Attacq Limited and its subsidiaries
(Registration Number: 1997/000543/06)
Audited Annual Financial Statements
for the year ended 30 June 2015

The preparation of these Annual Financial Statements was supervised by:
M Hamman CA (SA), Chief Financial Officer of the Group

INDEX

The reports and statements set out below comprise the annual financial statements presented to the shareholders:

LEVEL OF ASSURANCE

These Annual Financial Statements have been audited in compliance with the applicable requirements of the Companies Act, 71 of 2008 (as amended).

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The Audited Annual Financial Statements set out on pages 9 to 113 were approved by the Board of Directors on 18 September 2015.

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 Attacq Limited ("Attacq") and its subsidiaries ("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 cash flow forecast of the Company and Group for the year to 30 June 2016 and, in light of this review and the current financial position, they are satisfied that the Group and the Company have access to adequate resources to continue in operational existence for the foreseeable future.

The consolidated and seperate financial statements, set out on pages 9 to 113 in 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 unmodified report is presented on pages 2 to 8.

The consolidated and separate financial statements set out on pages 9 to 113, were approved by the board on 18 September 2015 and were signed on its behalf by:

P Tredoux
Chairman
18 September 2015

MC Wilken
Chief Executive Officer
18 September 2015

Deloitte.

Deloitte & Touche
Registered Auditors
Audit - Gauteng

Buildings 1 and 2
Deloitte Place
The Woodlands
Woodlands Drive
Woodmead Sandton
Private Bag X6
Gallo Manor 2052
South Africa
Docex 10 Johannesburg

Tel: +27 (0)11 806 5000
Fax: +27 (0)11 806 5111

Riverwalk Office Park,
Block B
41 Matroosberg Road
Ashlea Gardens X6
Pretoria, 0081
PO Box 11007
Hatfield 0028
South Africa
Docex 6 Pretoria

Tel: +27 (0)12 482 0000
Fax: +27 (0)12 460 3633

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Attacq Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Attacq Limited and its subsidiaries ("the Group") set out on pages 21 to 113, which comprise the consolidated and separate statements of financial position as at 30 June 2015, and the consolidated and separate statements of other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

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 2015, 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 ("IFRS") and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors* ("IRBA Code"), which is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Part A and B), together with other ethical requirements that are relevant to our audit of the consolidated financial statements in South Africa, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Valuation of investment properties	
The carrying value of investment properties amounted to R16.2 billion and the fair value adjustment recorded in net profit for the year in respect of investment properties was R1.1 billion. Significant judgement is required by the Directors in determining the fair value of investment property and for the purposes of our audit; we identified the valuation of investment properties as representing a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the judgement associated with determining the fair value. The Group's investment properties comprise various categories of properties, the most significant being completed developments, developments under construction and development rights. The models used to determine the fair values for each of the categories differ due to the different nature of each of these categories. The Group uses independent valuers to determine the fair values for all of the properties held in these categories annually. The inputs with the most significant impact on these valuations are disclosed in Note 5, and include future cash flows and market-related cash flows, discount rates, reversionary cap rates and the timing of development plans (in respect of development rights). The determination of the underlying development rights value within the Waterfall development requires special consideration as it is highly complex. The development rights value is largely based on the valuation of the underlying lease of the land whereby the lease payments are contingent and determined at a rate of 6% of the net lease income which is turn is calculated with reference to predetermined formulae. Furthermore the treatment of the lease and determination of the development rights value is multifaceted from an IFRS perspective.	We assessed the competence, capabilities and objectivity of the Directors' independent valuers, and verified their qualifications. In addition, we discussed the scope of their work with management and reviewed their terms of engagement to determine that there were no matters that affected their independence and objectivity or imposed scope limitations upon them. We confirmed that the approaches they used are consistent with IFRS and industry norms. We made use of our independent external expert to evaluate the Directors and their valuers' judgements, in particular: • The models used by the Directors and their independent valuers; and • The significant assumptions including discount rates, reversionary cap rates and the timing of development plans. Our independent external expert compared these inputs to market data and entity-specific historical information to confirm the appropriateness of these judgements. We performed a sensitivity analyses on the significant assumptions to evaluate the extent of impact on the fair values and assessed the appropriateness of the Group's disclosures relating to these sensitivities. Furthermore, we tested a selection of data inputs underpinning the investment property valuation, including rental income, tenancy schedules, capital expenditure details, acquisition cost schedules and square meter details, against appropriate supporting documentation, to assess the accuracy, reliability and completeness thereof. We interrogated the accounting treatment of the development rights and land from an IFRS perspective. Our audit procedures focused on testing the estimated lease income and payments through comparison to agreements, business plans and historical performance, where available. We found that the models used for the various property categories were appropriate and the discount rates were comparable to the market. Both the reversionary cap rates and the timing of

Key Audit Matter	How our audit addressed the key audit matter
	development plans appeared reasonable. The treatment of the underlying development rights and land was appropriate and the valuation of the land and development rights was accurate. The treatment of the finance lease for the Waterfall development rights was also found to be appropriate. The disclosures pertaining the investment property and related finance leases were found to be appropriate and comprehensive in the consolidated and separate financial statements.
Deferred taxation	
There are various complexities relating to the treatment and recognition of deferred taxation, in particular the rate at which deferred taxation is calculated in respect of investment properties is dependent on the estimated manner in which the timing differences will be realised, which is subjective (disclosed in notes 1 and 11). As a result, deferred taxation is considered a key audit matter due to the judgement arising from the considerations relating to the calculation and recognition of deferred tax balances and the materiality of the balances in relation to the financial statements as a whole.	Our procedures focused on evaluating the Directors' determination of the estimated manner in which the timing differences would be realised by comparing this to evidence obtained in respect of other areas of the audit, such as business plans, cash flow forecasts, minutes of Directors' meetings and our knowledge of the business. We assessed the presentation and disclosure in respect of tax-related balances in the consolidated and separate financial statements and considered whether the disclosures reflected the risks inherent in the accounting for the tax balances. We concurred with the Directors' determination of the estimated manner in which timing differences will be realised. The disclosure was found to be appropriate.
Restructure of rights and arrangements in respect of Attacq Waterfall Investment Company Proprietary Limited ("AWIC")	
As disclosed in notes 2, 5 and 8, the Group restructured the arrangements with Atterbury Property Holdings Proprietary Limited ("APH"), in respect of the investment in AWIC, which in turn holds the exclusive rights to develop the commercial, retail properties and a selection of residential properties in Waterfall City. The restructuring of the arrangements resulted in a sequence of transactions involving complex accounting treatments and tax implications, giving rise to the Group holding a 100% interest in AWIC, with an undivided share in the Mall of Africa of 80%; 20% of the Mall of Africa is owned by APH. Since this transaction is highly complex and material to the Group, it is considered to be a key audit matter.	We inspected all contracts concluded in respect of the restructuring to obtain an in-depth understanding of the sequence of transactions and evaluated the appropriateness of the business rationale. We evaluated each of the transactions and considered the suitability of the accounting treatment in accordance with IFRS, including recalculating the amounts to be recorded. We also assessed the overall presentation and disclosure of the restructuring in the consolidated and separate financial statements. We determined that the Group had complied with the relevant provisions of the Companies Act of South Africa.

Key Audit Matter	How our audit addressed the key audit matter
	We evaluated the tax consequences of each of the transactions and reviewed the tax opinion obtained by the Group from its tax advisor. We consulted with our internal tax specialists to determine that the treatment was appropriate. We concurred with the accounting and tax treatment of the transactions and found the disclosures in the consolidated and separate financial statements to be balanced.
Restructure of Group: transfer of Glenfair Boulevard shopping centre and Garden Route Mall	
As disclosed in the report by the Audit and Risk Committee, the Group restructured and simplified their group structure and disposed/transferred various investments within the Group, the most significant the transfer of the Glenfair Boulevard shopping centre by Attacq Limited to Lynnwood Bridge Office Park Proprietary Limited ("LBOP") and Garden Route Mall from Mantrablox Proprietary Limited ("Mantrablox") to Attacq Retail Fund Proprietary Limited ("ARF"). LBOP, Mantrablox and ARF are wholly-owned subsidiaries of Attacq Limited. These transactions involve complex tax considerations which are material to the Group and therefore it is considered a key audit matter. The Group obtained a tax opinion on the treatment of these transactions from its tax advisor.	We inspected the contracts concluded in respect of the restructuring to obtain an in-depth understanding of the accounting and tax consequences, and evaluated the appropriateness of the business rationale. We determined whether the tax treatment of each of the transactions was appropriate by evaluating the opinion that the Group obtained from their tax advisors and concurring the same with our internal tax specialists. Furthermore, we consulted with our internal accounting specialist to establish the suitability of the accounting treatment of the transactions. We concurred with the treatment of the transactions in the consolidated and separate financial statements. The disclosure of these transactions was found to be adequate.
Recognition of a financial asset for Karoo purchase price adjustment	
In the prior year Attacq Limited sold its shares in Karoo Investment Fund S.C.A SICAV-S ("Karoo I") and Karoo Investment Fund II S.C.A SICAV-S ("Karoo II") to MAS Real Estate Inc ("MAS") at a discount to the net asset value on the condition that the purchase price will be adjusted by issuing additional MAS shares to Attacq should certain conditions be met. The purchase price adjustment will potentially result in the investment in MAS to increase to approximately 49%. The Directors considered whether they should consolidate the results of MAS as opposed to recognising it as an associated company. As disclosed in note 13, Attacq Limited	We inspected the contract for the sale of the Karoo I and Karoo II investments and evaluated the Directors' assessment as to whether an asset should be recognised. We recalculated the asset with reference to the contract. We also considered the Directors' conclusion and rationale for not consolidating MAS and to this end studied the Memorandum of Incorporation of MAS. We concurred with the conclusions to recognise a financial asset and not to consolidate MAS. The disclosure in the consolidated and separate financial statements relating to the judgements applied is considered to be appropriate.

Key Audit Matter	How our audit addressed the key audit matter
recognised a financial asset to the value of R359.4 million being the purchase price adjustment. MAS is accounted for as an associated company as the Directors concluded that Attacq does not have *de facto* control over MAS. The rationale for this decision is disclosed in note 2. Significant judgement was required by the Directors in determining the appropriate accounting treatment of the asset and investment in MAS, resulting in this being considered a key audit matter.	
Impairment of goodwill and other intangible assets	
Goodwill and other intangible assets arise as a result of acquisitions by the Group. The Directors conducted their annual impairment test to assess the recoverability of the goodwill and consider whether there are indicators of impairment with respect to other intangible assets. In order to establish whether an impairment exists, fair value less costs to sell or the value in use is determined and compared to the net book value of the goodwill and other intangible assets. As detailed in note 2, this determination of an impairment is highly subjective as significant judgement is required by the Directors in determining the fair value less costs to sell or the value in use as appropriate. The value in use is based on the cash flow forecast model for each cash generating unit and requires the estimation of model assumptions, most importantly the discount rate and growth rate. Accordingly, due to the high estimation uncertainty, the impairment assessment of these assets is considered to be a key audit matter. A R109.7 million impairment of the goodwill attributable to the acquisition of Micauwber 382 Proprietary Limited was accounted for in the statement of comprehensive income (disclosed in note 7). There were no impairments recognised with respect to the other elements of goodwill and the other intangible assets.	We focused our testing of the impairment of goodwill and other intangible assets on the key assumptions made by the Directors. Our audit procedures included: • Critically evaluating the determination of the cash generating units; • Evaluating whether the model used to calculate the fair value less costs to sell and value in use of the individual cash generating units complies with the requirements of IAS 36: *Impairment of Assets*; • Validating the assumptions applied and inputs in the respective models by comparing it to historical information and approved budgets; and • Subjecting the key assumptions to sensitivity analyses. Overall, we found the models and assumptions applied in the goodwill impairment assessments to be appropriate and concur with the Directors' decision to impair the goodwill balance that originated as a result of the acquisition of Micauwber 382 Proprietary Limited. On the other hand, the assumptions and inputs used in the impairment model for the Wi-Fi rights were found to be fairly optimistic. We considered the disclosure of the goodwill and other intangible assets to be appropriate for purposes of the consolidated and separate financial statements.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report, Audit and Risk Committee's Report and Company Secretary's Certificate, as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report and the integrated report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the integrated report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit and Risk Committee and consider whether a Reportable Irregularity exists in terms of the Auditing Professions Act, which must be reported to the Independent Regulatory Board for Auditors. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Risk Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Risk Committee with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit and Risk Committee, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters.

The engagement partner on the audit resulting in this independent auditor's report is Zuleka Jasper.

Deloitte + Touche

Deloitte & Touche
Registered Auditors
Per: Zuleka Jasper
Partner
18 September 2015

Audit and Risk Committee Report

To the shareholders

The Group's Audit and Risk Committee ("the Committee") is a committee of the Board of Directors ("the Board"). The activities of the Committee are determined by its terms of reference as approved by the Board, its statutory responsibilities as per the Companies Act, 71 of 2008 (as amended) ("the Companies Act") and the listing requirements of the Johannesburg Stock Exchange ("JSE") (as amended).

The purpose of the Committee is to provide the Board and the shareholders of Attacq Limited ("Attacq"), with sufficient assurance that their interests are protected in respect of internal controls and financial reporting. As such, the Committee has a responsibility to ensure that the Group has effective systems in place to ensure adherence with good governance principles as defined in the King Report of Governance for South Africa, 2009 ("King III code"); and that effective mechanisms are in place to ensure that risks are being managed and that the Group is aware of its legal and regulatory commitments.

A key role of the Committee is to ensure that systems and processes are in place to ensure that assets and liabilities are recorded accurately and fairly, in accordance with International Financial Reporting Standards ("IFRS"). In compliance with this responsibility, the Group has implemented an internal control framework, an internal audit function, regular interaction with the external auditor and regular reporting against budgets, forecasts and prior year results.

The governance of risk remains a key priority for the Board and the Committee. The Board is ultimately responsible for managing risk and has delegated oversight responsibility for risk management to the Committee. Management in turn is responsible for the design, implementation and the management of risk.

The risk management policy and framework has been implemented and tested at a holding company level and is in the process of being rolled out to the rest of the Group.

The Committee has agreed to extend the external and internal audit contracts with Deloitte and PwC, respectively, for a further one year period.

The Committee has recommended to the Board the approval of the annual financial statements and the Integrated Report for the year ended 30 June 2015.

On behalf of the Committee

S Shaw-Taylor
Audit and Risk Committee Chairperson
18 September 2015

Audit and Risk Committee Report

The Board has formally delegated certain duties, responsibilities and powers to the Committee through an approved Audit and Risk Committee terms of reference. The Committee acts on behalf of the Board and the matters reviewed and managed by the Committee remains the responsibility of the Board taken as a whole.

Role of the Committee

The specific roles and responsibilities of the Committee include, but are not limited to, the following:

- 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;
- The appointment of the internal and external auditors;
- Reviewing interim and annual financial statements and the Integrated Report;
- Overseeing the internal audit function;
- Overseeing the relationship with the external auditor;
- Reviewing the expertise and qualifications of the finance function;
- Ensuring that significant business, financial and other risks have been identified and are being suitably managed;
- Ensuring good standards of governance, reporting and compliance are in operation, including the monitoring of adherence to applicable legislation, including but not limited to the Companies Act, 2008, the Income Tax Act 1962, the Value-added Tax Act, 1991 and other applicable tax legislation; and
- Effective and timely implementation of corrective actions to address any risk management deficiencies.

Membership of the Committee

As at the date of this report, the Committee comprised of four independent non-executive directors appointed by the Remuneration and Nominations Committee. All members of the Committee are suitably skilled and experienced in the following areas:

- financial and sustainability reporting;
- internal financial controls;
- external audit process;
- internal audit process;
- corporate law;
- risk management;
- sustainability issues;
- information technology governance as it relates to integrated reporting; and
- governance processes within the Group.

Members and attendance of the Committee are included in the table below:

Member	Status	Attendance
Stewart Shaw-Taylor (Chairperson)	Independent non-executive director	4/4
Hellen El Haimer	Independent non-executive director	4/4
Lebo Masekela *	Independent non-executive director	2/2
Keneilwe Moloko **	Independent non-executive director	1/2
Wilhelm Nauta ***	Independent non-executive director	4/4

Notes:
* Lebo Masekela resigned as an independent non–executive director effective 30 November 2014.

** Keneilwe Moloko - appointed as independent non-executive director effective 2 February 2015.
***Wilhelm Nauta - status changed from non-executive director to independent non-executive director effective 1 July 2015.

Activities of the Committee during the year

The Committee has an annual work plan developed from its terms of reference. Flowing from that there are standing items which are considered at each Committee meeting. This is an addition to matters arising from time to time and topical items which might be of concern to the Committee.

During the 2015 financial year, the Committee focused on three principle areas which are summarised below:

Risk and internal controls	External and internal audit	Accounting, Tax and Financial Reporting
Participated in the annual risk assessment process	Considered and approved the extension of the appointment of the external auditor	Reviewed and approved the interim and annual financial statements and significant financial reporting judgements
Considered reports from internal auditors on their assessment of the internal control environment	Considered and approved the audit approach and scope of audit work to be undertaken by the external auditor, including the related fees	Considered the solvency and liquidity of the Group for the basis of recommending the Group's interim and annual results to the Board for approval
Considered reports from external auditors on their assessment of the internal control environment	Considered the independence of the external auditor and their effectiveness, taking into account non-audit services undertaken by the external auditor and compliance with policy	Reviewed the related disclosures in the annual financial statements
Considered output from the annual risk assessment process as identified and assessed by management and members of the Committee	Considered and approved the extension of the contract with the outsourced internal auditors	Considered capital management and gearing ratios
Considered and interrogated on a quarterly basis risk management reports from the executives on risk management activities and improvement on the residual risk ratings and risk mitigation strategies	Considered and approved the annual risk-based internal audit scope and budget	Reviewed and approved disclosures in the Integrated Report in relation to controls, risk management, principal risks and uncertainties and the work of the Committee
Assessed the effectiveness of the Group's internal control environment	Considered the level of alignment between the Group's key risks and the internal audit programme	
Considered a comprehensive analysis on the Group's regulatory compliance requirements		
Considered and recommended for approval improvement of the risk management framework		

Significant matters identified and considered by the Committee

After discussions with management and the external auditor, the Committee determined that the key risks of misstatements of the Group's financial statements related to:

- Valuation of investment property;
- Deferred taxation;
- Restructure of rights and arrangements in respect of Attacq Waterfall Investment Proprietary Limited ("AWIC");
- Restructure of the Group: the internal transfer of Glenfair Boulevard Shopping Centre and Garden Route Mall;
- Recognition of a financial asset based on the purchase price adjustment on the Karoo Investment Fund II S.C.A SICAV-SIF ("Karoo"). Karoo is a specialised investment fund based in Luxembourg; and
- Impairment of goodwill and other intangible assets.

The matters above were discussed during the year and principles and treatments agreed with management and the external auditor.

Significant matters

Valuation of investment property

There is significant judgement by the Board in determining the fair value of investment property, however management is supported by experienced independent valuers. To ensure that the methods used in valuing properties are in line with industry standards the Committee carefully considered the competence, qualifications, capabilities and objectivity of the independent valuers.

Special consideration was given to the valuation of all properties in the Waterfall development. The valuation in respect of Waterfall's vacant leasehold land and development rights is based on an external valuation performed on a freehold basis by an independent valuer. The valuation is then adjusted downward by management to take into account, *inter alia*, land currently held by way of development rights and the estimated future rental obligations attached to the leasehold land and development rights.

Refer to the annual financial statements where the inputs with the most significant impact on valuations are outlined.

Deferred taxation

Deferred taxation is a focus area for management due to the complexities relating to the treatment and recognition of deferred tax, in particular the rate at which deferred tax is calculated in respect of investment properties. The rate is dependent on the estimated manner in which the timing differences will be realised, which is subjective.

After careful consideration the Committee supported the view of management in regard to the manner in which timing differences will be realised and the rate at which deferred tax is calculated.

Refer to the annual financial statements for the note on deferred tax.

Restructure of rights and arrangements in respect of AWIC

As part of the Attacq Limited ("Attacq") strategy to manage the entire Waterfall pipeline, Attacq became the sole shareholder of AWIC during December 2014. As part of the negotiations, Attacq secured a pre-emptive right in respect of all material developments to be undertaken by Atterbury Property Holdings Proprietary Limited ("Atterbury"), thus ensuring Attacq's continued access to Atterbury's development pipeline. Further terms and conditions of the various agreements included certain amendments to Atterbury's exclusive rights to act as Waterfall's developer, AWIC's disposal of 20% of the Mall of Africa shopping mall ("MOA") as well as Attacq's reduction of its shareholding in Atterbury from 25% to 10%.

The Committee considered the complexity around the implementation of the various agreements and agreed with management's implementation.

Restructure of the Group: transfer of Glenfair Boulevard Shopping Centre and Garden Route Mall

In order to implement the R3.2 billion refinance debt structure as well as to simplify the Group structure, two properties were transferred within the Group during the financial year, being transfer of Glenfair Boulevard Shopping Centre by Attacq to Lynnwood Bridge Office Park Proprietary Limited ("LBOP") and the transfer of Garden Route Mall property from Mantrablox Proprietary Limited ("Mantrablox") to Attacq Retail Fund Proprietary Limited ("ARF"). With the exception of the Aurecon building (owned by Lynnaur Investments Proprietary Limited – a wholly-owned subsidiary of Attacq Limited), LBOP is now the owner of all of the Group's properties in the Lynnwood Bridge Precinct.

The Committee interrogated management's reasoning and procedures in implementing the transactions from an IFRS, taxation and Companies Act perspective. In implementing the transactions, Management received external legal, conveyancing and tax advice and the Committee fully supports the implementation of the restructure.

Recognition of a financial asset for Karoo purchase price adjustment

During the previous financial year, Attacq realised a R68.1 million loss on the disposal of the investment in Karoo to MAS Real Estate Inc. ("MAS") for a consideration of a further 23.4% shareholding in MAS. The transaction was structured on the basis that Attacq will share in a percentage of the realised upside on the Karoo assets directly by the way of a purchase price adjustment ("agterskot") mechanism to be settled in MAS shares.

In the current financial year management assessed the status of the transaction and concluded that MAS will most likely issue additional MAS shares to Attacq following the increase in the Karoo share price. The financial asset recognised by Attacq for the purchase price adjustment amounts to R359 million. The purchase price adjustment will potentially result in Attacq's investment in MAS as at 30 June 2015 increasing from 45.3% to approximately 49%.

Management considered whether the financial results of MAS should be consolidated as opposed to accounted for as an associated company. To this end management considered the requirements of IFRS 10: Consolidated Financial Statements and specifically the requirements pertaining de facto control.

The Committee agreed with management on the conclusion that MAS should be accounted for as an associated company as Attacq does not have *de facto* control over MAS.

Impairment of goodwill and other intangible assets

In preparation for the JSE listing during October 2013, Attacq internalised the property and asset manager during the 2014 financial year for a purchase consideration of R271.1 million. The purchase consideration 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. An intangible asset representing the right to the asset management of Attacq's properties has been recognised and is amortised over a period of 15 years. The goodwill that arose from this purchase is tested for a potential impairment on an annual basis.

During the current financial year AWIC purchased certain Wi-Fi rights for a purchase consideration of R80 million and in addition purchased all the shareholding of Micawber 832 Proprietary Limited ("Micawber") for a consideration of R475.2 million. The purchase price was in excess of the fair value of the identifiable net assets and therefore resulted in goodwill to the value of R109.7 million.

Management conducted an impairment test to assess the recoverability of the various elements of goodwill and considered whether there are indicators of impairment with respect to all intangible assets. As a result the goodwill pertaining the acquisition of Micawber was impaired in full.

The Committee considered the goodwill and other intangible assets in the Group and determined that the disclosure, assumptions and judgements applied are appropriate.

Summary

After reviewing the presentations and reports from management, and consulting where necessary with the external auditor, the Committee was satisfied that the financial statements appropriately address the critical judgements and key estimates pertaining the above matters, both in respect to amounts and disclosures. The Committee was also satisfied that the significant assumptions used for determining the value of investment properties, other investments, taxation, goodwill and other assets and liabilities have been appropriately examined, questioned and challenged. No material errors in the consolidated and separate financial statements were noted by the Committee.

Going concern

The Committee has considered and assessed the Group and company's status as a going concern operation in the preparation of the annual financial statements. The Committee has reviewed the Group's cash flow forecast for the 12 months ending 30 June 2016. In light of this review and the current financial position, the Committee and Board are satisfied that the Group and company 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.

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 individuals with segregated duties and responsibilities. Since Attacq's listing on the JSE on 14 October 2013, the Group has adopted a more formalised approach and continues with the project of documenting processes and controls with appropriate communication throughout the Group.

Attacq has outsourced its internal audit function to PwC Internal Audit, a professional service provider, ensuring that an independent strategically aligned function exists. The function is responsible for preparing and implementing the internal audit plan over a three year rolling period. The Committee reviewed and approved the plan incorporating the field work for the ensuing year. This internal audit function operates under the direction of the Committee, which has approved the scope of the work to be performed. Critical and significant findings are reported to the Committee on at least 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 2015 financial year. The results of the risk-based audits were reported to the Committee. The Committee has evaluated the internal audit report, and has not identified any material breakdowns in internal controls within the areas reviewed. Follow-up audits were also conducted during the financial year and corrective actions reported to the Committee.

External Audit

Deloitte is the external auditor of Attacq and its major subsidiaries. The engagement partner on the audit is Zuleka Jasper. During the year, Deloitte provided certain non-audit services, including a review on certain tax matters and certain agreed upon procedures. The Committee is satisfied that the non-audit services provided by Deloitte do not bring its independence into question.

The role of Committee with regards to the external audit is:

- Review of the independence of the external auditor including the pre-approval of non-audit services provided;
- Approval of the audit budget for the year;
- Consider the annual audit planning, conclusions and final opinion reports;
- Approval of audit engagement letters; and
- Review of management report items identifying effectiveness of controls and recommendations for corrective action.

Internal Controls

To meet the Group's responsibility to provide reliable financial information, the Group maintains financial, 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, are properly authorised and recorded and that the assets are adequately protected against material losses, unauthorised acquisition, use or disposal.

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.

Risk Management

Effective risk management is an integral part in ensuring that the Group's strategic intent and growth targets are met.

Attacq has implemented an enterprise risk management policy and framework which is reviewed, assessed and amended, where applicable, by the Committee on a regular basis. The risk management policy and framework outlines and prescribes the risk management process and is applicable across the Group and its subsidiaries. Attacq's risk management process is based on ISO 31000 risk management principles and guidelines. Attacq applies a formal risk assessment process on an annual basis and continuously identifies and quantifies emerging risks to the Group. Residual risk is re-assessed on a quarterly basis to monitor improvement of the Group's control environment.

The Board takes ultimate responsibility for risk management and has delegated oversight responsibility to the Committee. Management, as the implementers of strategy, has to ensure that that the Group has an effective system to manage risk, and that effective and efficient risk mitigations are implemented. On a quarterly basis management reports to the Committee to confirm that all potential and emerging risks have been identified and recorded and furthermore that appropriate action has been taken to mitigate the risk to acceptable levels.

Risk management is a strategic partner for business ensuring that it not only protects value, but acts as an enabler for business and growth. Management and the Committee are committed to continuously improving the risk management process to ensure a risk resilient environment.

Attacq's risk management policy and framework aims to:

- Set out governance and roles and responsibilities;
- Provide an overview of all risk management processes;
- Define common risk management terminology;
- Clarify the risk management organisational structure, related roles and responsibilities;
- Provide guidance related to the key components of an effective risk management initiative;
- Provide a bespoke yet consistent approach to the application of risk management across the Group; and
- Ensure that the risk management function is integrated with the business planning processes.

Principal risks and uncertainties

Specific focus was placed on the risks in the table set out in the Risk Management section of the Integrated Report.

Regulatory Compliance

Statutory and regulatory compliance is a standing item on the agenda for the Committee as well as for the Transformation, Social and Ethics ("TSE") Committee and is addressed by the risk management function on a quarterly basis in reports to both Committees.

The Committee oversees the compliance with accounting standards and financial reporting requirements.

The Board receives quarterly feedback from the Chairpersons of the Committee, the TSE Committee as well as the Remuneration and Nominations Committee.

The TSE Committee provides oversight and ensures that the Group complies with the Code of Conduct and Ethics, as well as legislation governing ethical conduct. This includes the implementation of an independent Whistleblowing Hotline and ensuring that all employees were made aware of the availability of the Hotline. Since implementation of the Hotline (1 November 2014) to the date hereof, no incident has been reported.

The compliance risk management process is facilitated by Attacq's Head of Legal and her team and supported by the risk management function from a monitoring and reporting perspective.

The legal and regulatory compliance process is defined in the risk management policy and framework. Attacq has established its compliance requirements (both prescribed and voluntary) through a formal compliance risk assessment process and applies the compliance risk management process as prescribed in the risk management policy and framework.

A formal process is in place ensuring a mandatory authorisation process for dealings in Attacq's shares, formal procedure for both acceptance and granting of gifts and inducements, disclosure of conflicts of interest, as well as formal levels of authority and delegated signing authorities for business transactions.

For the current reporting period, Attacq has had no penalties or fines issued relating to non-compliances with legal and regulatory requirements.

CERTIFICATE BY COMPANY SECRETARY

In terms of Section 88(2)(e) of the South African Companies Act, 71 of 2008 as amended ("the Act"), I declare, to the best of my knowledge that the Company has filed the necessary returns and notices as required of a public company in terms of the Act, and that all such notices and returns are true, correct and up to date.

JKodde

Tasja Kodde
Company Secretary
18 September 2015

Directors' Report

The directors have pleasure in submitting their annual report for the year ended 30 June 2015.

1 Nature of business

Attacq Limited ("Attacq") 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 properties as long-term investments which generate quality rental income and sustainable capital growth for its shareholders.

2 Internalisation of the asset manager

In order to internalise the asset management function, Attacq acquired the entire issued share capital of Attacq Management Services Proprietary Limited ("AMS") (formerly, Atterbury Asset Managers Proprietary Limited) from Atterbury Property Holdings Proprietary Limited and Attventure Proprietary Limited during the previous financial year.

The objectives of the internalisation was 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.

During the year, the benefits of the abovementioned internalisation became apparent. Synergies were created between the two formerly segregated teams by combining responsibilities. This resulted in vital information being readily available to support a more efficient rapid decision making process.

3 Authorised and issued share capital

During the year the only significant changes to the issued shares arose through the raising of R640m through the issue of 29 629 630 ordinary shares at a price of R21.60 per share in terms of a vendor consideration placing to partly fund the Attacq Waterfall Investment Company Proprietary Limited ("AWIC") transaction as announced on SENS on 8 December 2014.

As at 30 June 2015, Attacq's issued share capital comprised:

Total issued shares	747 422 777
Treasury shares	(46 427 553)
Razorbill Properties 91 Proprietary Limited	16 701 037
Attacq Retail Fund Proprietary Limited	29 726 516
Net issued shares	**700 995 224**

4 Directors' interest in Attacq shares

Name	30 June 2015 Direct	30 June 2015 Indirect	30 June 2015 Total	30 June 2014 Direct	30 June 2014 Indirect	30 June 2014 Total
HR El Haimer	3 500	-	3 500	-	-	-
PH Faure	-	731 639	731 639	-	1 715 674	1 715 674
M Hamman	60 000	-	60 000	60 000	-	60 000
WL Masekela*	-	-	-	224 820	38 094	262 914
S Shaw-Taylor	650 000	-	650 000	650 000	-	650 000
P Tredoux	-	27 733	27 733	-	27 733	27 733
JHP van der Merwe	-	631 481	631 481	-	778 033	778 033
LLS van der Watt	2 284	12 843 543	12 845 827	2 284	16 598 667	16 600 951
BF van Niekerk**	-	-	-	-	18 288 397	18 288 397
MC Wilken	-	605 263	605 263	-	2 125 263	2 125 263
Total	**715 784**	**14 839 659**	**15 555 443**	**937 104**	**39 571 861**	**40 508 965**

* Resigned - 30 November 2014
** Resigned - 27 June 2014

5 Special resolutions passed by subsidiaries

The following companies amended their existing Memorandum and Articles of Association and substituted it with the Memorandum of Incorporation. These resolution were taken and signed on 18 March 2015.

