ACC-ROSS HOLDINGS LIMITED

Unaudited results for the six months ended 31 August 2007

Welvergenoegd

Welvergenoegd is a planned township development situated outside Durbanville in the Cape. Water Rights have been secured for the development through part funding of the Durbanville water pipeline. Environmental Impact Assessments have been initiated and applications for rights are at an early stage. It is anticipated that the development will commence during 2009 and be completed within 36 months thereafter. The project is similar in nature and size to the Gardener Ross Golf & Country Estate.

Transfer of the property was effected during July 2007 following payment by Acc-Ross of R22 million for the balance of the purchase price. The property is currently unbonded. The township application is in the process of formulation and banks will be approached to finance the project in the normal manner once rights have been obtained.

Blue Horizon Bay

Acc-Ross effectively owns 87.5% of Blue Horizon Bay Eco-Estate, a 76 hectare property located in an extremely sought-after area of coastal land, between Port Elizabeth and Jeffreys Bay. The sea facing development will cater to the holiday market. The development is expected to be an low density eco estate, with ample open space to allow small game to roam freely and allow for the majority of the homes to have uninterrupted ocean views.

Blue Horizon Bay Eco-Estate is a smaller project but given its location, it is expected to be a popular holiday destination. The land was purchased for R550 000 in 2003 and transfer has been affected. The Environmental Impact Assessment has been initiated and the applications for rights are at and early stage. The township application is in the process of formulation. Banks will be approached to finance the project in the normal manner once rights have been obtained.

LITIGATION

Acc-Ross and its subsidiaries are not involved in any material legal or arbitration proceedings or legal actions, nor are the directors aware of any proceedings that are pending or threatened, that may have, or have had in the 12 month period preceding the last practicable date, a material effect on the company's financial position, other than a motion against Gardener Ross Holdings Limited, which matter has been defended by the submission of an opposing affidavit as the company has been advised that the applicant has no *locus standi*.

It is important to note that the *causa* of the above mentioned action was the issue of the Preference shares and a claim for the dividend to be paid on the preference shares so issued. The matter has been defended and subsequently postponed *sine die* and it is anticipated that should the matter proceed to court, it would only be on a date which is after the date of redemption of the preference shares. There would therefore not be any reason for the matter to proceed before that date.

SUBSEQUENT EVENTS

Shareholders are to be advised that the transfer of The Bay has been processed and the initial cash payment has been received. *Proforma* financial effects of the sale of The Bay on the interim results of Acc-Ross published above have been prepared for illustrative purposes only. These *proforma* financial effects are the responsibility of the directors and accordingly may not give a true reflection of the financial effect on the balance sheet, statement of changes in equity, results of operations and cash flows of the group. The *proforma* effects on the income statement of the sale of The Bay are reflected alongside:

Condensed Consolidated Income Statement	Unaudited6 months 31 Aug 2007 R'000	Disposal of The Bay"A" R'000	*Proforma* after "A" R'000
Revenue	7 016	195 500	202 516
Cost of sales	(7 304)	(152 885)	(160 189)
Gross (loss) / profit	**(288)**	**42 615**	**42 327**
Other gains and losses	212	-	212
Investment revenue	132	-	132
Marketing and sales expenses	(3 689)	-	(3 689)
Occupancy expenses	(207)	-	(207)
Other expenses	(22 929)	(55 608)	(78 537)
Finance costs	(3 533)	-	(3 533)
Loss before tax	**(30 302)**	**(12 993)**	**(43 295)**
Income tax income / (expense)	5 747	(12 358)	(6 611)
Loss for the year	**(24 555)**	**(25 351)**	**(49 906)**
Minority interest	231	-	231
Loss attributable to ordinary shareholders of the parent	**(24 324)**	**(25 351)**	**(49 675)**
Headline loss reconciliation:			
Loss attributable to ordinary shareholders of the parent	(24 324)	(25 351)	(49 675)
Adjustments for:			
Impairment of goodwill	17 182	55 608	72 790
Profit on disposal of investments, adjusted for taxation effect	(78)	-	(78)
Headline (loss)/(earnings for the year	**(7 220)**	**30 257**	**23 037**
Earnings per share information:			
Basic loss per share (cents)	**(1.99)**	**-**	**(4.06)**
Diluted loss per share (cents)	**(1.99)**	**-**	**(4.06)**
Headline (loss)/earnings per share (cents)	**(0.59)**	**-**	**1.89**
Diluted headline (loss)/earnings per share (cents)	**(0.59)**	**-**	**1.89**
Weighted average shares in issue ('000)	1 222 412	-	1 222 412
Weighted average shares in issue for dilution ('000)	1 222 412	-	1 222 412

NOTES:

1. The figures shown in the column headed "Disposal of The Bay ("A")", reflects the financial effects of the disposal of The Bay on the assumption that the disposal occurred on 31 August 2007.

