Granted on 1 June 2014

Group 2014 Number	Expiry date	Exercise price R	Fair value R	Company 2014 Number	Expiry date	Exercise price R	Fair value R
2 000 000	31-Dec-16	8.50	2.72	2 000 000	31-Dec-16	8.50	2.72
1 200 000	31-Dec-18	9.50	4.43	1 200 000	31-Dec-18	9.50	4.43
500 000	31-Dec-18	11.96	3.98	500 000	31-Dec-18	11.96	3.98
225 000	31-Dec-18	14.50	6.24	225 000	31-Dec-18	14.50	6.24
1 025 000	31-Dec-18	14.50	6.22	1 025 000	31-Dec-18	14.50	6.22
275 000	30-Jun-19	15.25	7.30	275 000	30-Jun-19	15.25	7.30
400 000	31-Dec-19	15.25	7.70	400 000	31-Dec-19	15.25	7.70

Group Grant date share price R	Expected volatility	Dividend yield	Risk-free curve	Company Grant date share price R	Expected volatility	Dividend yield	Risk-free curve
10.11	20.00%	0.00%	5.30%	10.11	20.00%	0.00%	5.30%
11.11	20.00%	0.00%	7.04%	11.11	20.00%	0.00%	7.04%
12.18	20.00%	0.00%	7.36%	12.18	20.00%	0.00%	7.36%
16.69	20.00%	0.00%	6.96%	16.69	20.00%	0.00%	6.96%
16.64	20.00%	0.00%	7.22%	16.64	20.00%	0.00%	7.22%
18.00	20.00%	0.00%	7.67%	18.00	20.00%	0.00%	7.67%
18.20	20.00%	0.00%	7.52%	18.30	20.00%	0.00%	7.52%

22. Long-term borrowings

Group

Figures in R'000	Interest rate	Maturity
2014		
Investec Bank Limited		
• Brooklyn Bridge	Prime - 1.50%	28-Sep-2018
• Brooklyn Bridge	Prime - 0.50%	28-Nov-2018
• Brooklyn Bridge	10.90%	28-Nov-2018
• Brooklyn Bridge	Prime - 0.50%	29-Mar-2019
• The Grove Mall of Namibia	Prime - 0.50%	31-Dec-2019
Nedbank Limited		
• Cell C Campus	3-month JIBAR + 3.10%	1-Dec-2023
• Land parcel 22	Prime - 1.00%	2-Jun-2015
• Waterfall Corner	1-month JIBAR + 2.00%	30-Apr-2024
• Waterfall Corner – Fixed interest rate	10.86%	31-May-2019
• Mall of Africa	Prime-1.00%	5-Apr-2021
• Operational loan	Prime - 0.75%	1-Oct-2021
• Eikestad and Mill Square	Prime - 1.00%	1-Dec-2022
• Andringa	Prime - 1.00%	1-Dec-2022
• Brooklyn Mall	Prime - 1.00%	1-Jan-2022
• Mooirivier Mall	Prime - 1.00%	1-Oct-2021
• Lynnwood Bridge	Prime - 1.00%	1-Jun-2021
• Lynnwood Bridge Phase 3	Prime - 0.50%	1-Oct-2014
• Newtown Junction and Majestic Office	Prime	1-Oct-2024
• Newtown Junction and Majestic Office	Prime - 0.50%	28-Feb-2024
• Newtown Junction and Majestic Office	Prime + 5.00%	1-Apr-2017
Rand Merchant Bank		
• Great Westerford	1-month JIBAR + 2.75%	30-Jun-2015
• Aurecon	10.55%	1-Apr-2023
• Aurecon	1-month JIBAR + 2.95%	1-Jan-2016
Sanlam Capital Markets		
• Massbuild Distribution Centre	Prime - 0.50%	1-May-2028
• Massbuild Distribution Centre – Fix 1	10.58%	1-May-2028
• Massbuild Distribution Centre – Fix 2	11.05%	1-May-2028
Subtotal carried forward		

Capital instalments	Frequency of instalments	Mortgage bond	Surety A	Surety B	Non-current liabilities	Current liabilities
					466 101	22 358
1 475	Monthly				124 989	8 890
292	Monthly	–	140 000	–	10 462	2 486
1 600	Monthly				112 565	7 606
897	Monthly				98 230	2 816
					346 246	21 798
–	Monthly	–	–	–	119 855	560
					3 788 560	338 054
4 598	Monthly	600 000	–	–	532 137	13 126
–	Monthly	300 000	80 000	–	–	39 122
–	Monthly	145 000	54 000	6 000	66 574	–
–	Monthly				66 352	694
					132 926	694
–		4 750 000	700 000	100 000	122 829	15 754
9	Monthly				506	57
–	Monthly				491 605	–
–	Monthly	2 260 000	–	–	306 068	–
4 616	Monthly				365 317	10 370
5 916	Monthly				485 612	25 668
					1 649 108	36 095
4 786	Monthly		700 000	–	511 298	20 152
2 333	Monthly		150 000	–	–	193 906
–	Monthly				716 626	807
–	Monthly	1 200 000	300 000	100 000	–	18 398
–	Monthly				123 636	–
					840 262	19 205
					488 799	77 447
–		550 000 000	–	–	–	68 880
4 486	Monthly	–	100 000	–	438 799	8 567
–	Monthly				50 000	–
					488 799	8 567
					195 598	1 607
1 476	Monthly				31 362	194
		250 000	32 000	8 000	137 958	1 150
					26 278	263
					4 939 058	439 466

22. Long-term borrowings (continued)

Group Figures in R'000	Interest rate	Maturity
2014		
Subtotal brought forward		
Standard Bank Limited		
• Glenfair Boulevard Shopping Centre	1-month JIBAR + 2.64%	28-Feb-2016
• Glenfair Boulevard Shopping Centre	3-month JIBAR + 2.35%	28-Feb-2016
• Group 5	10.70%	1-Jan-2019
• Land parcel 8	1-month JIBAR + 1.85%	30-Apr-2016
• Land parcel 10	3-month JIBAR + 1.50%	30-Apr-2016
• Maxwell Office Park	3-month JIBAR + 1.70%	30-Apr-2019
• Maxwell Office Park	3-month JIBAR + 1.70%	30-Apr-2019
• Altech Building	1-month JIBAR + 1.50%	1-Nov-2017
• Garden Route Mall	3-month JIBAR + 1.40%	31-Jul-2015
Total		

Surety A was provided by Attacq Limited and Surety B was provided by Atterbury Property Holdings (Pty) Ltd.
In respect of Cell C Campus, a *causa* surety was provided by Attacq Waterfall Investment Company (Pty) Ltd to an amount of R600 million.
In respect of Maxwell Office Park, a *causa* surety was provided by East & West Investments (Pty) Ltd to an amount of R87.25 million.
In respect of the Altech Building, a *causa* surety was provided by East & West Investments (Pty) Ltd to an amount of R29.2 million.

The carrying values of the long-term borrowings are considered by management to approximate their fair values.

Capital instalments	Frequency of instalments	Mortgage bond	Surety A	Surety B	Non-current liabilities	Current liabilities
					4 939 058	439 466
					1 283 331	13 393
–	Monthly	234 400	–	–	54 658	6 484
–	Monthly				10 600	76
					65 258	6 560
3 318	Monthly	470 000	110 000	27 500	378 808	3 150
–	Monthly	231 000	60 000	15 000	52 478	–
–	Monthly	600 000	194 400	48 600	64 816	–
1 248	Quarterly	300 000	32 000	8 000	33 653	1 322
					30 383	1 173
					64 036	2 495
–	Monthly	58 400	10 000	–	25 573	1 188
–	Monthly	–	–	–	632 362	–
					6 222 389	452 859

22. Long-term borrowings (continued)

Group Figures in R'000	Interest rate	Maturity
2013		
Investec Bank Limited		
• The Grove Mall of Namibia (Pty) Ltd	Prime - 0.50%	31-Dec-2019
• Le Chateau Property Development (Pty) Ltd	Prime	1-Jul-2013
Nedbank Limited		
• Cell C Campus	1-month JIBAR + 2.50%	31-Dec-2013
• Land parcel 22	Prime - 1.00%	1-Jun-2014
• Tarsus Building (MB Technologies)	Prime	1-Mar-2014
• Newtown Junction and Majestic Office	Prime	
• Lynnwood Bridge	Prime - 0.50%	1-Oct-2014
• Lynnwood Bridge	Prime - 1.00%	1-Jun-2021
• De Ville Shopping Centre	Prime	
• De Ville Shopping Centre	10.45%	
• De Ville Shopping Centre	10.50%	
• Transfer to non-current liabilities directly associated with assets held for sale		
• Operational loan	Prime - 0.75%	1-Oct-2021
• Eikestad and Mill Square	Prime - 1.00%	1-Dec-2022
• Andringa	Prime - 1.00%	1-Dec-2022
• Brooklyn Mall	Prime - 1.00%	1-Jan-2022
• Mooirivier Mall	Prime - 1.00%	1-Oct-2021
Sanlam		
• Massbuild Distribution Centre	Prime - 0.50%	1-May-2028
• Massbuild Distribution Centre	10.58%	
• Short-term bridging loan	8.50%	1-Aug-2013
• Bridging loan	8.50%	29-Jun-2014
Subtotal carried forward		

Capital instalments	Frequency of instalments	Mortgage bond	Surety A	Surety B	Non-current liabilities	Current liabilities
					121 369	5 791
–		–	–	60 000	121 369	789
190	Monthly	–	7 500	–	–	5 002
					2 767 744	150 486
–		600 000	160 000	40 000	281 454	25 324
–		300 000	80 000	–	–	52 204
–		300 000	80 000	–	–	44 575
–		1 300 000	300 000	–	228 805	12 137
4 653	Monthly	1 450 000	150 000	–	595 753	15 682
			250 000	–		
1 603	Monthly				–	71 679
250	Monthly	157 500	146 000	–	–	18 975
230	Monthly				–	18 990
						109 644
					–	(109 644)
					–	–
–	Monthly				–	564
–	Monthly				480 596	–
–	Monthly	2 360 000	–	–	306 484	–
–	Monthly				362 835	–
–	Monthly				511 817	–
					1 661 732	564
					183 275	297 949
–	Monthly	250 000	32 000	8 000	53 275	100
–	Monthly				130 000	–
					183 275	100
–		–	–	–	–	210 989
–		–	–	–	–	86 860
					–	297 849
					3 072 388	454 226

22. Long-term borrowings (continued)

Group Figures in R'000	Interest rate	Maturity
2013		
Subtotal brought forward		
Rand Merchant Bank		
• Great Westerford	12.00%	30-Apr-2014
• Transfer to non-current liabilities directly associated with assets held for sale		
• Aurecon	10.55%	1-Apr-2023
• Aurecon	3-month JIBAR + 2.95%	1-Feb-2016
• Atterbury Parkdev Consortium (Pty) Ltd	10.85%	1-Feb-2016
• Transfer to non-current liabilities directly associated with assets held for sale		
WesBank		
• Hire purchase facility	8.50%	1-Sep-2014
Standard Bank Limited		
• Glenfair Boulevard Shopping Centre	1-month JIBAR + 1.22%	28-Feb-2016
• Glenfair Boulevard Shopping Centre	3-month JIBAR + 1.40%	28-Feb-2016
• Garden Route Mall	1-month JIBAR + 0.90%	31-Mar-2014
• Attacq Waterfall Investment Company (Pty) Ltd – Land parcel 8	1-month JIBAR + 1.75%	1-Jul-2013
• Attacq Waterfall Investment Company (Pty) Ltd – Mall of Africa	3-month JIBAR + 1.65%	1-Dec-2013
• Bridging facility	1-month JIBAR + 1.50%	1-Dec-2014
• Garden Route Mall	1-month JIBAR + 0.7% + costs	1-Mar-2014
• Group 5	3-month JIBAR + 1.70%	1-Jan-2019
• Land parcel 8	1-month JIBAR + 1.85%	31-Oct-2013
• Land parcel 10	3-month JIBAR + 1.50%	31-Oct-2013
• Maxwell Office Park	3-month JIBAR + 1.70%	30-Apr-2019
• Altech Building	1-month JIBAR + 1.50%	1-Nov-2017
Total		

Surety A was provided by Attacq Limited and Surety B was provided by Atterbury Property Holdings (Pty) Ltd.

In respect of Maxwell Office Park, a *causa* surety was provided by East & West Investments (Pty) Ltd to an amount of R77.6 million.

In respect of the Altech Building, a *causa* surety was provided by East & West Investments (Pty) Ltd to an amount of R29.2 million.

The carrying values of the long-term borrowings are considered by management to approximate their fair values.

Capital instalments	Frequency of instalments	Mortgage bond	Surety A	Surety B	Non-current liabilities	Current liabilities
					3 072 388	454 226
					497 277	2 943
–	Monthly	710 000	–	–	–	233 428
					–	(233 428)
4 115	Monthly	1 285 000	155 000	–	497 277	2 943
4 115	Monthly				–	–
					497 277	2 943
884	Monthly	–	45 000	–	–	55 501
					–	(55 501)
					–	–
95	Monthly	–	–	–	–	95
					303 066	838 449
–	Monthly	234 400	–	–	61 210	4 451
–	Monthly				6 379	868
					67 589	5 319
–	Monthly	–	–	–	–	250 129
–	Monthly	–	–	–	–	45 082
–	Monthly	–	–	–	–	32 606
–	Monthly	–	–	–	81 926	–
–	Monthly	300 000	–	–		300 000
–	Monthly	470 000	110 000	27 500	112 298	3 770
–	Monthly	231 000	45 000	15 000	–	41 364
–	Monthly	600 000	194 400	48 600	–	159 057
–	Monthly	300 000	32 000	8 000	14 874	–
–	Monthly	58 400	10 000	–	26 379	1 122
					3 872 731	1 295 713

22. Long-term borrowings (continued)

Company

Figures in R'000	Interest rate	Maturity
2014		
Investec Bank Limited		
• The Grove Mall of Namibia (Pty) Ltd	Prime - 0.50%	31-Dec-2019
Nedbank Limited		
• Cell C Campus	3-month JIBAR + 3.10%	1-Dec-2023
Rand Merchant Bank		
• Great Westerford	1-month JIBAR + 2.75%	30-Jun-2015
Standard Bank Limited		
• Glenfair Boulevard Shopping Centre	1-month JIBAR + 2.64%	28-Feb-2016
• Glenfair Boulevard Shopping Centre	3-month JIBAR + 2.35%	28-Feb-2016
Total		

In respect of Cell C Campus, a *causa* surety was provided by Attacq Waterfall Investment Company (Pty) Ltd to an amount of R600 million.