- Adamax Property Projects Brooklyn Proprietary Limited
- Attacq Management Services Proprietary Limited
- Attacq Retail Fund Proprietary Limited
- Attacq Retail Services Proprietary Limited
- Attacq Waterfall Investment Company Proprietary Limited
- Brooklyn Bridge Office Park Proprietary Limited
- Mantrablox Proprietary Limited
- Micawber 832 Proprietary Limited

Directors' Report

5 Special resolutions passed by subsidiaries (continued)

Lynnwood Bridge Office Park Proprietary Limited

- The existing authorised ordinary share capital of the Company consisting of 1 000 Ordinary par value shares of R1 each be converted to 1 000 no par value shares, each ranking pari passu in all respects. The resolution was signed 18 December 2014.
- Subject to the passing of special resolutions above, the authorised capital of the company, consisting of 1 000 ordinary no par value shares be increased to 2 000 ordinary no par value shares, by the creation of an additional 1 000 ordinary no par value shares, all shares ranking pari passu in every respect to the existing shares of the Company. The resolution was signed 18 December 2014.

Primoris Propvest 61 Proprietary Limited

- The company change its name from Primoris Propvest 61 Proprietary Limited to Attacq Group ESD Proprietary Limited. The resolution was signed 18 December 2014.
- The main object and main business be changed to General trading and activities relating to Enterprise and supplier development. The resolution was signed 18 December 2014.

6 Investment property

Investment property increased by 26.18% on prior year largely due to the continued rollout of Waterfall. Additions to investment property totalled R2.56 billion, comprising R2.21 billion spent on properties under development and R349 million on the acquisition of new developments. Fair value adjustments on investment property amounted to R1.11 billion for this financial year.

7 Disposals

The following assets were disposed of during the year as part of Attacq's strategy of simplifying its group structure:

- Part-disposal of stake in Atterbury Property Holdings Proprietary Limited ("APH") and disposal of 20% undivided share in the Mall of Africa

  As part of the AWIC restructure, AWIC disposed of a 20% undivided share in the Mall of Africa for R318 million to APH, who prior to the restructure held an 18.775% indirect stake in the Mall of Africa via their shareholding in AWIC. This 18.775% was transferred from AWIC to APH.

  In addition to this a further stake of 1.225% was sold from AWIC to APH. An amount is payable to Attacq for the additional 1.225% stake in the Mall of Africa acquired. The amount payable is determined with reference to the market value of the mall one year after its opening. In the current year, the amount receivable and profit realised, taking into account their present values and the stage of completion of the mall, have been recognised.
- Disposal of the Fountains Regional Mall.
- Disposal of the Group's entire 26.60% holding in Rapfund Holdings Proprietary Limited.
- Disposal of the Group's entire 50% holding in Keysha Investments 123 Proprietary Limited to Valentia Properties Proprietary Limited for R14.9 million.
- Disposal of the Group's entire 50% holding in Retail Africa Consortium Holdings Proprietary Limited to the Kruger Trust and the Pickard Trust in December 2014, (the company declared a dividend of R190 000 effectively clearing all the reserves before it was disposed of for a nominal value of R3).

8 Dividends

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

9 Directors and board changes

P Tredoux	Independent non-executive chairman
MC Wilken	Chief Executive Officer
M Hamman	Chief Financial Officer
LLS van der Watt	Non-executive director (Non-executive director from 1 July 2015)
AW Nauta	Independent non-executive director (Independent Non-executive director from 1 July 2015)
JHP van der Merwe	Non-executive director
S Shaw-Taylor	Independent non-executive director
HR El Haimer	Independent non-executive director
PH Faure	Non-executive director
MM du Toit	Non-executive director
WL Masekela	Independent non-executive director (Resigned 30 November 2014)
TJA Reilly	Non-executive director (Alternate to JHP van der Merwe)
KR Moloko	Independent non-executive director (Appointed 2 February 2015)
BT Nagle	Non-executive director (Appointed 1 July 2015)

10 Company Secretary

Attacq's company secretary is Tasja Kodde.

Registered office: Att House, 2nd Floor, Maxwell Office Park, Magwa Crescent West, Waterfall City, 2090
Postal address: PostNet suite 205, Private Bag X20009, Garsfontein, 0042

11 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

Figures in R'000s	Note	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	4	10 641	11 061	163	4 581
Investment property	5	16 187 873	12 829 337	272 761	585 255
Per valuation		16 670 072	13 138 938	277 499	600 509
Straight-line lease debtor		(482 199)	(309 601)	(4 738)	(15 254)
Straight-line lease debtor		482 199	309 601	4 738	15 254
Deferred initial lease expenditure		9 154	7 174	1 335	4 344
Intangible assets	6	344 523	284 826	-	-
Goodwill	7	67 774	62 847	-	-
Investment in associates	8	2 369 884	2 950 274	2 295 797	2 639 482
Investment in subsidiaries	9	-	-	5 782 971	4 120 961
Other investments	10	402 414	523 750	334 109	454 436
Deferred tax assets	11	19 829	11 570	-	-
Loans to subsidiaries	15	-	-	414 677	-
Other financial assets	13	102 993	-	50 787	-
TOTAL NON-CURRENT ASSETS		**19 997 284**	**16 990 440**	**9 157 338**	**7 824 313**
CURRENT ASSETS					
Taxation receivable		408	896	-	-
Trade and other receivables	12	223 084	167 302	8 702	6 928
Other financial assets	13	907 282	6 173	402 617	8 502
Loans to associates	14	741 037	771 936	104 840	288 021
Loans to subsidiaries	15	-	-	3 367 790	3 612 055
Cash and cash equivalents	16	747 145	389 293	259 097	216 653
TOTAL CURRENT ASSETS		**2 618 956**	**1 335 600**	**4 143 046**	**4 132 159**
Non-current assets held for sale	8 & 17	684 441	138 846	187 858	138 846
TOTAL ASSETS		**23 300 681**	**18 464 886**	**13 488 242**	**12 095 318**
EQUITY AND LIABILITIES					
EQUITY					
Stated Capital	18	6 439 419	5 798 843	6 812 505	6 171 930
Available-for-sale reserve		682 579	83 746	3 058 760	2 587 048
Distributable reserves		4 815 584	3 836 930	2 200 327	1 482 361
Share-based payment reserve	19	90 359	83 317	90 359	83 317
Foreign currency translation reserve		45 740	111 929	-	-
Acquisition of non-controlling interest reserve		(116 483)	(2 574)	-	-
Equity attributable to owners of the holding company		**11 957 198**	**9 912 191**	**12 161 951**	**10 324 656**
Non-controlling interests	9.1	7 252	214 567	-	-
TOTAL EQUITY		**11 964 450**	**10 126 758**	**12 161 951**	**10 324 656**
NON-CURRENT LIABILITIES					
Long-term borrowings	20	8 863 852	6 226 221	325 656	721 082
Other financial liabilities	13	28 086	48 026	3 270	10 158
Finance lease obligation	21	71 346	56 009	-	-
Provisions for liabilities relating to associates		1 579	8 844	1 579	8 844
Deferred tax liabilities	11	1 365 868	900 811	739 730	532 818
TOTAL NON-CURRENT LIABILITIES		**10 330 731**	**7 239 911**	**1 070 235**	**1 272 902**
CURRENT LIABILITIES					
Long-term borrowings	20	326 329	449 027	22 544	85 294
Other financial liabilities	13	113 258	5 851	1 128	5 851
Finance lease obligation	21	1 332	-	-	-
Loans from associates	14	70 989	246 079	-	72 449
Loans from subsidiaries	15	-	-	179 148	286 567
Taxation payable		10 185	11 158	9 411	10 680
Trade and other payables	22	462 636	375 960	24 476	36 919
Provisions	23	1 422	10 142	-	-
Bank overdraft	16	19 349	-	19 349	-
TOTAL CURRENT LIABILITIES		**1 005 500**	**1 098 217**	**256 056**	**497 760**
TOTAL LIABILITIES		**11 336 231**	**8 338 128**	**1 326 291**	**1 770 662**
TOTAL EQUITY AND LIABILITIES		**23 300 681**	**18 464 886**	**13 488 242**	**12 095 318**
Net asset value per share (cents)		1 706	1 477	1 627	1 439
Net asset value per share - excluding deferred tax (cents)		1 898	1 610	1 726	1 513
Number of shares in issue		700 995 224	670 965 594	747 422 777	717 393 147

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in R'000s	Note	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Gross revenue		1 312 935	876 850	60 912	83 900
Rental income		1 140 335	769 199	71 428	86 940
Straight-line lease income adjustment		172 600	107 651	(10 516)	(3 040)
Property expenses		(358 885)	(230 300)	(17 652)	(42 184)
Net rental income		**954 050**	**646 550**	**43 260**	**41 716**
Profit from sale of inventory		-	**41 332**	-	-
Sale of inventory		-	263 209	-	-
Cost of sales		-	(221 877)	-	-
Bargain purchase on acquisition of subsidiary	9.2	-	43 783	-	-
Other income	24	205 590	59 325	82 293	119 322
Operating and other expenses	24	(305 589)	(283 743)	(229 925)	(551 910)
Operating profit (loss)		**854 051**	**507 247**	**(104 372)**	**(390 872)**
Amortisation of intangible asset		(20 303)	(14 634)	-	-
Fair value adjustments		1 114 224	953 192	26 005	479
Investment property	5	1 110 711	919 094	21 649	(5 590)
Other financial assets	13	68 089	34 098	4 356	6 069
Other investments	10	(64 576)	-	-	-
Gain (loss) on available-for-sale financial assets		-	-	98 545	(7 484)
Net income (loss) from associates	8	50 568	(58 069)	-	-
Investment income	25	142 531	424 796	930 397	719 118
Finance costs	26	(685 872)	(582 122)	(76 724)	(223 263)
Profit before taxation		**1 455 199**	**1 230 410**	**873 851**	**97 978**
Income tax expense	27	(471 038)	(218 156)	(155 885)	56 892
Current tax		(75 283)	(69 508)	(66 982)	(50 565)
Deferred tax		(395 755)	(148 648)	(88 903)	107 457
Profit for the year		**984 161**	**1 012 254**	**717 966**	**154 870**
Attributable to:					
Owners of the holding company		978 654	946 147	717 966	154 870
Non-controlling interests		5 507	66 107	-	-
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Gain on available-for-sale financial assets		661 986	104 950	710 155	1 508 723
Taxation relating to components of other comprehensive income	27	(63 153)	(21 204)	(139 898)	(278 917)
Realisation of available-for-sale financial assets		-	-	(98 545)	7 484
Other comprehensive income for the year net of taxation		**598 833**	**83 746**	**471 712**	**1 237 290**
Total comprehensive income for the year		**1 582 994**	**1 096 000**	**1 189 678**	**1 392 160**
Attributable to:					
Owners of the holding company		1 577 487	1 029 893	-	-
Non-controlling interests		5 507	66 107	-	-
		1 582 994	1 096 000	-	-
Earnings per share					
Basic (cents)	28	142.4	163.4	-	-
Diluted (cents)	28	142.0	163.1	-	-

STATEMENTS OF CHANGES IN EQUITY

Figures in R'000s	Stated capital	Share capital	Share premium	Total share capital	Available-for-sale reserve	Distributable reserves	Share-based payment reserve	Foreign currency translation reserve	Acquisition of non-controlling interest reserve	Equity attributable to owners of the holding company	Non-controlling interests	Total equity
GROUP												
Balance at 1 July 2013	-	45	2 196 549	2 196 594	-	3 150 726	5 488	159	-	5 352 967	352 283	5 705 250
Issue of shares	-	5	579 995	580 000	-	-	-	-	-	580 000	-	580 000
Issue of shares - adjustment	-	(4)	(136 369)	(136 373)	-	-	-	-	-	(136 373)	-	(136 373)
	-	46	2 640 175	2 640 221	-	3 150 726	5 488	159	-	5 796 594	352 283	6 148 877
Conversion of par value shares to no par value shares	2 640 221	(46)	(2 640 175)	-	-	-	-	-	-	-	-	-
Issue of share	3 180 922	-	-	3 180 922	-	-	-	-	-	3 180 922	-	3 180 922
Share buyback through reserves	(22 300)	-	-	(22 300)	-	(259 943)	-	-	-	(282 243)	-	(282 243)
Total comprehensive income	-	-	-	-	83 746	946 147	-	-	-	1 029 893	66 107	1 096 000
Profit for the year	-	-	-	-	-	946 147	-	-	-	946 147	66 107	1 012 254
Other comprehensive income	-	-	-	-	83 746	-	-	-	-	83 746	-	83 746
Recognition of change in ownership reserve	-	-	-	-	-	-	-	-	(2 574)	(2 574)	-	(2 574)
Derecognition of foreign currency translation reserve and non-controlling interests due to sale of subsidiaries	-	-	-	-	-	-	-	-	-	-	(203 823)	(203 823)
Foreign currency translation reserve	-	-	-	-	-	-	-	111 770	-	111 770	-	111 770
Recognition of share-based payment reserve	-	-	-	-	-	-	77 829	-	-	77 829	-	77 829
Balance at 1 July 2014	5 798 843	-	-	5 798 843	83 746	3 836 930	83 317	111 929	(2 574)	9 912 191	214 567	10 126 758
Issue of shares	640 576	-	-	640 576	-	-	-	-	-	640 576	-	640 576
Share buyback through reserves	-	-	-	-	-	-	-	-	-	-	-	-
	6 439 419	-	-	6 439 419	83 746	3 836 930	83 317	111 929	(2 574)	10 552 767	214 567	10 767 334
Total comprehensive income	-	-	-	-	598 833	978 654	-	-	-	1 577 487	5 507	1 582 994
Profit for the year	-	-	-	-	-	978 654	-	-	-	978 654	5 507	984 161
Other comprehensive income	-	-	-	-	598 833	-	-	-	-	598 833	-	598 833
Recognition of change in ownership reserve	-	-	-	-	-	-	-	-	(113 909)	(113 909)	-	(113 909)
Derecognition of foreign currency translation reserve and non-controlling interests due to sale of subsidiaries	-	-	-	-	-	-	-	-	-	-	(212 822)	(212 822)
Foreign currency translation reserve	-	-	-	-	-	-	-	(66 189)	-	(66 189)	-	(66 189)
Recognition of share-based payment reserve	-	-	-	-	-	-	7 042	-	-	7 042	-	7 042
Balance at 30 June 2015	6 439 419	-	-	6 439 419	682 579	4 815 584	90 359	45 740	(116 483)	11 957 198	7 252	11 964 450
Note	18	18	18									

STATEMENTS OF CHANGES IN EQUITY

Figures in R'000s	Stated capital	Share capital	Share premium	Total share capital	Available-for-sale reserve	Distributable reserves	Share-based payment reserve	Foreign currency translation reserve	Acquisition of non-controlling interest reserve	Equity attributable to owners of the holding company	Non-controlling interests	Total equity
COMPANY												
Balance at 1 July 2013	-	52	2 808 009	2 808 061	1 349 758	1 587 435	5 488	-	-	5 750 742	-	5 750 742
Issue of share	-	5	579 995	580 000	-	-	-	-	-	580 000	-	580 000
Issue of shares - adjustment	-	(4)	(136 369)	(136 373)	-	-	-	-	-	(136 373)	-	(136 373)
	-	53	3 251 635	3 251 688	1 349 758	1 587 435	5 488	-	-	6 194 369	-	6 194 369
Conversion of par value shares to no par value shares	3 251 688	(53)	(3 251 635)	-	-	-	-	-	-	-	-	-
Issue of share	2 942 542	-	-	2 942 542	-	-	-	-	-	2 942 542	-	2 942 542
Share buyback through reserves	(22 300)	-	-	(22 300)	-	(259 944)	-	-	-	(282 244)	-	(282 244)
Total comprehensive income	-	-	-	-	**1 237 290**	**154 870**	-	-	-	**1 392 160**	-	**1 392 160**
Profit for the year	-	-	-	-	-	154 870	-	-	-	154 870	-	154 870
Other comprehensive income	-	-	-	-	1 237 290	-	-	-	-	1 237 290	-	1 237 290
Recognition of share-based payment reserve	-	-	-	-	-	-	77 829	-		77 829	-	77 829
Balance at 1 July 2014	**6 171 930**	-	-	**6 171 930**	**2 587 048**	**1 482 361**	**83 317**	-	-	**10 324 656**	-	**10 324 656**
Conversion of par value shares to no par value shares	-	-	-	-	-	-	-	-	-	-	-	-
Issue of share	640 575	-	-	640 575	-	-	-	-	-	640 575	-	640 575
Total comprehensive income	-	-	-	-	**471 712**	**717 966**	-	-	-	**1 189 678**	-	**1 189 678**
Profit for the year	-	-	-	-	-	717 966	-	-	-	717 966	-	717 966
Other comprehensive income	-	-	-	-	471 712	-	-	-	-	471 712	-	471 712
Recognition of share-based payment reserve	-	-	-	-	-	-	7 042	-	-	7 042	-	7 042
Balance at 30 June 2015	**6 812 505**	-	-	**6 812 505**	**3 058 760**	**2 200 327**	**90 359**	-	-	**12 161 951**	-	**12 161 951**
Note	18	18	18									

STATEMENTS OF CASH FLOWS

		GROUP		COMPANY	
Figures in R'000s	Note	**2015**	2014	**2015**	2014
Cash flow from operating activities					
Cash generated from (utilised in) operations	29	650 572	503 049	4 788	(38 274)
Interest income	25	96 242	68 585	32 697	170 109
Dividends income	25	23 431	356 212	395 678	549 009
Finance costs	26	(627 902)	(582 122)	(63 397)	(223 263)
Taxation paid		(75 768)	(69 208)	(68 251)	(56 447)
Net cash generated from operating activities		**66 575**	**276 516**	**301 515**	**401 134**
Cash flows from investing activities					
Expenditure to maintain operating capacity					
Proceeds from disposal of investment properties	5	-	25 785	-	-
Property, plant and equipment acquired	4	(3 686)	(8 645)	(504)	(4 709)
Expenditure to expand operating capacity					
Subsidiaries acquired	9.2	(71 670)	(418 128)	(54 986)	(554 205)
Investment properties acquired	5	(2 353 047)	(2 148 715)	(18 245)	(16 154)
Associates acquired	8	-	(2 156 821)	-	(2 156 821)
Associates disposed		235 035	-	235 035	-
Other investments acquired	10	-	(347 258)	-	(271 887)
Other investments disposed	10	110 393	43 803	110 393	-
Other loans (repaid) raised	13	(155 234)	41 196	1 069	-
Additions to intangible assets		(80 000)	-	-	-
Additions to deferred initial lease adjustments		(2 784)		-	
Cash flow relating to non-current assets held for sale		138 846	997 824	138 846	990 673
Net cash (utilised in) generated from investing activities		**(2 182 147)**	**(3 970 959)**	**411 608**	**(2 013 103)**
Cash flows from financing activities					
Capital raised	18	640 576	3 594 417	640 575	3 386 169
Share buy-back	18	-	(282 243)	-	(282 244)
Long-term borrowings raised	20	2 954 446	1 997 180	-	540 408
Long-term borrowings repaid	20	(1 083 882)	(946 750)	(385 463)	(636 785)
Loans from associates (repaid) raised	14	(175 090)	246 079	-	144 724
Loans repaid (advanced) to Group companies	14	20 048	(330 482)	(924 557)	(1 037 861)
Other financial assets raised	13	-	-	-	(5 800)
Other financial liabilities repaid	13	-	(139 405)	(20 583)	-
Other financial liabilities raised	13	97 586	11 179	-	3 127
Cash flow relating to non-current assets held for sale		-	(398 573)	-	(233 428)
Net cash generated from (utilised in) financing activities		**2 453 684**	**3 751 402**	**(690 028)**	**1 878 310**
Total cash movement for the year		338 112	56 960	23 095	266 341
Cash at the beginning of the year		389 294	44 389	216 653	(49 688)
Cash acquired with subsidiaries	9.2	390	287 945	-	-
Cash and cash equivalents at the end of the year		727 796	389 294	239 748	216 653

ACCOUNTING POLICIES

1.1 STATEMENT OF COMPLIANCE

The Group and Company Annual Financial Statements as at and for the year ended 30 June 2015 have been prepared under the supervision of M Hamman (CA) SA, Chief Financial Officer ("CFO") of Attacq Limited ("Attacq"). The principal accounting policies of the Attacq and its subsidiaries ("the Group") as well as the disclosures made in the Annual Financial Statements comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations effective for the Group's financial year as well as the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act, 71 of 2008, applicable to companies reporting under IFRS and the JSE Listings Requirements.

1.2 BASIS OF PREPARATION

The Annual Financial Statements have been prepared on the historical cost basis, except for investment properties which are measured at fair value and financial instruments which are measured at fair value or at amortised cost. The Annual Financial Statements are prepared on the going concern basis. The Annual Financial Statements are presented in South African Rand, which is the parent company's functional and presentation currency.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the company and Group Annual Financial Statements, are disclosed in note 2.

The significant accounting policies are consistent in all material respects with those applied in the previous financial year. No restatement was required in these financial statements with respect to the adoption of new and revised standards and interpretations.

1.3 CONSOLIDATION

1.3.1 BASIS OF CONSOLIDATION

The consolidated Annual Financial Statements incorporate the Annual Financial Statements of Attacq Limited, its subsidiaries, joint arrangement and associates ("the Group") up to 30 June 2015.

The Consolidated Annual Financial Statements present the consolidated financial position and changes therein, operating results and cash flow information.

Where necessary, adjustments are made to the financial statements of subsidiaries, associates, joint ventures and joint arrangements to bring the accounting policies used in line with those used by the Group.

1.3.2 BUSINESS COMBINATIONS

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combinations is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit and loss as incurred.

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;
- 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.

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

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 prospectively, 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.

ACCOUNTING POLICIES

1.3 CONSOLIDATION (continued)

Components of non-controlling interests that are current ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured at the acquisition date at either:

- Fair value; or
- The non-controlling interest's proportionate share of the acquiree's identifiable net assets.

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 combinations 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.

1.3.3 ACCOUNTING FOR SUBSIDIARIES

A subsidiary is an entity controlled by the Group. Control is achieved where the Group has all of the following:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power to affect its returns.

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.

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 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 IFRSs).

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 for subsequent accounting under *IAS 39: Financial Instruments: Recognition and Measurement*, when applicable, the cost on the initial recognition of an investment in an associate or a joint venture.

ACCOUNTING POLICIES

1.4 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

An associate is an entity over which the Group has significant influence. 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 or 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 is 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 annual financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

1.5 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 of 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.

The Group has various undivided share in investment properties which are being treated as joint operations, hence only the Group's percentage share in the property is included in the consolidated results. Refer to the segmental reporting in note 38 for the Groups undivided shares in investment properties.

ACCOUNTING POLICIES

1.5 INTEREST IN JOINT OPERATIONS (continued)

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 IFRSs 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 to 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.

1.6 FAIR VALUE MEASUREMENT

The Group measures financial instruments, such as, derivatives and certain investments and investment properties at 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 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.

Refer to fair value measurement in note 37 for the categorisation of the Group's financial assets and liabilities within the fair value hierarchy.

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.

ACCOUNTING POLICIES

1.7 GOODWILL

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

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 reassessment, 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 expected to benefit from the synergies of the combination.

A cash-generating units to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit 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 for goodwill is not reversed in a subsequent period.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.8 INVESTMENT PROPERTY

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

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

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.

Initial measurement

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.

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 the 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, investment properties are 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.

Derecognition

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.

ACCOUNTING POLICIES

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.

It is the policy of the Group to write down items of property, plant and equipment with a cost less than R7,500 in full during the year the asset qualifies for recognition in terms of *IAS 16 Property, plant and equipment* , to align with the relevant tax authorities.

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

1.10 INTANGIBLE ASSETS

Intangible assets with finite useful lives are stated at cost, less accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life, and commences when the intangible asset is available for use and ceases at the earlier of the date the asset is classified as held for sale or the date it is derecognised.

Useful lives and amortisation methods are reviewed on an annual basis, with the effect of any changes in estimate accounted for on a prospective basis.

The Group's intangible assets with finite useful lives are as follows:

- Management contracts; and
- Wi-Fi Rights.

The difference between the proceeds and the carrying amount of an intangible asset is recognised as the profit or loss on disposal.

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 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.

- 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.

ACCOUNTING POLICIES

1.11 FINANCIAL INSTRUMENTS (continued)

Financial assets (continued)

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 recognised in profit or loss. 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 investment income in profit or loss. Impairment losses on loans are recognised in finance costs and impairment losses on receivables are recognised in 'Operating expenses' in profit or loss.

- 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 profit or loss. Where the investment is determined to be impaired, the cumulative gain or loss is reclassified to profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (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).

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.

- 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.

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 profit or loss.

- 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 profit or loss.

ACCOUNTING POLICIES

1.11 FINANCIAL INSTRUMENTS (continued)

Financial liabilities and equity (continued)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. Gains are recognised in profit or loss 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 profit or loss.

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: Provisions, Contingent Liabilities and Contingent Assets* ; 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 FVTPL.

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 cost 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.

ACCOUNTING POLICIES

1.12 DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate, including interest rate 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.

1.13 TAXATION

Taxation expenses

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

Current and deferred taxation are recognised as an income or an expense and included in profit or loss for the year, except to the extent that the taxation 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 taxation and deferred taxation are charged or credited to other comprehensive income if the taxation relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

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

Current taxation

Current taxation is based on taxable profit for the year. Taxable profit differs from 'profit before taxation' 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 taxation is calculated using taxation rates (and taxation laws) that have been enacted or substantively enacted by the end of the reporting period.

Current taxation 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 taxation

Deferred taxation 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 taxation bases used in the computation of taxable profit.

Deferred taxation liabilities are recognised for all taxable temporary differences. Deferred taxation assets are recognised for all deductible temporary differences, and the carry forward of unused taxation credits and any unused taxation losses to the extent that it is probable that taxable profit will be available against which these can be utilised. Deferred taxation 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 taxation profit nor the accounting profit at the time of the transaction.

Deferred taxation 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 taxation 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 taxation 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 taxation 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 taxation asset to be recovered.

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

For the purposes of measuring deferred taxation liabilities and deferred taxation 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.

ACCOUNTING POLICIES

1.14 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.

Investment property held under a lease accounted for as a finance lease is recognised initially at the present value of the minimum lease payments under the lease and thereafter in terms of the fair value methodology applicable to investment property as per note 1.8.

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 profit or loss on a straight-line basis over the term of the relevant lease. Contingent rental costs are expensed when incurred.

1.15 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 a 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 are measured at the lower of their previous carrying amount and fair value less costs to sell.

Property, plant and equipment are not depreciated once classified as held for sale.

1.16 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 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.

ACCOUNTING POLICIES

1.16 IMPAIRMENT OF ASSETS (continued)

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 reversal of impairment.

1.17 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.

The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

1.18 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.

1.19 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 rentals 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.

ACCOUNTING POLICIES

1.19 REVENUE (continued)

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).

1.20 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.

1.21 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 annual 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 are re-attributed to non-controlling interests and are 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.

ACCOUNTING POLICIES

1.22 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 19.

The fair value determine 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, measured at the date the entity obtains the goods or the counterparty renders the service.

1.23 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: direct and indirect owned real estate investment. Direct properties consist of: office and mixed use, retail, vacant land and infrastructure and light industrial. The Chief Operating Decision-Maker however asses each investment property on an individual basis in making decisions about its performance.

Any capital expenditure relating to investment property will be accounted for as under note 1.8 (Investment Property) and will be shown separately under note 5 (Investment Property) of the annual 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 on-going basis. Revisions to accounting estimates are recognised in the period which the estimates is 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 more cases than one, 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.

Note 8 describes that MAS Real Estate Inc ("MAS") is an associate of the Group. The Group has a 45.26% ownership in MAS. The directors of the Group assessed whether or not the Group has control over MAS based on whether the Group has the practical ability to direct the relevant activities of MAS unilaterally. In making their judgement, the directors considered the Group's absolute size of holding in MAS and the relative size of and dispersion of the shareholding owned by the other shareholders. After assessment, the directors concluded that the Group does not have a sufficiently dominant voting interest to direct the relevant activities of MAS and therefore the Group does not have control over MAS.

It must be noted that Attacq has no right in terms of MAS' constitutional documents to appoint a director. Attacq does not have any agreements in place governing the actions of MAS or the MAS board.

Furthermore, in terms of the MAS memorandum of incorporation ("MOI"), a shareholder resolution to remove a director must be passed by shareholders holding at least 75% of the voting right in relation thereto. Any steps by Attacq on its own to remove members of the MAS board of directors could easily be blocked by the remaining shareholder groupings.

Recognition of a financial asset for Karoo purchase price adjustment

During the previous financial year, Attacq realised a R68.1 million loss on the disposal of the investment in Karoo Investment Fund S.C.A SICAV-S and Karoo Investment Fund II S.C.A SICAV-S (now collective the "Karoo Fund") to MAS Real Estate Inc. ("MAS") for a consideration of a further 23.4% shareholding in MAS. The transaction was structured on the basis that Attacq will share in a percentage of the realised upside on the Karoo assets directly by the way of a purchase price adjustment ("agterskot") mechanism to be settled in MAS shares.

In the current financial year management assessed whether an asset should be recognised by considering the share price and projected share price of Karoo and concluded that MAS will most likely issue additional MAS shares to Attacq following the increase in the Karoo share price.

Determination of fair value of investment property

The Group measures and recognises all investment property, initially at cost and subsequently at fair value as noted in 1.8. The fair value estimate is made using independent external valuations 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, Newtown and Majestic land;
- Completed Developments - completed developments valued using the discounted cash flow of future rental income are adjusted with the value of the straight-lining debtor; 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 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.

ACCOUNTING POLICIES

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end and the useful lives in the current and prior years are:

Item	*Useful life*
• Cleaning equipment	3 years
• Computer equipment and software	3 years
• Kitchen equipment	3 years
• Motor vehicles	5 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 are 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.

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 company 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.

Value in use is calculated as the net present value of future cash flows derived from assets using cash flow projections which have been discounted at appropriate discount rates. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- A cash-generating units to which an intangible asset has been allocated is tested for impairment annually;
- The discounted cash flow method is used to determine the fair value of the cash-generating unit;
- The future cash flows of the cash-generating units to which an intangible asset is allocated is used as input in the discounted cash flow valuation;
- The appropriate long term growth rate is applied to the future cash flow of the cash-generating unit; and
- The selection of appropriate discount rates to reflect the risks involved, usually the weighted average cost of capital ("WACC").

ACCOUNTING POLICIES

2. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)**

Key sources of estimation uncertainty (continued)

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.

Value in use is calculated as the net present value of future cash flows derived from assets using cash flow projections which have been discounted at appropriate discount rates. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- A cash-generating units to which goodwill has been allocated is tested for impairment annually or when there is an indication that goodwill is impaired;
- The discounted cash flow method is used to determine the fair value of the cash-generating unit;
- The future cash flows of the cash-generating units to which goodwill is allocated is used as input in the discounted cash flow valuation;
- The appropriate long term growth rate is applied to the future cash flow of the cash-generating unit; and
- The selection of appropriate discount rates to reflect the risks involved, usually the weighted average cost of capital ("WACC")

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 11 – Deferred tax.

The deferred tax rate applied to the fair value adjustments of investment property is determined by the expected manner of recovery. Where the expected recovery of the investment property or is through sale, the capital gains tax rate of 18.648% (2014: 18.648%) is applied. If the expected manner of recovery is through definite use the normal tax rate of 28% (2014: 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 5 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 and 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 inputs 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 works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

ACCOUNTING POLICIES

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Fair value measurements and valuation processes (continued)

The above officers reports the decisions to the Board every quarter to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities is disclosed in notes 5, 13, 19 and 37.

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

Management has determined the useful live 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 7 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 Proprietary Limited

In 2009 Attacq Waterfall Investment Company Proprietary Limited, a subsidiary of the Group, entered into a sale of development rights and lease agreements with Waterfall Development Company Proprietary Limited in terms 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 company is obliged to pay, to the land owner, 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% (2014: 18% to 25%); and
- discounting of anticipated cash flow streams to determine the present value of the obligation at a rate of 0% (2014: 0%) for Land Parcel 3.

ACCOUNTING POLICIES

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 IFRSs affecting presentation and disclosure only

Standard or Interpretation	Nature and impact
• IFRS 10 Consolidated Financial Statements	• Amendments for investment entities.
• IFRS 12 Disclosure of Interest in Other Entities	• Amendments for investment entities.
• IAS 27 Separate Financial Statements (as amended in 2011)	• Amendments for investment entities.
• IAS 16 Property, Plant and Equipment	• Amendments resulting from Annual Improvements 2010 - 2012 Cycle (proportionate restatement of accumulated depreciation on revaluation).
• 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.
• IAS 24 Related Party Disclosures	• Amendments resulting from Annual Improvements 2010 - 2012 Cycle (management entities).
• IAS 27 Separate Financial Statements (as amended in 2011)	• Amendments for investment entities.
• IAS 32 Financial Instruments: Presentation	• Amendments relating to the offsetting of assets and liabilities.
• IAS 36 Impairment of Assets	• Amendments arising from Recoverable Amount Disclosures for Non-Financial Assets.
• IAS 38 Intangible Assets	• Amendments resulting from Annual Improvements 2010 - 2012 Cycle (proportionate restatement of accumulated depreciation on revaluation).
• IAS 39 Financial Instruments: Recognition and Measurement	• Amendments for novation's of derivatives.
• IAS 40 Investment Property	• Amendments resulting from Annual Improvements 2011 - 2013 Cycle (interrelationship between IFRS 3 and IAS 40).
• 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.