"*Proforma* after "A"" shows the *proforma* income statement of Acc-Ross after the financial effects on the disposal of The Bay have been taken into account as though the disposal occurred with effect from 31 August 2007.

DIRECTOR CHANGES

During the period under review the following director changes occurred:

Resigned	**Date**
JM Sono	04 October 2007

DIVIDENDS

The directors have decided not to declare a dividend for the period under review.

FUTURE PROSPECTS

Acc-Ross continues to be approached with numerous high quality projects, both generally and through its relationship with Els International and is evaluating ways to take advantage of such opportunities. In the short term it will continue with its current projects, which will ultimately lead to the group holding leisure assets at key locations.

By order of the Board

AB MASHIATSHIDI
CHAIRPERSON

W ROBINSON
CHIEF EXECUTIVE OFFICER

16 November 2007
Johannesburg

DESIGNATED & CORPORATE ADVISOR
ARCAY MOELA

COMPANY SECRETARY
ARCAY Client Support

INVESTOR RELATIONS
ARCAY Financial Communications

Profit Partnership Corporation (Pty) Ltd

REGISTERED OFFICE
Arcay House, Number 3 Anerley Road, Parktown, Johannesburg, 2193
PO Box 62397, Marshalltown, Johannesburg, 2107

DIRECTORS
AB Mashiatshidi *(Chairperson), W Robinson (CEO), N Owen, A Wiese, KS Mthembu*
(* Non-executive)

DESIGNATED ADVISOR
Arcay Moela Sponsors (Proprietary) Limited

TRANSFER SECRETARIES
Computershare Investor Services 2004 (Proprietary) Limited

Unaudited results for the six months ended 31 August 2007

ACC-ROSS HOLDINGS LIMITED
(Registration Number: 2000/000059/06)
("Acc-Ross Holdings" or "the company")

Share code: ACC
ISIN code: ZAE000077335

Income Statement

Condensed Consolidated Income Statement	Unaudited 6 months 31 Aug 2007 R'000	Audited 12 months 28 Feb 2007 R'000	Restated 6 months 31 Aug 2006 R'000
Revenue	7 016	154 891	15 573
Cost of sales	(7 304)	(140 178)	(10 377)
Gross (loss) / profit	**(288)**	**14 713**	**5 196**
Other gains and losses	212	30 616	23 054
Investment revenue	132	806	241
Marketing and sales expenses	(3 689)	(10 706)	(3 434)
Occupancy expenses	(207)	(571)	(316)
Other expenses	(22 929)	(37 395)	(9 089)
Finance costs	(3 533)	(13 845)	(5 112)
(Loss) / Profit before tax	**(30 302)**	**(16 382)**	**10 540**
Income tax income / (expense)	5 747	(734)	(3 446)
(Loss) / Profit for the period	**(24 555)**	**(17 116)**	**7 094**
Minority interest	231	(745)	64
(Loss) / Profit attributable to ordinary shareholders of the parent	**(24 324)**	**(17 861)**	**7 158**
Headline loss reconciliation:			
(Loss) / Profit attributable to ordinary shareholders of the parent	**(24 324)**	**(17 861)**	**7 158**
Adjustments for:			
Impairment of goodwill	17 182	19 855	-
Impairment of investments	-	4 240	2 538
Impairment of property, plant and equipment	-	106	106
Profit on disposal of investments, adjusted for taxation effect	(78)	(26 055)	(19 666)
Headline loss for the period	**(7 220)**	**(19 715)**	**(9 864)**
Earnings per share information:			
Basic (loss) / earnings per share (cents)	**(1.99)**	**(1.76)**	**0.74**
Diluted (loss) / earnings per share (cents)	**(1.99)**	**(1.76)**	**0.73**
Headline loss per share (cents)	**(0.59)**	**(1.95)**	**(1.01)**
Diluted headline loss per share (cents)	**(0.59)**	**(1.95)**	**(1.01)**
Weighted average shares in issue ('000)	1 222 412	1 012 689	972 734
Weighted average shares in issue for dilution ('000)	1 222 412	1 012 689	976 734