The carrying values of the long-term borrowings are considered by management to approximate their fair values.

2013		
Investec Bank Limited		
• The Grove Mall of Namibia (Pty) Ltd	Prime - 0.50%	31-Dec-2019
Sanlam		
• Short-term bridging loan	8.50%	1-Aug-2013
• Bridging loan	8.50%	29-Jun-2014
Rand Merchant Bank		
• Great Westerford	12.00%	30-Apr-2014
• Transfer to non-current liabilities directly associated with assets held for sale		
WesBank		
• Hire purchase facility	8.50%	1-Sep-2014
Standard Bank Limited		
• Glenfair Boulevard Shopping Centre	1-month JIBAR + 1.22%	28-Feb-2016
• Glenfair Boulevard Shopping Centre	3-month JIBAR + 1.40%	28-Feb-2016
• Garden Route Mall	1-month JIBAR + 0.90%	31-Mar-2014
• Attacq Waterfall Investment Company (Pty) Ltd – Land Parcel 8	1-month JIBAR + 1.75%	1-Jul-2013
• Attacq Waterfall Investment Company (Pty) Ltd – Mall of Africa	3-month JIBAR + 1.65%	1-Dec-2013
• Bridging facility	1-month JIBAR + 1.50%	1-Dec-2014
Total		

A surety to the amount of R60 million was given to Investec Bank Limited by Atterbury Property Holdings (Pty) Ltd.

The carrying values of the long-term borrowings are considered by management to approximate their fair values.

Capital instalments	Frequency of instalments	Mortgage bond	Non-current liabilities	Current liabilities
–	Monthly	–	119 855	560
4 598	Monthly	600 000	532 137	13 126
–	Monthly	550 000 000	–	68 880
			65 258	6 560
–	Monthly	234 400	54 658	6 484
–	Monthly		10 600	76
			717 250	89 126

–	Monthly	–	121 369	789
			–	297 849
–	Monthly	–	–	210 989
–	Monthly	–	–	86 860
			–	–
–	Monthly	710 000	–	233 428
			–	(233 428)
95	Monthly	–	–	95
			149 515	333 136
–	Monthly	234 400	61 210	4 451
–	Monthly		6 379	868
			67 589	5 319
–	Monthly	–	–	250 129
–	Monthly	–	–	45 082
–	Monthly	–	–	32 606
–	Monthly	–	81 926	–
			270 884	631 869

23. Finance lease obligation

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Majestic Offices (Pty) Ltd	5 009	4 804	–	–
Nieuwtown Property Development Company (Pty) Ltd	51 000	52 087	–	–
	56 009	56 891	–	–

The figures above are reconciled as follows:

Majestic Offices (Pty) Ltd

Lessor: City of Johannesburg

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Minimum lease payments due				
• within one year	220	205	–	–
• in the second to the fifth year, inclusive	1 392	1 297	–	–
• later than five years	19 942	20 390	–	–
	21 554	21 892	–	–
Less future finance charges	(16 545)	(17 088)	–	–
	5 009	**4 804**	**–**	**–**
Present value of minimum lease payments due				
• later than five years	5 009	4 804	–	–
	5 009	**4 804**	**–**	**–**
Non-current liabilities	5 009	4 804	–	–

The Group, through a subsidiary Majestic Offices (Pty) Ltd, entered into a finance lease agreement with the City of Johannesburg for a 49 year lease on Erf 591, Newtown, Johannesburg. The effective finance lease starting date was 3 February 2011 with the basic monthly instalment starting at R15 000 (escalating at 8% compounded annually). Once the development is completed the basic rental changes to 2.5% of rental income for the year.

Refer to note 6 for a further description of the investment property.

Nieuwtown Property Development Company (Pty) Ltd

Lessor: City of Johannesburg

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Minimum lease payments due				
• within one year	770	1 018	–	–
• in the second to the fifth year, inclusive	6 380	6 447	–	–
• later than five years	11 258 063	12 282 271	–	–
	11 265 213	12 289 736	–	–
Less future finance charges	(11 214 213)	(12 237 649)	–	–
	51 000	**52 087**	**–**	**–**
Present value of minimum lease payments due				
• later than five years	51 000	52 087	–	–
	51 000	**52 087**	**–**	**–**
Non-current liabilities	51 000	52 087	–	–

The Group, through a subsidiary Nieuwtown Property Development Company (Pty) Ltd, entered into a finance lease agreement with the City of Johannesburg for a 90 year lease on Erf 45, 46, 47, 56, 57 and 58 Newtown, Johannesburg. The effective finance lease starting date is 16 September 2010 with the basic monthly instalment starting at R80 000 (escalating with 8% compounded annually). Once the development is completed the basic rental is payable as follows: 1.75% of rental income for years 1 to 30, 1.9% of rental income for years 31 to 60 and 2% of rental income for years 61 to 90.

Refer to note 6 for a further description of the investment property.

24. Trade and other payables

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
		Restated		
Trade payables	240 200	295 821	2 960	44 597
Accruals	95 170	15 550	25 870	–
Deposits held	27 236	8 689	6 291	6 538
Rental income received in advance	9 762	2 878	1 798	–
Value added tax	3 592	5 052	–	–
	375 960	**327 990**	**36 919**	**51 135**

The fair value of trade payables, deposits held, amounts received in advance and sundry payables are deemed to be the same as the carrying value.

Trade payables include amounts due relating to buildings under construction.

25. Provisions

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Provision for payment of profit from Lynnwood Bridge Phase 3 to Atterbury Property Developments (Pty) Ltd	–	5 709	–	–
Provision for payment of profit from Majestic Offices (Pty) Ltd to a third party	9 487	–	–	–
Provision for payment of profit from Nieuwtown Property Development (Pty) Ltd to a third party	655	–	–	–
	10 142	**5 709**	**–**	**–**

The provision relating to Lynnwood Bridge Phase 3 was paid in the current year.

26. Operating profit is stated after inclusion of the following:

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Other income				
Sundry income	47 314	3 214	8 320	–
Foreign exchange gain	–	21 952	15 954	21 791
Asset and property management fee income	–	–	15 076	–
Profit on disposal of subsidiaries	–	12 683	3 242	–
Profit on disposal of other investments and associates	3 444	49 279	–	24 546
Profit (loss) on disposal of investment property	8 567	17 197	(9 622)	(1 218)
Reversal of impairment	–	22 023	–	4 281
Reversal of provision for liabilities relating to associates	–	–	78 697	–
Operating and other expenses				
Auditor's remuneration	(6 370)	(6 149)	(4 103)	(5 420)
Bad debt written off	(1 662)	–	(430)	–
Executive directors' remuneration	(7 834)	–	(7 834)	–
Non-executive directors' remuneration	(3 289)	–	(3 089)	–
Staff expenses	(20 877)	–	(20 651)	–
Marketing	(12 096)	–	(7 481)	–
Impairment of loans	(46 771)	(372)	(46 771)	–
Impairment of investments	–	–	(269 005)	(93 459)
Adjustment on equity investments	–	(103 822)	–	–
Goodwill written off	–	(16 929)	–	–
Movement in provision for liabilities relating to associates	–	–	–	(5 399)
Brokers fees	–	–	–	(35)
Valuation fees	(677)	–	(312)	(583)
Loss on disposal of subsidiary	–	–	–	(36 267)
Loss on disposal of investments	(65 150)	–	(65 150)	–
Share-based payment expenses	(66 243)	(5 488)	(66 243)	(5 488)
Expensing of final payment on Lynnwood Bridge Office Park (Pty) Ltd	(13 031)	(44 601)	(13 031)	(44 601)
Expensing of final payment on De Ville Shopping Centre (Pty) Ltd	(2 135)	–	(2 135)	–

27. Investment income

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Dividend income				
Dividends – Local	328 748	6 561	521 545	85 351
Dividends – Foreign	27 464	–	27 464	3 225
Interest income				
Group companies	44 746	–	150 099	79 111
Bank	19 836	–	17 258	7 274
Other interest	4 002	41 784	2 752	66
Tenant interest	–	–	–	67
	424 796	48 345	719 118	175 094

28. Finance costs

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Bank overdraft	(767)	(4 755)	(751)	(4 721)
Intercompany loans	–	–	(972)	(22 395)
Mortgage bonds	(368 627)	(317 656)	(69 782)	(62 235)
Other	(146 975)	(21 951)	(140 388)	(2 223)
Other financial liabilities	(65 753)	(56 078)	(11 370)	(8 016)
	(582 122)	**(400 440)**	**(223 263)**	**(99 590)**

29. Income tax expense

	Group		Company	
	2014 R'000	2013 R'000 Restated	2014 R'000	2013 R'000
Major components of the tax expense (including other comprehensive income)				
Current				
Local income tax – current period	(79 719)	(20 949)	(60 776)	(12 077)
Local income tax – prior period over provision	10 211	–	10 211	–
Deferred				
Originating and reversing temporary differences	(169 852)	(188 456)	(171 460)	(142 183)
	(239 360)	**(209 405)**	**(222 025)**	**(154 260)**
Reconciliation of the tax expense				
Applicable tax rate	28.00%	28.00%	28.00%	28.00%
Adjusted for:				
• Non-deductible expenditure	–	0.24%	–	–
• Non-taxable dividends received	(11.47%)	(0.10%)	(9.49%)	(24.12%)
• Fair value adjustments	(9.70%)	(9.95%)	(8.76%)	(12.15%)
• Provision for impairment of investments	1.88%	–	1.56%	22.65%
• Prior period adjustment	(0.85%)	–	(0.71%)	3.00%
• Other	10.05%	5.96%	3.15%	12.52%
	17.92%	**24.15%**	**13.75%**	**29.90%**

30. Earnings, headline earnings and net asset value per share

	2014 Continuing operations Gross R'000	Tax effect of the adjustments R'000	Total non-controlling interest effect of the adjustments R'000	Net R'000
At 30 June 2014 the company had 670 965 594 shares in issue after adjusting for treasury shares, refer note 20.				
The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the company is based on the following data:				
Earnings for the purpose of earnings per share	**946 147**	**–**	**–**	**946 147**
Number of shares				
Weighted average number of ordinary shares for the purpose of earnings per share	578 976 838	–	–	578 976 838
Effect of dilutive potential ordinary shares : Share options	1 294 293	–	–	1 294 293
Weighted average number of ordinary shares for the purpose of diluted earnings per share	580 271 131	–	–	580 271 131
Earnings per share (cents) – restated				
Basic	163.42	–	–	163.42
Diluted	163.05	–	–	163.05
Headline earnings for the purpose of headline earnings per share				
Total comprehensive income attributable to ordinary shareholders	946 147	–	–	946 147
Loss on disposal of associates	(7 790)	–	–	(7 790)
Profit on disposal of other investment	65 150	(12 149)	–	53 001
Profit on disposal of investment property	(8 567)	1 598	681	(6 287)
Impairment of associates and other investments	14 995	(2 796)	–	12 199
Fair value adjustments	(953 192)	177 751	66 177	(709 264)
Net income from associates	58 069	(10 829)	14 334	61 574
Gain arising from bargain purchase	(43 783)	–	–	(43 783)
Headline earnings for the purpose of basic and diluted headline earnings per share – restated	**71 029**	**153 575**	**81 192**	**305 797**
Number of shares				
Weighted average number of ordinary shares for the purpose of earnings per share	578 976 838	–	–	578 976 838
Effect of dilutive potential ordinary shares : Share options	1 294 293	–	–	1 294 293
Weighted average number of ordinary shares for the purpose of diluted earnings per share	580 271 131	–	–	580 271 131
Headline income per share – cents				
Basic				52.8
Diluted				52.7
Net asset value per share (cents) – restated				
Closing number of shares (adjusted for treasury shares)				
Net asset value (adjusted for treasury shares) per share (cents)				

2014 Discontinued operations Gross R'000	Tax effect of the adjustments R'000	Total non-controlling interest effect of the adjustments R'000	Net R'000	Total R'000
–	**–**	**–**	**–**	**946 147**
578 976 838	–	–	578 976 838	578 976 838
1 294 293	–	–	1 294 293	1 294 293
580 271 131	–	–	580 271 131	580 271 131
–	–	–	–	163.42
–	–	–	–	163.05
–	–	–	–	946 147
–	–	–	–	(7 790)
–	–	–	–	53 001
–	–	–	–	(6 287)
–	–	–	–	12 199
–	–	–	–	(709 264)
–	–	–	–	61 574
–	–	–	–	(43 783)
–	**–**	**–**	**–**	**305 797**
578 976 838	–	–	578 976 838	578 976 838
1 294 293	–	–	1 294 293	1 294 293
580 271 131	–	–	580 271 131	580 271 131
				52.8
				52.7
				670 965 594
				1 477

30. Earnings, headline earnings and net asset value per share (continued)

	2013 Restated Continuing operations Gross R'000	Tax effect of the adjustments R'000	Total non-controlling interest effect of the adjustments R'000	Net R'000
At 30 June 2013 the company had 449 406 150 shares in issue after adjusting for treasury shares, refer note 20.				
The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the company is based on the following data:				
Earnings for the purpose of earning per share – restated	**614 221**	**–**	**–**	**614 221**
Number of shares				
Weighted average number of ordinary shares for the purpose of earnings per share	449 406 150	–	–	449 406 150
Effect of dilutive potential ordinary shares : Share options	455 759	–	–	455 759
Weighted average number of ordinary shares for the purpose of diluted earnings per share	449 861 909	–	–	449 861 909
Earnings per share (cents) – restated				
Basic	136.67	–	–	136.67
Diluted	136.54	–	–	136.54
Headline loss for the purpose of headline loss per share				
Total comprehensive income attributable to ordinary shareholders – restated	614 221	–	–	614 221
Profit on disposal of other investment	(49 279)	9 199	–	(40 080)
Profit on sale of subsidiaries	(12 591)	2 350	–	(10 241)
Reversal of impairment of loans	(21 651)	4 042	–	(17 609)
Profit on disposal of investment property	(17 197)	3 210	–	(13 987)
Impairment of associates and other investments	85 070	(15 880)	–	69 190
Impairment of goodwill	16 929	–	–	16 929
Loans impaired	40 372	(7 536)	–	32 836
Fair value adjustments – restated	(856 298)	159 842	95 273	(601 183)
Net income from associates	(94 430)	17 627	–	(76 803)
Headline loss for the purpose of basic and diluted headline loss per share – restated	**(294 854)**	**172 854**	**95 273**	**(26 727)**
Number of shares				
Weighted average number of ordinary shares for the purpose of earnings per share	–	–	–	449 406 150
Effect of dilutive potential ordinary shares : Share options				455 759
Weighted average number of ordinary shares for the purpose of diluted earnings per share				449 861 909
Headline loss per share – cents				
Basic				(5.9)
Diluted*				(5.9)
Net asset value per share (cents) – restated				
Closing number of shares (adjusted for treasury shares)				
Net asset value (adjusted for treasury shares) per share (cents)				

* No dilutionary effect on the share options for June 2013 as there is a headline loss for the year.