ACCOUNTING POLICIES

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

3.2 New and revised IFRSs not yet effective

The Company 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.

The following accounting amendments, standard and interpretation become effective for periods beginning on or after the effective dates set out below:

Standard or Interpretation	Nature	Effective Date
• IFRS 5 Non-current Assets Held for Sale and Discontinued Operations	• Amendments resulting from Annual Improvements 2012 - 2014 Cycle. Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued.	• 1 July 2016
• IFRS 7 Financial Instruments - Disclosure	• Amendments resulting from Annual Improvements 2012 - 2014 Cycle. Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements.	• 1 July 2016
• IFRS 9 Financial Instruments	• Introduces a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner to under *IAS 39 Financial Instruments: Recognition and Measurement*, however there are differences in the requirements applying to the measurement of an entity's own credit risk.	• 1 January 2018
	• Introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognised.	• 1 January 2018
	• Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.	• 1 January 2018
	• The requirements for the derecognition of financial assets and liabilities are carried forward from *IAS 39 Financial*	• 1 January 2018
• IFRS 10 Consolidated Financial Statements	• To clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture. Require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in *IFRS 3 Business Combinations*).	• 1 January 2016
	• To address issues that have arisen in the context of applying the consolidation exception for investment	• 1 January 2016
• IFRS 11 Joint Arrangements	• Requires an acquirer of an interest in a joint operation in which the activity constitutes a business (as defined in IFRS 3 Business Combinations) to apply all of the business combinations accounting principles in IFRS 3 and other IFRSs, except for those principles that conflict with the guidance in IFRS 11 and disclose the information required by IFRS 3 and other IFRSs for business combinations.	• 1 January 2016
• IFRS 12 Disclosure of Interest in Other Entities	• To address issues that have arisen in the context of applying the consolidation exception for investment	• 1 January 2016
• 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

ACCOUNTING POLICIES

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

3.2 New and revised IFRSs not yet effective (continued)

Standard or Interpretation	Nature	Effective Date
• 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 in 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 2018
• IAS 1 Presentation of Financial Statements	• Amendments resulting from Annual Improvements 2012 - 2014 Cycle. To address perceived impediments to preparers exercising their judgement in presenting their financial reports.	• 1 July 2016
• IAS 9	• Amendments resulting from Annual Improvements 2012 - 2014 Cycle. Clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid.	• 1 July 2016
• IAS 16 Property, Plant and Equipment	• Amendments regarding the clarification of acceptable methods of depreciation and amortisation.	• 1 January 2016
• IAS 27 Separate Financial Statements	• Amendments to permit investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements.	• 1 January 2016
• IAS 28 Investments in Associates and Joint Ventures	• To clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture. Requires the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognised only to the extent of the unrelated investors' interests in that associate or joint venture.	• 1 January 2016
	To address issues that have arisen in the context of applying the consolidation exception for investment	• 1 January 2016
• IAS 34 Interim Reporting	• Amendments resulting from Annual Improvements 2012 - 2014 Cycle. Clarify the meaning of 'elsewhere in the interim report' and require a cross-reference.	• 1 July 2016
• IAS 38 Intangible Assets	• Amendments regarding the clarification of acceptable methods of depreciation and amortisation.	• 1 January 2016
• IAS 39 Financial Instruments: Recognition and Measurement	• 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 Financial Instruments* is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception.	• 1 January 2018

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

4 PROPERTY, PLANT AND EQUIPMENT	Cleaning Equipment	Computer Equipment & Software	Kitchen Equipment	Motor Vehicles	Other Fixed Assets	Total
GROUP						
2015						
Cost						
Balance at 1 July 2014	1 056	5 099	139	155	10 361	16 810
Additions	416	422	-	822	2 026	3 686
Balance at 30 June 2015	1 472	5 521	139	977	12 387	20 496
Accumulated depreciation						
Balance at 1 July 2014	257	1 994	139	149	3 210	5 749
Depreciation	218	1 656	-	184	2 048	4 106
Balance at 30 June 2015	475	3 650	139	333	5 258	9 855
Carrying amount at 30 June 2014	799	3 105	-	6	7 151	11 061
Carrying amount at 30 June 2015	997	1 871	-	644	7 129	10 641
2014						
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 Combination*	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 Combination*	-	-	-	-	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
COMPANY						
2015						
Cost						
Balance at 1 July 2014	239	4 694	314	381	2 114	7 742
Additions	-	132	-	-	372	504
Disposals	(239)	(4 826)	(314)	(381)	(2 306)	(8 066)
Balance at 30 June 2015	-	-	-	-	180	180
Accumulated depreciation						
Balance at 1 July 2014	124	1 513	314	373	837	3 161
Depreciation	22	1 369	-	8	310	1 709
Disposals	(146)	(2 882)	(314)	(381)	(1 130)	(4 853)
Balance at 30 June 2015	-	-	-	-	17	17
Carrying amount at 30 June 2014	115	3 181	-	8	1 277	4 581
Carrying amount at 30 June 2015	-	-	-	-	163	163
2014						
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

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

5 INVESTMENT PROPERTY	GROUP						COMPANY
	Development rights	Infrastructure & services	Land	Developments under construction	Completed developments	Total	Completed developments
2015							
Cost							
Balance at 1 July 2014	579 280	446 047	37 508	2 355 883	6 034 549	9 453 267	443 643
Additions	-	278 165	-	1 803 912	125 601	2 207 678	18 245
Additions - *IFRS 3: Business Combinations*	-	-	-	-	348 770	348 770	-
Disposals	(3 852)	(9 869)	-	(223 481)	-	(237 202)	(266 584)
Transfer between components	(48 584)	(98 346)	-	(2 152 458)	2 299 388	-	-
Balance at 30 June 2015	526 844	615 997	37 508	1 783 856	8 808 308	11 772 513	195 304
Fair value adjustment							
Balance at 1 July 2014	924 269	-	(20 508)	535 264	1 937 045	3 376 070	141 612
Additions	84 472	-	-	591 562	434 677	1 110 711	21 649
Disposals	(6 279)	-	-	(65 142)	-	(71 421)	(85 804)
Transfer between components	(61 884)	-	-	(221 523)	283 407	-	-
Balance at 30 June 2015	940 578	-	(20 508)	840 161	2 655 129	4 415 360	77 457
Carrying amount at 30 June 2014	1 503 549	446 047	17 000	2 891 147	7 971 594	12 829 337	585 255
Carrying amount at 30 June 2015	1 467 422	615 997	17 000	2 624 017	11 463 437	16 187 873	272 761
2014							
Cost							
Balance at 1 July 2013	677 467	554 038	37 508	1 124 961	4 416 770	6 810 744	253 700
Additions	-	127 705	-	1 950 910	70 100	2 148 715	16 154
Additions - *IFRS 3: Business Combination*	-	-	-	-	333 070	333 070	
Disposals	(13 051)	-	-	-	-	(13 051)	-
Transfer between components	(85 136)	(235 696)	-	(719 988)	1 040 820	-	-
Transfer from non-current assets held for sale	-	-	-	-	173 789	173 789	173 789
Balance at 30 June 2014	579 280	446 047	37 508	2 355 883	6 034 549	9 453 267	443 643
Fair value adjustment							
Balance at 1 July 2013	1 065 560	-	(20 508)	244 246	821 510	2 110 808	63 209
Additions	33 591	-	-	566 706	318 797	919 094	(5 590)
Additions - *IFRS 3: Business Combination*	-	-	-	-	266 341	266 341	-
Disposals	(4 166)	-	-	-	-	(4 166)	-
Transfer between components	(170 716)	-	-	(275 688)	446 404	-	-
Transfer from non-current assets held for sale	-	-	-	-	83 993	83 993	83 993
Balance at 30 June 2014	924 269	-	(20 508)	535 264	1 937 045	3 376 070	141 612
Carrying amount at 30 June 2013	1 743 027	554 038	17 000	1 369 207	5 238 280	8 921 552	316 909
Carrying amount at 30 June 2014	1 503 549	446 047	17 000	2 891 147	7 971 594	12 829 337	585 255

The investment properties are encumbered as per note 20

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014

5 INVESTMENT PROPERTY (continued)

A register of investment properties, together with the title deeds relating to the owned investment properties are available for inspection at the registered office of the company.
Att House, Second Floor
Maxwell Office Park
Magwa Crescent West
Waterfall City
Midrand

Development rights (AWIC)

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Independent valuer's valuation	2 007 000	2 045 000	-	-
Adjusted for				
Adjustment relating to the future rental obligation	(534 968)	(528 684)	-	-
Undeveloped land on Maxwell Office Park held directly by JV partner	(4 610)	(12 767)	-	-
Adjusted valuation	1 467 422	1 503 549	-	-

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 (2014: 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 1 to 10 years (2014: 1 to 10 years);
- discount rates for present value calculations between 16% and 22% (2014: 16% to 22%); and
- discount rates for present value calculations of 0% (2014: 0%) for Land Parcel 3.

The estimated impact of a change in the following significant unobservable inputs would result in a change in the independent valuer's valuation as follows:

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
• an extension by 1 year of the estimated development plan	(283 338)	(303 038)	-	-
• an increase of 100 basis points in the discount rate	(50 000)	(69 397)	-	-

The effective date of the revaluations on development rights was 30 June 2015. 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 Level 3 as defined by *IFRS 13: Fair Value Measurements.*

In 2009 the Company entered into a sale of development rights and lease agreements with Waterfall Development Company Proprietary Limited 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 comprise remaining undeveloped development rights obtained 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 Proprietary Limited)

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Directors' valuation	17 000	17 000	-	-

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
5 INVESTMENT PROPERTY (continued)				
Developments under construction				
The carrying amount of developments under construction are reconciled as follows:				
Balance at the beginning of the year	2 891 147	1 369 207	-	-
Transfer of cost from development rights	48 584	85 136	-	-
Transfer from infrastructure and services	98 346	235 696	-	-
Transfer of fair value from development rights	61 884	170 716	-	-
Additions	1 803 912	1 950 910	-	-
Disposals	(288 623)	-	-	-
Net gain from fair value adjustment	3 024 228	3 897 358	-	-
Transfer to complete developments	(2 582 795)	(1 487 225)	-	-
Independent valuers' valuation	5 056 683	6 221 798	-	-
Adjusted for - against fair value				
Cost to complete and percentage of completion	(2 432 666)	(3 330 651)	-	-
	2 624 017	2 891 147	-	-
Reconciled as follows:				
Cost	1 783 856	2 355 883	-	-
Fair value adjustments	840 161	535 264	-	-
	2 624 017	2 891 147	-	-
The following unobservable inputs were used by the independent valuers in estimating the fair value of the investment property:				
• Discount rate	12,25% - 14,00%	12,50% - 14,00%	-	-
• Reversionary discount rate	12,25% - 14,00%	8,25% - 14,00%	-	-
• Market cap rate	6,25% - 8,50%	6,50% - 8,50%	-	-
• Reversionary cap rate	6,25% - 9,50%	6,50% - 9,50%	-	-
• Expense growth	7,00% - 8,00%	7,00% - 7.50%	-	-
• Income growth	6,00%	6,00%	-	-
• Long term vacancy rate	0,00% - 0,50%	0,00% - 1,50%	-	-
The estimated impact of a change in the following significant unobservable inputs would result in a change in the independent valuers' valuation as follows:				
• a decrease of 50 basis points in the discount rate	174 107	213 430	-	-
• an increase of 50 basis points in the discount rate	(167 255)	(207 062)	-	-
• a decrease of 50 basis points in the reversionary cap rate	222 668	260 754	-	-
• an increase of 50 basis points in the reversionary cap rate	(192 151)	(228 575)	-	-

The independent valuers' valuation of the following developments under construction represent the companies' shareholding as they are being developed through a joint venture and/or undivided share:

- Cummins - 50%. The balance is held by Truzen 116 Trust ("Zenprop");
- Maxwell Office Park - 50%. The balance is held by East and West Investments Proprietary Limited ("The Moolman Group");
- Mall of Africa - 80%. The balance is held by Atterbury Property Holdings Proprietary Limited ("APH"); and
- PwC Tower - 75%. The balance is held by PWC Waterfall Property Partnership.

Refer to note 38 for a detailed breakdown of all the investment properties 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 portion of 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 development rights (land) and the related funding costs. The effect of this policy is listed per property and described as the "Cost to complete and percentage of completion".

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

Developments under construction were valued as at 30 June 2015 using the discounted cash flow of future income streams method by independent valuers.

All independent valuers were registered in terms of section 19 of the Property Valuers Professional Act, Act No 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

Jones Lang LaSalle Proprietary Limited

(vi) K Pfaff - BSc MRICS, Chartered Valuation Surveyor, Professional Valuer
(vii) J Karg - Senior Valuer

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
5 INVESTMENT PROPERTY (continued)				
Completed developments				
The carrying amount of completed developments are reconciled as follows:				
Balance at the beginning of the year	7 971 594	5 238 280	585 255	316 909
Transfer from developments under construction	2 582 795	1 487 225	-	-
Additions - IFRS 3 Business Combinations	348 770	599 411	-	-
Additions	125 601	70 100	18 245	16 354
Net gain from fair value adjustment	1 089 476	736 048	15 871	6 624
Straight-line lease income adjustment against fair value	(172 600)	(107 651)	10 516	3 040
Sale of building to Lynnwood Bridge Office Park Proprietary Limited	-	-	(352 388)	-
Independent valuers' valuation	11 945 636	8 023 413	277 499	342 727
Adjusted for				
Straight-line lease debtor against fair value	(482 199)	(309 601)	(4 738)	(15 254)
Transfer from non-current assets held for sale	-	257 782	-	257 782
	11 463 437	7 971 594	272 761	585 255
Reconciled as follows:				
Cost	8 808 308	6 034 549	195 303	443 643
Fair value adjustments	2 655 129	1 937 045	77 458	141 612
	11 463 437	7 971 594	272 761	585 255

The total and individual impact of the change in estimate is listed below for each of the investment properties.

Total impact of change in estimate on independent valuers' valuation	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Discounted cash flow of future income stream methodology	-	7 592 611	-	600 510
Capitalisation of normalised net income methodology	-	7 579 653	-	600 009
	-	12 958	-	501

The following unobservable inputs were used by the independent valuers' in estimating the fair value of the investment property:

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
• Discount rate	12,50% - 15,50%	12,50% - 15,00%	14,00% - 14,75%	14,00% - 15,00%
• Reversionary discount rate	12,50% - 15,25%	8,25% - 15,25%	14,00% - 14,75%	15,00%
• Market cap rate	6,75% - 9,50%	7,50% - 9,17%	8,75 - 9,40%	8,00% - 9,00%
• Reversionary cap rate	7,25% - 9,50%	6,75% - 9,50%	8,50% - 9,00%	8,50% - 9,50%
• Expense growth	7,00% - 8,00%	6,75% - 8,25%	7,50%	7,50%
• Income growth	6,00% - 9,00%	6,00% - 8,00%	6,00%	6,00%
• Long term vacancy rate	0,00% - 3,00%	0,00% - 6,00%	1,00% - 2,00%	1,50% - 2,00%

The estimated impact of a change in the following significant unobservable inputs would result in a change in the independent valuers' valuation as follows:

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
• a decrease of 50 basis points in the discount rate	289 904	282 807	5 035	11 768
• an increase of 50 basis points in the discount rate	(283 052)	(364 214)	(4 913)	(10 511)
• a decrease of 50 basis points in the reversionary cap rate	425 908	190 753	10 579	17 969
• an increase of 50 basis points in the reversionary cap rate	(379 988)	(252 733)	(9 465)	(27 385)

The independent valuers' valuation of the following developments, represent 50% of the valuers' value as they are held through a joint venture and/or undivided share:

- Cummins - with Truzen 116 Trust ("Zenprop");
- Altech Building - with the East and West Investments Proprietary Limited ("The Moolman Group");
- Maxwell Office Park - with the East and West Investments Proprietary Limited ("The Moolman Group"); and
- Great Westerford - with Leaf Capital.

Refer to note 38 for a detailed breakdown of all the investment properties under construction.

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

Completed developments were valued as at 30 June 2015 using discounted cash flow of the future income streams method by independent valuers. This is in line with the prior year.

All independent valuers were registered in terms of section 19 of the Property Valuers Professional Act, Act No 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

Mills Fitchet KZN

(iii) T Bate - MSc., BSc. Land Econ (UK), MRICS, MIV (SA), Professional Valuer

Jones Lang LaSalle (Pty) Ltd

(iv) K Pfaff – BSc MRICS, Chartered Valuation Surveyor, Professional Valuer
(v) J Karg – Senior Valuer

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	Group 2015	Group 2014	COMPANY 2015	COMPANY 2014
6 INTANGIBLE ASSETS				
Cost				
Balance at the beginning of the year	299 460	-	-	-
Additions from separate acquisitions	80 000	-	-	-
Acquisitions through business combinations	-	299 460	-	-
• Attacq Management Services Proprietary Limited	-	110 809	-	-
• Attacq Retail Services Proprietary Limited	-	188 651	-	-
Balance at the end of the year	**379 460**	**299 460**	-	-
Accumulated amortisation				
Balance at the beginning of the year	(14 634)	-	-	-
Amortisation expense	(20 303)	(14 634)	-	-
Balance at the end of the year	**(34 937)**	**(14 634)**	-	-
Net carrying amount at the beginning of the year	**284 826**	-	-	-
Net carrying amount at the end of the year	**344 523**	**284 826**	-	-

During the 2015 financial year, the Group (through wholly-owned subsidiary AWIC), acquired the Wi-Fi rights in relation to its developments over the Waterfall Farm from Waterfall Investment Company Proprietary Limited. The rights allow AWIC to exploit any multimedia and broadband based services in respect of its developments. AWIC currently has a contract with a third party and will commence revenue generation from these rights in the 2016 financial year.

During the 2014 financial year, the Group acquired the entire issued share capital of Attacq Management Services Proprietary Limited and Attacq Retail Services Proprietary Limited, which is considered to be a business combination as defined by *IFRS 3: Business Combination*.

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 2015 and concluded that the intangible assets are not impaired.

Figures in R'000s	Group 2015	Group 2014	COMPANY 2015	COMPANY 2014
7 GOODWILL				
Cost				
Balance at the beginning of the year	62 847	-	-	-
Additional amounts recognised from business combinations	109 670	62 847	-	-
Additional amounts recognised from purchase price adjustment Attacq	4 927	-	-	-
Balance at the end of the year	**177 444**	**62 847**	-	-
Accumulated impairment losses				
Balance at the beginning of the year	-	-	-	-
Impairment loss recognised in the year	(109 670)	-	-	-
Balance at the end of the year	**(109 670)**	-	-	-
Net carrying amount at the beginning of the year	**62 847**	-	-	-
Net carrying amount at the end of the year	**67 774**	**62 847**	-	-
The goodwill relates to the following cash generating units:				
• Attacq Management Services Proprietary Limited	43 497	38 570	-	-
• Attacq Retail Services Proprietary Limited	24 277	24 277	-	-
	67 774	**62 847**	-	-

Refer to note 5.2 for details of the acquisition of goodwill.

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

Management of the Group has tested goodwill that is allocated to Attacq Management Services Proprietary Limited and Attacq Retail Services Proprietary Limited respectively, for impairment as at 30 June 2015 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.

During the year ended 30 June 2015, the Group, through wholly-owned subsidiary AWIC, acquired 100% of the issued share capital of Micawber 832 Proprietary Limited.

Management of the Group has tested goodwill that was allocated to Micawber 832 Proprietary Limited for impairment as at 30 June 2015 and concluded that the goodwill is impaired based on the following:

- the fair value less costs to sell was considered to be the most appropriate model to assess the impairment;
- the entire company, Micawber 832 Proprietary Limited, was considered to be the smallest cash-generating unit;
- fair values were obtained for the property, the single largest asset;
- the directors have estimated fair values for all other assets and liabilities with reference to current market conditions;
- the total fair values less costs to sell were less than the total carrying value of the total net assets by R109.7 million;

The amount of goodwill impaired was allocated to the statement of profit or loss and other comprehensive income under "other expenses".

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	Group 2015	Group 2014	Company 2015	Company 2014

8 INVESTMENT IN ASSOCIATES

Set out below is the associated company of the Group as at 30 June 2015, which, in the opinion of the directors, is material to the Group. The associated company as set out below has ordinary shares, which are held directly by the Group; the country of incorporation is also the principal place of business.

Name of associate	MAS Real Estate Inc.
Principle activity	Real Estate Investment Company
Place of incorporation	British Virgin Island
Principal place of business	Isle of Man

	Group 2015	Group 2014	Company 2015	Company 2014
Proportion of ownership / voting rights held by the Group	45.26%	47.24%	45.26%	47.24%

The above associate is accounted for using the equity method in these consolidated financial statements.

Summarised financial information in respect of the Group's material associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRS (adjusted by the Group for equity accounting purposes).

MAS Real Estate Inc.	Group 2015	Group 2014	Company 2015	Company 2014
Current assets	1 628 387	3 008 969		
Non-current assets	3 966 325	1 473 894		
Current liabilities	(474 967)	(47 639)		
Non-current liabilities	(306 262)	(251 216)		
Revenue	116 278	73 815		
Profit from continuing operations	645 392	70 906		
Profit for the year	645 392	70 906		
Other comprehensive income for the year	87 549	2 199		
Total comprehensive income for the year	732 941	73 105		
Dividends received from MAS Real Estate Inc. during the year	42 539	17 665		

Reconciliation of the above summarised financial information to the carrying amount of the interest in MAS Real Estate Inc. recognised in the consolidated financial statements:

MAS Real Estate Inc.	Group 2015	Group 2014	Company 2015	Company 2014
Balance at the beginning of the year	1 976 837	209 627	2 222 386	209 627
Additions	-	1 840 817	-	1 840 817
Fair value adjustment through other comprehensive income	-	-	(109 600)	171 942
Share of retained profits / (losses) and other comprehensive income for the year	201 513	(73 607)	-	-
	2 178 350	1 976 837	2 112 786	2 222 386
Reconciled as follows:				
Cost	1 990 901	1 990 901	1 990 901	1 990 901
Net gain from fair value adjustment	-	-	121 885	231 485
Share of retained profits / (losses)	11 328	(14 064)	-	-
Other comprehensive income since acquisition	332 638	-	-	-
Foreign currency translation effect	(113 978)			
Dividends paid	(42 539)	-	-	-
	2 178 350	1 976 837	2 112 786	2 222 386

Included in the share of retained profits for the year ended 30 June 2015, is a profit of R10 587 799 to the deemed disposal of 1,98% of the Group's shareholding in MAS Real Estate Inc. ("MAS") due to the issue of additional shares by MAS as consideration for the internalisation of their asset management function as well in respect of scrip dividends declared by the company.

MAS' closing balance was converted on 30 June 2015 at the spot Euro rate of R13.64.

Carrying amount of the Group's interest in associates	Group 2015	Group 2014	Company 2015	Company 2014
MAS Real Estate Inc.	2 178 350	1 976 837	2 112 786	2 222 386
Aggregate amount of other associate that are not individually immaterial	191 534	973 437	183 011	417 096
	2 369 884	2 950 274	2 295 797	2 639 482
Share of retained profits / (losses)				
MAS Real Estate Inc.	11 328	(14 064)	-	-
Aggregate amount of other associate that are not individually immaterial	39 240	(44 005)		
	50 568	(58 069)	-	-

In the prior year, the Group held a 25% interest in Atterbury Property Holdings Proprietary Limited ("APH") and accounted for the investment as an associate. During December 2014, the Group disposed of a 15% interest in APH for proceeds of R83 million. The Group has accounted for the remaining 10% as an investment at fair value.

The Group held an interest of 49.9% in both Bagaprop Limited and Mall of Mauritius at Bagatelle Limited through Atterbury Mauritius Consortium Proprietary Limited, a subsidiary of the Group and accounted for the investments as associates. During December 2014, the Group met all requirements as stipulated in *IFRS 5: Non-current Assets Held for Sale and Discontinued Operations* and the investments in associates were classified accordingly. Refer to note 17.

Refer to note 39 for the interest in direct associates.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
9 INVESTMENT IN SUBSIDIARIES				
Balance at the beginning of the year	-	-	4 120 961	2 360 853
Additions	-	-	1 549 972	554 205
Deregistration	-	-	(44 711)	-
Distribution received - return of capital	-	-	(21 454)	-
Fair value adjustment through other comprehensive income	-	-	366 059	1 163 634
Reversal of impairment loss (impairment loss)	-	-	2	(37 963)
Movement in provision for liabilities relating to subsidiaries	-	-	-	16 189
Transfer to non-current assets held for sale	-	-	(187 858)	-
Transfer from investment in associates	-	-	-	64 043
Balance at the end of the year	-	-	**5 782 971**	**4 120 961**
Reconciled as follows:				
Cost	-	-	2 882 850	1 443 682
Impairment	-	-	(10 810)	(55 453)
Net gain from fair value adjustment	-	-	2 910 931	2 732 732
			5 782 971	4 120 961
Net investment in subsidiaries	-	-	5 782 971	4 120 961
Investment in subsidiaries comprise the following:				
AIH International Limited				
Balance at the beginning of the year	-	-	4 936	159
Fair value adjustment through other comprehensive income	-	-	7 709	4 777
Balance at the end of the year	-	-	12 645	4 936
Reconciled as follows:				
Cost*	-	-	-	-
Net gain from fair value adjustment	-	-	12 645	4 936
	-	-	12 645	4 936
Aldabri 96 Proprietary Limited				
Balance at the beginning of the year	-	-	254	18 112
Additions	-	-	-	202
Reversal of impairment loss (impairment loss)	-	-	2	(7 747)
Fair value adjustment through other comprehensive income	-	-	-	(10 313)
Balance at the end of the year	-	-	256	254
Reconciled as follows:				
Cost	-	-	8 001	8 001
Impairment	-	-	(7 745)	(7 747)
	-	-	256	254
Attacq Management Services Proprietary Limited				
Balance at the beginning of the year	-	-	271 395	-
Additions	-	-	11 968	271 395
Balance at the end of the year	-	-	283 363	271 395
Reconciled as follows:				
Cost	-	-	283 363	271 395
Attacq Retail Fund Proprietary Limited				
Balance at the beginning of the year	-	-	1 157 260	608 807
Additions	-	-	149 858	159 847
Fair value adjustment through other comprehensive income	-	-	283 152	388 606
Balance at the end of the year	-	-	1 590 270	1 157 260
Reconciled as follows:				
Cost	-	-	1 017 644	867 786
Net gain from fair value adjustment	-	-	572 626	289 474
	-	-	1 590 270	1 157 260
Attacq Waterfall Investment Company Proprietary Limited				
Balance at the beginning of the year	-	-	1 324 069	861 137
Additions	-	-	1 081 459	25 096
Fair value adjustment through other comprehensive income	-	-	102 978	437 836
Balance at the end of the year	-	-	2 508 506	1 324 069
Reconciled as follows:				
Cost	-	-	1 106 556	25 097
Net gain from fair value adjustment	-	-	1 401 950	1 298 972
	-	-	2 508 506	1 324 069

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

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
9 INVESTMENT IN SUBSIDIARIES (continued)				
Investment in subsidiaries comprise the following:				
Atterbury Attfund Investment Company No. 1 Proprietary Limited				
Balance at the beginning of the year	-	-	54 013	54 027
Fair value adjustment through other comprehensive income	-	-	(51 505)	(14)
Deregistration			(2 508)	-
Balance at the end of the year	-	-	-	54 013
Reconciled as follows:				
Cost	-	-	-	2 508
Net gain from fair value adjustment	-	-	-	51 505
	-	-	-	54 013
Atterbury Attfund Investment Company No. 2 Proprietary Limited				
Balance at the beginning of the year	-	-	92	20 360
Impairment loss	-	-	-	(6 690)
Fair value adjustment through other comprehensive income	-	-	-	(13 578)
Deregistration	-	-	(92)	-
Balance at the end of the year	-	-	-	92
Reconciled as follows:				
Cost*	-	-	-	6 782
Impairment	-	-	-	(6 690)
	-	-	-	92
Atterbury Attfund Investment Company No. 3 Proprietary Limited				
Balance at the beginning of the year	-	-	42 110	33 843
Reversal of impairment loss	-	-	-	8 267
Deregistration	-	-	(42 110)	-
Balance at the end of the year	-	-	-	42 110
Reconciled as follows:				
Cost	-	-	-	51 333
Impairment	-	-	-	(9 223)
	-	-	-	42 110
Atterbury Mauritius Consortium Proprietary Limited				
Balance at the beginning of the year	-	-	226 100	144 796
Fair value adjustment through other comprehensive income	-	-	(38 242)	81 304
Transfer to non-current assets held for sale	-	-	(187 858)	-
Balance at the end of the year	-	-	-	226 100
Reconciled as follows:				
Cost*	-	-	-	-
Net gain from fair value adjustment	-	-	-	226 100
	-	-	-	226 100
Atterbury Property Investments Proprietary Limited				
Balance at the beginning of the year	-	-	-	93 854
Impairment loss	-	-	-	(28 729)
Fair value adjustment through other comprehensive income	-	-	-	(65 125)
Balance at the end of the year	-	-	-	-
Reconciled as follows:				
Cost	-	-	-	28 729
Impairment	-	-	-	(28 729)
	-	-	-	-
Brooklyn Bridge Office Park Proprietary Limited				
Balance at the beginning of the year	-	-	194 416	-
Transfer from investment in associates	-	-	-	64 043
Additions	-	-	-	76 210
Fair value adjustment through other comprehensive income	-	-	11 727	54 163
Balance at the end of the year	-	-	206 143	194 416
Reconciled as follows:				
Cost	-	-	126 540	126 540
Net gain from fair value adjustment	-	-	79 603	67 876
	-	-	206 143	194 416
De Ville Shopping Centre Proprietary Limited				
Balance at the beginning of the year	-	-	-	(11 188)
Movement in provision for liabilities relating to subsidiaries	-	-	-	11 188
Balance at the end of the year	-	-	-	-

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

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
9 INVESTMENT IN SUBSIDIARIES (continued)				
Investment in subsidiaries comprise the following:				
Harlequin Duck Properties 204 Proprietary Limited				
Balance at the beginning of the year	-	-	2 225	5 454
Fair value adjustment through other comprehensive income	-	-	(68)	(3 229)
Balance at the end of the year	-	-	2 157	2 225
Reconciled as follows:				
Cost*	-	-	-	-
Net gain from fair value adjustment	-	-	2 157	2 225
	-	-	2 157	2 225
Highgrove Property Holdings Proprietary Limited				
Balance at the beginning of the year	-	-	75 666	73 740
Fair value adjustment through other comprehensive income	-	-	177	1 926
Balance at the end of the year	-	-	75 843	75 666
Reconciled as follows:				
Cost	-	-	18 943	18 943
Net gain from fair value adjustment	-	-	56 900	56 723
	-	-	75 843	75 666
Lady Brooks Proprietary Limited				
Balance at the beginning of the year	-	-	-	25 938
Impairment loss	-	-	-	(3 065)
Fair value adjustment through other comprehensive income	-	-	-	(22 873)
Balance at the end of the year	-	-	-	-
Reconciled as follows:				
Cost	-	-	3 065	3 065
Impairment	-	-	(3 065)	(3 065)
	-	-	-	-
Le Chateau Property Company Proprietary Limited				
Balance at the beginning of the year	-	-	-	(5 002)
Movement in provision for liabilities relating to subsidiaries	-	-	-	5 002
Balance at the end of the year	-	-	-	-
Reconciled as follows:				
Cost	-	-	1	1
Net gain from fair value adjustment	-	-	(1)	(1)
	-	-	-	-
Lord Charles and Lady Brooks Office Park Holdings Proprietary Limited				
Balance at the beginning of the year	-	-	47 040	47 003
Fair value adjustment through other comprehensive income	-	-	(47 039)	37
Deregistration	-	-	(1)	-
Balance at the end of the year	-	-	-	47 040
Reconciled as follows:				
Cost	-	-	-	1
Net gain from fair value adjustment	-	-	-	47 039
	-	-	-	47 040
Lynnaur Investments Proprietary Limited				
Balance at the beginning of the year	-	-	114 519	99 911
Additions	-	-	50 060	-
Fair value adjustment through other comprehensive income	-	-	11 981	14 608
Balance at the end of the year	-	-	176 560	114 519
Reconciled as follows:				
Cost	-	-	50 060	-
Net gain from fair value adjustment	-	-	126 500	114 519
	-	-	176 560	114 519
Lynnwood Bridge Office Park Proprietary Limited				
Balance at the beginning of the year	-	-	276 016	222 378
Additions	-	-	256 629	-
Fair value adjustment through other comprehensive income	-	-	119 833	53 638
Balance at the end of the year	-	-	652 478	276 016
Reconciled as follows:				
Cost	-	-	268 677	12 048
Net gain from fair value adjustment	-	-	383 801	263 968
	-	-	652 478	276 016