Balance Sheet

Condensed Consolidated Balance Sheet	Unaudited 6 months 31 Aug 2007 R'000	Audited 12 months 28 Feb 2007 R'000	Restated 6 months 31 Aug 2006 R'000
ASSETS			
Non-current assets	**300 713**	**268 489**	**253 759**
Property, plant and equipment	2 771	995	1 235
Inventory/Freehold land and stands	132 250	94 536	56 358
Goodwill	141 084	157 772	179 627
Other financial assets	8 681	5 239	4 859
Deferred tax assets	15 927	9 947	11 680
Current assets	**417 540**	**421 342**	**441 872**
Inventory/Freehold land and stands	381 911	368 321	390 501
Other financial assets	16 814	16 378	8 360
Trade and other receivables	15 552	35 004	39 804
Cash and cash equivalents	3 263	1 639	3 207
Total Assets	**718 253**	**689 831**	**695 631**
EQUITY AND LIABILITIES			
Equity and reserves	**296 217**	**272 017**	**264 449**
Issued capital, share premium and share-based payments	329 124	280 600	248 014
Accumulated (loss) profit	(32 907)	(8 583)	16 435
Minority interest	**1 754**	**1 981**	**1 022**
Non-current liabilities	**197 507**	**247 087**	**327 302**
Borrowings	156 276	205 482	294 458
Finance lease obligation	385	455	560
Deferred tax liabilities	40 846	41 150	32 284
Current liabilities	**222 775**	**168 746**	**102 858**
Trade and other payables	38 069	45 418	51 743
Borrowings	140 689	74 396	14 176
Finance lease obligation	142	138	110
Current tax payable	12 495	16 860	16 806
Provisions	31 380	31 934	20 024
Total Equity and Liabilities	**718 253**	**689 831**	**695 631**
Shares in issue at year end	1 255 630	1 122 430	976 734
Net asset value per share (cents)	**23.59**	**24.23**	**27.07**
Net tangible asset value per share (cents)	**12.35**	**10.18**	**8.68**

Abridged Cash Flow Statement

Condensed Consolidated Cash Flow Statement for the year ended 28 February 2007	Unaudited 6 months 31 Aug 2007 R'000	Audited 12 months 28 Feb 2007 R'000	Restated 6 months 31 Aug 2006 R'000
Net cash used in operations	**(42 898)**	**(56 716)**	**(56 182)**
Interest income	132	806	241
Interest paid	(3 533)	(13 845)	(5 112)
Net cash outflow from operating activities	**(46 299)**	**(69 755)**	**(61 053)**
Net cash inflow from investing activities	**1 989**	**1 061**	**847**
Net cash inflow from financing activities	**45 934**	**59 141**	**52 221**
Net (decrease) increase in cash and cash equivalents	**1 624**	**(9 553)**	**(7 985)**
Cash and cash equivalents at beginning of the year	1 639	11 192	11 192
Cash and cash equivalents at end of the year	**3 263**	**1 639**	**3 207**