2013 Restated Discontinued operations				
Gross R'000	**Tax effect of the adjustments R'000**	**Total non-controlling interest effect of the adjustments R'000**	**Net R'000**	**Total R'000**
108 788	**–**	**–**	**108 788**	**723 009**
449 406 150	–	–	449 406 150	449 406 150
455 759	–	–	455 759	455 759
449 861 909	–	–	449 861 909	449 861 909
24.21	–	–	24.21	160.88
24.18	–	–	24.18	160.72
108 788	–	–	108 788	723 009
–	–	–	–	(40 080)
–	–	–	–	(10 241)
–	–	–	–	(17 609)
5 410	(1 010)	–	4 400	(9 587)
–	–	–	–	69 190
–	–	–	–	16 929
–	–	–	–	32 836
(113 789)	21 241	–	(92 548)	(693 732)
(14 895)	2 780	–	(12 115)	(88 918)
(14 486)	**23 011**	**–**	**8 525**	**(18 202)**
–	–	–	449 406 150	449 406 150
			455 759	455 759
			449 861 909	449 861 909
			1.9	(4.1)
			1.9	(4.0)
				449 406 150
				1 191

31. Cash flow from operating activities

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Profit before taxation, including discontinued operations and other comprehensive income	1 335 360	987 843	1 614 185	168 387
Adjusted for:				
Investment income	(68 585)	(42 261)	(170 109)	(86 991)
Dividend income	(356 212)	(6 561)	(549 009)	(88 576)
Finance costs	582 122	441 670	223 263	125 904
Depreciation	3 468	1 471	1 594	592
Amortisation of intangible asset	14 634	–	–	–
Other non-cash movements	(66 661)	64 994	–	(35 106)
Loss (profit) on disposal of other investments	65 150	(41 142)	–	(16 410)
Profit on disposal of associate	(7 790)	–	–	–
(Profit) loss on disposal of subsidiaries	–	(12 591)	–	36 267
(Profit) loss on disposal of investment properties	(8 567)	(11 787)	9 622	(1 218)
Gain on available-for-sale financial assets	–	–	–	(34 907)
Fair value adjustment on other investments	–	–	–	(29 366)
Impairment loss (reversal of impairment loss) – Other investments	14 995	10 403	(26 704)	–
Impairment loss – Associates	–	74 667	257 747	–
Impairment loss – Subsidiaries	–	–	37 963	–
Impairment loss – Other investments	–	–	–	93 460
Fair value adjustment to investment properties held for sale	–	(113 789)	–	–
Fair value adjustment to other investments	(104 950)	(17 100)	(97 466)	–
Fair value adjustment to investment properties	(919 094)	(782 061)	5 590	(129 720)
Fair value adjustment to other financial instruments	(34 098)	(57 137)	(6 069)	–
Fair value adjustment to associates	–	–	(247 756)	–
Fair value adjustment to subsidiaries	–	–	(1 163 634)	–
Straight-line rental adjustment	(129 239)	(91 736)	3 040	10 566
Deferred initial lease expenditure	(1 144)	(153)	194	(181)
Movement in provision for liabilities relating to associates	–	–	–	5 285
Impairment of loans	45 688	–	68 295	4 281
Equity income from associates	58 069	(109 325)	–	–
Movement in finance lease liability	(881)	4 097	–	–
Reversal of loan impairment	–	(21 651)	–	–
Movement in provisions	1 858	5 709	–	–
Movement in provision for liabilities relating to associates relating to associates	(62 510)	18 752	(62 511)	–
Movement in provision for liabilities relating to associates relating to subsidiaries	–	–	(16 189)	–
Impairment of goodwill	–	16 929	–	–
Share-based payments	77 830	5 488	77 829	5 488
Foreign currency translation effect	111 769	1 944	–	(21 792)
Derecognition of minority interest	(206 396)	–	–	–
Cash generated by operations before working capital changes	344 816	326 673	(40 125)	5 963
Changes in working capital:				
Decrease (increase) inventory	126 304	(53 095)	–	–
(Increase) decrease in accounts receivable	(9 922)	(85 242)	16 067	8 228
Increase (decrease) in accounts payable	41 851	214 243	(14 216)	21 808
	503 049	**402 579**	**(38 274)**	**35 999**

32. Operating lease receivables

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000 Restated
Value of minimum lease payments receivable				
• within one year	670 699	455 185	44 609	49 618
• in the second to fifth year inclusive	2 870 076	141 476	130 326	107 056
• later than five years	2 325 051	1 662 022	33 221	40 870
	5 865 826	**2 258 683**	**208 156**	**197 544**

Lease agreements are entered into with tenants on variable terms depending on the location and nature of the lettable area. The lease terms for office and industrial buildings are generally longer than for retail outlets.

33. Directors' and prescribed officers' remuneration

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Executive directors				
MC Wilken				
• Basic salary	2 247	1 620	2 247	1 620
• Bonus	1 800	1 062	1 800	1 062
• Benefits	67	17	67	17
	4 114	2 699	4 114	2 699
M Hamman				
• Basic salary	1 581	–	1 581	–
• Bonus	1 375	–	1 375	–
• Benefits	36	–	36	–
	2 992	–	2 992	–
LLS van der Watt				
• Basic salary	571	1 680	571	1 680
• Bonus	139	350	139	350
• Benefits	18	20	18	20
	728	2 050	728	2 050
GJ Oosthuizen				
• Basic salary	–	360	–	360
• Bonus	–	75	–	75
• Benefits	–	4	–	4
	–	439	–	439
	7 834	**5 188**	**7 834**	**5 188**

The above are all short-term benefits.

In the prior year, executive directors, key management and prescribed officers were not remunerated by Attacq Limited and its subsidiaries up to 30 June 2013. Their services were outsourced and were paid by Atterbury Property Holdings (Pty) Ltd and its subsidiary for the 2013 year.

33. Directors' and prescribed officers' remuneration (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Key management and prescribed officers				
Made up as follows:				
• Basic salary	1 344	2 618	1 344	2 618
• Bonus	630	557	630	557
• Benefits	50	78	50	78
	2 024	3 253	2 024	3 253
Key management and prescribed officers were as follows:				
2014				
• N Weir				
• D Theron				
• M Clampett				
2013				
• LH Louw				
• P Smit				
• T Smith				
Non-executive directors – fees for services as directors				
AW Nauta	57	–	57	–
BF van Niekerk	195	100	195	100
HR El Haimer	287	–	287	–
JHP van der Merwe	220	100	220	100
LM Ndala	286	232	286	232
MM du Toit	239	–	239	–
P Tredoux	845	345	645	345
PH Faure	255	232	255	232
S Shaw-Taylor	585	105	585	105
WL Masekela	321	260	321	260
	3 290	1 374	3 090	1 374

P Tredoux's fees are paid to Tredoux Family Holdings (Pty) Ltd
JHP van der Merwe's fees are paid to Sanlam Investment Management (Pty) Ltd
PH Faure's fees are paid to Alkara 114 (Pty) Ltd, BNF Investments (Pty) Ltd and Mertech Investments (Pty) Ltd
BF van Niekerk's fees are paid to BNF Trust (Pty) Ltd
H El Haimer was appointed in August 2013
T du Toit was appointed in August 2013
AW Nauta was appointed in April 2014, and his fees are paid to Royal Bafokeng Holdings (Pty) Ltd
LM Ndala resigned in April 2014, and his fees for the period he was a director were paid to Mining Oil and Gas Services (Pty) Ltd

33. Directors' and prescribed officers' remuneration (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Executive directors and prescribed officers				
Share options granted to directors				
MC Wilken				
The board resolved in November 2012 to grant MC Wilken 2 000 000 (two million) share options that vest over a five year period in equal tranches. The first tranche vested on 30 June 2012 and the final tranche will vest on 30 June 2016. For vesting to occur MC Wilken has to remain employed as executive director.				
Each option converts into one ordinary share in Attacq Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting. The exercise price of the options is fixed at R8.50 per share. There is no option of cash settlement.				
Summary of share options granted				
Total number of options granted	2 000	2 000	2 000	2 000
Less number of options that have vested	(1 200)	(800)	(1 200)	(800)
	800	1 200	800	1 200
Reconciliation of vested options, not yet exercised				
Opening balance	800	400	800	400
Vested during the year	400	400	400	400
Exercised during the period	(800)	–	(800)	–
	400	800	400	800
M Hamman				
The board resolved in August 2013 to grant M Hamman 1 200 000 (one million two hundred thousand) share options that vest over a three year period from 30 June 2016. The options may be exercised as to 60% on 30 June 2016, 20% on 30 June 2017, and 20% on 30 June 2018. For vesting to occur M Hamman has to remain employed as executive director.				
Each option converts into one ordinary share in Attacq on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting. The exercise price of the options is fixed at R9.50 per share. There is no option of cash settlement.				
Summary of share options granted				
Total number of options granted	1 200	–	1 200	–
Less number of options that have vested	–	–	–	–
	1 200	–	1 200	–
Reconciliation of vested options, not yet exercised				
Opening balance	–	–	–	–
Granted during the year	1 200	–	1 200	–
	1 200	–	1 200	–

33. Directors' and prescribed officers' remuneration (continued)

	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Prescribed officers				
The board resolved in June 2014 to grant 400 000 (four hundred thousand) share options to a prescribed officer that vest over a three year period from 30 June 2017. The options may be exercised as to 60% on 30 June 2017, 20% on 30 June 2018, and 20% on 30 June 2019. For vesting to occur, the prescribed officer has to remain employed as a prescribed officer.				
Each option converts into one ordinary share in Attacq on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting. The exercise price of the options is fixed at R15.25 per share. There is no option of cash settlement.				
Summary of share options granted				
Total number of options granted	400	–	400	–
Less number of options that have vested	–	–	–	–
	400	–	400	–
Reconciliation of vested options, not yet exercised				
Opening balance	–	–	–	–
Granted during the year	400	–	400	–
	400	–	400	–

34. Contingent liabilities

	Group		Company	
	2014 R'000	2013 R'000	**2014 R'000**	2013 R'000
The Group entered into a put option agreement with Sanlam Investment Management ("SIM") in terms of which the Group, upon receiving a put notice, is required to buy back, or sell to a third party, within a period of six months after receipt of the notice, the Group's shares put by SIM. The minimum put amount is R100 million. The agreement lapses should SIM dispose of the related shares held, in the event the Group lists on the Johannesburg Securities Exchange, or on mutual agreement between SIM and the Group. The amount disclosed reflects the value of all shares which can be put by SIM in terms of the put option agreement, although SIM has agreed to limit the put to no more than 20% of the applicable shares held per year. The short-term portion of the contingent liability would therefore be 20% of the disclosed amount.	**–**	1 140 543	**–**	1 140 543
The Group entered into a put option agreement with Lisinfo 222 Investments (Pty) Ltd (a company through which Royal Bafokeng Holdings ("RBH") holds its shares) in terms of which the Group, upon receiving a put notice, is required to buy back, or sell to a third party, within a period of six months after receipt of the notice, the Group's shares put by RBH. The agreement lapses should RBH dispose of the related shares held, in the event the Group lists on the Johannesburg Securities Exchange, or on mutual agreement between RBH and the Group. The amount disclosed reflects the value of all shares which can be put by RBH in terms of the put option agreement, although RBH has agreed to limit the put to no more than 20% of the applicable shares held per year. The short-term portion of the contingent liability would therefore be 20% of the disclosed amount.	**–**	809 524	**–**	809 524
The Group entered into a put option agreement with ENL Limited ("ENL") in terms of which the Group, upon receiving a put notice, is required to buy back, or sell to a third party, within a period of six months after receipt of the notice, the Group's shares put by ENL. The agreement lapses should ENL dispose of the related shares held, in the event the Group lists on the Johannesburg Securities Exchange, or on mutual agreement between ENL and the Group. The amount disclosed reflects the value of all shares which can be put by ENL in terms of the put option agreement.	**–**	112 963	**–**	112 963
	–	**2 063 030**	**–**	**2 063 030**

35. Commitments

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
35.1 Shares pledged				
Shares held by Razorbill Properties 91 (Pty) Ltd in Attacq Limited were pledged as security in respect of the obligations towards Sanlam Life Insurance Limited as per note 22.	–	10 000 000	–	–
Shares held by Razorbill Properties 91 (Pty) Ltd in Attacq Limited were pledged as security in respect of the obligations towards Rand Merchant Bank as per note 22.	–	5 657 493	–	–
Shares held by Razorbill Properties 91 (Pty) Ltd in Attacq Limited were pledged as security in respect of the obligations towards Sanlam Life Insurance Limited as per note 22.	–	13 636 364	–	–
Shares held by Attacq Retail Fund (Pty) Ltd in Attacq Limited were pledged as security in respect of the obligations towards Nedbank Limited as per note 22.	–	29 726 516	–	–
Shares held by Razorbill Properties 91 (Pty) Ltd in Attacq Limited were pledged as security in respect of obligations of Attacq Retail Fund (Pty) Ltd towards Nedbank Limited.	16 701 037	–	–	–
	16 701 037	**59 020 373**	**–**	**–**
35.2 Capital commitments				
Already contracted but not provided for				
The Waterfall leasehold and development rights relate to at least 1 752 488m² bulk of property zoned for light industrial, commercial and retail use. Current costs committed are for the installation of services on various land parcels on the Waterfall land and initial development costs.	88 690	39 354	–	–
The Group entered into an agreement to develop Waterfall – land parcel 21 into a corporate and retail campus for Cell C.	–	377 199	–	–
Due to increased development activity and top structures reaching the completion stage on Waterfall – land parcel 8, the surrounding infrastructure has to be developed.	20 166	26 322	–	–
Development of the infrastructure on Waterfall – land parcel 10 commenced during the previous year in preparation for the construction of various retail and commercial buildings.	–	81 570	–	–
Development of the bulk earthworks on Waterfall – land parcel 10 commenced during the current year in preparation for the construction of various retail and commercial buildings.	59 258	68 114	–	–
The Group entered into an agreement to development an office building on Waterfall – land parcel 15 referred to as the "Group 5 building", for leasing purposes.	2 945	290 981	–	–
The Group entered into an agreement to develop an office and retail centre building on Waterfall – land parcel 15 referred to as the "Waterfall Lifestyle", for leasing purposes.	26 465	103 650	–	–