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

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
9 INVESTMENT IN SUBSIDIARIES (continued)				
Investment in subsidiaries comprise the following:				
Majestic Offices Proprietary Limited				
Balance at the beginning of the year	-	-	12 066	3 029
Fair value adjustment through other comprehensive income	-	-	1 893	9 037
Balance at the end of the year	-	-	13 959	12 066
Reconciled as follows:				
Net gain from fair value adjustment	-	-	13 959	12 066
	-	-	13 959	12 066
Mantrablox Proprietary Limited				
Balance at the beginning of the year	-	-	117 813	15 877
Additions	-	-	-	21 454
Distribution received - return of capital	-	-	(21 454)	-
Fair value adjustment through other comprehensive income	-	-	(96 359)	80 482
Balance at the end of the year	-	-	-	117 813
Reconciled as follows:				
Cost	-	-	-	21 454
Net gain from fair value adjustment	-	-	-	96 359
	-	-	-	117 813
Nieuwtown Property Development Company Proprietary Limited				
Balance at the beginning of the year	-	-	19 957	20 131
Fair value adjustment through other comprehensive income	-	-	(10 011)	(174)
Balance at the end of the year	-	-	9 946	19 957
Reconciled as follows:				
Cost*	-	-	-	-
Net gain from fair value adjustment	-	-	9 946	19 957
	-	-	9 946	19 957
Razorbill Properties 91 Proprietary Limited				
Balance at the beginning of the year	-	-	181 011	28 486
Fair value adjustment through other comprehensive income	-	-	69 834	152 525
Balance at the end of the year	-	-	250 845	181 011
Reconciled as follows:				
Net gain from fair value adjustment	-	-	250 845	181 011
	-	-	250 845	181 011
9.1 Non-controlling interests				
The balance comprises of the following major components:				
Attacq Waterfall Investment Company Proprietary Limited	-	140 455	-	-
Atterbury Mauritius Consortium Proprietary Limited	(14 264)	16 695	-	-
Lynnaur Investments Proprietary Limited	-	33 401	-	-
Nieuwtown Property Development Company Proprietary Limited	8 952	14 967	-	-
Majestic Offices Proprietary Limited	12 564	9 049	-	-
	7 252	214 567	-	-

The non-controlling interest balances recognised are not deemed to be material by management.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
9 INVESTMENT IN SUBSIDIARIES (continued)				
9.2 Business Combinations				
Micawber 832 Proprietary Limited				
AWIC Acquired 100% of the company on 31 January 2015.				
Micawber 832 Proprietary Limited is the owner of the PwC offices located in Sunninghill, Gauteng. The company was acquired with the main intention of entering into a 12 year lease for the new 26 Storey PwC head office in Waterfall.				
Consideration transferred				
Cash	71 670	-	-	-
Assets acquired and liabilities recognised at the date of acquisition				
Non-current assets				
Investment property	348 770	-	-	-
Deferred tax assets	14 515	-	-	-
	363 285	-	-	-
Current assets				
Cash and cash equivalents	390	-	-	-
Taxation receivable	1 920	-	-	-
	2 310	-	-	-
Non-current liabilities				
Loan from shareholder	(394 542)	-	-	-
Current liabilities				
Trade and other payables	(72)	-	-	-
Loans from shareholders	(8 981)	-	-	-
	(9 053)	-	-	-
Fair value of identifiable net liabilities acquired	(38 000)	-	-	-
Consideration transferred	(71 670)	-	-	-
Goodwill arising on acquisition	**(109 670)**	-	-	-
At the date of acquisition, the assets and liabilities of the subsidiary were fairly valued. The difference between the assets and liabilities of the subsidiary, fairly valued, and the consideration paid gave rise to goodwill, which was assessed for impairment as detailed in note 7.				
Net cash outflow on acquisition of subsidiaries				
Consideration paid in cash	71 670	-	-	-
Less: cash and cash equivalent balances acquired	(390)	-	-	-
Total	**71 280**	-	-	-
Impact of acquisitions on the results of the group				
Profit for the year attributable to the additional business	4 074	-	-	-
Revenue for the year attributable to the additional business	18 961	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
9 INVESTMENT IN SUBSIDIARIES (continued)				
9.2 Business Combinations				
Attacq Management Services Proprietary Limited				
Acquired 100% of the company in the prior year (4 October 2013).				
Attacq Management Services Proprietary Limited, 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	-	147	-	-
Intangible assets	-	299 460	-	-
	-	299 607	-	-
Current assets				
Cash and cash equivalents	-	290 570	-	-
Trade and other receivables	-	3 152	-	-
	-	293 722	-	-
Non-current liabilities				
Long term liabilities	-	(13 480)	-	-
Deferred taxation	-	(83 485)	-	-
	-	(96 965)	-	-
Current liabilities				
Tax payable	-	(10 035)	-	-
Loan accounts	-	(271 088)	-	-
Trade and other payables	-	(4 424)	-	-
Provisions	-	(2 575)	-	-
	-	(288 122)	-	-
Fair value of identifiable net assets acquired	-	208 242	-	-
Consideration transferred	-	(271 089)	-	-
Goodwill arising on acquisition	-	**(62 847)**	-	-
At the date of acquisition, the assets and liabilities of the subsidiary were fairly valued. Included in the fair value of the assets is asset management contracts valued at R299 460 000.				
The difference between the assets and liabilities of the subsidiary, fairly valued, and the consideration paid gave rise to goodwill.				
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	-	-

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
9 INVESTMENT IN SUBSIDIARIES (continued)				
9.2 Business Combinations (continued)				
Brooklyn Bridge Office Park Proprietary Limited				
Acquired 75% of the company in the prior year (13 March 2014).				
Brooklyn Bridge Office Park Proprietary Limited, 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 Ltd shares at a discount	-	30 132	-	-
	-	**76 132**	-	-
Assets acquired and liabilities recognised at the date of acquisition				
Non-current assets				
Property, plant and equipment	-	25	-	-
Investment property	-	599 411	-	-
Straight-line lease debtors	-	28 404	-	-
	-	627 840	-	-
Current assets				
Trade and other receivables	-	899	-	-
Deferred leasing charges	-	1 526	-	-
Cash and cash equivalents	-	4 701	-	-
	-	7 126	-	-
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	-	-

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
9 INVESTMENT IN SUBSIDIARIES (continued)				
9.3 Subsidiaries disposed				
Atterbury Parkdev Consortium Proprietary Limited				
Disposed of the Group's 100% shareholding in the company in the prior year (20 August 2013).				
Atterbury Parkdev Consortium Proprietary Limited, 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	-	**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	-	-
	-	136 048	-	-
Current assets				
Cash and cash equivalents	-	4 458	-	-
Trade and other receivables	-	492	-	-
	-	4 950	-	-
Non-current liabilities				
Long-term liabilities	-	(92 089)	-	-
Deferred tax liabilities	-	(14 035)	-	-
	-	(106 124)	-	-
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)	-	-
Total	-	**(3 215)**	-	-
De Ville Shopping Centre Proprietary Limited				
Disposed of 100% of the company on 31 March 2014.				
De Ville Shopping Centre Proprietary Limited, 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	-	-
	-	230 506	-	-
Non-current liabilities				
Deferred tax liabilities	-	(3 789)	-	-
	-	(3 789)	-	-
Current liabilities				
Trade and other payables	-	(3 904)	-	-
Non-current liabilities held directly associated with assets held for sale	-	(1)	-	-
	-	(3 905)	-	-
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**	-	-

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

9 INVESTMENT IN SUBSIDIARIES (continued)

The assets, liabilities, revenue and total comprehensive income / (loss) of the company's subsidiaries are as follows:	2015 Assets	2015 Liabilities	2015 Revenue	2015 Total comprehensive income /(loss) for the year	2014 Assets	2014 Liabilities	2014 Revenue	2014 Total comprehensive income /(loss) for the year
COMPANY								
Adamax Property Projects Brooklyn Proprietary Limited	713	713	-	-	-	-	-	-
AIH International Limited	1 008 850	996 205	-	6 985	319 515	314 090	-	4 409
Aldabri 96 Proprietary Limited	256	-	-	1	256	2	-	(93 050)
Attacq Management Services Proprietary Limited	109 768	88 204	53 022	(23 665)	35 016	3 452	-	40 640
Attacq Retail Services Proprietary Limited	6 575	681	30 329	5 015	3 076	2 197	29 127	255
Attacq Retail Fund Proprietary Limited	4 521 868	2 931 597	299 907	283 147	2 991 845	1 834 584	270 584	323 956
Attacq Waterfall Investment Company Proprietary Limited	8 748 707	6 240 204	356 200	613 298	5 441 080	4 021 194	145 102	429 142
Atterbury Attfund Investment Company No. 1 Proprietary Limited	-	-	-	-	54 013	-	-	(14)
Atterbury Attfund Investment Company No. 2 Proprietary Limited	-	-	-	2	92	-	-	(76 704)
Atterbury Attfund Investment Company No. 3 Proprietary Limited	-	-	-	186	42 110	-	-	(194)
Atterbury Mauritius Consortium Proprietary Limited	717 566	437 583	-	(2 640)	719 571	436 946	-	101 630
Atterbury Parkdev Consortium Proprietary Limited	-	-	-	-	-	-	2 694	2 094
Atterbury Property Investments Proprietary Limited	-	-	-	-	-	-	-	5
Atterbury Property Johannesburg Proprietary Limited	-	-	-	-	1	-	-	24
Brooklyn Bridge Office Park Proprietary Limited	652 333	446 190	78 864	11 727	653 079	458 662	42 604	7 023
De Ville Shopping Centre Proprietary Limited	-	-	-	-	-	-	18 014	31 074
Design Square Shopping Centre Proprietary Limited	141 789	49 201	-	217	141 561	49 189	843	1 091
Harlequin Duck Properties 204 Proprietary Limited	5 433	3 276	-	(68)	2 225	-	649	(3 229)
Highgrove Property Holdings Proprietary Limited	141 777	65 935	-	177	141 561	65 894	-	888
Lady Brooks Proprietary Limited	1	-	-	-	1	-	-	(25 937)
Le Chateau Property Company Proprietary Limited	17 002	44 101	-	(4)	17 001	44 096	-	(70)
Leipzig Nova Eventis Consortium Proprietary Limited	67 125	67 124	-	-	68 512	68 512	-	-
Lord Charles and Lady Brooks Office Park Holdings Proprietary Limited	-	-	-	3	47 040	-	-	37
Lynnaur Investments Proprietary Limited	738 240	561 681	97 596	23 867	715 809	563 117	101 230	19 478
Lynnwood Bridge Office Park Proprietary Limited	1 792 922	1 140 444	152 566	119 832	1 227 941	951 930	118 099	53 744
Majestic Offices Proprietary Limited	141 678	113 757	12 845	3 827	149 778	175 646	-	19 194
Mantrablox Proprietary Limited	-	-	80 022	32 045	1 149 474	1 031 661	114 743	95 277
Micawber 832 Proprietary Limited	368 350	397 721	18 961	(118 308)	-	-	-	-
Nieuwtown Property Development Company Proprietary Limited	1 439 411	1 419 518	117 254	(17 240)	1 158 054	1 118 141	-	6 035
Razorbill Properties 91 Proprietary Limited	385 127	134 282	-	69 834	299 283	118 272	-	47 054

Refer to note 39 for the interest in direct subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
10 OTHER INVESTMENTS				
Balance at the beginning of the year	523 750	58 379	454 436	58 379
Additions	6 474	347 258	5 215	271 887
Fair value adjustment	(59 270)	97 466	(55 768)	97 466
Reversal of impairment loss	-	20 647	-	26 704
Disposal	(109 458)	-	(109 458)	-
Cross shareholding adjustment	1 234	-	-	-
Transfer from investment in associates	39 684	-	39 684	-
Balance at the end of the year	402 414	523 750	334 109	454 436
Reconciled as follows:				
Cost	370 925	434 226	294 296	358 854
Net gain from fair value adjustment	31 489	89 524	39 813	95 582
	402 414	523 750	334 109	454 436
Other investments comprise the following:				
African Land Investments Limited				
Balance at the beginning of the year	127 666	-	127 666	-
Additions	-	109 458	-	109 458
Disposal	(109 458)	-	(109 458)	-
Fair value adjustment	(18 208)	18 208	(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 Proprietary Limited				
Balance at the beginning of the year	5 479	5 479	5 479	5 479
Fair value adjustment	(4 679)	-	(4 679)	-
Balance at the end of the year	800	5 479	800	5 479
Reconciled as follows:				
Cost	2	2	2	2
Net gain from fair value adjustment	798	5 477	798	5 477
	800	5 479	800	5 479
Atterbury Property Holdings Proprietary Limited				
Transfer from investment in associates	39 684	-	39 684	-
Fair value adjustment	16 439	-	16 439	-
Cross shareholding adjustment	1 234	-	-	-
Balance at the end of the year	57 357	-	56 123	-
Reconciled as follows:				
Cost	39 684	-	39 684	-
Net gain from fair value adjustment	17 673	-	16 439	-
	57 357	-	56 123	-
Stenham European Shopping Centre Fund Limited is held through Foreign Investment Allowances:				
Investec Securities Limited				
Balance at the beginning of the year	151 168	52 900	81 853	52 900
Additions	2 744	77 621	1 487	2 249
Fair value adjustment	(7 637)	-	(4 135)	-
Reversal of impairment loss	-	20 647	-	26 704
Balance at the end of the year	146 275	151 168	79 205	81 853
Reconciled as follows:				
Cost	167 330	164 586	90 701	89 214
Net gain from fair value adjustment	(21 055)	(13 418)	(11 496)	(7 361)
	146 275	151 168	79 205	81 853
Sasfin Limited				
Balance at the beginning of the year	239 439	-	239 439	-
Additions	3 728	160 181	3 728	160 181
Fair value adjustment	(45 185)	79 258	(45 185)	79 258
Balance at the end of the year	197 982	239 439	197 982	239 439
Reconciled as follows:				
Cost	163 909	160 181	163 909	160 181
Net gain from fair value adjustment	34 073	79 258	34 073	79 258
	197 982	239 439	197 982	239 439
The effective and proportionate shareholding in the investments is as follows:				
African Land Investments Limited	-	12.43%	-	12.43%
Atterbury Property Holdings Proprietary Limited	10.00%	25.00%	10.00%	25.00%
Stenham European Shopping Centre Fund Limited (SESCF)	19.91%	19.91%	16.03%	16.03%
Rainprop Proprietary Limited	1.50%	1.50%	1.50%	1.50%

Refer to note 37 for the fair value disclosure of the above investments.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
11 DEFERRED TAX ASSETS AND LIABILITIES				
The balances comprise:				
Deferred tax assets				
• Tax losses available for set off against future taxable income	5 653	5 965	-	-
• Acquisition in business combination (refer to note 9.1)	14 515	-	-	-
• Other	(339)	5 605	-	-
	19 829	11 570	-	-
Reconciliation of deferred tax assets				
Balance at the beginning of the year	11 570	8 103	-	-
• (Reversing) originating temporary differences on tax losses available for set off against future taxable income	(312)	1 522	-	-
• Originating on acquisition in business combination	14 515	-	-	-
• (Reversing) originating temporary difference on other movements	(5 944)	1 945	-	-
	19 829	11 570	-	-

The Group recognised the deferred tax asset as the future taxable profits deemed sufficient to offset tax losses.

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Deferred tax liabilities				
• Investment property	(1 384 793)	(1 023 783)	(20 233)	(35 955)
• Straight-line lease debtor	(124 442)	(90 286)	(1 327)	(4 271)
• Tax losses available for set off against future taxable income	331 682	220 623	-	-
• Fair value on investments	5 987	(18 050)	(637 643)	(500 034)
• MAS agterskot receivable	(56 329)	-	(56 329)	12 693
• MAS equity accounting deferred taxation	(34 955)	-	-	-
• Asset management agreements (refer to note 6)	(76 135)	(81 953)	-	-
• Other temporary differences	(26 883)	92 638	(24 198)	(5 251)
	(1 365 868)	(900 811)	(739 730)	(532 818)
Reconciliation of deferred tax liability				
Balance at the beginning of the year	(900 811)	(799 088)	(532 818)	(361 358)
• (Originating) reversing temporary difference on investment property	(361 010)	(107 232)	15 722	44 339
• (Originating) reversing temporary difference on straight-line lease debtor	(34 156)	(33 091)	2 944	748
• Originating temporary difference on tax losses available for set off against future taxable income	111 059	66 290	-	-
• Reversing (originating) temporary difference on revaluation of investments	24 037	(12 052)	(137 609)	(228 753)
• Originating temporary difference on MAS agterskot receivable	(56 329)	-	(69 022)	-
• Originating temporary difference on MAS equity accounting deferred	(34 955)	-	-	-
• Reversing (originating) temporary difference on asset management agreements	5 818	(81 953)	-	-
• (Originating) reversing other temporary differences	(119 521)	66 315	(18 947)	12 206
Balance at the end of the year	(1 365 868)	(900 811)	(739 730)	(532 818)

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% (2014: 18.648%) is used. If the expected manner of recovery is through definite use the normal tax rate of 28% (2014: 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 5 for valuation details.

A deferred tax asset to the amount of R25 088 015 (2014: RNil) is not recognised for R89 600 053 (2014: RNil), a portion of the estimated assessed loss in Nieuwtown Property Development Company Proprietary Limited.

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
12 TRADE AND OTHER RECEIVABLES				
Trade receivables	39 731	5 622	3 611	337
Municipal receivables	41 073	-	-	-
Deposits	12 896	12 157	89	412
Other receivables	56 310	104 023	4 631	5 314
Prepayments	1 892	-	-	-
Value Added Tax	78 532	47 222	371	916
Provision for doubtful debts	(7 350)	(1 722)	-	(51)
	223 084	**167 302**	**8 702**	**6 928**

The fair value of deposits, other receivables, and trade receivables are deemed to be the same as the carrying value.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
12 TRADE AND OTHER RECEIVABLES (continued)				
Trade and receivables that are past due but not impaired	17 631	1 364	3 369	272
Trade and other receivables age analysis excluding amounts impaired and provided for:				
• Current	14 750	2 536	240	14
• 30 days	9 510	696	2 541	225
• 60 days	3 362	234	428	11
• 90 days	2 476	579	110	12
• 120 days and more	9 633	1 577	292	75
	39 731	5 622	3 611	337
Trade receivables that are past due, considered to be impaired and provided for	(7 350)	(1 722)	-	(51)
	32 381	3 900	3 611	286
Movement in the provision for doubtful debt				
Opening balance	1 722	3 877	51	1 604
Impairment losses raised	6 835	85	-	51
Impairment losses reversed	(1 207)	(2 240)	(51)	(1 604)
	7 350	1 722	-	51

The creation and release of provision for doubtful debt 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 deposits 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.

No material concentration of credit risk exist.

13 OTHER FINANCIAL ASSETS AND LIABILITIES

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Non-current assets	**102 993**	**-**	**50 787**	**-**
• Loans and receivables	48 255	-	48 255	-
• Derivative financial instruments	54 738	-	2 532	-
Current assets	**907 282**	**6 173**	**402 617**	**8 502**
• Loans and receivables	547 921	6 173	43 256	6 173
• MAS agterskot	359 361	-	359 361	-
• Derivative financial instruments	-	-	-	2 329
Other financial assets	**1 010 275**	**6 173**	**453 404**	**8 502**
Non-current liabilities	**(28 086)**	**(48 026)**	**(3 270)**	**(10 158)**
• Loans and payables	-	-	-	-
• Derivative financial instruments	(28 086)	(48 026)	(3 270)	(10 158)
Current liabilities	**(113 258)**	**(5 851)**	**(1 128)**	**(5 851)**
• Loans and payables	(106 669)	(5 851)	(1 128)	(5 851)
• Derivative financial instruments	(6 589)	-	-	-
Other financial liabilities	**(141 344)**	**(53 877)**	**(4 398)**	**(16 009)**

The MAS agterskot relates to the realised performance of Karoo Investment Fund S.C.A. SICAV-SIF ("Karoo") which Attacq sold to MAS in the 2014 financial year. The agterskot will be settled on the earlier of the fund termination date or before 31 January 2016 by the issue of new MAS shares, priced in terms of the Euro equivalent of the 30 day volume weighted average price of MAS shares on the JSE at each of the underlying Karoo redemption dates. As at 30 June 2015, the estimated fair value of the agterskot was €26 378 517 (2014: Nil).

Refer to note 36 for the IFRS 13 information and to note 37 for the fair value information.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

13 OTHER FINANCIAL ASSETS AND LIABILITIES (continued)

GROUP

	2015				2014			
Derivative financial instruments	**Balance at the beginning of the year**	**Fair value adjustment through profit or loss**	**Additions / derivatives realised**	**Balance at the end of the year**	**Balance at the beginning of the year**	**Fair value adjustment through profit or loss**	**Additions / derivatives realised**	**Balance at the end of the year**
At fair value through profit or loss								
Investec Bank Limited	(6 074)	2 304	-	(3 770)	-	581	(6 655)	(6 074)
Nedbank Limited	(31 439)	57 676	-	26 237	(59 237)	27 798	-	(31 439)
Rand Merchant Bank - a division of First Rand Bank Limited	(2 127)	1 666	-	(461)	(705)	3 103	(4 525)	(2 127)
Standard Bank Limited	(8 386)	6 443	-	(1 943)	(11 002)	2 616	-	(8 386)
	(48 026)	68 089	-	20 063	(70 945)	34 098	(11 180)	(48 026)
Total				**20 063**				**(48 026)**
Non- current assets				54 738				-
Current liabilities				(6 589)				-
Non- current liabilities				(28 086)				(48 026)

COMPANY

	2015				2014			
At fair value through profit or loss	**Balance at the beginning of the year**	**Fair value adjustment through profit or loss**	**Additions / derivatives realised**	**Balance at the end of the year**	**Balance at the beginning of the year**	**Fair value adjustment through profit or loss**	**Additions / derivatives realised**	**Balance at the end of the year**
Attacq Waterfall Investment Company Proprietary Limited	2 329	203	-	2 532	-	2 329	-	2 329
Nedbank Limited	(2 329)	(203)	-	(2 532)	-	(2 329)	-	(2 329)
Rand Merchant Bank - a division of First Rand Bank Limited	(1 092)	354	-	(738)	(705)	1 805	(2 192)	(1 092)
Standard Bank Limited	(6 738)	4 002	2 736	-	(11 002)	4 264	-	(6 738)
	(7 830)	4 356	2 736	(738)	(11 707)	6 069	(2 192)	(7 830)
Total				**(738)**				**(7 830)**
Current assets				-				2 329
Non- current assets				2 532				-
Non- current liabilities				(3 270)				(10 159)

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

13 OTHER FINANCIAL ASSETS AND LIABILITIES (continued)

GROUP

Derivative financial instruments comprise of the following:	Fixed rate	Expiry date	2015 Notional amount	2015 Mark-to-market	2014 Notional amount	2014 Mark-to-market
Nedbank Limited						
• Attacq Limited	7.57%	January-19	505 960	(2 532)	511 429	(2 329)
• Attacq Retail Fund Proprietary Limited	9.57%	October-16	1 100 000	(8 864)	1 100 000	(9 399)
• Attacq Retail Fund Proprietary Limited	7.44%	February-20	600 000	11 561	-	-
• Attacq Waterfall Investment Company Proprietary Limited	8.21%	April-21	250 000	(412)	-	-
• Attacq Waterfall Investment Company Proprietary Limited	7.95%	December-24	69 116	896	-	-
• Attacq Waterfall Investment Company Proprietary Limited	7.57%	September-23	35 675	862	-	-
• Attacq Waterfall Investment Company Proprietary Limited	7.59%	October-19	300 000	295	-	-
• Attacq Waterfall Investment Company Proprietary Limited	8.14%	April-21	500 000	647	-	-
• Attacq Waterfall Investment Company Proprietary Limited	8.71%	June-30	1 068 131	23 158	-	-
• Attacq Waterfall Investment Company Proprietary Limited	8.11%	September-25	85 059	796	-	-
• Attacq Waterfall Investment Company Proprietary Limited	7.76%	September-25	41 874	1 177	-	-
• Lynnwood Bridge Office Park Proprietary Limited	8.45%	March-15	-	-	299 411	(4 872)
• Lynnwood Bridge Office Park Proprietary Limited	8.58%	March-16	300 000	(4 763)	300 000	(9 300)
• Lynnwood Bridge Office Park Proprietary Limited	8.52%	May-21	150 000	(4 316)	150 000	(5 539)
• Lynnwood Bridge Office Park Proprietary Limited	7.05%	February-20	310 000	7 732	-	-
Total				***26 237***		***(31 439)***
Standard Bank Limited						
• Attacq Limited*	9.28%	March-16	-	-	30 986	(1 131)
• Attacq Limited*	9.07%	June-16	-	-	25 000	(863)
• Attacq Limited*	9.24%	March-17	-	-	30 984	(1 418)
• Attacq Limited*	8.99%	May-18	-	-	14 267	(607)
• Attacq Limited*	8.95%	June-18	-	-	45 000	(1 895)
• Attacq Limited*	9.18%	March-19	-	-	15 491	(823)
• Attacq Retail Fund Proprietary Limited	9.07%	June-16	25 000	(467)	-	-
• Attacq Retail Fund Proprietary Limited	9.24%	March-17	30 984	(953)	-	-
• Attacq Retail Fund Proprietary Limited	9.28%	March-16	30 986	(533)	-	-
• Attacq Retail Fund Proprietary Limited	7.05%	February-20	170 000	4 358	-	-
• Attacq Retail Fund Proprietary Limited	7.32%	October-19	250 000	2 422	-	-
• Attacq Retail Fund Proprietary Limited	7.99%	June-20	250 000	(2 538)	-	-
• Attacq Retail Fund Proprietary Limited	7.49%	July-19	250 000	240	-	-
• Lynnwood Bridge Office Park Proprietary Limited	8.99%	May-18	14 267	(443)	-	-
• Lynnwood Bridge Office Park Proprietary Limited	8.95%	June-18	45 000	(1 391)	-	-
• Lynnwood Bridge Office Park Proprietary Limited	9.18%	March-19	15 491	(622)	-	-
• Attacq Waterfall Investment Company Proprietary Limited	7.95%	July-19	30 000	(393)	30 000	(459)
• Attacq Waterfall Investment Company Proprietary Limited	8.20%	November-19	69 796	(1 451)	69 796	(1 190)
• Attacq Waterfall Investment Company Proprietary Limited	7.28%	May-20	40 802	315	-	-
• Attacq Waterfall Investment Company Proprietary Limited	7.65%	June-19	35 376	(95)	-	-
• Attacq Waterfall Investment Company Proprietary Limited	8.05%	August-20	33 000	(233)	-	-
• Attacq Waterfall Investment Company Proprietary Limited	7.96%	July-20	29 760	(159)	-	-
Total				***(1 943)***		***(8 387)***

*The swaps have been novated and/or settled in the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

13 OTHER FINANCIAL ASSETS AND LIABILITIES (continued)

GROUP

			2015		2014	
Derivative financial instruments comprise of the following:	Fixed rate	Expiry date	Notional amount	Mark-to-market	Notional amount	Mark-to-market
Investec Bank Limited						
• Brooklyn Bridge Office Park Proprietary Limited	8.40%	June-18	36 436	(2 944)	38 975	(3 754)
• Brooklyn Bridge Office Park Proprietary Limited	10.35%	October-15	36 436	(826)	38 975	(2 320)
Total				*(3 770)*		*(6 074)*
Rand Merchant Bank - a division of First Rand Bank Limited						
• Attacq Limited	7.90%	December-16	5 914	(120)	7 156	(894)
• Attacq Limited	8.29%	April-17	36 875	(618)	42 133	(198)
• Attacq Waterfall Investment Company Proprietary Limited	8.02%	June-25	62 500	278	-	-
• Lynnaur Investments Proprietary Limited	8.95%	March-15	-	-	42 133	(1 035)
Total				*(461)*		*(2 127)*

COMPANY

			2015		2014	
Derivative financial instruments comprise of the following:	Fixed rate	Expiry date	Notional amount	Mark-to-market	Notional amount	Mark-to-market
Nedbank Limited						
• Attacq Waterfall Investment Company Proprietary Limited	7.57%	January-19	505 960	2 532	511 429	2 329
• Nedbank Limited	7.57%	January-19	505 960	(2 532)	511 429	(2 329)
Total				-		-
Standard Bank						
• Attacq Limited*	9.28%	March-16	-	-	30 986	(1 131)
• Attacq Limited*	9.07%	June-16	-	-	25 000	(863)
• Attacq Limited*	9.24%	March-17	-	-	30 984	(1 418)
• Attacq Limited*	8.99%	May-18	-	-	14 267	(607)
• Attacq Limited*	8.95%	June-18	-	-	45 000	(1 895)
• Attacq Limited*	9.18%	March-19	-	-	15 491	(824)
Total				-		(6 739)
Rand Merchant Bank - a division of First Rand Bank Limited						
• Attacq Limited	7.90%	December-16	5 914	(120)	7 156	(894)
• Attacq Limited	8.29%	April-17	36 875	(618)	42 133	(198)
Total				(738)		(1 092)

*The swaps have been novated and/or settled in the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

13 OTHER FINANCIAL ASSETS AND LIABILITIES (continued)

GROUP

			2015			2014		
Loans and receivable (payables)	**Repayment date**	**Interest Rate**	**Loan amount**	**Impairment**	**Total**	**Loan amount**	**Impairment**	**Total**
African Land Investments Limited	None	None	-	-	-	(2 630)	-	(2 630)
Atterbury Property Development Proprietary Limited	None	Prime	4 039	-	4 039	-	-	-
Atterbury Property Development Proprietary Limited	None	Prime	(99 525)	-	(99 525)	-	-	-
Atterbury Property Holdings Proprietary Limited	Jul-15	Prime + 5.00%	35 000	-	35 000	-	-	-
Atterbury Property Holdings Proprietary Limited	Dec-17	Prime	48 255	-	48 255	-	-	-
Atterbury Property Holdings Proprietary Limited	None	Prime	4 217	-	4 217	-	-	-
Atterbury Property Holdings Proprietary Limited	None	Prime	18 103	-	18 103	-	-	-
Atterbury Property Holdings Proprietary Limited	May-16	Prime + 0.5%	(6 016)	-	(6 016)	-	-	-
Atterbury Property Holdings Proprietary Limited	May-16	Prime + 0.5%	434 140	-	434 140	-	-	-
Atterbury Property Foundation Proprietary Limited	Jun-15	None	-	-	-	21	-	21
Genesis Properties One Proprietary Limited	Aug-14	5.40%	-	-	-	(1 121)	-	(1 121)
Mooirivier Mall Proprietary Limited	None	Prime - 2.00%	(1 128)	-	(1 128)	(2 100)	-	(2 100)
PWC Waterfall Property Partnership	None	Prime + 0.5%	52 422	-	52 422	-	-	-
Rainprop Proprietary Limited	None	16.00%	-	-	-	223	-	223
Wattchatt Proprietary Limited	Dec-14	None	-	-	-	1	-	1
Windfall 86 Properties Proprietary Limited	Jun-15	None	-	-	-	1 050	-	1 050
Pickard Family Investment Trust	Jul-14	Prime + 2.00%	-	-	-	1 624	-	1 624
Kruger Family Investment Trust	Jul-14	Prime + 2.00%	-	-	-	1 516	-	1 516
Eygenberger Investment Trust	Jul-14	Prime + 2.00%	-	-	-	1 226	-	1 226
JJ Pickard Developments	Jul-14	Prime + 2.00%	-	-	-	512	-	512
			489 507	-	489 507	322	-	322
Loans and receivables			**596 176**	-	**596 176**	**6 173**	-	**6 173**
Non-current			48 255	-	48 255	-	-	-
Current			547 921	-	547 921	6 173	-	6 173
Loans and payables			**(106 669)**	-	**(106 669)**	**(5 851)**	-	**(5 851)**
Current			(106 669)	-	(106 669)	(5 851)	-	(5 851)
			489 507	-	**489 507**	**322**	-	**322**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