Statement of Changes in Equity

Statement of changes in equity	Share capital R'000	Share premium R'000	Accumulated profit (loss) R'000	Attributable to equity holders of parent R'000	Minority interests R'000	Total R'000
Balance at 01 March 2005 as previously reported	**48**	**-**	**-**	**48**	**-**	**48**
Loss for the year as previously reported	-	-	(3 469)	(3 469)	(5 254)	(8 723)
Issue of ordinary shares for directors and staff	2	8 798	-	8 800	-	8 800
Issue of ordinary shares in settlement of liabilities	38	157 012	-	157 050	-	157 050
Issue of ordinary shares for cash	-	2 716	-	2 716	-	2 716
Share issue costs	-	(2 191)	-	(2 191)	-	(2 191)
Acquired minorities	-	-	-	-	6 122	6 122
Balance at 1 March 2006	**88**	**166 335**	**(3 469)**	**162 954**	**868**	**163 822**
Effect of changes in accounting policies and correction of errors	-	620	12 747	13 367	256	13 623
Restated balance at 1 March 2006	**88**	**166 955**	**9 278**	**176 321**	**1 124**	**177 445**
Profit for the period	-	-	7 157	7 157	(64)	7 093
Issue of ordinary shares in settlement of liabilities	10	84 956	-	84 966	-	84 966
Share issue costs	-	(3 996)	-	(3 996)	-	(3 996)
Acquired minorities	-	-	-	-	(38)	(38)
Balance at 31 August 2006	**98**	**247 915**	**16 435**	**264 448**	**1 022**	**265 470**
Loss for the period	-	-	(25 018)	(25 018)	809	(24 209)
Issue of ordinary shares in settlement of liabilities	7	13 868	-	13 875	-	13 875
Issue of ordinary shares for cash	8	18 704	-	18 712	-	18 712
Acquired minorities	-	-	-	-	150	150
Balance at 28 February 2007	**113**	**280 487**	**(8 583)**	**272 017**	**1 981**	**273 998**
Acquired from minorities	-	-	-	-	4	4
Loss for the period	-	-	(24 324)	(24 324)	(231)	(24 555)
Issue of ordinary shares in settlement of liabilities	9	17 992	-	18 000	-	18 000
Issue of ordinary shares for cash	6	29 994	-	30 000	-	30 000
Tax effect of share issue costs	-	523	-	523	-	523
Balance at 31 August 2007	**128**	**328 996**	**(32 907)**	**296 216**	**1 754**	**297 970**

Commentary

The directors present the company's results for the six months ended 31 August 2007 which have been prepared in accordance with IAS 34 – *Interim Financial Reporting*.

The accounting policies adopted for purposes of this report comply with International Financial Reporting Standards ("IFRS"). These results have been prepared in terms of accounting policies consistent with the prior year.

BUSINESS OVERVIEW

Acc-Ross is primarily a developer of hotel and leisure resorts and residential lifestyle estates, whereby land is acquired, rezoned and developed. Revenue is initially derived from the sale of stands, where lead times in developing projects can be two to three years. Once stand sales are completed, Acc-Ross plans to retain certain of the leisure or commercial assets which have been developed, such as leisure golf courses, sport facilities, conference facilities, club houses, hotels and commercial or retail interests as well as rental units to ultimately build a portfolio of revenue generating assets in order to provide annuity income for the group. The strategy of Acc-Ross is to move into top structure development in conjunction with experienced partners and to become a leading hotel and leisure company over the next few years.

Gardener Ross Golf & Country Estate is now fully proclaimed and Phase 3 has been recently launched and with regard to Lizard Point, rights/Records of Decision ("ROD's") are in place, with final township approval imminent. The group has pre-sales on Lizard Point, which sales will be recognised on proclamation and transfer of the underlying stands. Facilities are ring-fenced in each project and secured by the land and pre-sales of each project. Once a facility has been approved, the drawdown thereof is dependent on a minimum level of qualified pre-sales being achieved. Further details of each project are set out below.

FINANCIAL OVERVIEW

Income statement review

For the period under review, revenue was primarily generated by the transfer of lower-priced stands in the remainder of Phase 1 and Phase 2 of Gardener Ross Golf & Country Estate. These sales declined in relation to the prior year mainly due to the slow down experienced in the luxury residential market, higher interest rates and an excess of stock in the higher end of the market. Phase 2 of Gardener Ross Golf & Country Estate is also the smallest phase, with fewer stands available for sale. Subsequent to the period end, sales have started to increase with approximately R22 million of stand sales being submitted for transfer in the deeds office, excluding the sale of The Bay for R195 550 000.

Cost of sales includes the costs of construction of the Gardener Ross Golf course on a *pro rata* basis in relation to stand sales, which was in line with the original intention when construction of the golf course commenced in 2003 and is in line with the basis on which the funding and profit share arrangements with Investec Bank Limited were concluded. The balance of the cost of the golf course is included in inventory and will have a continuing effect on cost of sales throughout the project. Cost of sales and inventory furthermore includes capitalised borrowing costs, the provision for the Investec profit share and an allocation of goodwill which had been attributed to the underlying stands in accordance with IFRS at acquisition. It should be noted that the cost of a stand is standard for all stands and thus the sale of lower priced stands reflects a minor loss position on consolidation, due to the proportionate allocation of goodwill on acquisition to the cost of stands. However, in the underlying subsidiary housing the project, a profit is recorded, which is backed by cash received.