35. Commitments (continued)

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
The Group entered into an agreement to develop an office building on Waterfall – land parcel 10, referred to as the "Maxwell Office Park – Golder Building", for leasing purposes. The Group has an effective 43% interest in the development. The building has been leased to a third party and has been recognised as an investment property.	1 195	57 457	–	–
The Group entered into an agreement to develop an office building on Waterfall – land parcel 10, referred to as the "Maxwell Office Park – Att House", for leasing purposes. The Group has an effective 43% interest in the development. The building has been leased to a third party and has been recognised as an investment property.	2 677	54 440	–	–
The Group entered into an agreement to develop an office building on Waterfall – land parcel 10 referred to as the "Maxwell Office Park – Premier Building". The Group has an effective 43% interest in the development. The building has been leased to a third party and has been recognised as an investment property.	4 567	–	–	–
The Group entered into an agreement to develop an office building on Waterfall – land parcel 10 referred to as the "Maxwell Office Park – Building 6". The Group has an effective 43% interest in the development. A significant portion of the building has been leased to a third party and has been recognised as an investment property.	4 455	–	–	–
The Group entered into an agreement to develop a hotel on Waterfall – land parcel 10 referred to as the "City Lodge". The building will be leased to a third party and will be recognised as an investment property.	35 083	–	–	–
The Group entered into an agreement to develop an office building on Waterfall – land parcel 10 referred to as the "Novartis SA Headquarters". The building has been leased to a third party and has been recognised as an investment property.	134 108	–	–	–
The Group entered into an agreement to develop a retail centre on Waterfall – land parcel 15 referred to as "Waterfall Corner", for leasing purposes.	5 899	129 085	–	–
The Group entered into an agreement to develop an office building on Waterfall – land parcel 22 referred to as "Tarsus". The development will be disposed to a third party on completion.	–	164 111	–	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – land parcel 8 referred to as the "Covidien". The building has been leased to a third party and has been recognised as an investment property.	56 525	–	–	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – land parcel 9 referred to as the "Westcon". The building has been leased to a third party and has been recognised as an investment property.	36 083	–	–	–

35. Commitments (continued)

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
The Group entered into an agreement to develop a super-regional mall on Waterfall – land parcel 10 referred to as the "Mall of Africa". The building has been leased to various third parties and has been recognised as an investment property.	2 445 044	–	–	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – land parcel 22 referred to as the "Angel Shack". The building has been leased to a third party and has been recognised as an investment property.	8 219	–	–	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – land parcel 22 referred to as "Dräger". The building has been leased to a third party and has been recognised as an investment property.	27 736	–	–	–
The Group has entered into an agreement for the refurbishment of Great Westerford building, situated in Cape Town.	12 650	–	12 650	–
The Group entered into an agreement to develop an office and distribution facility on Waterfall – land parcel 22 referred to as "Cummins". The building has been leased to a third party and has been recognised as an investment property.	47 054	–	–	–
The Group entered into an agreement to develop a retail centre in Windhoek, Namibia called "The Grove". The Group has a 31.25% interest in the development.	271 376	220 080	271 376	220 080
The Group entered into an agreement to develop a retail and office centre in Johannesburg CBD, called "Newtown". The development is done in two entities, namely Nieuwtown Property Development Company (Pty) Ltd and Majestic Offices (Pty) Ltd. The Group has an effective 62.5% interest in the development.	282 026	641 703	141 013	641 703
The Group entered into an agreement to develop an office building in Pretoria known as "Lynnwood Bridge Phase 3". The Group has an effective 78% interest in the development.	69 494	193 540	69 494	–
The Group entered into an agreement to develop a retail centre in Stellenbosch known as "Eikestad and Mill Square". The Group has an 80% interest in the development.	12 945	29 146	12 945	–
The Group entered into an agreement to develop a retail centre in Stellenbosch known as "Andringa Walk".	4 370	2 846	4 370	–
The Group entered into an agreement to further develop the retail centre in Pretoria known as "Brooklyn Mall". The Group has a 25% interest in the development.	2 570	23 521	2 570	–

35. Commitments (continued)

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
The Group entered into an agreement to develop a retail centre in Pretoria known as "The Club Retail". The Group has a 39% interest in the development.	5 240	36 978	5 240	36 978
The Group entered into an agreement to develop an office park in Mauritius known as "Bagatelle Office Development – Building B". The Group has a 44% interest in the development.	–	12 910	–	–
The Group entered into an agreement to develop a retail centre in Ghana known as "West Hills Mall in Accra". The Group has an 11.25% interest in the development.	–	85 981	–	–
The Group considered exercising its option to purchase another 20% in the Garden Route Mall. The option was exercised in December 2013.	–	209 000	–	209 000
Attvest Property Development JV entered into a sale agreement with Papilio Investments 33 (Pty) Ltd for the acquisition of residential property referred to as "Paradise Coast", near Mossel Bay, for a consideration of R20 million. Attvest Property Development JV, in which the Group has a 33% interest, is obligated to issue a guarantee equal to the consideration amount, in favour of Papilio Investments 33 (Pty) Ltd. The amount was paid during the current year. However, a guarantee of R10 million had to be issued to the JV.	–	3 300	–	3 300
In 2012 the Group approved an investment of up to R100 million in Atterbury Africa. This was increased to R250 million during the current year. The amount shown at year end is the amount still to be paid on this commitment.	–	140 000	–	140 000
The Group has approved capital expenditure as at the year end to investment properties (excluding specific items mentioned below).	–	32 599	–	–
The Group made the decision to fund its investment in Retail Africa Consortium Holdings in order to follow the rights issue of Retail Africa Wingspan Investments (Pty) Ltd. Further rights issues were followed during the current year, with the balance shown at the end of the current year as the amount approved not yet requested.	–	11 725	–	11 725
The Group entered into an agreement to develop a hotel building on Waterfall – land parcel 15, referred to as the "City Lodge", for leasing purposes.	–	95 794	–	–
The Group entered into an agreement to develop a retail centre and Hotel in Lusaka, Zambia known as "Waterfalls Mall". The Group has an 8.125% interest in the development.	–	5 575	–	–
	3 666 840	**3 136 981**	**519 658**	**1 262 786**

35. Commitments (continued)

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
35.3 Contingent commitments				
Sureties given				
Surety in respect of loan funds advanced by Investec Bank to Atterbury Property Developments (Pty) Ltd for acquisition and development of "Beau Rivage".	7 000	10 000	7 000	10 000
Surety in respect of loan funds advanced by Investec Bank to Le Chateau Property Development (Pty) Ltd for development of "Le Chateau".	–	7 500	–	7 500
Surety in respect of loan funds advanced by Nedbank for Arctospark (Pty) Ltd for the acquisition of a further investment in Karoo II.	–	160 000	–	160 000
Surety in respect of loan funds advanced by Standard Bank to Attacq Waterfall Investment Company (Pty) Ltd for the installation of services in relation to Waterfall land parcel 8.	77 800	77 800	77 800	77 800
Surety in respect of loan funds advanced by Nedbank to Nieuwtown Property Development Company (Pty) Ltd for the development of Newtown Junction.	250 000	300 000	250 000	300 000
Surety in respect of loan funds advanced by Rand Merchant Bank to Atterbury Property One (Pty) Ltd for the acquisition and development of "Kingswood Retirement Village".	–	7 800	–	7 800
Joint surety given in respect of loan funds advanced by Rand Merchant Bank to Travenna Development Company (Pty) Ltd as additional surety over Erf 59, a portion of Erf 78 and remaining extents of Erf 79 and 433 of Farm Elandspoort No. 357 Division JR.	–	17 022	–	17 022
Surety in respect of loan funds advanced by Investec Bank Limited to Fountains Regional Mall (Pty) Ltd for the development of the Fountains Mall situated in Jeffreys Bay.	200 000	200 000	200 000	200 000
Surety in respect of loan funds advanced by Investec Bank to Keysha Investments 213 (Pty) Ltd for the acquisition of vacant land in the Val de Vie Estate, Franschoek.	27 000	27 000	27 000	27 000
Surety in respect of loan funds advanced by Standard Bank for the "Bella Rosa Lifestyle Village" in Tyger Valley, Western Cape.	–	5 000	–	5 000
Surety in respect of loan funds advanced by Nedbank to Attacq Waterfall Investment Company (Pty) Ltd in respect of the service installation for Waterfall land parcel 22 and the bridging loan to MBT Services (Pty) Ltd.	20 000	80 000	20 000	80 000
Surety in respect of loan funds advanced by Investec Bank to Geelhoutboom Estate (Pty) Ltd in respect of the Geelhoutboom development land.	29 000	29 000	29 000	29 000

35. Commitments (continued)

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Surety in respect of loan funds advanced by Investec Bank to Brooklyn Bridge Office Park (Pty) Ltd in respect of the investment property known as "Brooklyn Bridge Office Park".	140 000	81 000	140 000	81 000
Surety in respect of loan funds advanced by Rand Merchant Bank to Atterbury Parkdev Consortium (Pty) Ltd in respect of the investment property known as "Harlequins Office Park".	–	45 000	–	45 000
Surety in respect of loan funds advanced and to be advanced by Nedbank (previously Imperial Bank) to De Ville Shopping Centre (Pty) Ltd in respect of the investment property known as "De Ville Shopping Centre".	–	146 000	–	146 000
Surety in respect of loan funds advanced by Nedbank to The Club Retail Park (Pty) Ltd in respect of the mixed-use development known as "Club, Hazelwood".	38 530	66 600	38 530	66 600
Surety in respect of funds advanced by Nedbank to Lynnwood Bridge Office Park (Pty) Ltd for the development of Lynnwood Bridge Office Park.	400 000	400 000	400 000	400 000
Surety in respect of funds advanced by Rand Merchant Bank for the purchase of the Aurecon building in Pretoria by Lynnaur Investments (Pty) Ltd.	155 000	155 000	155 000	155 000
Surety in respect of funds advanced by Investec Bank for The Grove Mall of Namibia (Pty) Ltd for the development of The Grove Mall.	200 000	200 000	200 000	200 000
Surety in respect of funds advanced by Standard Bank for the development of Waterfall land parcel 10 (Att House and Golder buildings) in Midrand.	32 000	32 000	32 000	32 000
Surety in respect of funds advanced by Standard Bank for the development of the Altech building situated on Waterfall land parcel 20 in Midrand.	10 000	10 000	10 000	10 000
Surety in respect of funds advanced by Nedbank for the development of Waterfall land parcel 21 in Midrand (Cell C). Surety was released in June 2014.	–	160 000	–	160 000
Surety in respect of funds advanced by Standard Bank for the development of Waterfall land parcel 15 in Midrand (Group 5).	110 000	110 000	110 000	110 000
Surety in respect of funds advanced by Nedbank for the purchasing of Paradise Coast properties.	10 000	10 000	10 000	10 000
Surety in respect of funds advanced by Standard Bank for the infrastructure service cost for Waterfall land parcel 10 in Midrand.	194 400	194 400	194 400	194 400

35. Commitments (continued)

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
Surety in respect of funds advanced by Sanlam Capital Markets Limited and Sanlam Credit Conduit (Pty) Ltd for the development of the Massbuild DC situated on Waterfall land parcel 8 in Midrand.	32 000	32 000	32 000	32 000
Guarantee issued by Nedbank regarding overdraft facilities of Atterbury Property Holdings (Pty) Ltd.	–	5 000	–	5 000
The Group provided a rental guarantee to Leaf Capital regarding the 50% undivided share sold in Great Westerford. The guarantee is valid for three years ending August 2015 on 7 049m^2 of office space as well as parking bays.	13 862	25 847	13 862	25 847
Guarantee issued by Standard Bank in respect of Delico Achimota Ghana Limited and West Hills Mall Limited.	–	40 167	–	40 167
Causa surety by Attacq Waterfall Investment Company (Pty) Ltd in respect of funds advanced by Standard Bank to East & West Investments (Pty) Ltd for the development of the "Golder and Attacq Buildings" situated on land parcel 10 (Jukskei View Ext 83). *Causa* surety for the mortgage bond registered over the joint lease with East & West in respect of Jukskei View Ext 83.	87 250	77 636	–	–
Causa surety by Attacq Waterfall Investment Company (Pty) Ltd in respect of funds advanced by Standard Bank to East & West Investments (Pty) Ltd for the development of the Premier Building situated on Waterfall land parcel 10 (Jukskei View Ext 83). *Causa* surety for the mortgage bond registered over the joint lease with East & West in respect of Jukskei View Ext 83.	65 000	–	–	–
Causa surety by Attacq Waterfall Investment Company (Pty) Ltd in respect of funds advanced by Standard Bank to East & West Investments (Pty) Ltd for the development of the Altech Building situated on Waterfall land parcel 20. *Causa* surety for the mortgage bond registered over the joint lease with East & West in respect of Erf 3540 Jukskei View Ext 7.	29 200	29 200	–	–
Causa surety by Attacq Waterfall Investment Company (Pty) Ltd in respect of an overdraft facility provided by Standard Bank to Attacq Limited for bridging capital requirements relating to services on the Waterfall Land (the *causa* surety is in respect of the mortgage bond by Attacq Waterfall Investment Company (Pty) Ltd over the lease in respect of Waterfall land parcel 10a).	300 000	300 000	–	–
Causa surety by Razorbill Properties 91 (Pty) Ltd in respect of funds advanced by Sanlam Life Insurance Limited and SIM Hedgeco (Pty) Ltd (the *causa* surety is in respect of a pledge of 37 272 728 shares held by Razorbill in Attacq Limited).	–	300 000	–	–
Surety in respect of funds advanced by Nedbank to Key Capital Property Holdings (Pty) Ltd for the development taking place in Stellenbosch within Attacq Retail Fund (Pty) Ltd.	20 000	–	20 000	–