13 OTHER FINANCIAL ASSETS AND LIABILITIES (continued)

COMPANY

Loans and receivable (payables)	Repayment date	Interest Rate	2015 Loan amount	2015 Impairment	2015 Total	2014 Loan amount	2014 Impairment	2014 Total
African Land Investments Limited	None	None	-	-	-	(2 630)	-	(2 630)
Atterbury Property Development Proprietary Limited	None	Prime	4 039	-	4 039	-	-	-
Atterbury Property Holdings Proprietary Limited	Jul-15	Prime + 5.00%	35 000	-	35 000	-	-	-
Atterbury Property Holdings Proprietary Limited	Dec-17	Prime	48 255	-	48 255	-	-	-
Atterbury Property Holdings Proprietary Limited	None	Prime	4 217	-	4 217	-	-	-
Atterbury Property Foundation Proprietary Limited	Jun-15	None	-	-	-	21	-	21
Genesis Properties One Proprietary Limited	Aug-14	5.40%	-	-	-	(1 121)	-	(1 121)
Mooirivier Mall Proprietary Limited	None	Prime - 2.00%	(1 128)	-	(1 128)	(2 100)	-	(2 100)
Rainprop Proprietary Limited	None	None	-	-	-	223	-	223
Wattchatt Proprietary Limited	Dec-14	None	-	-	-	1	-	1
Windfall 86 Properties Proprietary Limited	Jun-15	None	-	-	-	1 050	-	1 050
Pickard Family Investment Trust	Jul-14	Prime + 2.00%	-	-	-	1 624	-	1 624
Kruger Family Investment Trust	Jul-14	Prime + 2.00%	-	-	-	1 516	-	1 516
Eygenberger Investment Trust	Jul-14	Prime + 2.00%	-	-	-	1 226	-	1 226
JJ Pickard Developments	Jul-14	Prime + 2.00%	-	-	-	512	-	512
			90 383	-	90 383	322	-	322
Loans to - Non-current			48 255	-	48 255	-	-	-
Loans to - Current			43 256	-	43 256	6 173	-	6 173
Loans from - Current			(1 128)	-	(1 128)	(5 851)	-	(5 851)

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

14 LOANS TO (FROM) ASSOCIATES

GROUP	Repayment date	Interest Rate	2015 Loan amount	2015 Impairment	2015 Total	2014 Loan amount	2014 Impairment	2014 Total
Loans to associates								
AttAfrica Limited*	None	8%	600 782	-	600 782	257 954	-	257 954
Atterbury Pemba Property Holdings Limited*	None	8%	35 415		35 415	-	-	-
Atterbury Property Holdings Proprietary Limited	None	Variable	-	-	-	307 187	-	307 187
Bagaprop Limited	Dec-14	None	-	-	-	89 152	-	89 152
Fatti 365 Proprietary Limited	None	None	1 667	(272)	1 395	-	-	-
Fatti Attacq Proprietary Limited	None	None	1 942	(307)	1 635	-	-	-
Fountains Regional Mall Proprietary Limited	None	None	6 580	(4 754)	1 826	15 781	(15 781)	-
Geelhoutboom Estate Proprietary Limited	None	None	23 451	(23 451)	-	19 008	(19 008)	-
Keysha Investments 213 Proprietary Limited	Aug-14	None	-	-	-	26 061	(22 371)	3 690
Mall of Mauritius at Bagatelle Limited	None	None	-	-	-	13 541	-	13 541
Kompasbaai Property Development Proprietary Limited	None	None	6 844	(6 380)	464	12 468	(12 049)	419
The Grove Mall of Namibia Proprietary Limited	None	None	60 310	-	60 310	62 711	-	62 711
The Club Retail Park Proprietary Limited	None	Prime	22 210	-	22 210	17 000	-	17 000
The Club Retail Park Proprietary Limited	None	None	17 000	-	17 000	20 282	-	20 282
			776 201	**(35 164)**	**741 037**	**841 145**	**(69 209)**	**771 936**
Loans from associates								
Atterbury Property Holdings Proprietary Limited	None	None	(2 248)	-	(2 248)	(2 248)	-	(2 248)
Atterbury Property Holdings Proprietary Limited	None	None	-	-	-	(102 641)	-	(102 641)
Atterbury Property Holdings Proprietary Limited	None	None	(68 741)	-	(68 741)	(68 741)	-	(68 741)
Travenna Development Company Proprietary Limited	Mar-15	None	-	-	-	(72 449)	-	(72 449)
			(70 989)	**-**	**(70 989)**	**(246 079)**	**-**	**(246 079)**
			705 212	**(35 164)**	**670 048**	**595 066**	**(69 209)**	**525 857**

COMPANY	Repayment date	Interest Rate	2015 Loan amount	2015 Impairment	2015 Total	2014 Loan amount	2014 Impairment	2014 Total
Loans to associates								
Atterbury Property Holdings Proprietary Limited	None	Variable	-	-	-	183 919	-	183 919
Fatti 365 Proprietary Limited	None	None	1 667	(272)	1 395	-	-	-
Fatti Attacq Proprietary Limited	None	None	1 942	(307)	1 635	-	-	-
Fountains Regional Mall Proprietary Limited	None	None	6 580	(4 754)	1 826	15 781	(15 781)	-
Geelhoutboom Estate Proprietary Limited	None	None	23 451	(23 451)	-	19 008	(19 008)	-
Keysha Investments 213 Proprietary Limited	Aug-14	None	-	-	-	26 061	(22 371)	3 690
Kompasbaai Property Development Proprietary Limited	None	None	6 844	(6 380)	464	12 468	(12 049)	419
The Grove Mall of Namibia Proprietary Limited	None	None	60 310	-	60 310	62 711	-	62 711
The Club Retail Park Proprietary Limited	None	Prime	22 210	-	22 210	17 000	-	17 000
The Club Retail Park Proprietary Limited	None	None	17 000	-	17 000	20 282	-	20 282
			140 004	(35 164)	104 840	357 230	(69 209)	288 021
Loans from associates								
Travenna Development Company Proprietary Limited	Mar-15	None	-	-	-	(72 449)	-	(72 449)
			140 004	**(35 164)**	**104 840**	**284 781**	**(69 209)**	**215 572**

* Escalates annually with 4% with the anniversary of each tranche.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

15 LOANS TO (FROM) SUBSIDIARIES

COMPANY	Repayment date	Interest Rate	2015 Loan amount	2015 Impairment	2015 Total	2014 Loan amount	2014 Impairment	2014 Total
Aldabri 96 Proprietary Limited	None	None	(221)	-	(221)	3	-	3
Attacq Management Services Proprietary Limited	None	None	72 189	-	72 189	3 452	-	3 452
Attacq Retail Fund Proprietary Limited	None	None	199 738	-	199 738	10 093	-	10 093
Attacq Waterfall Investment Company Proprietary Limited	None	None (2014:Prime)	1 886 825	-	1 886 825	878 868	-	878 868
Attacq Waterfall Investment Company Proprietary Limited	Dec-14	None	-	-	-	804 625	-	804 625
Attacq Waterfall Investment Company Proprietary Limited	Dec-23	3 month JIBAR + 3.1%	274 695	-	274 695	542 708	-	542 708
Atterbury Attfund Investment Company No. 1 Proprietary Limited	Jun-15	None	-	-	-	(54 013)	-	(54 013)
Atterbury Attfund Investment Company No. 3 Proprietary Limited	Jun-15	None	-	-	-	(42 110)	-	(42 110)
AIH International Limited	None	8%*	414 677	-	414 677	314 011	-	314 011
Atterbury Mauritius Consortium Proprietary Limited	None	None	298 130	-	298 130	298 130	-	298 130
Brooklyn Bridge Office Park Proprietary Limited	None	None	17 886	-	17 886	8 961	-	8 961
Design Square Shopping Centre Proprietary Limited	None	None	(141 501)	-	(141 501)	(141 182)	-	(141 182)
Harlequin Duck Properties 204 Proprietary Limited	None	None	(2 156)	-	(2 156)	(2 225)	-	(2 225)
Highgrove Property Holdings Proprietary Limited	None	None	50 388	-	50 388	50 388	-	50 388
Le Chateau Property Company Proprietary Limited	None	None	41 855	(27 100)	14 755	41 848	(27 095)	14 753
Leipzig Nova Eventis Consortium Proprietary Limited	None	None	83 862	(17 440)	66 422	86 047	(17 535)	68 512
Lord Charles and Lady Brooks Office Park Proprietary Limited	Jun-15	None	-	-	-	(47 037)	-	(47 037)
Lynnaur Investments Proprietary Limited	None	None	(8 063)	-	(8 063)	-	-	-
Lynnwood Bridge Office Park Proprietary Limited	None	None	150 035	-	150 035	139 824	-	139 824
Lynnwood Bridge Office Park Proprietary Limited	None	None	(27 207)	-	(27 207)	-	-	-
Majestic Offices Proprietary Limited	None	Prime	1 745	-	1 745	57	-	57
Mantrablox Proprietary Limited	None	Prime	-	-	-	244 820	-	244 820
Nieuwtown Property Development Company Proprietary Limited	None	Prime	249 565	-	249 565	147 435	-	147 435
Razorbill Properties 91 Proprietary Limited	None	None	85 417	-	85 417	85 415	-	85 415
			3 647 859	(44 540)	3 603 319	3 370 120	(44 630)	3 325 488

	2015	2014
Loans to Subsidiaries	3 782 467	3 612 055
Current	414 677	
Non-current	3 367 790	
Loans from Subsidiaries	(179 148)	(286 567)
	3 603 319	3 325 488

* Escalates annually with 4% with the anniversary of each tranche.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
16 CASH AND CASH EQUIVALENTS				
Cash and cash equivalents	747 145	389 293	259 097	216 653
Bank overdraft	(19 349)	-	(19 349)	-
	727 796	389 293	239 748	216 653

The Group, through Attacq and AWIC, have overdraft facilities to the amount of R100 million (2014: R100 million) and R100 million (2014: RNil) respectively with Nedbank Limited. The overdraft facilities bear interest at Prime (2014: Prime).

The Group, through Attacq, has an overdraft facility to the amount of R20 million (2014: R80 million) with Standard Bank Limited. Standard Bank Limited had a mortgage bond over waterfall land parcel 10A as security which has been released in the current financial year. The overdraft facility bears interest at Prime less 0.5% (2014: Prime less 1.0%).

Unutilised facilities as at 30 June 2015 amounted to R200 million.

17 NON-CURRENT ASSETS HELD FOR SALE

The following subsidiary, associates and loans to associates are presented as held for sale:

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Investment in associates and related loans:				
• Bagaprop Limited (49.9%)	468 023	-	-	-
• Mall of Mauritius at Bagatelle Limited (49.9%)	188 391	-	-	-
Mall of Mauritius at Bagatelle Limited (49.9%)	174 977	-	-	-
Shareholder's loan to Mall of Mauritius at Bagatelle Limited	13 414	-	-	-
• Bishopsgate Holdings Limited (30.0%)	28 027	-	-	-
• Rapfund Holdings Proprietary Limited (26.7%)	-	138 846	-	138 846
Investment in subsidiaries and related loans:				
• Atterbury Mauritius Consortium Proprietary Limited (80.0%)	-	-	187 858	-
Total non-current assets classified as held for sale	**684 441**	**138 846**	**187 858**	**138 846**

As described in note 8, the Group plans to dispose of its 49.9% interest in both Mall of Mauritius at Bagatelle Limited and Bagaprop Limited and anticipates that the disposal will be completed during the 2016 financial year. The Group is currently in negotiations with the potential buyer and the directors of the Group expect that the fair value less cost to sell of the interest in the associates will be lower than the aggregate carrying amount of the related interest in the associates. Therefore, a fair value loss of R61 074 462 was recognised in "Fair Value Adjustments" in the statement of profit and loss.

The Company plans to dispose of its 80% interest in Atterbury Mauritius Consortium Proprietary Limited and anticipates that the disposal will be completed during the 2016 financial year. The Group is currently in negotiations with the potential buyer and the directors of the Company expect that the fair value less cost to sell of the interest in the associates will be lower than the aggregate carrying amount of the related interest in the associates. Therefore, previous gains recognised in other comprehensive income of R38 242 143 was reversed.

The investments held for sale as detailed above, forms part of the Head office / other segment detailed in note 38.

The non-current asset classified as held for sale in the prior year relates to the Group's interest in Rapfund Holding Proprietary Limited which was disposed in July 2014.

18 STATED CAPITAL

Authorised

2 billion ordinary no par value shares (2014: 2 billion ordinary no par value shares).

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Issued				
Ordinary no par value shares	6 439 419	5 798 843	6 812 505	6 171 930
Reconciliation of shares issued in Rand value:				
Share capital				
Balance at the beginning of the year	-	45	-	52
Issue of par value shares	-	5	-	5
Issue of par value shares - adjustment	-	(4)	-	(4)
	-	46	-	53
Conversion of par value shares to no par value shares	-	(46)	-	(53)
	-	-	-	-
Share premium				
Balance at the beginning of the year	-	2 196 549	-	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	-	3 251 635
Conversion of par value shares to no par value shares	-	(2 640 175)	-	(3 251 635)
	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
18 STATED CAPITAL (continued)				
Stated capital				
Balance at the beginning of the year	5 798 843	-	6 171 930	-
Conversion of par value shares to no par value shares	-	2 640 221	-	3 251 688
Issue of no par value shares	640 576	3 180 922	640 575	2 942 542
Share buy-back	-	(22 300)	-	(22 300)
	6 439 419	**5 798 843**	**6 812 505**	**6 171 930**
Reconciliation of number of shares issued:				
Reported at the beginning of the year	717 393 147	522 989 885	717 393 147	522 989 885
Issue of share capital during the year	30 029 630	257 940 345	30 029 630	194 403 262
Re-acquired and cancelled during the year	-	(63 537 083)	-	-
	747 422 777	717 393 147	747 422 777	717 393 147
Adjusted for treasury shares held:				
Attacq Retail Fund Proprietary Limited	(29 726 516)	(29 726 516)	-	-
Razorbill Properties 91 Proprietary Limited	(16 701 037)	(16 701 037)	-	-
	700 995 224	670 965 594	747 422 777	717 393 147

In terms of a general authority to issue shares for cash passed by shareholders at the last annual general meeting, a maximum of 70 099 522 shares were placed under the control of the board at their discretion. This is subject to compliance with the Company's memorandum of incorporation, the Companies Act and the JSE Listings Requirements. This authority is valid for the shorter of 15 months or until the next annual general meeting. As at year end, no shares have been issued in terms of this authority.

74 742 277 ordinary shares (2014: 140 838 136) were placed under the control of the directors in terms of a resolution passed at the last annual general meeting, provided that any allotment or issue is subject to a maximum discount of 5% of the weighted average traded price on the JSE of those securities over the then agreed number of business days prior to the allotment, issue or disposal or the date that the price is agreed, as the case may be. This authority is valid until the next annual general meeting. As at year end, no shares have been issued in terms of this authority.

In terms of an ordinary resolution at the last annual general meeting, the board may, subject to the Companies Act and JSE Listings Requirements, allot and issue shares pursuant to the Attacq Long-Term Incentive Plan as approved at the meeting.

In terms of a special resolution at the last annual general meeting, the board may, subject to the Company's memorandum of incorporation and the Companies Act, authorise the Company to allot and issue shares to the Company's directors (present and future) and prescribed officers (present and future) pursuant to the Attacq Long-Term Incentive Plan as approved at the meeting.

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
19 SHARE-BASED PAYMENT RESERVE				
Opening balance	83 317	5 488	83 317	5 488
Purchase of investment in Attacq Waterfall Investment Company Proprietary Limited from Trinsam Trust	-	11 586	-	11 586
Purchase of Attacq Retail Fund Proprietary Limited shares from Nedbank	-	59 159	-	59 159
Recognition of share options expense	6 724	7 084	-	7 084
Recognition of long term incentives and retention allocations expense	318	-	-	-
Contribution to subsidiary	-	-	7 042	-
	90 359	83 317	90 359	83 317
Reconciled as follows:				
Share-based payments	70 745	70 745	70 745	70 745
Share options	19 296	12 572	12 572	12 572
Long term incentives and retention allocations expense	318	-	-	-
Contribution to subsidiary	-	-	7 042	-
	90 359	83 317	90 359	83 317
Share-based payments				
Purchase of Attacq Retail Fund Proprietary Limited shares from Nedbank Limited	-	59 159	-	59 159

Acquisition of 18.05% in the issued share capital of Attacq Retail Fund Proprietary Limited 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 2013. Subsequent to listing, the share price at which the agreed number of shares were issued upon implementation of the acquisition on 25 November 2013 was R16.50 as opposed to the contractually agreed issue price of R11.63.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
19 SHARE-BASED PAYMENT RESERVE				
Share-based payments (continued)				
Purchase of investment in Attacq Waterfall Investment Company Proprietary Limited 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 Proprietary Limited from the Trinsam Trust, determined with reference to the estimated future development profits to be earned by Attacq Waterfall Investment Company Proprietary Limited up to and including 30 June 2020, present valued 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.

Share options

Movements in number of share options during the year is as follows:

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Balance at the beginning of the year	4 825 000	2 000 000	4 825 000	2 000 000
Granted during the year	500 000	3 625 000	500 000	3 625 000
Exercised during the year	(400 000)	(800 000)	(400 000)	(800 000)
Balance at the end of the year	4 925 000	4 825 000	4 925 000	4 825 000

The above share options were exercised on 14 November 2014 at a price of R8.50 (2014: 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 5. The employee has 6 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 5 years following the grant date. There is no maturity date by which the options need to be exercised.

Long term incentive plan ("LTIP's") and retention allocations

Movements in number of LTIP's and retention allocations during the year is as follows:

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Balance at the beginning of the year	-	-	-	-
Granted during the year	425 000	-	425 000	-
Exercised during the year	-	-	-	-
Balance at the end of the year	425 000	-	425 000	-

The LTIP's were granted on 29 June 2015. For the LTIP's, no performance conditions are applicable to participants receiving less than 10 000 grants. Financial and non-financial performance conditions are applicable to participants who received 10 000 units or more. Both conditions are treated as non-market conditions under IFRS 2.

Financial performance conditions apply to 70% of the benefits. Non-financial performance conditions apply to 30% of the benefits. The percentage of benefits that vests (as quoted below) is that percentage of 10% for Transformation and 20% for Development Roll Out conditions.

Retention allocations were granted on 11 March 2015 and 1 April 2015. The retention allocations were granted as part of an employment package and are deemed to have been granted on the first day of employment. These will vest only if the employee has remains in the employment of Attacq for a period of 3 years ("vesting period").

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s — GROUP 2015 — COMPANY 2015

19 SHARE-BASED PAYMENT RESERVE (continued)

Share options

The following share-based payment arrangements were in existence during the current and prior years:

	GROUP				COMPANY			
	2015				2015			
	Number	Expiry date	Exercise price	Fair value	Number	Expiry date	Exercise price	Fair value
Granted on 31 December 2012	2 000 000	31-Dec-16	8.50	2.72	2 000 000	31-Dec-16	8.50	2.72
Granted on 1 July 2013	1 200 000	31-Dec-18	9.50	4.43	1 200 000	31-Dec-18	9.50	4.43
Granted on 1 September 2013	500 000	31-Dec-18	11.96	3.98	500 000	31-Dec-18	11.96	3.98
Granted on 1 November 2013	225 000	31-Dec-18	14.50	6.24	225 000	31-Dec-18	14.50	6.24
Granted on 1 December 2013	1 025 000	31-Dec-18	14.50	6.22	1 025 000	31-Dec-18	14.50	6.22
Granted on 1 April 2014	275 000	30-Jun-19	15.25	7.30	275 000	30-Jun-19	15.25	7.30
Granted on 1 June 2014	400 000	31-Dec-19	15.25	7.70	400 000	31-Dec-19	15.25	7.70
Granted on 1 July 2014	500 000	31-Dec-20	15.25	7.41	500 000	31-Dec-20	15.25	7.41

Fair value of options

The weighted average fair value of share options in existence during the financial year is R5.75 (2014: R5.57).

Options were priced using the Black-Scholes option pricing model. As most of the grants options expire 6 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:

	Grant date share price	Expected volatility*	Dividend Yield	Risk free curve**	Grant date share price	Expected volatility	Dividend Yield	Risk free curve
Granted on 31 December 2012	10.11	20.00%	0.00%	5.30%	10.11	20.00%	0.00%	5.30%
Granted on 1 July 2013	11.11	20.00%	0.00%	7.04%	11.11	20.00%	0.00%	7.04%
Granted on 1 September 2013	12.18	20.00%	0.00%	7.36%	12.18	20.00%	0.00%	7.36%
Granted on 1 November 2013	16.69	20.00%	0.00%	6.96%	16.69	20.00%	0.00%	6.96%
Granted on 1 December 2013	16.64	20.00%	0.00%	7.22%	16.64	20.00%	0.00%	7.22%
Granted on 1 April 2014	18.00	20.00%	0.00%	7.67%	18.00	20.00%	0.00%	7.67%
Granted on 1 June 2014	18.20	20.00%	0.00%	7.52%	18.20	20.00%	0.00%	7.52%
Granted on 1 July 2014	18.00	20.00%	0.00%	7.43%	18.00	20.00%	0.00%	7.43%

*Over the counter share trading history for dates prior to listing during October 2013 and for all dates after the listing were used. The data was used to obtain independent volatilities over periods of 1, 3 and 5 years. Based on our analysis a volatility of 20.00% was applied in our calculations.

**The risk-free interest rates for discounting of future cash flows were determined from the bootstrapped zero coupon perfect fit swap curves. The swap curves as at the various grant dates were sourced from Bond Exchange of South Africa, a subsidiary of the Johannesburg Securities Exchange.

Long term Incentive plan ("LTIP's") and Retention Allocations

The following long term incentives and retention allocations were in existence in the current year:

	Number	Expiry date	Exercise price	Fair value	Number	Expiry date	Exercise price	Fair value
Long term incentives granted on 29 June 2015	295 000	14-Oct-17	-	22.60	295 000	14-Oct-17	-	22.60
Retention allocations granted on 11 March 2015	120 000	11-Mar-18	-	24.00	120 000	11-Mar-18	-	24.00
Retention allocations granted on 1 April 2015	10 000	1-Apr-18	-	25.79	10 000	1-Apr-18	-	25.79

The fair value (excluding forfeitures and performance conditions) per share granted under the two schemes mentioned above is the share price of Attacq at grant date less expected dividends over the vesting period. Allowance is then made for expected forfeitures and the likelihood of performance criteria to be satisfied where these are applicable.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s — GROUP

20 LONG-TERM BORROWINGS

2015	Interest rate	Maturity	Instalments	Frequency of instalments	Mortgage bond	Surety A	Surety B	Non-current liabilities	Current liabilities
ABSA Bank Limited								**1 084 000**	-
• Attacq Retail Fund	3-month JIBAR + 1.50%	12-May-2018	7 117	Quarterly	1 428 580	787 700	-	393 850	-
• Attacq Retail Fund	3-month JIBAR + 1.75%	12-May-2020	8 304					393 850	-
								787 700	-
• Lynnwood Bridge Office Park	3-month JIBAR + 1.50%	12-May-2018	2 677	Quarterly	630 477	296 300	-	148 150	-
• Lynnwood Bridge Office Park	3-month JIBAR + 1.75%	12-May-2020	3 123					148 150	-
								296 300	-
Investec Bank Limited								**706 223**	**42 482**
• Brooklyn Bridge	Prime - 1.50%	28-Sep-2018	1 624	Monthly	350 000	140 000	-	113 610	11 297
• Brooklyn Bridge	Prime - 0.50%	28-Nov-2018	293	Monthly	20 000			7 726	2 711
• Brooklyn Bridge	10.90%	28-Sep-2018	1 744	Monthly	-			102 035	10 386
• Brooklyn Bridge	Prime - 0.50%	30-Mar-2019	1 019	Monthly	20 000			94 198	4 038
								317 569	28 432
• The Grove Mall of Namibia	Prime - 0.50%	31-Dec-2019	-	Monthly	-	-	-	-	4 982
• PWC Sunninghill	9.13%	31-Jan-2018	3 485	Monthly	400 000	200 000	-	388 654	9 068
Nedbank Limited								**3 734 797**	**80 012**
• Attacq Retail Fund	3-month JIBAR + 1.61%	12-May-2018	7 356	Quarterly	1 428 580	787 700	-	393 850	-
• Attacq Retail Fund	3-month JIBAR + 1.80%	12-May-2020	8 224					393 850	-
								787 700	-
• Cell C Campus	3-month JIBAR + 3.10%	1-Dec-2023	4 919	Monthly	600 000	-	-	257 113	17 562
• Covidien	3-month JIBAR + 2.16%	31-Mar-2020	512	Monthly	90 000	15 390	-	68 594	4 488
• Land Parcel 22	Prime - 1.00%	1-Jun-2017	257	Monthly	300 000	20 000	-	39 216	-
• Waterfall Corner	1-month JIBAR + 2.00%	30-Apr-2024	701	Monthly	145 000	54 000	-	69 123	2 099
• Waterfall Corner	10.86%	31-May-2019	549	Monthly				67 555	-
								136 678	2 099
• Mall of Africa	Prime - 1.00%	5-Apr-2021	-		4 750 000	700 000	100 000	1 034 149	27 189
• Servest	Prime - 0.50%	31-Aug-2020	-		95 000	18 190	-	64 866	9 987
• Stryker	Prime - 0.50%	30-Oct-2025	-		62 500	41 874	-	11 090	1 576
• Lynnwood Bridge Office Park	3-month JIBAR + 1.61%	12-May-2018	2 767	Quarterly	630 477	296 300	-	148 150	-
• Lynnwood Bridge Office Park	3-month JIBAR + 1.80%	12-May-2020	3 093					148 150	-
								296 300	-
• Newtown Junction & Majestic Office	10.85%	3-Oct-2024	9 130	Monthly	1 200 000	250 000	100 000	993 929	14 681
• City Lodge - Newtown	Prime - 0.50%	2-Nov-2025	-			36 000		45 162	2 430
								1 039 091	17 111
Sub-total carried forward								**5 525 020**	**122 494**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s — GROUP

20 LONG-TERM BORROWINGS (continued)

2015	Interest rate	Maturity	Instalments	Frequency of instalments	Mortgage bond	Surety A	Surety B	Non-current liabilities	Current liabilities
Sub-total brought forward								5 525 020	122 494
Rand Merchant Bank								713 770	68 071
• Angel Shack					33 000				
• Novartis	10.64%	2-Mar-2020	1 794	Monthly	200 000	126 360	-	224 205	-
• Westcon					85 000				
• Great Westerford	1-month JIBAR + 2.75%	1-Jul-2016	-	Bullet Payment	550 000	-	-	68 543	-
• Aurecon	10.55%	30-Apr-2023	4 889	Monthly	-	155 000	-	421 022	17 705
• Aurecon	1-month JIBAR + 2.95%	31-Jan-2016	366					-	50 366
								421 022	68 071
Sanlam Capital Markets								326 809	1 545
• Dräger	11.36%	10-Oct-2024	410	Monthly	60 000	6 000		43 866	204
• Massbuild Distribution Centre	Prime - 0.50%		266					39 195	-
• Massbuild Distribution Centre	10.58%	1-May-2028	1 147	Monthly	250 000	32 000	-	132 413	325
• Massbuild Distribution Centre	11.05%		207					26 936	-
• Waterfall Lifestyle	11.31%	29-Oct-2019	884	Monthly	150 000	48 000		84 399	1 016
Standard Bank Limited								2 298 253	134 219
• Attacq Retail Fund	3-month JIBAR + 1.50%	12-May-2018	7 117	Quarterly	1 428 580	787 700	-	393 932	-
• Attacq Retail Fund	3-month JIBAR + 1.75%	12-May-2020	8 304					393 935	-
								787 868	-
• Altech Building	1-month JIBAR + 1.50%	1-Nov-2017	165	Monthly	58 400	10 000	-	18 848	1 543
• City Lodge - Waterfall City	1-month JIBAR + 2.70%	31-Oct-2019	-	Monthly	140 000	39 148	-	56 252	-
• Group 5	10.07%	1-Jan-2019	3 583	Monthly	470 000	110 000	-	374 060	4 947
• Land Parcel 8	1-month JIBAR + 1.85%	30-Apr-2016	-	Monthly	231 000	77 800	-	-	52 908
• Land Parcel 10	3-month JIBAR + 1.50%	30-Apr-2016	-	Monthly	600 000	300 600	-	-	70 777
• Land Parcel 10		30-Jun-2017	-					41 586	-
								41 586	70 777
• Lynnwood Bridge Office Park	3-month JIBAR + 1.50%	12-May-2018	2 677	Quarterly	630 477	296 300	-	148 150	-
• Lynnwood Bridge Office Park	3-month JIBAR + 1.75%	12-May-2020	3 123					148 150	-
								296 300	-
• Maxwell Office Park	3-month JIBAR + 1.70%	7-Jan-2019	-			32 000		30 123	1 869
• Maxwell Office Park	3-month JIBAR + 1.70%	7-Jan-2019	-	Quarterly				26 934	1 530
• Maxwell Office Park	3-month JIBAR + 2.83%	7-Jan-2019	-		300 000	14 500	-	24 053	322
• Maxwell Office Park	3-month JIBAR + 2.74%	7-Jan-2019	-					23 860	322
• Maxwell Office Park	Prime - 1.00%	30-Jun-2020	-			26 000		37 308	-
								142 278	4 044
• AIH International Limited	3-month USD LIBOR +2.50%	14-Nov-2016	-	Bullet Payment	-	612 000	-	581 063	-
Total								8 863 852	326 329

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s — GROUP

20 LONG-TERM BORROWINGS (continued)

2014	Interest rate	Maturity	Instalments	Frequency of instalments	Mortgage bond	Surety A	Surety B	Non-current liabilities	Current liabilities
Investec Bank Limited								**466 101**	**22 358**
• Brooklyn Bridge	Prime-1.50%	28-Sep-2018	1 475	Monthly	350 000			124 989	8 890
• Brooklyn Bridge	Prime-0.50%	28-Nov-2018	292	Monthly	20 000	140 000	-	10 462	2 486
• Brooklyn Bridge	10.90%	28-Nov-2018	1 600	Monthly	-			112 565	7 606
• Brooklyn Bridge	Prime-0.50%	29-Mar-2019	897	Monthly	20 000			98 230	2 816
								346 246	21 798
• The Grove Mall of Namibia	Prime - 0.50%	31-Dec-2019	-	Monthly	-	-	-	119 855	560
Nedbank Limited								**3 788 560**	**338 054**
• Cell C Campus	3-month JIBAR + 3.10%	1-Dec-2023	4 598	Monthly	600 000	-	-	532 137	13 126
• Land Parcel 22	Prime - 1.00%	2-Jun-2015	-	Monthly	300 000	80 000	-	-	39 122
• Waterfall Corner	1-month JIBAR + 2.00%	30-Apr-2024	-	Monthly	145 000	54 000	6 000	66 574	-
• Waterfall Corner	10.86%	31-May-2019	-	Monthly				66 352	694
								132 926	694
• Mall of Africa	Prime - 1.00%	5-Apr-2021	-		4 750 000	700 000	100 000	122 829	15 754
• Operational loan	Prime - 0.75%	1-Oct-2021	9	Monthly				506	57
• Eikestad and Mill Square	Prime - 1.00%	1-Dec-2022	-	Monthly				491 605	-
• Andringa	Prime - 1.00%	1-Dec-2022	-	Monthly	2 250 000	-	-	306 068	-
• Brooklyn Mall	Prime - 1.00%	1-Jan-2022	4 616	Monthly				365 317	10 370
• Mooirivier Mall	Prime - 1.00%	1-Oct-2021	5 916	Monthly				485 612	25 668
								1 649 108	36 095
• Lynnwood Bridge	Prime - 1.00%	1-Jun-2021	4 786	Monthly		700 000	-	511 298	20 152
• Lynnwood Bridge Phase 3	Prime - 0.50%	1-Oct-2014	2 333	Monthly		150 000	-	-	193 906
• Newtown Junction & Majestic Office	Prime	1-Oct-2024	-	Monthly				716 626	807
• Newtown Junction & Majestic Office	Prime-0.50%	28-Feb-2024	-	Monthly	1 300 000	250 000	-	-	18 398
• Newtown Junction & Majestic Office	Prime+5.00%	1-Apr-2017	-	Monthly				123 636	-
								840 262	19 205
Rand Merchant Bank								**492 631**	**73 615**
• Great Westerford	1-month JIBAR + 2.75%	30-Jun-2015	-		550 000	-	-	3 832	65 048
• Aurecon	10.55%	1-Apr-2023	4 486	Monthly	-	100 000	-	438 799	8 567
• Aurecon	1-month JIBAR + 2.95%	1-Jan-2016	-	Monthly				50 000	-
								488 799	8 567
Sanlam Capital Markets								**195 598**	**1 607**
• Massbuild Distribution Centre	Prime - 0.50%	1-May-2028						31 362	194
• Massbuild Distribution Centre	10.58%	1-May-2028	1 476	Monthly	250 000	32 000	8 000	137 958	1 150
• Massbuild Distribution Centre	11.05%	1-May-2028						26 278	263
Sub-total carried forward								**4 942 890**	**435 634**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s — GROUP

20 LONG-TERM BORROWINGS (continued)

2014	Interest rate	Maturity	Instalments	Frequency of instalments	Mortgage bond	Surety A	Surety B	Non-current liabilities	Current liabilities
Sub-total brought forward								4 942 890	435 634
Standard Bank Limited								1 283 331	13 393
• Glenfair Boulevard Shopping Centre	1-month JIBAR + 2.64%	28-Feb-2016	-	Monthly	234 400	-	-	54 658	6 484
• Glenfair Boulevard Shopping Centre	3-month JIBAR + 2.35%	28-Feb-2016	-	Monthly				10 600	76
								65 258	6 560
• Group Five	10.70%	1-Jan-2019	3 318	Monthly	470 000	110 000	27 500	378 808	3 150
• Land Parcel 8	1-month JIBAR + 1.85%	30-Apr-2016	-	Monthly	231 000	45 000	15 000	52 478	-
• Land Parcel 10	3-month JIBAR + 1.50%	30-Apr-2016	-	Monthly	600 000	194 400	48 600	64 816	-
• Maxwell Office Park	3-month JIBAR + 1.70%	30-Apr-2019	1 248	Quarterly	300 000	32 000	8 000	33 653	1 322
• Maxwell Office Park	3-month JIBAR + 1.70%	30-Apr-2019						30 383	1 173
								64 036	2 495
• Altech Building	1-month JIBAR + 1.50%	1-Nov-2017	-	Monthly	58 400	10 000	-	25 573	1 188
• Garden Route Mall	3-month JIBAR + 1.40%	31-Jul-2015	-	Monthly	-	-	-	632 362	-
Total								6 226 221	449 027

Surety A was provided by Attacq Limited and Surety B was provided by Atterbury Property Holdings Proprietary Limited.
In respect of Cell C Campus, causa surety was provided by Attacq Waterfall Investment Company Proprietary Limited to an amount of R600 million (2014: R600 million).
In respect of Maxwell Office Park, a causa surety was provided by East & West Investments Proprietary Limited to an amount of R223.13 million (2014: R87.25 million).
In respect of the Altech Building, a causa surety was provided by East & West Investments Proprietary Limited to an amount of R29.2 million (2014: R29.2 million).