Impairment of goodwill primarily resulted from the impairment of the investment in Eagle Creek Investments 257 (Pty) Ltd, which held the right to develop the cluster units on Gardener Ross Golf & Country Estate. However, the cluster stands have been reserved in a mandate agreement with Zotos Projects (Pty) Ltd, which will result in sales of approximately R66 million over the next two years as the cluster stands are developed and transferred. Consequently, the cluster unit development rights have been impaired.

Finance costs relate to debt funding that is not project related.

A headline loss of 0.59 cents per share was recorded for the period compared to a headline loss of 1.01 cents per share per the restated prior period results, representing an improvement of 41.6%.

The sale of the project known as The Bay, for R195.5 million, was unanimously supported at a meeting of shareholders on 28 May 2007. However, the revenue and related headline profit after tax of approximately R30 million has not been recorded due to the suspensive condition of the delivery of the bank guarantees not being met at period end. Subsequent to the reporting date, the bank guarantees have been delivered and transfer of this property is expected during November 2007, at which time the sale and the corresponding headline profit will be recognised. *Proforma* effects of this disposal on the results for the 6 months ended 31 August 2007 are set out below.

Balance sheet review

Property, Plant and Equipment increased due to the reclassification of the Zeranza dwelling, currently used as the sales office on Gardener Ross Golf & Country Estate, from inventory, as this asset was brought into use and will now be generating rental income.

Inventory increased during the period primarily due to the continued development of Gardener Ross Golf & Country Estate as well as the transfer of Welvergenoegd into Chestnut Hill 111 (Pty) Ltd, a wholly owned subsidiary of the group. The property is currently unbonded, with the balance of the purchase price of R22 million having been paid in cash by the Group.

Goodwill decreased due to the impairment of Eagle Creek Investments 257 (Pty) Ltd as discussed above.

Non-current borrowings primarily comprise the debentures issued in Lizard Point which will convert to stands on proclamation of Phase 1 of Lizard Point and the long term debt facilities on Lizard Point and Gardener Ross Golf & Country Estate. Current borrowings comprise the redeemable preference shares in Gardener Ross Holdings which are due on 1 March 2008 and the short term debt facilities on The Bay. The Bay facilities of approximately R70 million have been repaid from receipt of funds from the sale of The Bay during November 2007. Total borrowings of R10 million were settled during the period. This was offset by further draw downs on Gardener Ross Golf & Country Estate.

Trade and other payables are mostly related to the underlying projects and are settled through the development finance within each subsidiary.

Cash Flow Statement review

Cash used in operating activities of R46 million is primarily related to the continued development of Gardener Ross Golf & Country Estate. Cash generated by financing activities was mainly generated by increased development-related funding on Gardener Ross Golf and Country Estate and issue of shares during the period under review.

SEGMENTAL REPORTING

The group has early adopted IFRS 8 *Operating* Segments. This Standard requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The amount reported for each segment item is the measure reported to the chief operating decision maker for these purposes.

For management purposes, the group's 7 operating segments are aggregated into a single operating segment, because all these operating segments exhibit similar long-term financial performance and economic characteristics, have the same products, processes, customers, distribution lines and regulatory environments. These operating segments derive their revenues from the sale of freehold land in various stages of development.

The group also sells advertising space on its webpage and the webpages of its projects. This segment is disclosed separately.

SEGMENT REPORT

Unaudited 6 months 31 Aug 2007	Sale of freehold land R'000	Advertising on web-page R'000	Group R'000
Segment revenue	7 016	-	7 016
Segment loss before taxation	(30 302)	-	(30 302)
Other gains	212	-	212
Investment income	132	-	132
Depreciation of segment assets	95	-	95
Impairment losses recognised in profit or loss	(17 182)	-	(17 182)
Finance cost	(3 533)	-	(3 533)
Segment assets (adjusted for deferred tax assets)	702 318	8	702 326
Deferred tax assets	15 927	-	15 927
Acquisition of segment assets	-	-	-
Segment liabilities (adjusted for deferred tax and current tax liabilities)	366 918	24	366 942
Deferred tax liabilities	40 846	-	40 846
Current tax payable	12 495	-	12 495