35. Commitments (continued)

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
Surety in respect of funds advanced by Nedbank for the development of Waterfall Corner Retail situated on Waterfall land parcel 15 in Midrand.	54 000	–	54 000	–
Surety in respect of funds advanced by Nedbank for the development of Mall of Africa situated on Waterfall land parcel 10 in Midrand.	700 000	–	700 000	–
Surety in respect of funds advanced by Standard Bank for the development of City Lodge situated on Waterfall land parcel 10 in Midrand.	20 000	–	20 000	–
Surety in respect of a bridging facility advanced by Standard Bank for the development of City Lodge situated on Waterfall land parcel 10 in Midrand.	19 148	–	19 148	–
Surety in respect of funds advanced by Standard Bank for the development of Premier Foods and the Spec Building situated on Waterfall land parcel 10 in Midrand.	14 500	–	14 500	–
Surety in respect of funds advanced by Sanlam Capital Markets Limited for the development of Waterfall Lifestyle situated on Waterfall land parcel 15 in Midrand.	48 000	–	48 000	–
Surety in respect of funds advanced by Sanlam Capital Markets Limited for the development of Dräger situated on Waterfall land parcel 22 in Midrand.	6 000	–	6 000	–
Surety in respect of funds advanced by Nedbank to Attacq Limited for Waterfall land parcel 21 in Midrand (Cell C).	600 000	–	–	–
Nedbank put to Attacq Limited in respect of an overdraft facility availed to Atterbury Property Holdings (Pty) Ltd. The put is secured by Attacq Waterfall Investment Company (Pty) Ltd shares held in Atterbury Waterfall Company (Pty) Ltd.	50 000	–	50 000	
	3 959 690	**3 340 972**	**2 878 240**	**2 634 136**

36. Subsequent events

Restructure of African Land Investments Limited ("ALI")

Subsequent to year end, Attacq and Hyprop Investments Limited ("Hyprop") restructured 50% of Manda Hill, the shopping centre in Lusaka, Zambia held by ALI, under Atterbury Africa Limited ("Atterbury Africa"), with the remaining 50% being held directly by Hyprop.

Consequently, Attacq disposed of its 12.43% stake in Manda Hill to Atterbury Africa. The management teams of ALI and Atterbury Africa were merged and Atterbury Africa was rebranded as Att Africa.

Disposal of Rapfund (Pty) Ltd

In July 2014, Attacq sold its shareholding in Rapfund to a consortium of existing and new Rapfund shareholders for an amount of R139 million.

Potential major new Waterfall tenant

Post year end, in principle approval was received by Attacq to develop new office premises for PricewaterhouseCoopers. The proposed 40 000m^2 building in Waterfall City will accommodate some 3 500 employees. The conclusion of a formal lease remains subject to conditions precedent.

37. Related parties

Related parties are defined as those entities with which the company transacted during the year and in which the following relationship(s) exist:

Direct subsidiaries

AIH International Limited
Aldabri 96 (Pty) Ltd
Attacq Management Services (Pty) Ltd
Attacq Retail Fund (Pty) Ltd
Attacq Retail Services (Pty) Ltd
Attacq Waterfall Investment Company (Pty) Ltd
Atterbury Attfund Investment Company No. 1 (Pty) Ltd
Atterbury Attfund Investment Company No. 2 (Pty) Ltd
Atterbury Attfund Investment Company No. 3 (Pty) Ltd
Atterbury Mauritius Consortium (Pty) Ltd
Atterbury Parkdev Consortium (Pty) Ltd
Atterbury Property Investments (Pty) Ltd
Atterbury Property Johannesburg (Pty) Ltd
Brooklyn Bridge Office Park (Pty) Ltd
De Ville Shopping Centre (Pty) Ltd
Harlequin Duck Properties 204 (Pty) Ltd
Highgrove Property Holdings (Pty) Ltd
Lady Brooks (Pty) Ltd
Le Chateau Property Development (Pty) Ltd
Leipzig Nova Eventis Consortium (Pty) Ltd
Lord Charles and Lady Brooks Office Park Holdings (Pty) Ltd
Lynnaur Investments (Pty) Ltd
Lynnwood Bridge Office Park (Pty) Ltd
Mantrablox (Pty) Ltd
Razorbill Properties 91 (Pty) Ltd
Riverport Trading 143 (Pty) Ltd

Indirect subsidiaries

Design Square Shopping Centre (Pty) Ltd
Majestic Offices (Pty) Ltd
Nieuwtown Property Development Company (Pty) Ltd

Direct associates

Arctospark (Pty) Ltd
Atterbury Property Holdings (Pty) Ltd and its subsidiaries and associates
Fountains Regional Mall (Pty) Ltd
Geelhoutboom Estate (Pty) Ltd
Keysha Investments 213 (Pty) Ltd
MAS Real Estate Inc.
Paradise Coast Property Development (Pty) Ltd
Rapfund Holdings (Pty) Ltd
Retail Africa Consortium Holdings (Pty) Ltd
Retail Africa Wingspan Investments (Pty) Ltd
The Club Retail Park (Pty) Ltd
The Grove Mall of Namibia (Pty) Ltd
Travenna Development Company (Pty) Ltd

Indirect associates

Atterbury Africa Limited
Atterbury Pemba Property Holdings Limited
Bagaprop Limited
Bishopsgate Student Residential Limited
Mall of Mauritius at Bagatelle Limited

37. Related parties (continued)

Directors	
AW Nauta	
BF van Niekerk	Resigned 27 June 2014
GJ Oosthuizen	Resigned 20 June 2013
HR El Haimer	
JHP van der Merwe	
LM Ndala	Resigned 30 April 2014
LLS van der Watt	
MC Wilken	
M Hamman	
MM du Toit	
PH Faure	
P Tredoux	
WL Masekela	
S Shaw-Taylor	
TJA Reilly	

Management	
Key management and prescribed officers	
2014	
N Weir	Resigned 30 June 2014
D Theron	Appointed 1 June 2014
M Clampett	Appointed 15 January 2014
2013	
LH Louw	
P Smit	
T Smith	

37. Related parties (continued)

	2014 Shares issued (purchased) R'000	Sales and services to (purchases and services from) R'000	Dividends received from (paid to) R'000
Group			
Abacus Trust	–	–	–
African Land Investments Limited	–	–	2 023
Arctospark (Pty) Ltd	–	–	34 434
Atterbury Asset Managers (Pty) Ltd	–	146	–
Atterbury Africa Limited	–	922	–
Atterbury Pemba Property Holdings Limited	–	–	–
Atterbury Property Developments (Pty) Ltd	–	(101 255)	833
Atterbury Property Holdings (Pty) Ltd	–	922	–
Atterbury Property One (Pty) Ltd	–	25	–
Atterbury Property Foundation (Pty) Ltd	–	–	–
Atterbury Trust	–	(1 059)	–
Atterbury Waterfall City (Pty) Ltd	–	–	–
Attfund Limited	–	–	–
Bagaprop Limited	–	–	–
Brooklyn Bridge Office Park (Pty) Ltd	–	2 649	–
Eikestad Mall Joint Venture	–	–	–
Fountains Regional Mall (Pty) Ltd	–	–	–
Geelhoutboom (Pty) Ltd	–	–	–
Keysha Investments 213 (Pty) Ltd ("Val de Vie")	–	–	–
Leipzig Nova Eventis Consortium (Pty) Ltd	–	–	–
Lynnwood Bridge Home Owners Association	–	–	–
Mall of Mauritius at Bagatelle Limited	–	–	–
Mas Real Estate Inc.	(1 294 479)	–	17 655
Paradise Coast Property Development (Pty) Ltd	–	–	–
Rainprop (Pty) Ltd	–	–	26
Retail Africa Consortium Holdings (Pty) Ltd	–	–	268 393
Stenham European Shopping Centre Fund Limited	–	–	9 809
The Club Retail Park (Pty) Ltd	–	–	–
The Grove Mall of Namibia (Pty) Ltd	–	–	–
Travenna Development Company (Pty) Ltd	–	636	–
West Hills (Pty) Ltd	–	–	–
BF van Niekerk	–	195	–
HR El Haimer	–	287	–
JHP van der Merwe	–	220	–
LM Ndala	–	286	–
P Tredoux	–	845	–
PH Faure	–	255	–
S Shaw-Taylor	–	585	–
MM du Toit	–	239	–
WL Masekela	–	321	–
AW Nauta	–	57	–
	(1 294 479)	(93 724)	333 173

2014		2013				
Interest received from (paid to) R'000	Balances owing by (to) – net of impairment R'000	Shares issued (purchased) R'000	Sales and services to (purchases and services from) R'000	Dividends received from (paid to) R'000	Interest received from (paid to) R'000	Balances owing by (to) – net of impairment R'000
–	–	–	–	–	–	(412)
–	–	–	–	–	–	–
–	–	–	–	–	–	483 562
–	–	–	(27 046)	–	–	(6)
15 155	270 876	–	–	–	981	112 355
–	21 686	–	–	–	–	–
(4 988)	(110 640)	–	(96 964)	–	(251)	(24 067)
27 207	216 655	–	(4 662)	–	16 234	211 869
–	–	–	–	–	–	–
–	20	–	–	–	–	1 785
–	–	–	198	–	–	–
–	–	–	–	–	(378)	(4 653)
–	–	–	–	–	–	–
–	89 152	–	–	–	–	7 638
224	–	–	–	–	194	2 697
–	359	–	–	–	–	–
–	–	–	–	–	(17)	13 684
–	–	–	–	–	–	14 840
–	3 690	–	–	–	(831)	12 875
–	–	–	–	–	–	44 762
–	–	–	–	–	–	69
–	13 541	–	–	–	–	–
–	–	–	–	–	–	–
(12)	–	–	–	–	(161)	3 885
37	223	–	–	–	–	230
–	–	–	–	–	–	–
–	–	–	–	3 225	–	–
1 515	37 282	–	–	–	1 514	42 816
–	62 711	–	–	–	–	64 333
–	(72 449)	–	–	–	(524)	379
–	–	–	–	–	–	143
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
39 138	533 106	–	(128 474)	3 225	16 761	988 784

37. Related parties (continued)

	2014 Shares issued (purchased) R'000	Sales and services to (purchases and services from) R'000	Dividends received from (paid to) R'000
Company			
African Land Investments Limited	–	–	2 023
AIH International (Pty) Ltd	–	–	–
Aldabri 96 (Pty) Ltd	–	–	18 010
Arctospark (Pty) Ltd	–	–	34 434
Attacq Retail Fund (Pty) Ltd	–	(63)	–
Attacq Management Services (Pty) Ltd	–	9	–
Attacq Waterfall Investment Company (Pty) Ltd	–	3 125	–
Atterbury Africa Limited	–	922	–
Atterbury Asset Managers (Pty) Ltd	–	146	–
Atterbury Attfund Investment Company 1 (Pty) Ltd	–	–	–
Atterbury Attfund Investment Company 2 (Pty) Ltd	–	9	22 331
Atterbury Attfund Investment Company 3 (Pty) Ltd	–	–	–
Atterbury Mauritius Consortium (Pty) Ltd	–	(66)	–
Atterbury Parkdev Consortium (Pty) Ltd	–	–	–
Atterbury Property Developments (Pty) Ltd	–	(11 969)	–
Atterbury Property Holdings (Pty) Ltd	–	1 036	–
Atterbury Property Johannesburg (Pty) Ltd	–	–	–
Atterbury Property Investments (Pty) Ltd	–	–	126 519
Atterbury Property One (Pty) Ltd	–	25	–
Atterbury Property Foundation (Pty) Ltd	–	–	–
Atterbury Trust	–	(1 059)	–
Atterbury Waterfall Pocket 22A (Pty) Ltd	–	–	–
Brooklyn Bridge Office Park (Pty) Ltd	–	2 649	–
Design Square Shopping Centre (Pty) Ltd	–	–	–
De Ville Shopping Centre (Pty) Ltd	–	–	23 038
Fountains Regional Mall (Pty) Ltd	–	–	–
Geelhoutboom (Pty) Ltd	–	–	–
Harlequin Duck Properties 204 (Pty) Ltd	–	–	–
Highgrove Property Holdings (Pty) Ltd	–	–	–
Keysha Investments 213 (Pty) Ltd ("Val de Vie")	–	–	–
Lady Brooks (Pty) Ltd	–	–	25 936
Lord Charles and Lady Brooks (Pty) Ltd	–	–	–
Leipzig Nova Eventis Consortium (Pty) Ltd	–	–	–
Le Chateau Property Development (Pty) Ltd	–	–	–
Lynnaur Investments (Pty) Ltd	–	5 477	–
Lynnwood Bridge Office Park (Pty) Ltd	–	155	–
Majestic Offices (Pty) Ltd	–	–	–
Mantrablox (Pty) Ltd	–	–	–
Mas Real Estate Inc.	(1 294 479)	–	17 655
Nieuwtown Property Development Company (Pty) Ltd	–	–	–
Paradise Coast Property Development (Pty) Ltd	–	–	–
Rapfund Holdings (Pty) Ltd	–	–	–
Rainprop (Pty) Ltd	–	–	26
Retail Africa Consortium Holdings (Pty) Ltd	–	–	268 393
Subtotal carried forward	**(1 294 479)**	**396**	**538 365**