The carrying values of the long-term borrowings are considered by management to approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

COMPANY

20 LONG-TERM BORROWINGS

2015	Interest rate	Maturity	Instalments	Frequancy of instalments	Mortgage bond	Non-current liabilities	Current liabilities
Investec Bank Limited							
• The Grove Mall of Namibia	Prime - 0.50%	31-Dec-2019	-	Monthly	-	-	4 982
Nedbank Limited							
• Cell C Campus	3-month JIBAR + 3.10%	1-Dec-2023	4 919	Monthly	600 000	257 113	17 562
Rand Merchant Bank							
• Great Westerford	1-month JIBAR + 2.75%	1-Jul-2016	-	Bullet Payment	550 000	68 543	-
Total						**325 656**	**22 544**

2014	Interest rate	Maturity	Instalments	Frequancy of instalments	Mortgage bond	Non-current liabilities	Current liabilities
Investec Bank Limited							
• The Grove Mall of Namibia	Prime - 0.5%	31-Dec-2019	-	Monthly	-	119 855	560
Nedbank Limited							
• Cell C Campus	3-month JIBAR + 3.1%	1-Dec-2023	4 598	Monthly	600 000	532 137	13 126
Rand Merchant Bank							
• Great Westerford	1-month JIBAR + 2.75%	30-Jun-2015	-	Monthly	550 000	3 832	65 048
Standard Bank Limited						**65 258**	**6 560**
• Glenfair Boulevard Shopping Centre	1-month JIBAR + 2.64%	28-Feb-2016	-	Monthly	234 400	54 658	6 484
• Glenfair Boulevard Shopping Centre	3-month JIBAR + 2.35%	28-Feb-2016	-	Monthly		10 600	76
Total						**721 082**	**85 294**

In respect of Cell C Campus, causa surety was provided by Attacq Waterfall Investment Company Proprietary Limited to an amount of R600 million (2014: R600 million).

The carrying values of the long-term borrowings are considered by management to approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
21 FINANCE LEASE OBLIGATION				
Majestic Offices Proprietary Limited	5 103	5 009	-	-
Nieuwtown Property Development Company Proprietary Limited	67 575	51 000	-	-
	72 678	56 009	-	-
The figures above are reconciled as follows:				
Majestic Offices Proprietary Limited				
Lessor: City of Johannesburg				
Minimum lease payments due				
• within one year	237	220	-	-
• in the second to the fifth year, inclusive	1 157	1 392	-	-
• later than five years	18 282	19 942	-	-
	19 676	21 554	-	-
Less future finance charges	(14 573)	(16 545)	-	-
	5 103	**5 009**	-	-
Present value of minimum lease payments due				
• later than five years	5 103	5 009	-	-
Non-current liabilities	5 103	5 009	-	-

The Group, through a subsidiary Majestic Offices Proprietary Limited, 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 will be the higher basic monthly instalment or 2.5% of rental income for the year.

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Nieuwtown Property Development Company Proprietary Limited				
Lessor: City of Johannesburg				
Minimum lease payments due				
• within one year	1 095	770	-	-
• in the second to the fifth year, inclusive	5 326	6 380	-	-
• later than five years	13 047 486	11 258 063	-	-
	13 053 907	11 265 213	-	-
Less future finance charges	(12 986 332)	(11 214 213)	-	-
	67 575	**51 000**	-	-
Present value of minimum lease payments due				
• later than five years	67 575	51 000	-	-
Non-current liabilities	67 575	51 000	-	-

The Group, through a subsidiary Nieuwtown Property Development Company Proprietary Limited, 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 R85 500 (escalating with 8% compounded annually). Once the development is completed the rental payable is the greater of the basic monthly instalment or the turnover rent for the financial year concerned. Turnover rental is determined as follows: 1.75% of rental income for year 1-30, 1.9% of rental income for year 31 to 60 and 2% of rental income for year 61 to 90.

Refer to note 5 for a further description of the investment property.

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
22 TRADE AND OTHER PAYABLES				
Trade payables	284 551	240 200	6 090	2 960
Accruals	117 628	95 170	14 052	25 870
Deposits held	38 398	27 236	3 120	6 291
Rental income received in advance	19 396	9 762	1 214	1 798
Value Added Tax	2 663	3 592	-	-
	462 636	**375 960**	**24 476**	**36 919**

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.

Accrual include amounts relating to municipal accruals on the investment properties.

NOTES TO THE FINANCIAL STATEMENTS

23 PROVISIONS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Leave pay provision	1 422	-	-	-
Provision for payment of profit from Majestic Offices Proprietary Limited	-	9 487	-	-
Provision for payment of profit from Nieuwtown Property Development Proprietary	-	655	-	-
	1 422	**10 142**	**-**	**-**

The provision relating to leave pay for the current year, was calculated based on the actual leave days outstanding at 30 June 2015 at the hourly rate per employee.

The provision relating to Majestic Offices Proprietary Limited and Nieuwtown Property Development Proprietary Limited in relation to the Nedbank profit share in the prior year was settled in the current year.

24 OPERATING PROFIT IS STATED AFTER INCLUSION OF THE FOLLOWING:

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Other income				
Sundry income	10 391	47 314	3 772	8 320
Foreign exchange gain	65 619	-	53 295	15 954
Asset and property management fee income	-	-	-	15 076
Profit on disposal of subsidiaries	-	-	-	3 242
Profit on disposal of other investments and associates	89 161	3 444	1 373	-
Profit (loss) on disposal of investment property	31 999	8 567	-	(9 622)
Reversal of impairment of investment in associate	100	-	16 526	-
Reversal of provision for liabilities relating to associates	7 265	-	7 265	78 697
Bad debt recovered	99	-	62	-
Operating and other expenses				
Auditors' remuneration	(5 307)	(6 370)	(11)	(4 103)
Bad debt written off	(946)	(1 662)	-	(430)
Executive directors' remuneration (note 31)	(12 009)	(7 834)	(4 552)	(7 834)
Non-executive directors' remuneration (note 31)	(3 281)	(3 289)	(2 896)	(3 089)
Staff expenses	(36 196)	(20 877)	(6 482)	(20 651)
Marketing	(10 095)	(12 096)	(400)	(7 481)
Impairment of loans	(10 851)	(46 771)	(10 855)	(46 771)
Impairment of investments	-	-	(31 075)	(269 005)
Goodwill written off	(109 670)	-	-	-
Valuation fees	(160)	(677)	-	(312)
Loss on disposal of subsidiary	-	-	(143 255)	-
Loss on disposal of investments	-	(65 150)	-	(65 150)
Share-based payment expenses	(7 041)	(66 243)	-	(66 243)
Expensing of final payment on Lynnwood Bridge Office Park Proprietary Limited	(11 674)	(13 031)	(11 674)	(13 031)
Expensing of final payment on De Ville Shopping Centre Proprietary Limited	-	(2 135)	-	(2 135)

25 INVESTMENT INCOME

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Dividend income	**28 644**	**356 212**	**745 140**	**549 009**
Dividend - Local	11 687	328 748	688 914	521 545
Dividends - Foreign	16 957	27 464	56 226	27 464
Interest income	**113 887**	**68 584**	**185 257**	**170 109**
Group companies	72 220	44 746	160 509	150 099
Bank	29 389	19 836	22 803	17 258
Other interest	12 278	4 002	1 945	2 752
	142 531	**424 796**	**930 397**	**719 118**

26 FINANCE COSTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Bank overdraft	(37)	(767)	(2)	(751)
Intercompany loans	-	-	-	(972)
Mortgage bonds	(625 173)	(368 627)	(62 646)	(69 782)
Other	(2 692)	(146 975)	(749)	(140 388)
Derivative financial labilities	(57 970)	(65 753)	(13 327)	(11 370)
	(685 872)	**(582 122)**	**(76 724)**	**(223 263)**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
27 INCOME TAX EXPENSE				
Major components of the tax expense (including other comprehensive income)				
Current				
Current tax	(75 283)	(69 508)	(66 982)	(50 565)
Local income tax - current period	(56 660)	(79 719)	(48 360)	(60 776)
Local income tax - prior period (under) over provision	(18 623)	10 211	(18 622)	10 211
Deferred				
Originating and reversing temporary differences	(458 908)	(169 852)	(228 801)	(171 460)
Deferred taxation	(395 755)	(148 648)	(88 903)	107 457
Taxation relating to components of other comprehensive income	(63 153)	(21 204)	(139 898)	(278 917)
	(534 191)	**(239 360)**	**(295 783)**	**(222 025)**
Reconciliation of the tax expense				
Applicable tax rate	28.00%	28.00%	28.00%	28.00%
Adjusted for:				
• Non-deductible expenditure	0.74%	-	0.15%	-
• Non-taxable income received	(7.89%)	(11.47%)	(13.97%)	(9.49%)
• Fair value adjustments	(6.00%)	(9.70%)	(1.72%)	(8.76%)
• Provision for impairment of investments	(0.44%)	1.88%	0.09%	1.56%
• Prior period adjustment	0.97%	(0.85%)	1.38%	(0.71%)
• Deferred tax acquired	1.51%	-	-	-
• Deferred tax asset not recognised	1.18%	-	-	-
• Other	7.16%	10.06%	5.98%	3.15%
	25.23%	**17.92%**	**19.91%**	**13.75%**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

28 EARNINGS, HEADLINE EARNINGS AND NET ASSET VALUE PER SHARE

At 30 June 2015 the company had 700 995 224 shares in issue after adjusting for treasury shares, refer note 18.

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:

	2015					2014				
	Continuing Operations					Continuing Operations				
Business segment	Gross	Tax effect of the adjustments	Total non-controlling interest effect of the adjustments	Net	Total	Gross	Tax effect of the adjustments	Total non-controlling interest effect of the adjustments	Net	Total
Earnings for the purpose of earnings per share	**978 654**	-	-	**978 654**	**978 654**	**946 147**	-	-	**946 147**	**946 147**
Number of shares										
Weighted average number of ordinary shares for the purpose of earnings per share	687 046 081	-	-	687 046 081	687 046 081	578 976 838	-	-	578 976 838	578 976 838
Effect of dilutive potential ordinary shares : Share options	2 210 545	-	-	2 210 545	2 210 545	1 294 293	-	-	1 294 293	1 294 293
Weighted average number of ordinary shares for the purpose of diluted earnings per share	689 256 626	-	-	689 256 626	689 256 626	580 271 131	-	-	580 271 131	580 271 131
Earnings per share (cents)										
Basic	142.44	-	-	142.44	142.44	163.42	-	-	163.42	163.42
Diluted	141.99	-	-	141.99	141.99	163.05	-	-	163.05	163.05
Headline loss for the purpose of headline loss per share										
Total comprehensive income attributable to ordinary shareholders	978 654			978 654	978 654	946 147	-	-	946 147	946 147
Profit on disposal of associates	(89 161)	16 627	-	(72 534)	(72 534)	(7 790)	-	-	(7 790)	(7 790)
Profit on disposal of other investments	(956)	-	-	(956)	(956)	65 150	(12 149)	-	53 001	53 001
Profit on disposal of investment property	(29 132)	5 433	-	(23 699)	(23 699)	(8 567)	1 598	681	(6 288)	(6 288)
Impairment of associates and other investments	3 486	(650)	-	2 836	2 836	14 995	(2 796)	-	12 199	12 199
Impairment of goodwill	109 670	(20 451)	-	89 219	89 219	(953 192)	177 751	66 177	(709 264)	(709 264)
Fair value adjustments	(1 114 224)	207 780	(1 371)	(907 815)	(907 815)	58 069	(10 829)	14 334	61 574	61 574
Net income from associates	(50 568)	9 430	(9 976)	(51 114)	(51 114)	(43 783)	-	-	(43 783)	(43 783)
Headline loss for the purpose of basic and diluted headline loss per share	**(192 231)**	**218 169**	**(11 347)**	**14 591**	**14 591**	**71 029**	**153 575**	**81 192**	**305 796**	**305 796**
Number of shares										
Weighted average number of ordinary shares for the purpose of earnings per share	687 046 081	-	-	687 046 081	687 046 081	578 976 838	-	-	578 976 838	578 976 838
Effect of dilutive potential ordinary shares : Share options	2 210 545	-	-	2 210 545	2 210 545	1 294 293	-	-	1 294 293	1 294 293
Weighted average number of ordinary shares for the purpose of diluted earnings per share	689 256 626	-	-	689 256 626	689 256 626	580 271 131	-	-	580 271 131	580 271 131
Headline loss per share - cents										
Basic				2.12	2.12				52.82	52.82
Diluted				2.12	2.12				52.70	52.70
Net asset value per share (cents)										
Closing number of shares (adjusted for treasury shares)					700 995 224					670 965 594
Net asset value (adjusted for treasury shares) per share (cents)					1 706					1 477

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
29 CASH FLOW FROM OPERATING ACTIVITIES				
Profit before taxation and other comprehensive income	2 117 185	1 335 360	1 485 461	1 614 185
Adjusted for:				
Investment income	(113 887)	(68 585)	(185 257)	(170 109)
Dividend income	(28 644)	(356 212)	(745 140)	(549 009)
Finance costs	685 872	582 122	76 724	223 263
Depreciation	4 106	3 468	1 709	1 594
Amortisation of intangible asset	20 303	14 634	-	-
Other non-cash movements	(2 012)	(66 661)	3 983	-
Loss (profit) on disposal of other investments	(956)	65 150	-	-
Profit on disposal of associate	(89 161)	(7 790)	(1 373)	-
(Profit) loss on disposal of investment properties	(29 132)	(8 567)	-	9 622
Gain on available-for-sale financial assets	-	-	(98 545)	-
(Reversal of impairment loss) Impairment loss - other investments	(100)	14 995	(16 526)	(26 704)
Impairment loss - associates	-	-	31 075	257 747
Impairment loss - subsidiaries	-	-	143 255	37 963
Fair value to adjustment to other investments	(597 410)	(104 950)	(303 593)	(97 466)
Fair value adjustment to investment properties	(1 110 711)	(919 094)	(21 649)	5 590
Fair value adjustment to other financial instruments	(68 089)	(34 098)	(4 356)	(6 069)
Fair value adjustments on investments in associates	-	-	58 044	(247 756)
Fair value adjustments on investments in subsidiaries	-	-	(464 606)	(1 163 634)
Realisation of available-for-sale financial assets	-	-	98 545	-
Straight-line rental adjustment	(172 600)	(129 239)	10 516	3 040
Deferred initial lease expenditure	804	(1 144)	444	194
Impairment of loans	10 851	45 688	10 855	68 295
Equity income from associates	(50 568)	58 069	-	-
Movement in finance lease liability	-	(881)	-	-
Movement in provisions	-	1 858	-	-
Movement in provision for liabilities relating to associates	(7 265)	(62 510)	(7 265)	(62 511)
Movement in provision for liabilities relating to subsidiaries	-	-	-	(16 189)
Impairment of goodwill	109 670	-	-	-
Share-based payments	7 042	77 830	-	77 829
Foreign currency translation effect	(65 619)	111 769	(53 295)	-
Derecognition of minority interest	-	(206 396)	-	-
Cash generated by operations before working capital changes	619 679	344 816	19 005	(40 125)
Changes in working capital:				
Decrease in inventory	-	126 304	-	-
Decrease (increase) in accounts receivable	(55 782)	(9 922)	(1 774)	16 067
Increase (decrease) in accounts payable	86 676	41 851	(12 443)	(14 216)
	650 572	**503 049**	**4 788**	**(38 274)**
30 OPERATING LEASE RECEIVABLES				
Value of minimum lease payments receivable				
• within one year	1 011 725	670 699	24 191	44 609
• in the second to fifth year inclusive	4 068 600	2 870 076	82 486	130 326
• later than five years	3 102 728	2 325 051	15 076	33 221
	8 183 053	**5 865 826**	**121 753**	**208 156**

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.

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
31 DIRECTORS' AND PRESCRIBED OFFFICERS' REMUNERATION				
Executive directors				
MC Wilken				
• Basic salary	3 121	2 247	956	2 247
• Bonus	3 188	1 800	1 125	1 800
• Benefits	417	67	95	67
	6 726	4 114	2 176	4 114
M Hamman				
• Basic salary	2 100	1 581	667	1 581
• Bonus	2 196	1 375	775	1 375
• Benefits	86	36	33	36
	4 382	2 992	1 475	2 992
LLS van der Watt				
• Basic salary	659	571	659	571
• Bonus	220	139	220	139
• Benefits	22	18	22	18
	901	728	901	728
	12 009	**7 834**	**4 552**	**7 834**

The above are all short-term benefits.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

31 DIRECTORS' AND PRESCRIBED OFFFICERS' REMUNERATION (continued)

LLS van der Watt served as executive director until 30 June 2015 and Attacq paid a third of his executive remuneration. Effectively 1 July 2015 he will serve as non-executive director on the board.

Key management and prescribed officers

Made up as follows:

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
• Basic salary	2 342	1 344	706	1 344
• Bonus	-	630	-	630
• Benefits	234	50	75	50
	2 576	2 024	781	2 024

Key management and prescribed officers were as follows:

2015

- W Mulder - Appointed 1 August 2014
- D Theron
- MW Clampett

2014

- N Weir - Resigned 30 June 2014
- D Theron - Appointed 1 June 2014
- MW Clampett

During the current year, the Group was restructured, effective 1 November 2014. From July 2014 to October 2014 the directors were remunerated by Attacq Limited. Effective 1 November 2014, all executive directors, prescribed officers as well as employees were remunerated from Attacq Managed Services Proprietary Limited ("AMS"), wholly owned subsidiary of Attacq.

Non-executive directors - fees for services as directors

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
AW Nauta	418	57	418	57
BF van Niekerk - Resigned 27 June 2014	-	195	-	195
HR El Haimer	342	287	342	287
JHP van der Merwe	251	220	251	220
LM Ndala - Resigned 30 April 2014	-	286	-	286
MM du Toit	358	239	358	239
P Tredoux	713	845	503	645
PH Faure	340	255	340	255
S Shaw-Taylor	588	585	413	585
WL Masekela - Resigned 30 November 2014	144	321	144	321
KR Moloko - Appointed 2 February 2015	127	-	127	-
	3 281	3 290	2 896	3 090

AW Nauta was appointed as a director in April 2014 and his fees were paid to Royal Bafokeng Holdings Proprietary Limited until 30 April 2015, where after he was paid in his personal capacity.

JHP van der Merwe's fees are paid to Sanlam Investment Management Proprietary Limited.

LM Ndala resigned as non-executive director effective 30 April 2014 and his fees paid during this period was paid to Mining Oil and Gas Services Proprietary Limited.

P Tredoux's fees are paid to Tredoux Family Holdings Proprietary Limited.

PH Faure's fees are paid to Alkara 114 Proprietary Limited, BNF Investments Proprietary Limited and Mertech Investments Proprietary Limited.

NOTES TO THE FINANCIAL STATEMENTS

31 DIRECTORS' AND PRESCRIBED OFFFICERS' REMUNERATION (continued)

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.

Figures in '000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Summary of share options granted				
Total number of options	2 000	2 000	2 000	2 000
Less number of options that have vested	(1 600)	(1 200)	(1 600)	(1 200)
	400	800	400	800
Reconciliation of outstanding options, not yet exercised				
Opening balance	400	800	400	800
Vested during the year	400	400	400	400
Exercised during the year	(400)	(800)	(400)	(800)
	400	400	400	400

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 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 R9.50 per share. There is no option of cash settlement.

Figures in '000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Summary of share options				
Total number of options granted	1 200	1 200	1 200	1 200
Less number of options that have vested	-	-	-	-
	1 200	1 200	1 200	1 200
Reconciliation of outstanding options, not yet exercised				
Opening balance	1 200	-	1 200	-
Granted during the year	-	1 200	-	1 200
	1 200	1 200	1 200	1 200

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.

The board resolved in July 2014 to grant 500 000 (five hundred thousand) share options to a prescribed officer that vest over a three year period from 31 July 2017. The options may be exercised as to 60% on 31 July 2017, 20% on 31 July 2018, and 20% on 31 July 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.

Figures in '000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Summary of share options granted				
Total number of options granted	900	400	900	400
Reconciliation of outstanding options, not yet exercised				
Opening balance	400	-	400	-
Granted during the year	500	400	500	400
	900	400	900	400

NOTES TO THE FINANCIAL STATEMENTS	GROUP		COMPANY	
Figures in R'000s	2015	2014	2015	2014
32 COMMITMENTS				
32.1 Shares pledged				
Shares held by Attacq in MAS Real Estate Inc. were pledged as security in respect of obligations of AIH International Limited.	123 502 629	-	-	-
Shares held by Razorbill Properties 91 Proprietary Limited in Attacq Limited were pledged as security in respect of obligations of Attacq Retail Fund Proprietary Limited towards Nedbank Limited.	-	16 701 037	-	-
	123 502 629	16 701 037	-	-
32.2 Capital Commitments				
Already contracted but not provided for				
0 The Waterfall lease hold and development rights relates to a minimum of 1,752,488 m² 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.	85 708	88 690	-	-
Costs committed are for the development of the N1 Bridge and ancillary roads on Waterfall - Land Parcel 10.	125 465	-	-	-
Due to increased development activity and top structures reaching the completion stage on Waterfall - Land Parcel 8, the surrounding infrastructure has to be developed.	43 712	20 166	-	-
The Group entered into an agreement to develop an office and distribution facility on Waterfall - Land Parcel 9 referred to as the "Hilti Building". The building has been leased to Hilti and has been recognised as an investment property.	14 479	-	-	-
The Group entered into an agreement to develop an office and distribution facility on Waterfall - Land Parcel 9 referred to as the "Servest Building". The building has been leased to Servest and has been recognised as an investment property.	12 287	-	-	-
The Group entered into an agreement to develop an office and distribution facility on Waterfall - Land Parcel 9 referred to as the "Stryker Building". The building has been leased to Stryker and has been recognised as an investment property.	12 673	-	-	-
Development of the bulk earthworks on Waterfall - Land Parcel 10 commenced during the prior year in preparation for the construction of various retail and commercial buildings.	252 012	59 258	-	-
The Group entered into an agreement to develop an office building on Waterfall - Land Parcel 10 referred to as the "Allandale Building". A portion of the building has been leased to a third party and has been recognised as an investment property.	252 504	-	-	-
The Group entered into an agreement to development an office building on Waterfall - Land Parcel 15, referred to as the "Group 5 Building". The building has been leased to Group 5 and has been recognised as an investment property.	-	2 945	-	-
The Group entered into an agreement to develop an office and retail centre building on Waterfall - Land Parcel 15, referred to as "Waterfall Lifestyle". The building has been leased to various third parties and has been recognised as an investment property.	4 544	26 465	-	-
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 building has been leased to Golder and has been recognised as an investment property. The Group has an effective 50% interest in the development.	-	1 195	-	-
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". The building has been leased to multiple third parties and has been recognised as an investment property. The Group has an effective 50% interest in the development.	-	2 677	-	-
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 50% interest in the development. The building has been leased to a third party and has been recognised as an investment property.	1 082	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 - Honda Building". The Group has an effective 50% interest in the development. A portion of the building has been leased to Honda and has been recognised as an investment property.	1 040	4 455	-	-
The Group entered into an agreement to develop an office building on Waterfall - Land Parcel 10 referred to as the "Maxwell Office Park - Colgate Building". The building has been leased to Colgate and has been recognised as an investment property. The Group has an effective 50% interest in the development.	15 972	-	-	-
Sub-total carried forward	821 478	210 418	-	-

NOTES TO THE FINANCIAL STATEMENTS	GROUP		COMPANY	
Figures in R'000s	2015	2014	2015	2014
32 COMMITMENTS (continued)				
32.2 CAPITAL COMMITMENTS (continued)				
Already contracted but not provided for				
Sub-total brought forward	821 478	210 418	-	-
The Group entered into an agreement to develop an office building on Waterfall - Land Parcel 10 referred to as the "Maxwell Office Park - Mac Mac House". The building has been leased to multiple third parties and has been recognised as an investment property. The Group has an effective 50% interest in the development.	23 181	-	-	-
The Group entered into an agreement to develop an office building on Waterfall - Land Parcel 10 referred to as the "Maxwell Office Park - Magwa House". The building is being developed on a speculative basis with the intention to lease it to a third party and will be recognised as an investment property. The Group has an effective 50% interest in the development.	72 415	-	-	-
The Group entered into an agreement to develop a hotel on Waterfall - Land Parcel 10 referred to as the "City Lodge". The building has been leased to City Lodge and has been 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 Building". The building has been leased to Novartis and has been recognised as an investment property.	6 675	134 108	-	-
The Group entered into an agreement to develop a retail centre on Waterfall - Land Parcel 15, referred to as "Waterfall corner". The building has been leased to multiple third parties and has been recognised as an investment property.	113	5 899	-	-
The Group entered into an agreement to develop an office building on Waterfall - Land Parcel 10 referred to as the "PwC Tower". The building has been leased to PwC and has been recognised as an investment property. The Group has an effective 75% interest in the development.	748 337	-	-	-
The Group entered into an agreement to develop an office and distribution facility on Waterfall - Land Parcel 8 referred to as the "Covidien Building". The building has been leased to Covidien and has been recognised as an investment property.	3 934	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 Building". The building has been leased to Westcon and has been recognised as an investment property.	-	36 083	-	-
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. The Group has an effective 82% (2014: 100%) interest in the development.	1 255 063	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 Building". The building has been leased to Angel Shack 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 the "Dräger Building". The building has been leased to Dräger and has been recognised as an investment property.	752	27 736	-	-
The Group has entered into an agreement for the refurbishment of Great Westerford building, situated in Cape Town. The building has been lease to multiple third parties and has been recognised as an investment property.	-	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 the "Cummins Building". The building has been leased to Cummins and has been recognised as an investment property. The Group has an effective 50% interest in the development.	6 989	47 054	-	-
The Group entered into an agreement to develop an retail centre in Windhoek, Namibia called "The Grove". The Group has a 27.5% (2014: 31.25%) interest in the development.	10 663	271 376	10 663	271 376
The Group entered into an agreement to develop a retail and office centre in Johannesburg CBD, called Nieuwtown Junction. The development in done in two entities namely Nieuwtown Property Development Company Proprietary Limited and Majestic Offices Proprietary Limited. The Group has a 55% (2014: 62.5%) interest in the development.	17 657	282 026	-	141 013
The Group entered into an agreement to develop a hotel in Johannesburg CBD, known as "Newtown City Lodge". The Group has an effective 55% (2014: 62.5%) interest in the development.	16 884	-	-	-
The Group entered into an agreement to develop an office building in Pretoria known as "Lynnwood Bridge Phase 3".	-	69 494	-	69 494
Sub-total carried forward	**2 984 140**	**3 641 715**	**10 663**	**494 533**

NOTES TO THE FINANCIAL STATEMENTS	GROUP		COMPANY	
Figures in R'000s	2015	2014	2015	2014
32 COMMITMENTS (continued)				
32.2 CAPITAL COMMITMENTS (continued)				
Already contracted but not provided for				
Sub-total brought forward	**2 984 140**	**3 641 715**	**10 663**	**494 533**
The Group entered into an agreement to develop a retail centre in Stellenbosch known as "Eikestad and Mill Square". The Group has a 80% interest in the development.	8 555	12 945	-	12 945
The Group entered into an agreement to develop a retail centre in Stellenbosch known as "Andringa Walk". The Building has been leased to multiple third parties and has been recognised as an investment property.	2 414	4 370	-	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. The Building has been leased to multiple third parties and has been recognised as an investment property.	2 823	2 570	-	2 570
The Group entered into an agreement to develop a retail centre in Pretoria known as "The Club Retail". The Group has a 34.7% (2014: 39%) interest in the development.	723	5 240	723	5 240
	2 998 654	**3 666 840**	**11 386**	**519 658**
Approved but not contracted for				
The Group has approved the development of an office and warehouse facility on Waterfall - Land Parcel 8. The building will be leased to a third party and will be recognised as an investment property.	60 759	-	-	-
The Group has approved the development of a warehouse on Waterfall - Land Parcel 8 referred to as the "Spec Warehouse". The building will be developed on a speculative basis with the intention to lease it to a third party and will be recognised as an investment property.	74 046	-	-	-
The Group has approved the development of a communal and conference facility on Waterfall - Land Parcel 10 referred to as "PwC Annex". The building will be leased to a third party and will be recognised as an investment property.	91 996	-	-	-
Cost committed are for the installation of additional capacity to the Impophoma substation on Waterfall - Land Parcel 10.	53 459	-	-	-
	280 261	-	-	-
32.3 CONTINGENT COMMITMENTS				
Sureties provided				
Surety in respect of loan funds advanced by Investec Bank to Atterbury Property Developments Proprietary Limited for acquisition and development of 'Beau Rivage'.	7 000	7 000	7 000	7 000
Surety in respect of loan funds advanced by Standard Bank to Attacq Waterfall Investment Company Proprietary Limited for the installation of services in relation to Land Parcel 8 at Waterfall Midrand.	77 800	77 800	77 800	77 800
Surety in respect of loan funds advanced by Nedbank to Nieuwtown Property Development Company Proprietary Limited for the development of Newtown Junction.	250 000	250 000	250 000	250 000
Surety in respect of loan funds advanced by Nedbank to Nieuwtown Property Development Company Proprietary Limited for the development of Newtown City Lodge.	36 000	-	36 000	-
Surety in respect of loan funds advanced by Investec Bank Limited to Fountains Regional Mall Proprietary Limited for the development of the Fountains Mall situated in Jeffreys Bay.	-	200 000	-	200 000
Surety in respect of loan funds advanced by Investec Bank to Keysha Investments 213 Proprietary Limited for the acquisition of vacant land in the Val de Vie Estate, Franschoek.	-	27 000	-	27 000
Surety in respect of loan funds advanced by Nedbank to Attacq Waterfall Investment Company in respect of the service installation for Waterfall Land Parcel 22.	20 000	20 000	20 000	20 000
Surety in respect of loan funds advanced by Investec Bank to Geelhoutboom Estate Proprietary Limited.	29 000	29 000	29 000	29 000
Surety in respect of loan funds advanced by Investec Bank to Brooklyn Bridge Office Park Proprietary Limited in respect of the investment property known as "Brooklyn Bridge Office Park".	140 000	140 000	140 000	140 000
Surety in respect of loan funds advanced by Nedbank to The Club Retail Park Proprietary Limited in respect of the mixed use development known as "Club, Hazelwood".	19 530	38 530	19 530	38 530
Sub-total carried forward	**579 330**	**789 330**	**579 330**	**789 330**