Audited 12 months 28 Feb 2007	Sale of freehold land R'000	Advertising on web-page R'000	Group R'000
Segment revenue	154 886	5	154 891
Segment loss before taxation	(16 367)	(15)	(16 382)
Other gains	30 616	-	30 616
Investment income	806	-	806
Depreciation of segment assets	(227)	-	(227)
Impairment losses recognised in profit or loss	(24 201)	-	(24 201)
Finance cost	(13 845)	-	(13 845)
Segment assets (adjusted for deferred tax assets)	679 741	143	679 884
Deferred tax assets	9 947	-	9 947
Acquisition of segment assets	144 803	-	144 803
Segment liabilities (adjusted for deferred tax and current tax liabilities)	(357 665)	(159)	(357 824)
Deferred tax liabilities	(41 150)	-	(41 150)
Current tax payable	(16 860)	-	(16 860)

Restated 6 months 31 August 2006	Sale of freehold land R'000	Advertising on web-page R'000	Group R'000
Segment revenue	15 573	-	15 573
Segment profit before taxation	10 540	-	10 540
Other gains	23 054	-	23 054
Investment income	241	-	241
Depreciation of segment assets	(106)	-	(106)
Impairment losses recognised in profit or loss	(2 644)	-	(2 644)
Finance cost	(5 112)	-	(5 112)
Segment assets (adjusted for deferred tax assets)	680 762	-	680 762
Deferred tax assets	11 680	-	11 680
Acquisition of segment assets	144 803	-	144 803
Segment liabilities (adjusted for deferred tax and current tax liabilities)	(377 883)	-	(377 883)
Deferred tax liabilities	(32 284)	-	(32 284)
Current tax payable	(16 805)	-	(16 805)

PRIOR PERIOD ADJUSTMENTS

The results for the 6 months ending 31 August 2006 and the financial position at that date, were restated as follows:

	6 months ending 31 Aug 06 as previously reported	Method of calculating inventory	Record accruals	Tax	Reclassify	Other	Restated 6 months ending 31 Aug 06
Revenue	**36 380**	**-**	**-**	**-**	**(21 406)**	**599**	**15 573**
Cost of sales	(13 419)	3 042	-	-		-	(10 377)
Gross (loss) / profit	**22 961**	**3 042**	**-**	**-**	**(21 406)**	**599**	**5 196**
Other gains and losses	3	-	-	-	21 440	1 611	23 054
Investment revenue	854	-	-	-	(613)	-	241
Marketing and sales expenses	-	417	-	-	(3 252)	(599)	(3 434)
Occupancy expenses	-	-	-	-	(313)	(3)	(316)
Other expenses	(14 886)	-	(17)	-	5 821	(7)	(9 089)
Finance costs	(5 613)	-	(115)	-	616	-	(5 112)
(Loss) / Profit before tax	**3 319**	**3 459**	**(132)**	**-**	**2 293**	**1 601**	**10 540**
Income tax income / (expense)	(1 486)	-	4	(3 919)	1 955	-	(3 446)
(Loss) / Profit for the year	**1 833**	**3 459**	**(128)**	**(3 919)**	**4 248**	**1 601**	**7 094**
Minority interest	63	-	-	-	1	-	64
(Loss) / Profit attributable to ordinary shareholders of the parent	**1 896**	**3 459**	**(128)**	**(3 919)**	**4 249**	**1 601**	**7 158**