2014		2013				
Interest received from (paid to) R'000	Balances owing by (to) – net of impairment R'000	Shares issued (purchased) R'000	Sales and services to (purchases and services from) R'000	Dividends received from (paid to) R'000	Interest received from (paid to) R'000	Balances owing by (to) – net of impairment R'000
–	(2 630)	–	–	–	–	–
15 775	314 011	–	–	–	8 199	172 474
–	3	–	–	–	–	(91 777)
–	–	–	–	–	–	483 562
72	10 093	–	–	–		3 182
–	3 452	–	–	–	–	–
80 011	2 226 201	–	–	–	11 400	1 016 045
–	–	–	–	–	–	–
–	–	–	(3 660)	–	–	–
–	(54 013)	–	–	–	–	(54 207)
–	–	–	–	–	–	(75 979)
–	(42 110)	–	–	–	–	(42 453)
–	298 166	–	–	–	(20 824)	223 884
–	–	–	–	–	–	36 772
(27)	–	–	(43 283)	–	–	(4 916)
22 338	183 919	–	(3 219)	–	16 349	250 474
–	–	–	–	–	–	(21)
–	–	–	–	–	–	25
–	–	–	–	–	–	–
–	20	–	–	–	–	–
–	–	–	(679)	–	–	–
–	–	–	–	–	–	15
224	8 961	–	–	–	194	2 697
–	(141 182)	–	–	–	–	(154 644)
–	–	–	–	–	–	98 907
–	–	–	–	–	(17)	13 684
–	–	–	–	–	–	14 840
–	(2 225)	–	–	–	–	(5 432)
–	50 388	–	–	–	–	50 388
–	3 690	–	–	–	(831)	12 875
–	–	–	–	–	–	(25 926)
–	(47 037)	–	–	–	–	(46 463)
–	68 512	–	–	–	(7 239)	44 761
–	14 753	–	–	–	–	14 945
(385)	–	–	–	–	(41)	11 716
–	139 824	–	–	–	–	169 219
570	57	–	–	–	245	6 521
17 261	244 819	–	–	–	41 811	484 794
–	–	–	–	–	–	–
11 723	147 435	–	–	–	8 459	107 296
(12)	419	–	–	–	(161)	3 885
–	–	–	–	–	(1 996)	–
37	223	–	–	–	–	230
–	–	–	–	–	–	–
147 587	**3 425 749**	**–**	**(50 841)**	**–**	**55 548**	**2 721 373**

37. Related parties (continued)

	Shares issued (purchased) R'000	2014 Sales and services to (purchases and services from) R'000	Dividends received from (paid to) R'000
Company			
Subtotal brought forward	**(1 294 479)**	**396**	**538 365**
The Grove Mall of Namibia (Pty) Limited	–	–	–
Stenham European Shopping Centre Fund Limited	–	–	9 809
The Club Retail Park (Pty) Ltd	–	–	–
Travenna Development Company (Pty) Ltd	–	636	–
Razorbill Properties 91 (Pty) Ltd	–	7	–
Riverport Trading 143 (Pty) Ltd	–	–	–
West Hills (Pty) Ltd	–	–	–
BF van Niekerk	–	195	–
HR El Haimer	–	287	–
JHP van der Merwe	–	220	–
LM Ndala	–	286	–
P Tredoux	–	645	–
PH Faure	–	255	–
S Shaw-Taylor	–	585	–
MM du Toit	–	239	–
WL Masekela	–	321	–
AW Nauta	–	57	–
	(1 294 479)	4 129	548 174

2014		2013				
Interest received from (paid to) R'000	Balances owing by (to) – net of impairment R'000	Shares issued (purchased) R'000	Sales and services to (purchases and services from) R'000	Dividends received from (paid to) R'000	Interest received from (paid to) R'000	Balances owing by (to) – net of impairment R'000
147 587	**3 425 749**	**–**	**(50 841)**	**–**	**55 548**	**2 721 373**
–	62 711	–	–	–	–	64 333
–	–	–	–	3 225	–	–
1 515	37 282	–	–	–	1 514	42 816
–	(72 449)	–	–	–	(524)	379
–	85 415	–	–	–	–	366 191
–	–	–	–	40 519	64	–
–	–	–	–	–	–	143
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	–
149 102	3 538 708	–	(50 841)	43 744	56 602	3 195 235

38. Risk management

Changing market conditions expose the Group to various financial risks, including interest rate, credit and liquidity risks. The Group is exposed to foreign exchange risks in the following investments:

- asset swap agreement with Investec Securities relating to the acquisition of its investment in Stenham European Shopping Centre Fund Limited, of which the exposure is denominated in Euros;
- investment in Bishopsgate Student Residential Limited, of which the exposure is in Euros and British Pounds;
- investment in AIH International Limited, of which the exposure is denominated in US Dollars and Euros;
- investment in the Bagaprop Limited and Mall of Mauritius at Bagatelle Limited in Mauritius, of which the exposure is denominated in Mauritian Rupees; and
- investment in The Grove Mall of Namibia (Pty) Ltd, of which the exposure is denominated in Namibian Dollars.

Although the Group does not trade in financial instruments for speculative purposes, it does utilise derivative instruments to manage exposure to some of these risks.

The Group finances its operations through a mixture of retained profits, bank borrowings and long-term borrowings.

Although the Group has an accounting policy to designate some derivative financial instruments as hedging instruments from time to time, none were designated as such during the current financial year. Although it was not applicable during this financial year, the Group also has an accounting policy for hedge accounting.

There have been no significant changes during the year to the types of financial risks the Group is exposed to nor to the measurement and management of these risks.

The board, through the investment committee and the audit and risk committee, is responsible for the Group risk management.

The duties mandated by the board relating to the audit and risk committee are detailed in the report of the audit and risk committee.

The investment committee meets frequently to consider new opportunities for the Group, including credit and interest risk relating to such opportunities and related financing structures.

Interest rate swap derivative

The Group has entered into interest rate swap contracts that entitle or obligate it to receive interest at a fixed rate on notional principal amounts and entitle or obligate it to pay interest at a floating rate on the same notional principal amounts. Under these agreements, the Group agrees with the counterparty to exchange, at monthly intervals, the difference between the fixed and floating interest amounts calculated on the notional principal amounts.

The interest rate swap derivatives have been valued using a market quoted swap curve as at 30 June 2014 (2013: 30 June 2013).

The interest rate swap has been recognised in terms of *IAS 39 Financial Instruments: Recognition and Measurement*, which requires that interest rate swaps be fair valued and marked to market at each reporting date.

Interest rate swaps exposed to credit risk at year end are detailed in note 15.

Interest rate risk

The Group's policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on profit and loss.

The Group makes use of interest rate derivatives and fixed-rate borrowings to hedge its exposure to interest rate fluctuations. Refer to notes 15 and 22.

To hedge the fair value risk of fixed interest liabilities, the Group uses interest rate swaps and fixes, thus hedging the fair value of the financial liabilities.

It is the policy of the Group to enter into interest rate swap and fixed interest rate agreements with financial institutions to the extent that between 60% and 70% of its mortgaged liabilities are held at fixed interest rates (refer to note 17). At year end, 59% (2013: 64%) of borrowings were fixed.

38. Risk management (continued)

	Group		Company	
	2014 R'000	2013 R'000	2014 R'000	2013 R'000
The Group's exposure to fair value interest rate risk and cash flow risk can be summarised as follows:				
Borrowings				
Bank borrowings at fixed rates and hedged	3 890 957	2 532 537	–	–
Bank borrowings at floating rates	2 784 291	2 635 905	806 362	902 753
Loans at floating rates	5 851	145 257	5 851	4 916
Interest rate swaps linked to JIBAR and prime rates (at fair value)	48 026	70 944	10 158	11 707
	6 729 126	5 384 643	8 22 371	919 376
The estimated impact of 100 basis points increase in interest rates would have the following before tax impact on the profits of the Group.	28 382	40 064	8 224	9 194

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group ensures that adequate funds are available to meet its expected and unexpected financial commitments through surplus funds deposited at financial institutions and undrawn borrowing facilities. In some cases, certain short-term liabilities will be settled as part of pre-determined approved structured deals.

The Group's contractual maturity on non-derivative financial liabilities, net of interest (based on undiscounted cash flows) at year end are as follows:

	Group 2014 R'000	Group 2013 R'000	Company 2014 R'000	Company 2013 R'000
Less than one year				
Long-term borrowings	449 027	1 295 713	85 294	631 869
Other financial liabilities	5 851	145 257	5 851	4 916
Trade and other payables	375 960	327 990	36 919	51 135
Loans from associates	246 079	–	72 449	–
Loans from subsidiaries – current	–	–	286 567	496 902
Bank overdraft	–	–	–	49 688
Non-current liabilities directly associated with assets held for sale	–	398 573	–	233 428
	1 076 917	2 167 533	487 080	1 467 938
Between one and five years				
Long-term borrowings	2 952 588	1 487 234	203 527	191 223
Other financial liabilities	48 026	70 944	10 158	11 707
	3 000 614	1 558 178	213 685	202 930
Over five years				
Long-term borrowings	3 273 633	2 385 497	517 555	79 661
Finance lease obligation	56 009	56 891	–	–
	3 329 642	2 442 388	517 555	79 661
	7 407 173	6 168 099	1 218 320	1 750 529

38. Risk management (continued)

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group's cash and cash equivalents are placed with high credit quality financial institutions. Credit risk in respect of trade receivables is limited due to the spread of the customer base and credit approval processes.

The Group's exposure to credit risk is primarily in respect of tenants and is influenced by the individual characteristics and risk profile of each tenant. The exposure to credit risk from tenants is mitigated by the spread of the tenant base. The granting of credit to tenants is made on application and is approved by the finance department and the property managers based on their credit assessment of new and existing tenants. Tenants are required to supply refundable lease deposits and/or bank guarantees and/or suretyships by their principals. At year end, the Group did not consider there to be any significant concentration of credit risk which has not been insured or adequately provided for. In providing for impairments on tenant accounts, the Group takes cognisance of guarantees delivered by tenants and/or their bankers, as well as unencumbered assets of tenants and their principals which may be attached.

The Group has some exposure in respect of loans granted where collateral has been requested. The financial position of the counterparties is considered at granting of the loans and is also evaluated on an ongoing basis.

The carrying amounts of financial assets included in the statement of financial position represent the maximum exposure to credit risk in respect of these assets. The maximum credit exposure of interest rate swaps is represented by the fair value of these contracts.

Refer to note 14 for an age analysis of the Group's trade receivables, overdue accounts and impairments.

Insurance risk

The Group is exposed to insurance risk primarily on its investment properties. The Group has insured all its properties at estimated replacement values and against loss of income as a result of disrupted operations.

Bagatelle –
Mall of Mauritius,
Moka, Mauritius

Notes to the financial statements *continued*

for the year ended 30 June 2014

39. Financial instruments

Categories of financial instruments	Notes	2014 Total R'000	Cash R'000	At fair value through profit or loss R'000
Group				
Assets				
Non-current assets				
Property, plant and equipment	5	11 061	–	–
Investment property	6	12 829 337	–	–
Straight-line lease debtor		309 601	–	–
Deferred initial lease expenditure		7 174	–	–
Intangible assets	7	284 826	–	–
Goodwill	8	62 847	–	–
Investment in associates	9	2 950 274	–	–
Other investments	11	523 750	–	–
Deferred tax assets	12	11 570	–	–
Non-current assets held for sale	6,10 & 19.1	138 846	–	–
Current assets				
Inventory	13	–	–	–
Taxation receivable		896	–	–
Trade and other receivables	14	167 302	–	–
Other financial assets – current	15	6 173	–	–
Loans to associates	16	771 936	–	–
Cash and cash equivalents	18	389 293	389 293	–
Total assets		18 464 886	389 293	–
Liabilities				
Non-current liabilities				
Long-term borrowings	22	6 226 221	–	–
Other financial liabilities	15	48 026	–	48 026
Finance lease obligation	23	56 009	–	–
Loans from associates	16	–	–	–
Provisions for liabilities relating to associates	9	8 844	–	–
Deferred tax liabilities	12	900 811	–	–
Current liabilities				
Long-term borrowings – current portion	22	449 027	–	–
Other financial liabilities – current	15	5 851	–	5 851
Loans from associates – current	16	246 079	–	246 079
Taxation payable		11 158	–	–
Trade and other payables	24	375 960	–	–
Provisions	25	10 142	–	–
Total liabilities		8 338 128	–	299 956

2014			
Loan and receivables R'000	Available-for-sale financial assets R'000	Financial liabilities at amortised cost R'000	Equity and non-financial instruments R'000
–	–	–	11 061
–	–	–	12 829 337
–	–	–	309 601
–	–	–	7 174
–	–	–	284 826
–	–	–	62 847
–	2 950 274	–	–
–	523 750	–	–
–	–	–	11 570
–	–	–	138 846
–	–	–	–
–	–	–	896
120 080	–	–	47 222
6 173	–	–	–
771 936	–	–	–
–	–	–	–
898 189	3 474 024	–	13 703 380
–	–	6 226 221	–
–	–	–	–
–	–	56 009	–
–	–	–	–
–	–	–	8 844
–	–	–	900 811
–	–	449 027	–
–	–	–	–
–	–	–	–
–	–	–	11 158
–	–	372 368	3 592
–	–	–	10 142
–	–	7 103 625	934 547

39. Financial instruments (continued)

Categories of financial instruments	Notes	2013 Restated Total R'000	Cash R'000	At fair value through profit or loss R'000
Group				
Assets				
Non-current assets				
Property, plant and equipment	5	5 666	–	–
Investment property	6	8 921 552	–	–
Straight-line lease debtor		167 971	–	–
Deferred initial lease expenditure		4 504	–	–
Investment in associates	9	1 145 246	–	–
Other investments	11	58 379	–	–
Deferred tax assets	12	8 103	–	–
Non-current assets held for sale	6,10 &19.1	1 601 642	–	–
Current assets				
Inventory	13	126 304	–	–
Taxation receivable		1 497	–	–
Trade and other receivables	14	155 497	–	–
Other financial assets – current	15	47 368	–	–
Loans to associates	16	487 142	–	–
Cash and cash equivalents	18	44 389	44 389	–
Total assets		12 775 260	44 389	–
Liabilities				
Non-current liabilities				
Long-term borrowings	22	3 872 731	–	–
Other financial liabilities	15	70 944	–	70 944
Finance lease obligation	23	56 891	–	–
Provisions for liabilities relating to associates	9	71 355	–	–
Deferred tax liabilities	12	799 088	–	–
Non-current liabilities directly associated with assets held for sale	19.2	398 573	–	–
Current liabilities				
Long-term borrowings – current portion	22	1 295 713	–	–
Other financial liabilities – current	15	145 257	–	145 257
Taxation payable		25 759	–	–
Trade and other payables	24	327 990	–	–
Provisions	25	5 709	–	–
Total liabilities		7 070 010	–	216 201