NOTES TO THE FINANCIAL STATEMENTS	GROUP		COMPANY	
Figures in R'000s	2015	2014	2015	2014
32 COMMITMENTS (continued)				
32.3 CONTINGENT COMMITMENTS (CONTINUED)				
Sureties provided (continued)				
Sub-total brought forward	579 330	789 330	579 330	789 330
Surety in respect of funds advanced by Nedbank to Lynnwood Bridge Office Park Proprietary Limited for Lynnwood Bridge Office Park.	296 300	400 000	296 300	400 000
Surety in respect of funds advanced by ABSA to Lynnwood Bridge Office Park Proprietary Limited for Lynnwood Bridge Office Park.	296 300	-	296 300	-
Surety in respect of funds advanced by Standard Bank to Lynnwood Bridge Office Park Proprietary Limited for Lynnwood Bridge Office Park.	296 300	-	296 300	-
Surety in respect of funds advanced by Nedbank to Attacq Retail Fund Proprietary Limited for certain retail properties of the Attacq retail fund portfolio.	787 700	-	787 700	-
Surety in respect of funds advanced by ABSA to Attacq Retail Fund Proprietary Limited for certain retail properties of the Attacq retail fund portfolio.	787 700	-	787 700	-
Surety in respect of funds advanced by Standard Bank to Attacq Retail Fund Proprietary Limited for certain retail properties of the Attacq retail fund portfolio.	787 700	-	787 700	-
Surety in respect of funds advanced by Rand Merchant Bank for the purchase of the Aurecon building in Pretoria by Lynnaur Investments Proprietary Limited.	155 000	155 000	155 000	155 000
Surety in respect of funds advanced by Investec Bank for Grove Mall of Namibia Proprietary Limited for the development of The Mall of Namibia.	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 & Golder buildings).	32 000	32 000	32 000	32 000
Surety in respect of funds advanced by Standard Bank for the development of Waterfall Land Parcel 10 (Colgate & Spec building) in Midrand.	26 000	-	26 000	-
Surety in respect of funds advanced by Nedbank for the development of Waterfall Land Parcel 9 (Servest building) in Midrand.	18 190	-	-	-
Surety in respect of funds advanced by Nedbank for the development of Waterfall Land Parcel 9 (Stryker building) in Midrand.	41 874	-	-	-
Surety in respect of funds advanced by Rand Merchant Bank for the development of Waterfall Land Parcel 9, Land Parcel 10 and Land Parcel 22 (Angel Shack, Novartis and Westcon buildings) in Midrand.	126 360	-	-	-
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 Standard Bank for the development of Waterfall Land Parcel 15 (Group Five building)	110 000	110 000	110 000	110 000
Surety in respect of funds advanced by Nedbank for the funding of Kompasbaai Property Development Proprietary Limited.	3 333	10 000	3 333	10 000
Surety in respect of funds advanced by Standard Bank for the infrastructure service cost for Waterfall Land Parcel 10.	300 600	194 400	300 600	194 400
Surety in respect of funds advanced by Sanlam Capital Markets Limited and Sanlam Credit Conduit Proprietary Limited for the funding of the Massbuild DC situated on Waterfall Land Parcel 8.	32 000	32 000	32 000	32 000
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 February 2016 on 7,049 m2 of office space as well as parking bays.	1 677	13 862	1 677	13 862
Causa surety by Attacq Waterfall Investment Company Proprietary Limited in respect of funds advanced by Standard Bank to The Moolman Group for the development of Maxwell Office Park situated on Land Parcel 10 (Jukskei view ext 83). Causa surety for the mortgage bond registered over the joint lease with The Moolman Group in respect of Jukskei view ext 83.	223 136	152 250	-	-
Causa surety by Attacq Waterfall Investment Company Proprietary Limited in respect of funds advanced by Standard Bank to The Moolman Group for the development of the Altech Building situated on Land Parcel 20. Causa surety for the mortgage bond registered over the joint lease with The Moolman Group in respect of Erf 3540 Jukskei view ext 7.	29 200	29 200	-	-
Sub-total carried forward	5 140 701	2 128 042	4 701 941	1 946 592

NOTES TO THE FINANCIAL STATEMENTS	GROUP		COMPANY	
Figures in R'000s	2015	2014	2015	2014
32 COMMITMENTS (continued)				
32.3 CONTINGENT COMMITMENTS (CONTINUED)				
Sureties provided (continued)				
Sub-total carried forward	5 140 701	2 128 042	4 701 941	1 946 592
Causa surety by Attacq Waterfall Investment Company 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 over the lease in respect of Land Parcel 10a).	-	300 000	-	-
Surety in respect of funds advanced by Nedbank to Key Capital Property Holdings Proprietary Limited for the development taking place in Stellenbosch.	20 000	20 000	20 000	20 000
Surety in respect of funds advanced by Nedbank for the development of Waterfall Corner Retail situated on Waterfall Land Parcel 15.	54 000	54 000	54 000	54 000
Surety in respect of funds advanced by Nedbank to Attacq Waterfall Investment Company Proprietary Limited for the development of Mall of Africa situated on Waterfall Land Parcel 10.	700 000	700 000	700 000	700 000
Surety in respect of funds advanced by Standard Bank to Attacq Waterfall Investment Company Proprietary Limited for the development of City Lodge situated on Waterfall Land Parcel 10.	20 000	20 000	20 000	20 000
Surety in respect of a bridging facility advanced by Standard Bank to Attacq Waterfall Investment Company Proprietary Limited for the development of City Lodge situated on Waterfall Land Parcel 10.	19 148	19 148	19 148	19 148
Surety in respect of funds advanced by Standard Bank to Attacq Waterfall Investment Company Proprietary Limited for the development of Premier Foods and the Honda situated on Waterfall Land Parcel 10.	14 500	14 500	14 500	14 500
Surety in respect of funds advanced by Nedbank to Attacq Waterfall Investment Company for the development of Covidien situated on Waterfall Land Parcel 8.	15 390	-	15 390	-
Surety in respect of US Dollar facility advanced by Standard Bank Limited the obligations of AIH International Limited.	612 000	-	612 000	-
Surety in respect of funds advanced by Sanlam Capital Markets Limited to Attacq Waterfall Investment Company for the development of Waterfall Lifestyle situated on Waterfall Land Parcel 15.	48 000	48 000	48 000	48 000
Surety in respect of funds advanced by Sanlam Capital Markets Limited to Attacq Waterfall Investment Company Proprietary Limited for the development of Drager situated on Waterfall	6 000	6 000	6 000	6 000
Causa Surety provided by Attacq Waterfall Investment Company in respect of funds advanced by Nedbank to Attacq for the development of the Cell C Campus on Waterfall Land Parcel 21.	600 000	600 000	-	-
Surety in respect of funds advanced by Standard Bank to Lord Charles and Lady Brooks Office Park Proprietary Limited for the commitments of Lord Charles and Lady Brooks Office Park Proprietary Limited.	35 000	-	-	-
Surety in respect of funds advanced by Investec Bank to Attacq Waterfall Investment Company for the refinancing of the PwC building in Sunninghill.	200 000	-	200 000	-
Nedbank put to Attacq Limited in respect of an overdraft facility availed to Atterbury Property Holdings Proprietary Limited. The put is secured by Attacq Waterfall Investment Company Proprietary Limited shares held in Atterbury Waterfall Company Proprietary Limited.	-	50 000	-	50 000
	7 484 739	3 959 690	6 410 979	2 878 240

33 SUBSEQUENT EVENTS

Acquisition of shareholding in Shacolas Emporium Park and The Mall of Engomi in Cyprus

Attacq, via a 48.8% shareholding in Atterbury Cyprus Limited ("Atterbury Cyprus"), acquired an effective 48.6% interest in ITTL Trade & Tourist Leisure Park Plc, owner of the Shacolas Emporium Park and an effective 48.3% interest in Woolworth Commercial Centre Plc, the owner of The Mall of Engomi.

The properties are located in Nicosia, the capital of Cyprus and were secured together with Atterbury Europe BV which, together with minorities, owns the balance of the shareholding in Atterbury Cyprus. The 55 600m² Shacolas Emporium Park is in the heart of Nicosia and comprises the 27 000m² Mall of Cyprus, a 20 000m² IKEA store and two smaller buildings. It attracts over five million shoppers and visitors annually. The Mall of Engomi is a 13 600m² retail centre located in the west of Nicosia and attracts more than 1.5 million visitors annually. Both centres provide expansion opportunities.

Attacq's share of the acquisition costs was €48.4 million and payment was made during the course of July 2015, prior to the recent depreciation in the Rand.

Apart from the matter as described above, the directors are not aware of any matter or circumstance arising since the end of the financial year up to the date of this report that warrants disclosure in these financial statements.

34 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 Proprietary Limited
Attacq Management Services Proprietary Limited
Attacq Retail Fund Proprietary Limited
Attacq Waterfall Investment Company Proprietary Limited
Atterbury Attfund Investment Company No.1 Proprietary Limited (Deregistration filed on 30 June 2015)
Atterbury Attfund Investment Company No.2 Proprietary Limited (Deregistration filed on 30 June 2015)
Atterbury Attfund Investment Company No.3 Proprietary Limited (Deregistration filed on 30 June 2015)
Atterbury Mauritius Consortium Proprietary Limited
Atterbury Property Investments Proprietary Limited (Deregistered on 9 January 2015)
Brooklyn Bridge Office Park Proprietary Limited
Harlequin Duck Properties 204 Proprietary Limited
Highgrove Property Holdings Proprietary Limited
Lady Brooks Proprietary Limited
Le Chateau Property Development Proprietary Limited
Leipzig Nova Eventis Consortium Proprietary Limited
Lord Charles and Lady Brooks Office Park Holdings Proprietary Limited (Deregistered filed on 30 June 2015)
Lynnaur Investments Proprietary Limited
Lynnwood Bridge Office Park Proprietary Limited
Mantrablox Proprietary Limited
Razorbill Properties 91 Proprietary Limited

Indirect subsidiaries

Adamax Proprietary Limited
Attacq Retail Services Proprietary Limited
Design Square Shopping Centre Proprietary Limited
Attacq Group ESD Proprietary Limited
Majestic Offices Proprietary Limited
Micawber 832 Proprietary Limited
Nieuwtown Property Development Company Proprietary Limited

Direct associates

AttAfrica SA Proprietary Limited
Atterbury Property Holdings Proprietary Limited and its subsidiaries and associates^
Fatti 365 Proprietary Limited
Fatti Attacq Proprietary Limited
Fountains Regional Mall Proprietary Limited
Geelhoutboom Estate Proprietary Limited
MAS Real Estate Inc.
Keysha Investments 213 Proprietary Limited (disposed during the 2015 financial year)
Kompasbaai Property Development Proprietary Limited
Rapfund Holdings Proprietary Limited (disposed during the 2015 financial year)
Retail Africa Consortium Holdings Proprietary Limited (Disposed during the 2015 financial year)
Retail Africa Wingspan Investments Proprietary Limited
The Club Retail Park Proprietary Limited
The Grove Mall of Namibia Proprietary Limited
Travenna Development Company Proprietary Limited

Indirect associates

Africa Land Investment Limited (Disposed during the 2015 financial year)
AttAfrica Limited
Atterbury Pemba Property Holdings Limited
Bagaprop Limited
Bishopsgate Student Residential Limited
Mall of Mauritius at Bagatelle Limited
Atterbury Mauritius Limited

^ Effective 12 December 2014, Attacq reduced its shareholding in APH from 25% to 10%. This resulted in APH being classified as an investment company and no longer an associate.

Directors

P Tredoux#* (Chairman)
MC Wilken (CEO)
M Hamman (CFO)
AW Nauta#*
HR El Haimer#*
JHP van der Merwe*
KR Moloko#*
LLS van der Watt
MM du Toit#*
PH Faure*
S Shaw-Taylor#*
TJA Reilly#*
WL Masekela*

Independent
* *Non-executive*

Management

Key management and prescribed officers:

2015

- D Theron
- W Mulder — Appointed 1 August 2014

2014

- N Weir — Resigned 30 June 2014
- D Theron — Appointed 1 June 2014

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

34 RELATED PARTIES (continued)

	2015					2014				
	Shares issued/buy back (purchased)	Sales and services to (Purchases and services from)	Dividends received from	Interest received from (paid to)	Balances owing by (to) - net of impairment	Shares issued (purchased)	Sales and services to (Purchases and services from)	Dividends received from	Interest received from (paid to)	Balances owing by (to) - net of impairment
GROUP										
Attacq Group ESD Proprietary Limited	-	2 120	-	-	-	-	-	-	-	-
African Land Investments Limited	-	-	3 815	-	-	-	-	2 023	-	-
Arctospark Proprietary Limited	-	-	-	-	-	-	-	34 434	-	-
Atterbury Asset Managers Proprietary Limited	-	(9 260)	-	-	-	-	146	-	-	-
AttAfrica Limited	-	-	-	36 895	600 782	-	922	-	15 155	270 876
Atterbury Pemba Property Holdings Limited	-	-	-	2 254	35 415	-	-	-	-	21 686
Atterbury Property Developments Proprietary Limited	-	(72 474)	-	(8 953)	(110 041)	-	(101 255)	833	(4 988)	(110 640)
Atterbury Property Holdings Proprietary Limited	79 367	(13 469)	11 392	17 225	377 409	-	922	-	27 207	216 655
Atterbury Trust	-	594	-	-	-	-	(1 059)	-	-	-
Bagaprop Limited	-	-	-	-	-	-	-	-	-	89 152
Brooklyn Bridge Office Park Proprietary Limited	-	-	-	-	-	-	2 649	-	224	-
Eikestad Mall Joint Venture	-	3 322	-	-	641	-	-	-	-	359
Fatti 365 Proprietary Limited	-	-	-	125	1 395	-	-	-	-	-
Fatti Attacq Proprietary Limited	-	-	-	-	1 635	-	-	-	-	-
Fountains Regional Mall Proprietary Limited	-	-	-	-	1 826	-	-	-	-	-
Geelhoutboom Proprietary Limited	-	-	-	-	-	-	-	-	-	-
Keysha Investments 213 Proprietary Limited	-	-	-	-	-	-	-	-	-	3 690
Lynnwood Bridge Home Owners Association	-	(599)	-	-	-	-	-	-	-	-
Mall of Mauritius at Bagatelle Limited	-	-	-	-	13 414	-	-	-	-	13 541
MAS Real Estate Inc.	-	359 361	-	-	-	(1 294 479)	-	17 655	-	-
Micawber 832 Proprietary Limited	(71 670)	-	-	-	-	-	-	-	-	-
Kompasbaai Property Development Proprietary Limited	-	-	-	-	465	-	-	-	(12)	-
Retail Africa Consortium Holdings Proprietary Limited	-	-	95	-	-	-	-	258 393	-	-
The Club Retail Park Proprietary Limited	-	-	-	1 588	39 210	-	-	-	1 515	37 282
The Grove Mall of Namibia Proprietary Limited	-	-	-	-	60 310	-	-	-	-	62 711
Travenna Development Company Proprietary Limited	-	-	-	-	-	-	636	-	-	(72 449)
BF Van Niekerk	-	-	-	-	-	-	195	-	-	-
H El Haimer	-	(342)	-	-	-	-	287	-	-	-
JHP van der Merwe	-	(251)	-	-	-	-	220	-	-	-
LM Ndala	-	-	-	-	-	-	286	-	-	-
P Tredoux	-	(713)	-	-	-	-	845	-	-	-
PH Faure	-	(340)	-	-	-	-	255	-	-	-
S Shaw-Taylor	-	(588)	-	-	-	-	585	-	-	-
T du Toit	-	(358)	-	-	-	-	239	-	-	-
WL Masekela	-	(144)	-	-	-	-	321	-	-	-
AW Nauta	-	(418)	-	-	-	-	57	-	-	-
KR Moloko	-	(127)	-	-	(127)	-	-	-	-	-
	7 697	**266 314**	**15 302**	**49 134**	**1 022 334**	**(1 294 479)**	**(93 749)**	**323 338**	**39 101**	**532 863**

Figures in R'000s

34 RELATED PARTIES (continued)	2015 Shares issued/buy back (purchased)	2015 Sales and services to (Purchases and services from)	2015 Dividends received from	2015 Interest received from (paid to)	2015 Balances owing by (to) - net of impairment	2014 Shares issued (purchased)	2014 Sales and services to (Purchases and services from)	2014 Dividends received from	2014 Interest received from (paid to)	2014 Balances owing by (to) - net of impairment
COMPANY										
African Land Investments Limited	-	-	-	-	-	-	-	2 023	-	(2 630)
AIH International Proprietary Limited	-	-	-	30 996	414 676	-	-	-	15 775	314 011
Aldabri 96 Proprietary Limited	-	-	-	-	(221)	-	-	18 010	-	3
Arctospark Proprietary Limited	-	-	-	-	-	-	-	34 434	-	-
Attacq Retail Fund Proprietary Limited	(149 857)	-	-	-	199 738	-	(63)	-	72	10 093
Attacq Retail Services Proprietary Limited	-	8	-	-	32	-	-	-	-	-
Attacq Management Services Proprietary Limited	-	18 865	-	-	67 526	-	9	-	-	3 452
Attacq Waterfall Investment Company Proprietary Limited	(1 081 457)	1 265	329 338	94 618	2 162 138	-	3 125	-	80 011	2 226 201
AttAfrica Limited	-	-	-	-	-	-	922	-	-	-
Atterbury Asset Managers Proprietary Limited	-	-	-	-	(320)	-	146	-	-	-
Atterbury Attfund Investment Company 1 Proprietary Limited	-	-	54 013	-	-	-	-	-	-	(54 013)
Atterbury Attfund Investment Company 2 Proprietary Limited	-	-	93	-	-	-	9	22 331	-	-
Atterbury Attfund Investment Company 3 Proprietary Limited	-	-	42 296	-	-	-	-	-	-	(42 110)
Atterbury Mauritius Consortium Proprietary Limited	-	-	-	-	298 130	-	(66)	-	-	298 166
Atterbury Property Developments Proprietary Limited	-	4 530	-	309	4 039	-	(11 969)	-	(27)	-
Atterbury Property Holdings Proprietary Limited	79 367	550	11 392	11 758	87 472	-	1 036	-	22 338	183 919
Atterbury Property Investments Proprietary Limited	-	-	-	-	-	-	-	126 519	-	-
Atterbury Property One Proprietary Limited	-	88	-	-	-	-	25	-	-	-
Atterbury Trust	-	-	-	-	-	-	(1 059)	-	-	-
Brooklyn Bridge Office Park Proprietary Limited	-	240	-	-	17 886	-	2 649	-	224	8 961
Design Square Shopping Centre Proprietary Limited	-	-	-	-	(141 501)	-	-	-	-	(141 182)
De Ville Shopping Centre Proprietary Limited	-	-	-	-	-	-	-	23 038	-	-
Fatti Attacq Proprietary Limited	-	-	-	-	1 635	-	-	-	-	-
Fatti 365 Proprietary Limited	-	-	-	125	1 395	-	-	-	-	-
Fountains Regional Mall Proprietary Limited	-	-	-	-	1 826	-	-	-	-	-
Harlequin Duck Properties 204 Proprietary Limited	-	-	-	-	(2 156)	-	-	-	-	(2 225)
Highgrove Property Holdings Proprietary Limited	-	-	-	-	50 388	-	-	-	-	50 388
Keysha Investments 213 Proprietary Limited	-	-	-	-	-	-	-	-	-	3 690
Lady Brooks Proprietary Limited	-	-	-	-	-	-	-	25 936	-	-
Lord Charles and Lady Brooks Proprietary Limited	-	-	47 042	-	-	-	-	-	-	(47 037)
Leipzig Nova Eventis Consortium Proprietary Limited	-	-	-	-	66 421	-	-	-	-	68 512
Le Chateau Property Development Proprietary Limited	-	-	-	-	14 755	-	-	-	-	14 753
Lynnaur Investments Proprietary Limited	(50 041)	1 827	-	-	(8 063)	-	5 477	-	(385)	-
Lynnwood Bridge Office Park Proprietary Limited	(256 629)	6 811	-	-	122 915	-	155	-	-	139 824
Majestic Offices Proprietary Limited	-	-	-	79	1 705	-	-	-	570	57
Mantrablox Proprietary Limited	-	-	128 404	-	-	-	-	-	17 261	244 819
MAS Real Estate Inc.	-	359 361	42 539	-	-	(1 294 479)	-	17 655	-	-
Nieuwtown Property Development Company Proprietary Limited	-	-	-	17 170	249 566	-	-	-	11 723	147 435
Kompasbaai Property Development Proprietary Limited	-	-	-	-	465	-	-	-	(12)	419
Razorbill Properties 91 Proprietary Limited	-	-	-	-	85 417	-	7	-	-	85 415
Retail Africa Consortium Holdings Proprietary Limited	-	-	95	-	-	-	-	268 393	-	-
Sub-total carried forward	(1 458 617)	393 545	655 212	155 055	3 695 864	(1 294 479)	403	538 339	147 550	3 510 921

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	2015					2014				
34 RELATED PARTIES (continued)	Shares issued/buy back (purchased)	Sales and services to (Purchases and services from)	Dividends received from	Interest received from (paid to)	Balances owing by (to) - net of impairment	Shares issued/buy back (purchased)	Sales and services to (Purchases and services from)	Dividends received from	Interest received from (paid to)	Balances owing by (to) - net of impairment
COMPANY										
Sub-total carried forward	(1 458 617)	393 545	655 212	155 055	3 695 864	(1 294 479)	403	538 339	147 550	3 510 921
The Grove Mall of Namibia Proprietary Limited	-	-	-	-	60 310	-	-	-	-	62 711
The Club Retail Park Proprietary Limited	-	-	-	1 588	39 210	-	-	-	1 515	37 282
Travenna Development Company Proprietary Limited	-	-	72 399	-	-	-	636	-	-	(72 449)
BF Van Niekerk	-	-	-	-	-	-	(195)	-	-	-
HH El Haimer	-	(342)	-	-	-	-	(287)	-	-	-
JHP van der Merwe	-	(251)	-	-	-	-	(220)	-	-	-
LM Ndala	-	-	-	-	-	-	(286)	-	-	-
P Tredoux	-	(503)	-	-	-	-	(645)	-	-	-
PH Faure	-	(340)	-	-	-	-	(255)	-	-	-
S Shaw-Taylor	-	(413)	-	-	-	-	(585)	-	-	-
MM du Toit	-	(358)	-	-	-	-	(239)	-	-	-
WL Masekela	-	(144)	-	-	-	-	(321)	-	-	-
AW Nauta	-	(418)	-	-	-	-	(57)	-	-	-
KR Moloko	-	(127)	-	-	-	-	-	-	-	-
	(1 458 617)	390 774	727 611	156 643	3 795 384	(1 294 479)	(2 050)	538 339	149 064	3 538 465

All transactions between related parties during the year, were at arms length.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014

35 RISK MANAGEMENT

Changing market conditions expose the Group to various financial risks, including interest rate, credit, and liquidity risks.

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 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 variable rate on the same notional principal amounts. Under these agreements the Group agrees with the counter party to exchange at pre-determined intervals the difference between the fixed and variable interest amounts calculated on the notional principal amounts.

The interest rate swap derivatives has been valued using a market quoted swap curve as at 30 June 2015 (30 June 2014).

The interest rate swap have 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 13.

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 note 13 and 20.

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 not less than 60% of its mortgaged liabilities are held at fixed interest rates (refer note 20). At year end, 77% (2014: 59%) of borrowings were hedged and fixed.

The Group's exposure to fair value interest rate risk and cash flow risk can be summarised as follows:

Borrowings

	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Bank borrowings at fixed rates and hedged	7 705 758	3 890 957	-	-
Bank borrowings at variable rates	1 484 423	2 784 291	348 200	806 362
Bank overdraft	19 349	-	19 349	-
Loans at variable rates	113 258	5 851	1 128	5 851
Interest rate swaps linked to JIBAR and Prime rates (at fair value)	28 086	48 026	3 270	10 158
	9 350 874	6 729 125	371 947	822 371
The estimated impact of a 100 basis points increase in interest rates would have the following before tax impact on the profits of the Group.	16 451	28 382	3 719	8 224

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
35 RISK MANAGEMENT (continued)				

Interest rate risk (continued)

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:

Figures in R'000s	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Less than 1 year				
Long-term borrowings	326 329	449 027	22 544	85 294
Other financial liabilities	113 258	5 851	1 128	5 851
Trade and other payables	462 636	375 960	24 476	36 919
Loans from associates	70 989	246 079	-	72 449
Loans from subsidiaries	-	-	179 148	286 567
Bank overdraft	19 349	-	19 349	-
	992 561	1 076 917	246 645	487 080
Between 1 and 5 years				
Long-term borrowings	5 397 905	2 952 588	185 056	203 527
Other financial liabilities	28 086	48 026	3 270	10 158
	5 425 991	3 000 614	188 326	213 685
Over 5 years				
Long-term borrowings	3 465 947	3 273 633	140 599	517 555
Finance lease obligation	71 346	56 009	-	-
	3 537 293	3 329 642	140 599	517 555
	9 955 845	7 407 172	575 570	1 218 320

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 are 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 counter parties are considered at granting of the loans and is also evaluated on an on-going 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 12 for an analysis of the Group's trade receivable's ageing, 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.

NOTES TO THE FINANCIAL STATEMENTS	GROUP		COMPANY	
Figures in R'000s	2015	2014	2015	2014

35 RISK MANAGEMENT (continued)

Foreign currency risk

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 denominated in Euro and British Pounds;
- investment in AIH International Limited, of which the exposure is denominated in USD and Euro;
- investment in 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 Proprietary Limited, of which the exposure is denominated in Namibian Dollars.

The group's exposure is managed by diversifying it's investments into various currency zones.

Capital risk management

The Group manages its capital to ensure that entities ion the Group will be able to continue as going cencerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall stategy remains unchanged form 2014.

The capital structure of the Group consist of net debt (borrowings as detailed in note 20 offset by cash and bank as detailed in note 16) and equity of the Group (comprising issued capital, reserve, retained earnings and non-controlling interests as detailed in note 9.1 and 18.

The Group is not subject to any externally imposed capital requirements.

The board monitors the debt equity ratio on an ongoing bases to achieve optimal value to the shareholders.

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

36 FINANCIAL INSTRUMENTS

Categories of financial instruments	2015	Note	Total	Cash	At fair value through profit or loss	Loan and receivables	Available-for-sale financial assets	Financial liabilities at amortised cost	Equity and non financial instruments
GROUP									
ASSETS									
NON-CURRENT ASSETS									
Property, plant and equipment		4	10 641	-	-	-	-	-	10 641
Investment property		5	16 187 873	-	-	-	-	-	16 187 873
Straight-line lease debtor			482 199	-	-	-	-	-	482 199
Deferred initial lease expenditure			9 154	-	-	-	-	-	9 154
Intangible assets		6	344 523	-	-	-	-	-	344 523
Goodwill		7	67 774	-	-	-	-	-	67 774
Investment in associates		8	2 369 884	-	-	-	-	-	2 369 884
Other financial assets		13	102 993	-	54 738	70 397	-	-	(22 142)
Other investments		10	402 414	-	-	-	402 414	-	-
Deferred tax assets		11	19 829	-	-	-	-	-	19 829
Non-current assets classified as held for sale		8 & 17	684 441	-	-	-	-	-	684 441
CURRENT ASSETS									
Taxation receivable			408	-	-	-	-	-	408
Trade and other receivables		12	223 084	-	-	144 552	-	-	78 532
Other financial assets - current		13	907 282	-	-	907 282	-	-	-
Loans to associates		14	741 037	-	-	741 037	-	-	-
Cash and cash equivalents		16	747 145	747 145	-	-	-	-	-
TOTAL ASSETS			**23 300 681**	**747 145**	**54 738**	**1 863 268**	**402 414**	**-**	**20 233 116**
LIABILITIES									
NON-CURRENT LIABILITIES									
Long-term borrowings		20	8 863 852	-	-	-	-	8 863 852	-
Other financial liabilities		13	28 086	-	-	28 086	-	-	-
Finance lease obligation		21	71 346	-	-	-	-	71 346	-
Provisions for liabilities relating to associates		0	1 579	-	-	-	-	-	1 579
Deferred tax liabilities		11	1 365 868	-	-	-	-	-	1 365 868
CURRENT LIABILITIES									
Long-term borrowings		20	326 329	-	-	-	-	326 329	-
Other financial liabilities		13	113 258	-	-	6 589	-	106 669	-
Finance lease obligation - current		21	1 332	-	-	-	-	1 332	-
Loans from associates		14	70 989	-	-	-	-	70 989	-
Taxation payable			10 185	-	-	-	-	-	10 185
Trade and other payables		22	462 636	-	-	-	-	459 973	2 663
Provisions		23	1 422	-	-	-	-	-	1 422
Bank overdraft		16	19 349	-	-	-	-	19 349	-
TOTAL LIABILITIES			**11 336 231**	**-**	**-**	**34 675**	**-**	**9 900 489**	**1 381 717**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

36 FINANCIAL INSTRUMENTS (continued)

Categories of financial instruments	2014	Note	Total	Cash	At fair value through profit or loss	Loan and receivables	Available-for-sale financial assets	Financial liabilities at amortised cost	Equity and non financial instruments
GROUP									
ASSETS									
NON-CURRENT ASSETS									
Property, plant and equipment		4	11 061	-	-	-	-	-	11 061
Investment property		5	12 829 337	-	-	-	-	-	12 829 337
Straight-line lease debtor			309 601	-	-	-	-	-	309 601
Deferred initial lease expenditure			7 174	-	-	-	-	-	7 174
Intangible assets			284 826	-	-	-	-	-	284 826
Goodwill			62 847	-	-	-	-	-	62 847
Investment in associates		8	2 950 274	-	-	-	-	-	2 950 274
Other investments		10	523 750	-	-	-	523 750	-	-
Deferred tax assets		11	11 570	-	-	-	-	-	11 570
Non-current assets classified as held for sale		8 & 17	138 846	-	-	-	-	-	138 846
CURRENT ASSETS									-
Taxation receivable			896	-	-	-	-	-	896
Trade and other receivables		12	167 302	-	-	120 080	-	-	47 222
Other financial assets - current		13	6 173	-	-	6 173	-	-	-
Loans to associates		14	771 936	-	-	771 936	-	-	-
Cash and cash equivalents		16	389 293	389 293	-	-	-	-	-
TOTAL ASSETS			**18 464 886**	**389 293**	**-**	**898 189**	**523 750**	**-**	**16 653 654**
LIABILITIES									
NON-CURRENT LIABILITIES									
Long-term borrowings		20	6 226 221	-	-	-	-	6 226 221	-
Other financial liabilities		13	48 026	-	48 026	-	-	-	-
Finance lease obligation		21	56 009	-	-	-	-	56 009	-
Provisions for liabilities relating to associates		8	8 844	-	-	-	-	-	8 844
Deferred tax liabilities		11	900 811	-	-	-	-	-	900 811
Non-current liabilities directly associated with assets held for sale		0	-	-	-	-	-	-	-
CURRENT LIABILITIES									-
Long-term borrowings		20	449 027	-	-	-	-	449 027	-
Other financial liabilities		13	5 851	-	-	-	-	5 851	-
Loans from associates			246 079	-	-	-	-	246 079	-
Taxation payable			11 158	-	-	-	-	-	11 158
Trade and other payables		22	375 960	-	-	-	-	372 368	3 592
Provisions		23	10 142	-	-	-	-	-	10 142
TOTAL LIABILITIES			**8 338 128**	**-**	**48 026**	**-**	**-**	**7 355 555**	**934 547**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