ASSETS	6 months ending 31 Aug 06 as previously reported	Capitalise borrowing cost and other expenses	Share-based payments	Debenture amortisation	Method of calculating inventory	Record accruals	Correct fixed asset register	Record finance lease	Reclassify	Equity accounting of associates	Consolidation	Other	Restated 6 months ending 31 Aug 06
Non-current assets	**603 229**	**(69)**	**638**	**-**	**6 716**	**4**	**16**	**304**	**(374 380)**	**(2 687)**	**23 792**	**(3 804)**	**253 759**
Property, plant and equipment	430 565	-	-	-	-	-	16	304	(429 650)	-	-	-	1 235
Inventory/Freehold land and stands		-	-	-	-	-	-	-	54 775	-	-	1 583	56 358
Goodwill	157 273	-	-	-	896	-	-	-	(18 647)	(2 687)	42 792	-	179 627
Other financial assets	15 391	-	-	-	-	-	-	-	8 155	-	(19 000)	313	4 859
Deferred tax assets		(69)	638	-	5 820	4	-	-	10 987	-	-	(5 700)	11 680
Current assets	**71 594**	**(13 501)**	**-**	**(7 036)**	**19 633**	**3 531**	**-**	**-**	**361 600**	**-**	**-**	**6 051**	**441 872**
Inventory/Freehold land and stands	26 841	(13 501)	-	(7 036)	19 633	3 531	-	-	354 617	-	-	6 416	390 501
Other financial assets	14 416	-	-	-	-	-	-	-	(6 056)	-	-	-	8 360
Trade and other receivables	27 143	-	-	-	-	-	-	-	13 039	-	-	(378)	39 804
Cash and cash equivalents	3 194	-	-	-	-	-	-	-	-	-	-	13	3 207
Total Assets	**674 823**	**(13 570)**	**638**	**(7 036)**	**26 349**	**3 535**	**16**	**304**	**(12 780)**	**(2 687)**	**23 792**	**2 247**	**695 631**

EQUITY AND LIABILITIES	6 months ending 31 Aug 06 as previously reported	Capitalise borrowing cost and other expenses	Share-based payments	Debenture amortisation	Pref share conversion	Method of calculating inventory	Record accruals	Tax	Correct fixed asset register	Record finance lease	Reclassify	Equity accounting of associates	Consolidation	Other	Restated 6 months ending 31 Aug 06
Equity and reserves	**257 628**	**(13 570)**	**638**	**-**	**(1 579)**	**13 127**	**(2 451)**	**(3 919)**	**18**	**(1)**	**(7 559)**	**(2 687)**	**23 575**	**1 229**	**264 449**
Issued capital, share premium and share-based payments	259 201	-	2 200	-	(1 579)	-	-	-	-	-	(11 808)	-	-	-	248 014
Accumulated (loss) profit	(1 573)	(13 570)	(1 562)	-	-	13 127	(2 451)	(3 919)	18	(1)	4 249	(2 687)	23 575	1 229	16 435
Minority interest	**805**	**-**	**-**	**-**	**-**	**-**	**(164)**	**-**	**-**	**-**	**-**	**-**	**217**	**164**	**1 022**
Non-current liabilities	**245 830**	**-**	**-**	**(7 036)**	**1 579**	**-**	**115**	**5 546**	**(2)**	**305**	**80 895**	**-**	**-**	**70**	**327 302**
Borrowings	204 349	-	-	(7 036)	1 579	-	115	-	-	-	95 381	-	-	70	294 458
Finance lease obligation	258	-	-	-	-	-	-	-	-	302	-	-	-	-	560
Deferred tax liabilities	41 223	-	-	-	-	-	-	5 546	(2)	3	(14 486)	-	-	-	32 284
Current liabilities	**170 560**	**-**	**-**	**-**	**-**	**13 222**	**6 035**	**(1 627)**	**-**	**-**	**(86 116)**	**-**	**-**	**784**	**102 858**
Trade and other payables	50 823	-	-	-	-	-	6 035	-	-	-	(3 467)	-	-	(1 648)	51 743
Borrowings	110 828	-	-	-	-	-	-	-	-	-	(96 653)	-	-	-	14 175
Finance lease obligation	110	-	-	-	-	-	-	-	-	-	-	-	-	-	110
Current tax payable	8 799	-	-	-	-	7 202	-	(1 627)	-	-	-	-	-	2 432	16 806
Provisions	-	-	-	-	-	6 020	-	-	-	-	14 004	-	-	-	20 024
Total Equity and Liabilities	**674 823**	**(13 570)**	**638**	**(7 036)**	**-**	**26 349**	**3 535**	**-**	**16**	**304**	**(12 780)**	**(2 687)**	**23 792**	**2 247**	**695 631**

ACQUISITIONS AND DISPOSALS

During December 2006, Acc-Ross entered into an agreement for the disposal of The Bay at Hartbeespoort for R195 550 000. The transaction was unanimously supported at a meeting of shareholders on 28 May 2007. This sale will be recorded during the 6 months remaining to 28 February 2008.