2013 Restated			
Loan and receivables R'000	Available-for-sale financial assets R'000	Financial liabilities at amortised cost R'000	Equity and non-financial instruments R'000
–	–	–	5 666
–	–	–	8 921 552
–	–	–	167 971
–	–	–	4 504
–	1 145 246	–	–
–	58 379	–	–
–	–	–	8 103
–	–	–	1 601 642
–	–	–	126 304
–	–	–	1 497
86 539	–	–	68 958
47 368	–	–	–
487 142	–	–	–
–	–	–	–
621 049	1 203 625	–	10 906 197
–	–	3 872 731	–
–	–	–	–
–	–	56 891	–
–	–	–	71 355
–	–	–	799 088
–	–	–	398 573
–	–	1 295 713	–
–	–	–	–
–	–	–	25 759
–	–	322 938	5 052
–	–	–	5 709
–	–	5 548 273	1 305 536

39. Financial instruments (continued)

Categories of financial instruments	Notes	2014 Total R'000	2014 Cash R'000	2014 At fair value through profit or loss R'000
Company				
Assets				
Non-current assets				
Property, plant and equipment	5	4 581	–	–
Investment property	6	585 255	–	–
Straight-line lease debtor		15 254	–	–
Deferred initial lease expenditure		4 344	–	–
Investment in associates	9	2 639 482	–	–
Investment in subsidiaries	10	4 120 961	–	–
Other investments	11	454 436	–	454 436
Non-current assets held for sale	6,10 & 19.1	138 846	–	–
Current assets				
Trade and other receivables	14	6 928	–	–
Other financial assets – current	15	8 502	–	–
Loans to associates	16	288 021	–	–
Loans to subsidiaries	17	3 612 055	–	–
Cash and cash equivalents	18	216 653	216 653	–
Total assets		12 095 318	216 653	454 436
Liabilities				
Non-current liabilities				
Long-term borrowings	22	721 082	–	–
Other financial liabilities	15	10 158	–	10 158
Provisions for liabilities relating to associates	9	8 844	–	–
Deferred tax liabilities	12	532 818	–	–
Non-current liabilities directly associated with assets held for sale	19.2	–	–	–
Current liabilities				
Long-term borrowings – current portion	22	85 294	–	–
Other financial liabilities – current	15	5 851	–	–
Loans from associates – current	16	72 449	–	–
Loans from subsidiaries – current	17	286 567	–	–
Taxation payable		10 680	–	–
Trade and other payables	24	36 919	–	–
Total liabilities		1 770 662	–	10 158

2014			
Loan and receivables R'000	Available-for-sale financial assets R'000	Financial liabilities at amortised cost R'000	Equity and non-financial instruments R'000
–	–	–	4 581
–	–	–	585 255
–	–	–	15 254
–	–	–	4 344
–	2 639 482	–	–
–	4 120 961	–	–
–	–	–	–
–	–	–	138 846
6 012	–	–	916
8 502	–	–	–
288 021	–	–	–
3 612 055	–	–	–
–	–	–	–
3 914 590	6 760 443	–	749 196
–	–	721 082	–
–	–	–	–
–	–	–	8 844
–	–	–	532 818
–	–	–	–
–	–	85 294	–
5 851	–	–	–
72 449	–	–	–
286 567	–	–	–
–	–	–	10 680
–	–	36 919	–
364 867	–	843 295	552 342

39. Financial instruments (continued)

Categories of financial instruments	Note	2013 Total R'000	 Cash R'000	 At fair value through profit or loss R'000
Company				
Assets				
Non-current assets				
Property, plant and equipment	5	1 466	–	–
Investment property	6	316 909	–	–
Straight-line lease debtor		10 591	–	–
Deferred initial lease expenditure		4 538	–	–
Investment in associates	9	695 541	–	–
Investment in subsidiaries	10	2 377 042	–	–
Other investments	11	58 379	–	58 379
Non-current assets held for sale	6,10 & 19.1	1 265 782	–	–
Current assets				
Trade and other receivables	14	22 995	–	–
Other financial assets – current	15	45 135	–	–
Loans to associates	16	405 983	–	–
Loans to subsidiaries	17	2 762 374	–	–
Total assets		7 966 735	–	58 379
Liabilities				
Non-current liabilities				
Long-term borrowings	22	270 884	–	–
Other financial liabilities	15	11 707	–	11 707
Provisions for liabilities relating to associates	9	71 355	–	–
Provisions for liabilities relating to subsidiaries	10	16 189	–	–
Deferred tax liabilities	12	361 358	–	–
Non-current liabilities directly associated with assets held for sale	19.2	233 428	–	–
Current liabilities				
Long-term borrowings – current portion	22	631 869	–	–
Other financial liabilities – current	15	4 916	–	–
Loans from subsidiaries – current	17	496 902	–	–
Taxation payable		16 562	–	–
Trade and other payables	24	51 135	–	–
Bank overdraft	18	49 688	49 688	–
Total liabilities		2 215 993	49 688	11 707

2013			
Loan and receivables R'000	**Available-for-sale financial assets R'000**	**Financial liabilities at amortised cost R'000**	**Equity and non-financial instruments R'000**
–	–	–	1 466
–	–	–	316 909
–	–	–	10 591
–	–	–	4 538
–	695 541	–	–
–	2 377 042	–	–
–	–	–	–
–	–	–	1 265 782
21 620	–	–	1 375
45 135	–	–	–
405 983	–	–	–
2 762 374	–	–	–
3 235 112	3 072 583	–	1 600 661
–	–	270 884	–
–	–	–	–
–	–	–	71 355
–	–	–	16 189
–	–	–	361 358
–	–	–	233 428
–	–	631 869	–
–	–	4 916	–
–	–	496 902	–
–	–	–	16 562
–	–	51 135	–
–	–	–	–
–	–	1 455 706	698 892

40. Fair value measurements

	Notes	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Fair value measurements					
This note provides information about how the Group determines fair values of various financial assets and liabilities.					
Fair value of the Group's financial assets and liabilities is measured at fair value on a recurring basis.					
Investment property	6				
• Level 3		12 829 337	8 921 552	585 255	316 909

The fair value of investment property is determined using the following techniques:

- Development rights – residual land valuation method, adjusted for the estimate of the future rental obligations to the lessor of Waterfall Business Estate;
- Land – residual land valuation method;
- Developments under construction – discounted cash flow methodology; and
- Completed developments – discounted cash flow methodology (2013: capitalisation of income methodology).

Future cash flows for the discounted cash flow are determined with reference to the signed leases between the Group and tenants. Discount, capitalisation and vacancy rates used in the estimate are determined by independent experts.

Refer to note 6 for the significant unobservable inputs and the relationship between the unobservable inputs and the fair value.

	Notes	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000
Non-current assets held for sale	6,10 and 19.1				
• Level 2		138 846	99 834	138 846	99 834
• Level 3		–	1 501 808	–	1 165 948
		138 846	1 601 642	138 846	1 265 782

The fair value of non-current assets held for sale is determined using the following techniques:

- Completed developments (Level 2) – using the sale contract price for the related property; and
- Completed developments – discounted cash flow methodology (2013: capitalisation of income methodology).

Future cash flows for the discounted cash flow are determined with reference to the signed leases between the Group and tenants. Discount, capitalisation and vacancy rates used in the estimate are determined by independent experts.

Refer to notes 6, 10 and 19.1 for the significant unobservable inputs and the relationship between the unobservable inputs and the fair value.

40. Fair value measurements (continued)

	Notes	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000 Restated
Other investments	11				
• Level 3		523 750	58 379	454 436	58 379

The fair value of other investments is determined with reference to the net asset value of the underlying investment.

There are no unobservable inputs identifiable that would have a significant impact on the fair value of the other investments.

	Notes	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000 Restated
Other financial assets (liabilities)	15				
Other financial assets					
• Level 2		–	–	2 329	–
Other financial liabilities					
• Level 2		(48 026)	(70 944)	(10 158)	(11 707)
		(48 026)	(70 944)	(7 829)	(11 707)

The fair value of other investments is determined using the discounted cash flow methodology.

Future cash flows for the discounted cash flow are determined with reference to forward interest rates, from observable yield curves at the end of the reporting period and contract interest rates, discounted at rates that reflect the credit risk of various counterparties.

During the current year, there has been no movement relating to the fair value hierarchy with respect to the financial assets and liabilities listed above.

Refer to the above listed notes for a reconciliation of the financial assets and liabilities.

	Notes	Group 2014 R'000	Group 2013 R'000 Restated	Company 2014 R'000	Company 2013 R'000 Restated
Loans to associates	15				
• Level 3		6 173	47 368	2 329	45 135
Loans from associates	15				
• Level 3		(5 851)	(145 257)	(5 851)	(4 916)
		322	(97 889)	(3 522)	40 219
Loans to shareholders					
• Level 3		59 159	–	59 159	–
Loans from subsidiaries – current					
• Level 3		–	–	3 325 488	2 265 472
Trade and other receivables	14				
• Level 3		120 080	86 539	6 012	21 620
Trade and other payables	24				
• Level 3		372 368	322 938	36 919	51 135

41. Segmental reporting

	Group 2014					
Business segment	**Primary GLA m²**	**Region**	**Investment property R'000**	**Other assets R'000**	**Total assets R'000**	**Total liabilities R'000**
Office and mixed use						
Brooklyn Bridge Office Park	23 525	Gauteng	608 275	44 804	653 079	449 702
Great Westerford*	16 136	Western Cape	235 609	60 107	295 716	114 153
Lynnwood Bridge	32 634	Gauteng	829 661	89 293	918 954	618 199
Aurecon Building	19 104	Gauteng	637 953	77 856	715 809	563 117
Altech Building*	2 173	Gauteng	41 004	2 307	43 312	27 391
Cell C Campus	44 200	Gauteng	761 329	129 214	890 543	7 777
Group 5 Head Office	23 139	Gauteng	504 420	88 025	592 445	378 160
Maxwell Office Park – Phase I*	5 483	Gauteng	130 494	11 176	141 670	45 166
			3 748 745	**502 782**	**4 251 528**	**2 203 665**
Retail						
De Ville Shopping Centre	13 455	Western Cape	–	–	–	–
Glenfair Boulevard Shopping Centre	15 937	Gauteng	349 646	21 641	371 287	89 588
San Ridge Square*	12 045	Gauteng	–	–	–	388
Garden Route Mall	54 914	Western Cape	1 111 741	37 733	1 149 474	786 842
Brooklyn Mall#	18 689	Gauteng	637 515	17 592	655 107	415 820
Mooirivier Mall	47 707	North West	992 265	33 100	1 025 365	585 153
Andringa Walk	10 596	Western Cape	160 512	7 360	167 872	278 389
Eikestad Mall^	25 678	Western Cape	503 449	18 700	522 149	424 814
Mill Square^	3 562	Western Cape	73 196	869	74 065	64 700
Waterfall Corner	9 167	Gauteng	169 592	21 382	190 974	147 308
			3 997 916	**158 377**	**4 156 293**	**2 793 002**
Light industrial						
Massbuild Distribution Centre	37 238	Gauteng	**224 962**	**24 890**	**249 852**	**200 240**
Vacant land						
Le Chateau		Gauteng	17 000	1	17 001	2 248
Development rights		Gauteng	1 503 549	10	1 503 559	88
Infrastructure and services		Gauteng	446 046	18 235	464 281	148 064
			1 966 595	**18 246**	**1 984 841**	**150 400**
Developments						
Angel Shack	4 558	Gauteng	21 031	1 983	23 014	4 309
City Lodge	6 180	Gauteng	63 086	5 984	69 070	8 315
Covidien	11 050	Gauteng	39 236	4 808	44 044	8 530
Cummins*	10 417	Gauteng	24 312	-	24 312	9 096
Dräger	4 674	Gauteng	30 535	2 188	32 723	3 346
Mall of Africa	130 188	Gauteng	994 714	58 953	1 053 667	320 801
Maxwell Office Park – Phase II^	4 151	Gauteng	83 671	8 676	92 347	19 857
Novartis	7 055	Gauteng	54 168	4 937	59 105	9 813
Waterfall Lifestyle	7 540	Gauteng	87 299	10 228	97 527	12 661
Westcon	8 074	Gauteng	52 348	4 934	57 282	10 846
Lynnwood Bridge – Phase III	15 315	Gauteng	308 639	349	308 989	193 907
Newtown	63 617	Gauteng	987 919	170 135	1 158 054	970 731
Majestic Offices	9 108	Gauteng	144 161	5 618	149 777	125 588
			2 891 119	**278 793**	**3 169 911**	**1 697 800**
Total			**12 829 337**	**983 088**	**13 812 425**	**7 045 107**
Head office/other			–	4 652 461	4 652 461	1 293 021
Total			**12 829 337**	**5 635 549**	**18 464 886**	**8 338 128**

* *50% undivided share*
\# *25% undivided share*
^ *80% undivided share*

41. Segmental reporting (continued)

Business segment	Primary GLA m²	Region	Group 2013 restated Investment property R'000	Other assets R'000	Total assets R'000	Total liabilities R'000
Office and mixed use						
Atterbury House	26 242	Western Cape	335 942	18 884	354 826	152 808
Great Westerford*	16 136	Western Cape	258 871	29 578	288 449	129 188
Harlequins Office Park	5 450	Gauteng	132 838	5 821	138 659	72 148
Lynnwood Bridge	32 634	Gauteng	976 356	104 945	1 081 301	716 792
Aurecon Building	19 104	Gauteng	644 158	56 104	700 262	570 321
Altech Building*	2 173	Gauteng	34 068	2 865	36 933	33 629
			2 382 233	**218 197**	**2 600 430**	**1 674 886**
Retail						
De Ville Shopping Centre	13 455	Western Cape	184 239	16 407	200 646	112 926
Glenfair Boulevard Shopping Centre	15 937	Gauteng	316 909	19 178	336 087	89 918
San Ridge Square*	12 045	Gauteng	99 834	7 548	107 382	6 302
Garden Route Mall	54 914	Western Cape	1 023 185	33 081	1 056 266	548 937
Brooklyn Mall#	18 689	Gauteng	575 000	14 036	589 036	397 539
Mooirivier Mall	47 707	North West	915 178	24 898	940 076	541 236
Andringa Walk	10 596	Western Cape	146 293	4 457	150 750	289 271
Eikestad Mall^	25 678	Western Cape	483 267	14 381	497 648	500 272
Mill Square^	3 562	Western Cape	58 019	198	58 217	607
			3 801 924	**134 184**	**3 936 108**	**2 487 008**
Light industrial						
Massbuild Distribution Centre	37 238	Gauteng	**231 820**	**14 472**	**246 292**	**229 692**
Vacant land						
Le Chateau		Gauteng	17 000	194	17 194	7 267
Development rights		Gauteng	1 743 027	-	1 743 027	153 918
Infrastructure and services		Gauteng	554 042	11 809	565 851	357 281
			2 314 069	**12 003**	**2 326 072**	**518 466**
Developments						
Cell C Campus	44 200	Gauteng	478 236	18 263	496 499	398 280
Group 5 Head Office	23 139	Gauteng	206 345	8 568	214 913	166 971
Maxwell Office Park – Phase I*	5 483	Gauteng	54 120	29 991	84 111	36 174
Newtown	63 617	Gauteng	427 363	50 041	477 404	329 846
Majestic Offices	9 108	Gauteng	37 165	2 496	39 661	27 082
			1 203 229	**109 359**	**1 312 588**	**958 353**
Total			**9 933 275**	**488 215**	**10 421 490**	**5 868 405**
Head office/other			–	2 353 770	2 353 769	1 201 605
Total			**9 933 275**	**2 841 985**	**12 775 260**	**7 070 010**