36 FINANCIAL INSTRUMENTS (continued)

Categories of financial instruments 2015	Note	Total	Cash	At fair value through profit or loss	Loan and receivables	Available-for-sale financial assets	Financial liabilities at amortised cost	Equity and non financial instruments
COMPANY								
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment	4	163	-	-	-	-	-	163
Investment property	5	272 761	-	-	-	-	-	272 761
Straight-line lease debtor		4 738	-	-	-	-	-	4 738
Deferred initial lease expenditure		1 335	-	-	-	-	-	1 335
Investment in associates	8	2 295 797	-	-	-	2 295 797	-	-
Investment in subsidiaries	9	5 782 971	-	-	-	5 782 971	-	-
Loans to subsidiaries	15	414 677	-	-	-	414 677	-	-
Other financial assets	13	50 787	-	2 532	48 255	-	-	-
Other investments	10	334 109	-	-	-	334 109	-	-
Non-current assets classified as held for sale	8 & 17	187 858	-	-	-	-	-	187 858
CURRENT ASSETS								
Trade and other receivables	12	8 702	-	-	8 702	-	-	-
Other financial assets	13	402 617	-	-	402 617	-	-	-
Loans to associates	14	104 840	-	-	104 840	-	-	-
Loans to subsidiaries	15	3 367 790	-	-	3 367 790	-	-	-
Cash and cash equivalents	16	259 097	259 097	-	-	-	-	-
TOTAL ASSETS		**13 488 242**	**259 097**	**2 532**	**3 932 204**	**8 827 554**	**-**	**466 855**
LIABILITIES								
NON-CURRENT LIABILITIES								
Long-term borrowings	20	325 656	-	-	-	-	325 656	-
Other financial liabilities	13	3 270	-	3 270	-	-	-	-
Provisions for liabilities relating to associates	0	1 579	-	-	-	-	-	1 579
Deferred tax liabilities	11	739 730	-	-	-	-	-	739 730
CURRENT LIABILITIES								
Long-term borrowings - current portion	20	22 544	-	-	-	-	22 544	-
Other financial liabilities - current	13	1 128	-	-	-	-	1 128	-
Loans from subsidiaries - current	15	179 148	-	-	-	-	179 148	-
Taxation payable		9 411	-	-	-	-	-	9 411
Trade and other payables	22	24 476	-	-	-	-	24 476	-
Bank overdraft	16	19 349	-	-	-	-	-	19 349
TOTAL LIABILITIES		**1 326 291**	**-**	**3 270**	**-**	**-**	**552 952**	**770 069**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

36 FINANCIAL INSTRUMENTS (continued)

Categories of financial instruments	2014	Note	Total	Cash	At fair value through profit or loss	Loan and receivables	Available-for-sale financial assets	Financial liabilities at amortised cost	Equity and non financial instruments
COMPANY									
ASSETS									
NON-CURRENT ASSETS									
Property, plant and equipment		4	4 581	-	-	-	-	-	4 581
Investment property		5	585 255	-	-	-	-	-	585 255
Straight-line lease debtor			15 254	-	-	-	-	-	15 254
Deferred initial lease expenditure			4 344	-	-	-	-	-	4 344
Investment in associates		8	2 639 482	-	-	-	2 639 482	-	-
Investment in subsidiaries		9	4 120 961	-	-	-	4 120 961	-	-
Other investments		10	454 436	-	-	-	454 436	-	-
Non-current assets classified as held for sale		8 & 17	138 846	-	-	-	-	-	138 846
CURRENT ASSETS									
Trade and other receivables		12	6 928	-	-	6 012	-	-	916
Other financial assets		13	8 502	-	-	8 502	-	-	-
Loans to associates		14	288 021	-	-	288 021	-	-	-
Loans to subsidiaries - current		15	3 612 055	-	-	3 612 055	-	-	-
Cash and cash equivalents		16	216 653	216 653	-	-	-	-	-
TOTAL ASSETS			**12 095 318**	**216 653**	**-**	**3 914 590**	**7 214 879**	**-**	**749 196**
LIABILITIES									
NON-CURRENT LIABILITIES									
Long-term borrowings		20	721 082	-	-	-	-	721 082	-
Other financial liabilities		13	10 158	-	-	-	-	10 158	-
Provisions for liabilities relating to associates		0	8 844	-	-	-	-	-	8 844
Deferred tax liabilities		11	532 818	-	-	-	-	-	532 818
CURRENT LIABILITIES									-
Long-term borrowings		20	85 294	-	-	-	-	85 294	-
Other financial liabilities		13	5 851	-	-	-	-	5 851	-
Loans from associates		14	72 449	-	-	-	-	72 449	-
Loans from subsidiaries		15	286 567	-	-	-	-	286 567	-
Taxation payable			10 680	-	-	-	-	-	10 680
Trade and other payables		22	36 919	-	-	-	-	36 919	-
Bank overdraft		16	-	-	-	-	-	-	-
TOTAL LIABILITIES			**1 770 662**	**-**	**-**	**-**	**-**	**1 218 320**	**552 342**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s	Note	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
37 FAIR VALUE MEASUREMENTS					
This note provides information about how the Group determines fair values of various financial assets and financial liabilities.					
Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.					
Investment property	5				
• Level 3		16 187 873	12 829 337	272 761	585 255

The fair value of investment property is determined using the following techniques:

- Development rights - the residual land valuation method;
- Land - residual land valuation method;
- Developments under construction - discounted cash flow methodology; and
- Completed Developments - discounted cash flow 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 5 for the significant unobservable inputs and the relationship between the unobservable inputs and the fair value.

Figures in R'000s	Note	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Non-current assets classified as held for sale	8 & 17				
• Level 2		-	138 846	-	138 846
• Level 3		684 441	-	187 858	-
		684 441	138 846	187 858	138 846

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.

Refer to note 8 & 17 for the for the detailed analysis of the balances.

Figures in R'000s	Note	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Other investments	10				
• Level 3		402 414	523 750	334 109	454 436

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.

Refer to note 10 for the for the detailed analysis of the balances.

Figures in R'000s	Note	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Other financial assets (liabilities)	13				
Other financial assets					
• Level 2		54 738	-	2 532	-
• Level 3		955 537	6 173	450 872	6 173
Other financial liabilities					
• Level 2		(34 675)	(48 026)	(3 270)	(10 158)
• Level 3		(106 669)	(5 851)	(1 128)	(5 851)
		868 931	(47 704)	449 006	(9 836)

The fair value of other investments is determined annually as the difference in the net present value of future cashflows on the mortgage bond at the floating and fixed rates. The difference is recognised as an asset or liability.

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 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 TO THE FINANCIAL STATEMENTS

Figures in R'000s	Note	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
37 FAIR VALUE MEASUREMENTS (continued)					

The fair value of the following financial assets and liabilities are designated as level 3.

The carrying amounts of the following balances is deemed by management to approximate their fair values. The fair value of balances below is determined with reference to the carrying value and the net asset value of the underlying investments.

Refer to the relevant note for a detailed analysis of the balaces.

	Note	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Other financial assets (liabilities)					
Loans to associates					
• Level 3	14	741 037	771 936	104 840	288 021
Loans from associates					
• Level 3	14	(70 989)	(246 079)	-	(72 449)
		670 048	525 856	104 840	215 572
Loans to shareholders					
• Level 3		-	59 159	-	59 159
Loans to subsidiaries - current	15				
• Level 3		-	-	3 782 467	3 612 055
Loas from subsidiaries					
• Level 3		-	-	(179 148)	(286 567)
Trade and other receivables	12				
• Level 3		144 552	120 080	8 331	6 012
Trade and other payables	22				
• Level 3		459 973	372 368	24 476	36 919

NOTES TO THE FINANCIAL STATEMENTS

GROUP

Figures in R'000s

2015

Business segment	Primary GLA - m²	Region	Investment property	Other assets	Total assets	Total liabilities
38 SEGMENTAL REPORTING						
Office and mixed use						
Brooklyn Bridge Office Park	23 525	Gauteng	611 581	40 749	652 330	428 304
Great Westerford*	14 558	Western Cape	272 762	11 710	284 472	80 095
Lynnwood Bridge	46 941	Gauteng	1 283 202	95 867	1 379 069	1 098 649
Aurecon Building	19 104	Gauteng	641 770	88 407	730 177	553 618
Newtown Junction	63 564	Gauteng	1 277 272	71 018	1 348 290	1 122 359
Majestic Offices	8 429	Gauteng	134 361	5 572	139 933	112 012
PWC Sunninghill	25 525	Gauteng	351 306	17 044	368 350	397 721
Waterfall - Altech Building*	2 113	Gauteng	40 647	5 329	45 976	20 680
Waterfall - Cell C Campus	44 782	Gauteng	778 013	97 732	875 745	251 654
Waterfall - City Lodge	6 180	Gauteng	99 904	8 050	107 954	61 593
Waterfall - Group 5	25 782	Gauteng	543 093	91 905	634 998	382 578
Waterfall - Maxwell Office Park - Phase I and II*	9 545	Gauteng	239 659	83 156	322 815	200 968
Waterfall - Novartis	7 982	Gauteng	194 620	85 263	279 883	157 757
			6 468 190	**701 802**	**7 169 992**	**4 867 988**
Retail						
Glenfair Boulevard Shopping Centre	15 927	Gauteng	388 900	9 170	398 070	38 361
Garden Route Mall	53 015	Western Cape	1 186 014	36 619	1 222 633	770 272
Brooklyn Mall#	18 689	Gauteng	677 335	20 122	697 457	437 060
Mooirivier Mall	47 707	North West	1 042 802	32 745	1 075 547	677 120
Andringa Walk	10 595	Western Cape	169 323	9 447	178 770	112 848
Eikestad Mall ^	25 678	Western Cape	529 416	21 103	550 519	347 736
Mill Square^	3 562	Western Cape	78 975	2 489	81 464	51 303
Waterfall - Waterfall Corner	9 298	Gauteng	185 440	57 517	242 957	154 014
Waterfall - Waterfall Lifestyle	7 139	Gauteng	112 371	8 942	121 313	93 141
			4 370 576	**198 154**	**4 568 730**	**2 681 855**
Light industrial						
Waterfall - Angel Shack	4 652	Gauteng	32 931	1 607	34 538	10 907
Waterfall - Covidien	11 082	Gauteng	108 442	13 555	121 997	101 048
Waterfall - Cummins*	10 504	Gauteng	78 008	4 338	82 346	5 532
Waterfall - Drager	5 027	Gauteng	71 250	5 942	77 192	45 074
Waterfall - Massbuild Distribution Centre	36 803	Gauteng	243 439	34	243 473	203 445
Waterfall - Westcon	8 087	Gauteng	99 176	56 888	156 064	67 740
			633 246	**82 364**	**715 610**	**433 746**
Vacant land						
Le Chateau		North West	17 000	2	17 002	2 247
Waterfall - Development rights		Gauteng	1 467 422	10	1 467 432	45
Waterfall - Infrastructure and Services		Gauteng	615 991	57 212	673 203	465 459
			2 100 413	**57 224**	**2 157 637**	**467 751**
Developments						
Newtown - City Lodge	4 228	Gauteng	73 018	-	73 018	47 593
Waterfall - Allandale Building	14 670	Gauteng	69 848	4 074	73 922	21 899
Waterfall - Hilti	3 821	Gauteng	38 981	2 759	41 740	13 165
Waterfall - Mall of Africa^	104 830	Gauteng	2 010 139	594 357	2 604 496	1 979 895
Waterfall - Maxwell Office Park - Phase III*	5 261	Gauteng	101 658	8 552	110 210	97 754
Waterfall - PwC Tower**	46 010	Gauteng	152 688	76 385	229 073	41 509
Waterfall - Servest	6 650	Gauteng	127 134	10 597	137 731	97 606
Waterfall - Stryker	3 219	Gauteng	41 982	3 110	45 092	26 194
			2 615 448	**699 834**	**3 315 282**	**2 325 615**
Total			**16 187 873**	**1 739 378**	**17 927 251**	**10 776 955**
Head office / other			-	5 373 430	5 373 430	559 276
Total			**16 187 873**	**7 112 808**	**23 300 681**	**11 336 231**

 # 25% undivided share
^ 50% undivided share
*** 75% undivided share*
** 80% undivided share*

Primary GLA disclosed above at Attacq's effective GLA

NOTES TO THE FINANCIAL STATEMENTS

GROUP

Figures in R'000s

2014

Business segment	Primary GLA - m²	Region	Investment property	Other assets	Total assets	Total liabilities
38 SEGMENTAL REPORTING (continued)						
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
Waterfall - Altech Building*	2 173	Gauteng	41 004	2 307	43 312	27 391
Waterfall - Cell C Campus	44 200	Gauteng	761 329	129 214	890 543	7 777
Waterfall - Group 5	23 139	Gauteng	504 420	88 025	592 445	378 160
Waterfall - 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 - 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						
Waterfall - Massbuild Distribution Centre	37 238	Gauteng	**224 962**	**24 890**	**249 852**	**200 240**
Vacant land						
Le Chateau		North West	17 000	1	17 001	2 248
Waterfall - Development rights		Gauteng	1 503 549	10	1 503 559	88
Waterfall - Infrastructure and Services		Gauteng	446 046	18 235	464 281	148 064
			1 966 595	**18 246**	**1 984 841**	**150 400**
Developments						
Waterfall - Angel Shack	4 558	Gauteng	21 031	1 983	23 014	4 309
Waterfall - City Lodge	6 180	Gauteng	63 086	5 984	69 070	8 315
Waterfall - Covidien	11 050	Gauteng	39 236	4 808	44 044	8 530
Waterfall - Cummins*	10 417	Gauteng	24 312	-	24 312	9 096
Waterfall - Dräger	4 674	Gauteng	30 535	2 188	32 723	3 346
Waterfall - Mall of Africa	130 188	Gauteng	994 714	58 953	1 053 667	320 801
Waterfall - Maxwell Office Park - Phase II*	4 151	Gauteng	83 671	8 676	92 347	19 857
Waterfall - Novartis	7 055	Gauteng	54 168	4 937	59 105	9 813
Waterfall - Waterfall Lifestyle	7 540	Gauteng	87 299	10 228	97 527	12 661
Waterfall - 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 Junction	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

Primary GLA disclosed above at Attacq's effective GLA

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

38 SEGMENTAL REPORTING (continued)

			GROUP						
			2015						
Business segment	Primary GLA - m²	Region	Revenue (incl Straight-line rental adjustment)	Straight-line rental adjustment	Interest income	Finance cost	Profit (loss) before tax	Income tax	Total comprehensive income (loss) for the year
Office and mixed use									
Brooklyn Bridge Office Park	23 525	Gauteng	71 864	(2 334)	183	(36 340)	15 887	(4 160)	11 727
Great Westerford*	14 558	Western Cape	34 363	1 838	206	-	28 808	(9 826)	18 982
Lynnwood Bridge	46 941	Gauteng	144 335	13 455	530	(79 492)	96 045	(21 528)	74 517
Aurecon Building	19 104	Gauteng	97 596	21 183	134	(51 933)	32 671	(8 804)	23 867
Newtown Junction	63 564	Gauteng	117 254	23 089	9 580	(109 788)	(10 957)	(10 939)	(21 896)
Majestic Offices	8 429	Gauteng	12 849	2 936	51	(8 100)	1 715	2 190	3 905
PWC Sunninghill	25 525	Gauteng	18 961	1 520	9	(15 146)	5 331	(1 256)	4 075
Waterfall - Altech Building*	2 113	Gauteng	8 142	2 825	15	(2 534)	3 427	(202)	3 225
Waterfall - Cell C Campus	44 782	Gauteng	127 696	47 028	988	(56 975)	47 407	(225)	47 182
Waterfall - City Lodge	6 180	Gauteng	5 812	1 396	23	(4 509)	(1 148)	680	(468)
Waterfall - Group 5	25 782	Gauteng	80 008	22 705	571	(38 200)	56 562	(6 450)	50 112
Waterfall - Maxwell Office Park - Phase I and II*	9 545	Gauteng	26 824	6 101	51	(9 525)	12 671	(1 611)	11 060
Waterfall - Novartis	7 982	Gauteng	2 190	518	555	(1 301)	40 827	(7 524)	33 303
			747 894	**142 260**	**12 896**	**(413 843)**	**329 246**	**(69 655)**	**259 591**
Retail									
Glenfair Boulevard Shopping Centre	15 927	Gauteng	50 208	747	36	(3)	72 959	(10 430)	62 529
Garden Route Mall	53 015	Western Cape	122 846	(2 273)	259	(58 426)	94 807	(20 803)	74 004
Brooklyn Mall#	18 689	Gauteng	71 999	1 785	80	(33 969)	45 960	(9 041)	36 919
Mooirivier Mall	47 707	North West	113 591	563	88	(47 569)	71 057	(14 979)	56 078
Andringa Walk	10 595	Western Cape	24 864	2 159	11	(23 102)	(1 003)	1 714	711
Eikestad Mall ^	25 678	Western Cape	65 200	3 305	21	(35 708)	31 389	(5 368)	26 021
Mill Square^	3 562	Western Cape	7 596	817	1	(5 263)	1 852	(74)	1 778
Waterfall - Waterfall Corner	9 298	Gauteng	28 758	3 128	46	(13 744)	11 878	(1 431)	10 447
Waterfall - Waterfall Lifestyle	7 139	Gauteng	14 751	5 129	236	(7 183)	11 174	(850)	10 324
			499 813	**15 360**	**778**	**(224 967)**	**340 073**	**(61 262)**	**278 811**
Light industrial									
Waterfall - Angel Shack	4 652	Gauteng	4 728	703	5	(783)	6 901	(1 272)	5 629
Waterfall - Covidien	11 082	Gauteng	8 911	2 035	77	(2 615)	22 653	(4 064)	18 589
Waterfall - Cummins*	10 504	Gauteng	1 105	247	-	-	17 678	(3 321)	14 357
Waterfall - Dräger	5 027	Gauteng	6 829	1 446	169	(3 362)	15 185	(2 584)	12 601
Waterfall - Massbuild Distribution Centre	36 803	Gauteng	32 939	7 454	29	(20 376)	17 836	(1 763)	16 073
Waterfall - Westcon	8 087	Gauteng	9 977	3 095	243	(3 834)	10 663	(1 454)	9 209
			64 489	**14 980**	**523**	**(30 970)**	**90 916**	**(14 458)**	**76 458**
Vacant land									
Le Chateau		North West	-	-	-	-	(4)	-	(4)
Waterfall - Development rights		Gauteng	-	-	-	-	84 515	(15 764)	68 751
Waterfall - Infrastructure and Services		Gauteng	25	-	-	-	(10 765)	3 014	(7 751)
			25	-	-	-	**73 746**	**(12 750)**	**60 996**
Sub-total carried forward			**1 312 221**	**172 600**	**14 197**	**(669 780)**	**833 981**	**(158 125)**	**675 856**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

			GROUP 2015						
Business segment	Primary GLA - m²	Region	Revenue (incl Straight-line rental adjustment)	Straight-line rental adjustment	Interest income	Finance cost	Profit (loss) before tax	Income tax	Total comprehensive income (loss) for the year
38 SEGMENTAL REPORTING (continued)									
Sub-total brought forward			**1 312 221**	**172 600**	**14 197**	**(669 780)**	**833 981**	**(158 125)**	**675 856**
Developments									
Newtown - City Lodge	4 228	Gauteng	-	-	-	-	4 656	-	4 656
Waterfall - Allandale Building	14 670	Gauteng	-	-	-	-	4 434	(807)	3 627
Waterfall - Hilti	3 821	Gauteng	-	-	-	-	12 332	(2 369)	9 963
Waterfall - Mall of Africa^	104 830	Gauteng	-	-	-	-	420 764	(81 078)	339 686
Waterfall - Maxwell Office Park - Phase III*	5 261	Gauteng	-	-	-	-	19 320	(3 525)	15 795
Waterfall - PwC Tower**	46 010	Gauteng	-	-	-	-	37 381	(9 486)	27 895
Waterfall - Servest	6 650	Gauteng	-	-	-	-	34 594	(6 521)	28 073
Waterfall - Stryker	3 219	Gauteng	-	-	-	-	14 457	(2 795)	11 662
			-	**-**	**-**	**-**	**547 938**	**(106 581)**	**441 357**
Total			**1 312 221**	**172 600**	**14 197**	**(669 780)**	**1 381 919**	**(264 706)**	**1 117 213**
Head office / other			714	-	99 690	(16 092)	735 266	(269 485)	465 781
Total			**1 312 935**	**172 600**	**113 887**	**(685 872)**	**2 117 185**	**(534 191)**	**1 582 994**

** 25% undivided share*
^ 50% undivided share
*** 75% undivided share*
^ 80% undivided share

Primary GLA disclosed above at Attacq's effective GLA

NOTES TO THE FINANCIAL STATEMENTS

GROUP

Figures in R'000s — 2014

38 SEGMENTAL REPORTING (continued)

Business segment	Primary GLA - m²	Region	Revenue (incl Straight-line rental adjustment)	Straight-line rental adjustment	Interest income	Finance cost	Profit (loss) before tax	Income tax	Total comprehensive income (loss) for the year
Office and mixed use									
Atterbury House	26 242	Western Cape	4 462	(2 356)	4	-	(9 282)	-	(9 282)
Brooklyn Bridge Office Park	23 525	Gauteng	19 222	1 349	287	(36 842)	47 757	(6 285)	41 472
Great Westerford*	16 136	Western Cape	34 529	171	347	(8 327)	(27 535)	5 748	(21 787)
Harlequins Office Park	5 450	Gauteng	2 694	-	-	-	2 094	-	2 094
Lynnwood Bridge	32 634	Gauteng	118 079	14 723	20	(66 955)	59 530	(10 678)	48 852
Aurecon Building	19 104	Gauteng	101 230	31 205	91	(52 113)	26 584	(7 491)	19 093
Waterfall - Altech Building*	2 173	Gauteng	3 803	(904)	10	(2 244)	6 787	(2 154)	4 633
Waterfall - Cell C Campus	44 200	Gauteng	64 343	22 013	1 226	(7 249)	139 159	(32 801)	106 358
Waterfall - Group 5	23 139	Gauteng	32 048	10 096	1 179	(15 776)	110 282	(28 069)	82 213
Waterfall - Maxwell Office Park - Phase I*	5 483	Gauteng	6 495	1 203	11	(2 956)	19 635	(5 161)	14 474
			386 905	**77 440**	**3 175**	**(192 462)**	**375 011**	**(86 891)**	**288 120**
Retail									
De Ville Shopping Centre	13 455	Western Cape	20 204	2 128	40	-	34 863	(3 789)	31 074
Glenfair Boulevard Shopping Centre	15 937	Gauteng	44 197	1 764	37	(5 832)	47 046	(11 145)	35 901
San Ridge Square*	12 045	Gauteng	511	(2 619)	10	(15)	2 318	(302)	2 016
Garden Route Mall	54 914	Western Cape	114 759	2 844	65	(20 226)	142 636	(31 659)	110 977
Brooklyn Mall#	18 689	Gauteng	67 350	4 621	47	(33 192)	65 255	9 878	75 133
Mooirivier Mall	47 707	North West	115 524	6 040	153	(45 616)	106 895	(22 721)	84 174
Andringa Walk	10 596	Western Cape	23 444	2 677	21	(27 273)	2 398	765	3 163
Eikestad Mall ^	25 678	Western Cape	60 121	2 185	34	(37 435)	21 661	(4 200)	17 461
Mill Square ^	3 562	Western Cape	4 214	421	3	(5 794)	1	260	261
Waterfall - Waterfall Corner	9 167	Gauteng	6 723	1 223	-	(3 688)	44 578	(12 139)	32 439
			457 047	**21 284**	**410**	**(179 071)**	**467 651**	**(75 052)**	**392 599**
Light industrial									
Waterfall - Massbuild Distribution Centre	37 238	Gauteng	**31 701**	**8 927**	**27**	**(20 733)**	**(1 428)**	**2 899**	**1 471**
Vacant land									
Le Chateau		North West	-	-	-	(34)	(70)	-	(70)
Waterfall - Development rights		Gauteng	-	-	-	-	33 547	(9 393)	24 154
Waterfall - Infrastructure and Services		Gauteng	-	-	160	-	(43 262)	12 113	(31 149)
			-	**-**	**160**	**(34)**	**(9 785)**	**2 720**	**(7 065)**
Sub-total carried forward			**875 653**	**107 651**	**3 772**	**(392 300)**	**831 449**	**(156 324)**	**675 125**

NOTES TO THE FINANCIAL STATEMENTS

Figures in R'000s

GROUP 2014

38 SEGMENTAL REPORTING (continued)

Business segment	Primary GLA - m²	Region	Revenue (incl Straight-line rental adjustment)	Straight-line rental adjustment	Interest income	Finance cost	Profit (loss) before tax	Income tax	Total comprehensive income (loss) for the year
Sub-total brought forward			875 653	107 651	3 772	(392 300)	831 449	(156 324)	675 125
Developments									
Waterfall - Angel Shack	4 558	Gauteng	-	-	-	-	1 575	(441)	1 134
Waterfall - City Lodge	6 180	Gauteng	-	-	-	-	7 161	(2 005)	5 156
Waterfall - Covidien	11 050	Gauteng	-	-	-	-	4 032	(1 129)	2 903
Waterfall - Cummins*	10 417	Gauteng	-	-	30	-	1 553	(435)	1 118
Waterfall - Dräger	4 674	Gauteng	-	-	-	-	4 122	(1 154)	2 968
Waterfall - Mall of Africa	130 188	Gauteng	-	-	-	-	196 040	(54 891)	141 149
Waterfall - Maxwell Office Park - Phase II*	4 151	Gauteng	-	-	-	-	11 502	(3 220)	8 281
Waterfall - Novartis	7 055	Gauteng	-	-	-	-	7 147	(2 001)	5 146
Waterfall - Waterfall Lifestyle	7 540	Gauteng	-	-	-	-	(2 105)	589	(1 516)
Waterfall - Westcon	8 074	Gauteng	-	-	-	-	680	(190)	489
Lynnwood Bridge - Phase III*	15 315	Gauteng	-	-	-	-	10 017	(1 868)	8 149
Newtown Junction	63 617	Gauteng	-	-	4 348	-	6 647	(611)	6 036
Majestic Offices	9 108	Gauteng	-	-	-	-	25 869	(6 675)	19 194
			-	-	4 378	-	274 239	(74 032)	200 207
Total			875 653	107 651	8 150	(392 300)	1 105 688	(230 355)	875 332
Head office / other			1 197	-	60 433	(189 822)	229 673	(9 005)	220 669
Total			876 850	107 651	68 583	(582 122)	1 335 361	(239 360)	1 096 001

* *50% undivided share*
* *25% undivided share*
* *80% undivided share*

Primary GLA disclosed above at Attacq's effective GLA

NOTES TO THE FINANCIAL STATEMENTS

	Nature of company	Issued shares 30 June 2015	% 2015	% 2014	Shares 2015	Shares 2014
39 DIRECT SUBSIDIARIES AND ASSOCIATES						
AIH International Limited (Mauritian)	Investment	1	100.00	100.00	1	1
Aldabri 96 Proprietary Limited	Property Investment	100	100.00	100.00	100	100
Attacq Management Services Proprietary Limited	Asset management	9 028	100.00	100.00	9 028	9 028
Atterbury Attfund Investment Company No.1	Dormant	-	-	100.00	-	10 000
Atterbury Attfund Investment Company No.2	Dormant	-	-	100.00	-	100
Atterbury Attfund Investment Company No.3	Dormant	-	-	100.00	-	92 800
Atterbury Mauritius Consortium Proprietary Limited **(Note A)**	Property Investment	100	80.00	80.00	80	80
Atterbury Property Investments Proprietary	Investment	-	-	100.00	-	100
Attacq Waterfall Investment Company Proprietary Limited **(Note C)**	Property Investment	100 000	100.00	81.23	100 000	81 225
Atterbury Property Holdings Proprietary Limited **(Note N)**	Development company	83 333 333	10.00	25.00	8 333 333	25 000 000
Brooklyn Bridge Office Park Proprietary Limited	Property Investment	1 000	100.00	100.00	1 000	1 000
Geelhoutboom Estate Proprietary Limited	Property Investment	1 200	37.00	37.00	440	440
Harlequin Duck Properties 204 Proprietary Limited	Dormant	400	100.00	100.00	400	400
Highgrove Property Holdings Proprietary Limited	Investment	100 000	100.00	100.00	100 000	100 000
Le Chateau Property Development Proprietary	Development	1 000	100.00	100.00	1 000	1 000
Lord Charles & Lady Brooks Office Park Holdings	Dormant	1 000	100.00	100.00	1 000	1 000
Lady Brooks Proprietary Limited	Dormant	1 000	100.00	100.00	1 000	1 000
Leipzig Nova Eventis Consortium Proprietary	Investment	100	100.00	100.00	100	100
Lynnwood Bridge Office Park Proprietary Limited	Development	1 828	100.00	100.00	1 828	1 000
Attacq Retail Fund Proprietary Limited	Property Investment	735 624	100.00	100.00	735 624	659 995
Mantrablox Proprietary Limited	Property Investment	100	100.00	80.00	100	80
Lynnaur Investments Proprietary Limited **(Note D)**	Property Investment	105	100.00	75.00	105	75
Razorbill Properties 91 Proprietary Limited	Investment	100	100.00	100.00	100	100
MAS Real Estate Inc. **(Note E)**	Property Investment and development company	291 787 889	45.26	47.24	132 049 113	132 049 113
Majestic Offices Proprietary Limited	Development	100	50.00	50.00	50	50
Nieuwtown Property Development Company	Development	100	50.00	50.00	50	50
Retail Africa Consortium Holdings Proprietary Limited **(Note G)**	Property Investment	780 592	-	50.00	-	390 296
Retail Africa Wingspan Investments Proprietary Limited	Property Investment	630 732	34.44	34.44	217 201	217 201
Kompasbaai Property Development Proprietary Limited **(Note H)**	Property Investment	100	33.00	33.00	33	33
Keysha Investments 213 Proprietary Limited **(Note I)**	Property Investment	1 000	-	50.00	-	500
Travenna Development Company Proprietary Limited	Property Investment	1 000	36.00	36.00	360	360
Grove Mall of Namibia Proprietary Limited (Namibian company) **(Note J)**	Property Investment	300	25.00	25.00	75	75
Rapfund Holdings Proprietary Limited **(Note K)**	Holding company	27 498 902	-	26.60	-	7 307 677
The Club Retail Park Proprietary Limited **(Note L)**	Property Investment	1 198	31.10	31.10	372	372
Fountains Regional Mall Proprietary Limited **(Note M)**	Property Investment	100 000	12.73	12.73	12 731	12 731
Fatti 365 Proprietary Limited	Investment	100	50.00	-	50	-
Fatti Attacq Proprietary Limited	Investment	240	50.00	-	120	-
AttAfrica SA Proprietary Limited	Management	1 000	25.00	-	250	-
Attacq Namco Proprietary Limited	Investment	10	100.00	-	10	-

	Nature of company	Issued shares 30 June 2015	%		Shares	
			2015	2014	2015	2014

39 DIRECT SUBSIDIARIES AND ASSOCIATES (continued)

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

A The Group has an effective share of 81.50% (2014: 83.75%) via its investment in Atterbury Property Holdings Proprietary Limited. (Note N)
B This company was deregistered on 9 January 2015.
C The Group had an effective share of 85.92% in 2014 via its investment in Atterbury Property Holdings Proprietary Limited. The structure was simplified during the current year and Attacq now owns 100% directly.
D The Group had an effective share of 78.13% in 2014 via its investment in Atterbury Property Holdings Proprietary Limited. The structure was simplified during the current year and Attacq now owns 100% directly.
E MAS Real Estate Inc. issued additional shares during the year which had the effect of diluting the effective shareholding of Attacq.
F Nieuwtown Property Development Company Proprietary Limited and Majestic Offices Proprietary Limited is a 50% held subsidiary of Atterbury Property Holdings Proprietary Limited. Effective holdings of Nieuwtown Property Development Company Proprietary Limited and Majestic Offices Proprietary Limited reduced to 55% as a result of the reduction in Atterbury investment, (2014: 62.5%). (Note N)
G The Group sold its shareholding to the remaining shareholders during the 2015 financial year.
H The Group has an effective share of 34.80% (2014: 44.79%) via its investment in Atterbury Property Holdings Proprietary Limited.
I This investment was disposed of in August 2014.
J The Group has an effective share of 27.50% (2014: 31.25%) via its investment in Atterbury Property Holdings Proprietary Limited.
K This was disposed of in July 2014 to a consortium of existing and new Rapfund Holdings Proprietary Limited shareholders for R139 million
L The Group has an effective share of 34.70% (2014: 40.71%) via its investment in Atterbury Property Holdings Proprietary Limited.
M The assets of the company i.e. the Fountains Regional Mall was disposed of in May 2015, while the company was retained.
N Atterbury Property Holdings Proprietary Limited reduced their number of issued shares and Attacq reduced their investment, both transactions occurred on 12 December 2014.
O The deregistration of this company was filed with the Companies and Intellectual commissions ("CIPC") on 30 June 2015.