On 21 May 2007, the company bought the 20% minority shareholding in Acc-Ross Networks (Pty) Ltd for a purchase consideration of R135 101.

On 30 May 2007 the group disposed of its 25% shareholding in Accretio Bond Originators (Pty) Ltd to E. Verster, a related party, for R340 000.

During May 2007, Gardener Ross Holdings Nominees (Pty) Ltd sold 4 703 291 cumulative redeemable preference shares in Gardener Ross Holdings Ltd to Jansk International Ltd for R5 883 817 (*cum div*). An amount of R2 990 116 was paid by way of settlement of the JCM Trust loan.

On 4 June 2007 the company bought 7,5% minority shareholding in GR Equity (Pty) Ltd which company houses the project known as Blue Horizon Bay for a purchase consideration of R300 000. The Group now holds 87.5% of Blue Horizon Bay.

On 27 June 2007, Accretio Investments (Pty) Ltd sold its 24,5% shareholding in Two Ships Trading 193 (Pty) Ltd to the Taute Family Trust for R425 000.

DETAILS OF PROJECTS

Gardener Ross Golf & Country Estate

Gardener Ross Golf & Country Estate comprises an Ernie Els signature golf course and a housing development comprising 1 131 full title stands and is situated in Centurion, Gauteng. The geographic position of the estate offers owners the opportunity to enjoy a quiet and secure country lifestyle, within range of major developing business areas, including Centurion, Midrand, Sandton and Pretoria. The land was acquired in 2003 for a purchase consideration of R15 million.

Gardener Ross Golf & Country Estate has already transferred the majority of Phase 1 and a number of Phase 2 stands to purchasers. Phase 3, the final phase, was proclaimed in May 2007. All remaining stands are reflected in inventory and are ready to transfer on purchase and payment. Construction of a number of owner properties has commenced with certain owners already occupying their homes on the estate. A number of show houses were built for The Star Homes Show, which was held on site from 8 – 11 November 2007.

Gardener Ross Golf & Country Estate, per its projected budget, projects total sales of R900 million from all three phases and a total profit after tax and minority interests from the entire development upon sale of all stands, of approximately R110 million.

The development is fully financed by Investec. The development finance is a rolling facility, attracting interest at prime less 0.5% and a profit share of 25% of the pre-tax profit from the project. Project management for this development is being undertaken by Devco Africa (Pty) Ltd, which owns 10% of the development and has developed, and is currently developing, numerous property projects throughout South Africa. The necessary ROD and Environmental Impact Report approvals were obtained and construction commenced in September 2004. The development is currently ahead of schedule. With all 18 golf holes having been completed, the course will be officially opened for play on 25 November 2007.

Lizard Point

Acc-Ross owns 100% of the shareholding in the subsidiary which will develop the Lizard Point Resort. The land was acquired in 2004 for a purchase consideration of R11,5 million, plus stands to the value of R9 million to be delivered once phase 1 is completed. Professional fees have been paid through funds raised from bank funding and sale of debentures.

Lizard Point is a 700 hectare resort development with 6,4 kilometres of water frontage, situated at the mouth of the Wilge river and on the banks of the Vaal Dam next to Oranjeville in the Free State.

The project was granted its ROD from the environment authorities on 02 November 2005 and the final amendment to the Guide Plan was promulgated on 19 May 2006. The company is planning to break ground during next year, after receipt of the final township development rights, which are imminent. The first phase of the development comprises an 18 hole championship links golf course, which will be co-designed by Retief Goosen, with 526 Residential One, freehold stands and approximately 800 high density units. Phase 1 was officially launched in August 2005 and pre-sales of approximately R150 million have been achieved to date.

Phase 2 will comprise a second 18-hole signature parklands golf course with 315 Residential One, freehold stands and 621 Residential Two sites. Other products in the development include boat storage and launching facilities, a golf driving range, tennis courts, the two club houses for the golf courses and an island with resort pools and sundowner bars.

Phases 3 and 4 comprise the development of residential units and the waterfront area, which consists of a commercial hotel, retail outlets, restaurants, cinemas, entertainment, a boutique hotel and a timeshare component.

An updated independent valuation of R600 million has been received on the project.