** 50% undivided share*
 # 25% undivided share
^ 80% undivided share

41. Segmental reporting (continued)

	Group			
	2014			
Business segment	Primary GLA m²	Region	Revenue (incl straight-line rental adjustment) R'000	Straight-line rental adjustment R'000
Office and mixed use				
Atterbury House	26 242	Western Cape	4 462	(2 356)
Brooklyn Bridge Office Park	23 525	Gauteng	19 222	1 349
Great Westerford*	16 136	Western Cape	34 529	171
Harlequins Office Park	5 450	Gauteng	2 694	–
Lynnwood Bridge	32 634	Gauteng	118 079	14 723
Aurecon Building	19 104	Gauteng	101 230	31 205
Altech Building*	2 173	Gauteng	3 803	(904)
Cell C Campus	44 200	Gauteng	64 343	22 013
Group 5 Head Office	23 139	Gauteng	32 048	10 036
Maxwell Office Park – Phase I*	5 483	Gauteng	6 495	1 203
			386 905	**77 440**
Retail				
De Ville Shopping Centre	13 455	Western Cape	20 204	2 128
Glenfair Boulevard Shopping Centre	15 937	Gauteng	44 197	1 764
San Ridge Square*	12 045	Gauteng	511	(2 619)
Garden Route Mall	54 914	Western Cape	114 759	2 844
Brooklyn Mall#	18 689	Gauteng	67 350	4 621
Mooirivier Mall	47 707	North West	115 524	6 040
Andringa Walk	10 596	Western Cape	23 444	2 677
Eikestad Mall^	25 678	Western Cape	60 121	2 185
Mill Square^	3 562	Western Cape	4 214	421
Waterfall Corner	9 167	Gauteng	6 723	1 223
			457 047	**21 284**
Light industrial				
Massbuild Distribution Centre	37 238	Gauteng	31 701	8 927
Vacant land				
Le Chateau		Gauteng	–	–
Development rights		Gauteng	–	–
Infrastructure and services		Gauteng	–	–
			–	**–**
Developments				
Angel Shack	4 558	Gauteng	–	–
City Lodge	6 180	Gauteng	–	–
Covidien	11 050	Gauteng	–	–
Cummins*	10 417	Gauteng	–	–
Dräger	4 674	Gauteng	–	–
Mall of Africa	130 188	Gauteng	–	–
Maxwell Office Park – Phase II*	4 151	Gauteng	–	–
Novartis	7 055	Gauteng	–	–
Waterfall Lifestyle	7 540	Gauteng	–	–
Westcon	8 074	Gauteng	–	–
Lynnwood Bridge – Phase III*	15 315	Gauteng	–	–
Newtown	63 617	Gauteng	–	–
Majestic Offices	9 108	Gauteng	–	–
			–	–
Total			**875 653**	**107 651**
Head office/other			1 197	–
Total			**876 849**	**107 651**

** 50% undivided share*
 # 25% undivided share
^ 80% undivided share

Group 2014				
Interest revenue R'000	Interest expense R'000	Profit (loss) before tax R'000	Income tax R'000	Net profit (loss) R'000
4	–	(9 282)	–	(9 282)
287	(36 842)	47 757	(6 285)	41 472
347	(8 327)	(27 535)	5 748	(21 787)
–	–	2 094	–	2 094
20	(66 955)	59 530	(10 678)	48 852
91	(52 113)	26 584	(7 491)	19 093
10	(2 244)	6 787	(2 154)	4 634
1 226	(7 249)	139 159	(32 801)	106 358
1 179	(15 776)	110 282	(28 069)	82 213
11	(2 956)	19 635	(5 161)	14 474
3 175	**(192 462)**	**375 011**	**(86 891)**	**288 121**
40	–	34 863	(3 789)	31 074
37	(5 832)	47 046	(11 145)	35 901
10	(15)	2 318	(302)	2 016
65	(20 226)	142 636	(31 659)	110 978
47	(33 192)	65 255	9 878	75 134
153	(45 616)	106 895	(22 721)	84 173
21	(27 273)	2 398	765	3 163
34	(37 435)	21 661	(4 200)	17 461
3	(5 794)	1	260	260
–	(3 688)	44 578	(12 139)	32 438
410	**(179 071)**	**467 651**	**(75 052)**	**392 598**
27	(20 733)	(1 428)	2 899	1 471
–	(34)	(70)	–	(70)
–	–	33 547	(9 393)	24 154
160	–	(43 262)	12 113	(31 149)
160	**(34)**	**(9 785)**	**2 720**	**(7 065)**
–	–	1 575	(441)	1 134
–	–	7 161	(2 005)	5 156
–	–	4 032	(1 129)	2 903
30	–	1 553	(435)	1 118
–	–	4 122	(1 154)	2 968
–	–	196 040	(54 891)	141 149
–	–	11 502	(3 220)	8 281
–	–	7 147	(2 001)	5 146
–	–	(2 105)	589	(1 516)
–	–	680	(190)	489
–	–	10 017	(1 868)	8 149
4 348	–	6 647	(611)	6 036
–	–	25 869	(6 675)	19 194
4 378	–	**274 239**	**(74 032)**	**200 206**
8 150	**(392 300)**	**1 105 687**	**(230 355)**	**875 331**
60 433	(189 822)	229 673	(9 005)	220 669
68 583	**(582 122)**	**1 335 360**	**(239 360)**	**1 096 000**

41. Segmental reporting (continued)

Business segment	Primary GLA m²	Region	Group 2013 restated Revenue (incl straight-line rental adjustment) R'000	Straight-line rental adjustment R'000
Office and mixed use				
Atterbury House	26 242	Western Cape	26 362	87
Great Westerford*	16 136	Western Cape	48 567	(2 288)
Harlequins Office Park	5 450	Gauteng	14 351	(212)
Lynnwood Bridge	32 634	Gauteng	119 917	22 863
Aurecon Building	19 104	Gauteng	90 314	26 141
Altech Building*	2 173	Gauteng	5 143	2 432
			304 654	**49 023**
Retail				
De Ville Shopping Centre	13 455	Western Cape	30 230	8 229
Glenfair Boulevard Shopping Centre	15 937	Gauteng	43 264	3 601
San Ridge Square*	12 045	Gauteng	15 106	667
Garden Route Mall#	54 914	Western Cape	119 998	10 238
Brooklyn Mall#	18 689	Gauteng	57 655	1 859
Mooirivier Mall	47 707	North West	112 408	10 726
Andringa Walk	10 596	Western Cape	15 835	2 409
Eikestad Mall^	25 678	Western Cape	54 497	6 412
Mill Square^	3 562	Western Cape	226	27
			449 219	**44 168**
Vacant land				
Le Chateau		Gauteng	–	–
Development rights		Gauteng	–	–
Infrastructure and services		Gauteng	–	–
			–	**–**
Developments				
Newtown	63 617	Gauteng	–	–
Majestic Offices	9 108	Gauteng	–	–
Group 5 Head Office	23 139	Gauteng	–	–
Maxwell Office Park – Phase I*	5 483	Gauteng	–	–
Cell C Campus	44 200	Gauteng	–	–
			–	–
Light industrial				
Massbuild Distribution Centre	37 238	Gauteng	17 412	11 180
Total			**771 285**	**104 371**
Head office/other			(7 243)	(12 633)
Total			**764 042**	**91 738**

** 50% undivided share*
 # 25% undivided share
^ 80% undivided share

Group 2013 restated				
Interest revenue R'000	**Interest expense R'000**	**Profit (loss) before tax R'000**	**Income tax R'000**	**Net profit (loss) R'000**
12	13 565	33 356	–	33 356
16	10 490	55 385	–	55 385
–	6 520	21 356	(3 827)	17 529
52	71 628	136 812	(28 595)	108 217
4	51 523	42 150	(10 114)	32 036
1 185	–	1 680	(1 600)	80
1 269	**153 726**	**290 739**	**(44 136)**	**246 603**
51	10 655	(4 238)	(2 431)	(6 669)
67	7 196	42 609	(9 420)	33 189
49	–	13 998	(3 330)	10 668
–	72 604	69 505	(13 206)	56 299
14	32 504	52 880	–	52 880
83	45 850	148 532	–	148 532
3	27 455	(34 798)	–	(34 798)
41	43 058	26 844	–	26 844
–	–	4 397	–	4 397
308	**239 322**	**319 729**	**(28 387)**	**291 342**
–	495	1 483	–	1 483
1 463	–	235 991	(44 242)	191 749
–	271	(7 107)	1 325	(5 782)
1 463	**766**	**230 367**	**(42 917)**	**187 450**
145	–	(6 229)	10 189	3 960
–	–	(7 860)	2 288	(5 572)
–	–	5 829	(5 580)	249
–	–	7 097	(2 219)	4 878
–	–	64 479	(18 801)	45 678
145	**–**	**63 316**	**(14 123)**	**49 193**
–	8 691	17 933	(5 258)	12 675
3 185	**402 505**	**922 084**	**(134 821)**	**787 263**
–	(2 065)	65 759	(100 548)	(34 789)
3 185	**400 440**	**987 843**	**(235 369)**	**752 474**

Shareholder information

Beneficial shareholders holding 5% or more of Attacq's issued share capital

	2014	
	Shares held	%
Sanlam Life Insurance Limited	92 707 921	12.9
Royal Bafokeng Holdings (Pty) Ltd	78 754 233	11.0
Coronation Fund Managers Limited	65 640 994	9.1
Mergon Foundation NPC	44 430 695	6.2
Total	**281 533 843**	**39.2**

Beneficial shareholder spread

	2014		
	Number	Shares held	%
Non-public	**28**	**258 398 672**	**36.0**
> 10%	2	171 462 154	23.9
Treasury shares	2	46 427 553	6.5
Directors and associates	24	40 508 965	5.6
Public	7 263	458 994 475	64.0
Total	**7 291**	**717 393 147**	**100**

Summary of trading in Attacq shares

	2014*
Number of trades	27 304
Total volume traded	**171 946 470**
Total value traded	**R2 953 392 012**
High	R19.00
Low	R16.00
Closing price	R17.72

* *From listing 14 October 2013 to 30 June 2014*

African Land Investments	African Land Investments Limited
AIH International	AIH International Limited
Arctospark	Arctospark (Pty) Ltd
Artisan	Artisan Investment Projects 10
Ascension Properties	Ascension Properties Limited
Attacq	Attacq Limited
Attacq Retail Fund	Attacq Retail Fund (Pty) Ltd
Atterbury Africa	Atterbury Africa Limited, subsequently renamed AttAfrica
Atterbury Group	Atterbury Property and its subsidiaries
Atterbury Parkdev Consortium	Atterbury Parkdev Consortium (Pty) Ltd
Atterbury Property	Atterbury Property Holdings (Pty) Ltd
Attventure	Attventure (Pty) Ltd
AWC	Atterbury Waterfall City (Pty) Ltd
AWIC	Attacq Waterfall Investment Company (Pty) Ltd
BBBEE	Broad-Based Black Economic Empowerment
Broll	Broll Valuation & Advisory Services (Pty) Ltd
Brooklyn Bridge Office Park	Brooklyn Bridge Office Park (Pty) Ltd
CBD	Central business district
Companies Act	the Companies Act, No 71 of 2008 (as amended)
Delta	Delta Property Fund Limited
Development rights	The leasehold and development rights acquired by AWIC from WDC to develop and register long-term lease agreements against the title deeds of the Waterfall land parcels
GBCSA	Green Building Council of South Africa
GLA	Gross lettable area
Hyprop	Hyprop Investments Limited
IFRS	International Financial Reporting Standards
IPD	Investment Property Databank Limited
Jones Lang LaSalle	Jones Lang LaSalle (Pty) Ltd
JSE	The securities exchange operated by the JSE Limited
JSE Listings Requirements	The Listings Requirements, as issued by the JSE from time to time
Karoo I	Karoo Investment Fund S.C.A. SICAV-SIF
Karoo II	Karoo Investment Fund II S.C.A. SICAV-SIF
King III	The King Report on Governance for South Africa and the King Code of Governance Principles
Mantrablox	Mantrablox (Pty) Ltd
MAS	MAS Real Estate Inc.
Mills Fitchet	Mills Fitchet KZN CC
NAV	Net asset value, being the equity attributable to the owners of the holding company
NAVPS	NAV per share
Old Mutual	Old Mutual Investment Group (South Africa) (Pty) Ltd
Primary GLA	The rentable area dedicated to the use of the tenant comprising usable and common area for offices and excluding common area for retail buildings
Rapfund	Rapfund Holdings (Pty) Ltd
Razorbill	Razorbill Properties 91 (Pty) Ltd
REACH	Retail Africa Consortium Holdings (Pty) Ltd
SENS	The Stock Exchange News Service of the JSE
Wingspan	Retail Africa Wingspan Investments (Pty) Ltd
Waterfall Investment Company	Waterfall Investment Company (Pty) Ltd

Corporate information

Company details

Attacq Limited

Registration number 1997/000543/06

JSE share code: ATT ISIN: ZAE000177218

Registered office

Att House, 2nd Floor
Maxwell Office Park
Magwa Crescent West
Waterfall City, 2090
(PostNet Suite 205, Private Bag X20009, Garsfontein, 0042)

Company secretary

Talana Smith

Sponsor

Java Capital

Transfer secretaries

Computershare Investor Services (Pty) Ltd
Ground Floor, 70 Marshall Street, Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

Independent auditors

Deloitte & Touche
Registered Auditors
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Pretoria, 0081
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GREYMATTER & FINCH # 8433

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