

**HERMANUSDOORNS SHAREBLOCK LIMITED
(REGISTRATION NUMBER 1991/006901/06)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2016**

Russell James and Company Incorporated
Chartered Accountants (S.A.)
Registered Auditor
Issued 06 July 2016

Hermanusdoorns Shareblock Limited
(Registration number 1991/006901/06)
Financial Statements for the year ended 29 February 2016

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

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The following supplementary information does not form part of the financial statements and is unaudited:

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Level of assurance

The financial statements as set out on pages 9 to 21 have been audited in compliance with the applicable requirements of the Companies Act No 71 of 2008 and Share Blocks Control Act of 1980.

Preparer

I Gaffoor PA(SA)

Independent Auditor's report

To the shareholders of Hermanusdoorns Shareblock Limited

We have audited the accompanying financial statements of Hermanusdoorns Shareblock Limited, which comprise the statement of financial position as at 29 February 2016, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, the accounting policies and notes to the financial statements, as set out on pages 9 to 21.

Directors Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and in the manner required by the Companies Act No 71 of 2008 and Share Blocks Control Act of 1980. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as at 29 February 2016, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the requirements of the Companies Act No 71 of 2008 and Share Blocks Control Act of 1980.

Independent Auditor's report

Other reports required by the Companies Act

As part of our audit of the financial statements for the year ended 29 February 2016, we have read the directors report for the purpose of identifying whether there are material inconsistencies between that report and the audited financial statements. The directors' report is the responsibility of the directors. Based on reading that report we have not identified material inconsistencies between it and the audited financial statements. However, we have not audited the directors' report and accordingly do not express an opinion thereon.

Supplementary Information

We draw your attention to the fact that the supplementary information set out on pages 22 - 24 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Russell James and Company Incorporated
Chartered Accountants (S.A.)
Registered Auditor

Per: A M Holmes
06 July 2016
Mulbarton

Hermanusdoorns Shareblock Limited

(Registration number 1991/006901/06)

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Directors' Responsibilities and Approval

The directors are required by the Companies Act No 71 of 2008 and Share Blocks Control Act of 1980, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, the requirements of the Companies Act No 71 of 2008 and Share Blocks Control Act of 1980 and the *Guide on financial reporting by share block companies* as issued by South Africa Institute of Chartered Accountants. The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set 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 company and all employees are required to maintain the highest ethical standards in ensuring the company'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 company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems 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 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 company's budget for the year to 28 February 2017. And, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor's and their report is presented on page 2.

The annual financial statements and supplementary information set out on page pages 5 to 24, which have been prepared on the going concern basis, were approved by the directors on 06 July 2016 and were signed on behalf of board by:

Director

Director

Mulbarton

06 July 2016

Hermanusdoorns Shareblock Limited
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Directors' Report

The directors submit their report for the year ended 29 February 2016.

1. Nature of business

The business of the company is the operation and maintenance of a bush retreat for the leisure of the shareholders. In this regard the company operates a share block scheme in respect of immovable property owned by it. The company maintains a levy fund for the repair, upkeep, control, management and administration of the company and of the immovable property (and related scheme assets) in respect of which the share block scheme is operated.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act No 71 of 2008 and Share Blocks Control Act of 1980. The accounting policies have been applied consistently compared to the prior year

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements and in the opinion of the directors do not require any further comment.

3. Scheme assets acquired and expensed

During the period under review, the company acquired or made improvements to the scheme assets amounting to R 863 482 (2015 - R 618 787), see note 2 in the notes to the financial statements. In terms of the accounting policy outlined in note 1.2 of the accounting policies, these additions and improvements are expensed in the period in which the assets were acquired or the improvements were made.

4. Share capital

	2016	2015
Authorised	Number of shares	
104 Ordinary shares of R1,000 each	104	104
	2016	2015
Issued	R	
90 Ordinary shares of R1,000 each	90 000	92 000

There were no changes in the authorised capital of the company during the period under review. However during the period the company repurchased 1 ordinary share at par value and redeemed 1 ordinary share also at par value. See notes 6 and 13 respectively for details. Refer to note 6 of the financial statements for additional information regarding the movement in authorised and issued share capital.

5. Liquidity and solvency tests

The directors have performed the required liquidity and solvency tests as outlined in Section 4 of the Companies Act 71 of 2008, prior to the repurchase and redemption of its ordinary shares.

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Directors' Report

6. Directors

The directors of the company during the year and to the date of this report are as follows:

Name	Changes
M.J.Perrie	
J.G.Hill	
C.Ross	
M.H.Fikkert	
A.S.du Plessis	
D.G.Harriss	Appointed 26 January 2016
C Hattingh	Resigned 26 January 2016
J Kotze	Resigned 26 January 2016

7. Directors' interest in shares

At the financial year end the directors had the following direct and indirect interest in the company's issued shares;

	Beneficial		Non-beneficial	
	2016	2015	2016	2015
Ordinary shares				
Directly	1	3	-	-
Indirectly	8	6	-	-

8. Special resolutions

No special resolutions, the nature of which might be significant to the shareholders in their appreciation of the state of affairs of the company were made by the company during the period covered by this report.

9. Events after the reporting period

Shortly after year end the company concluded an agreement with a shareholder to buy back 1 ordinary share at its par value of R1,000. Other than the aforementioned event the directors are not aware of any material matter or circumstance arising since the end of the financial year.

10. Going concern

The directors believe that the company will have adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern -basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to adequate resources to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may materially affect the company.

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Directors' Report

11. Litigation statement

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company is not currently involved in any such claims or lawsuits, which individually or in aggregate, are expected to have a material adverse effect on the business or its assets.

12. Secretary

The secretary of the company is Profin Financial Services (Proprietary) Limited of:

Business address

21 The Broads
Mulbarton
2059

Postal address

P.O.Box 861
Glenvista
2058

13. Insurance and risk management

The company follows a policy of reviewing the risks relating to assets and possible liabilities arising from business transactions with its insurers on an annual basis. Wherever possible new assets are automatically included. There is also a continuous asset risk control programme, which is carried out in conjunction with the company's insurance brokers. All risks are considered to be adequately covered, except for political risks, in the case of which as much cover as is reasonably available has been arranged.

14. Capital

The objectives when managing capital is;

- to safeguard the company's ability to continue as a going concern, so that it can continue to provide benefits to its various stakeholders, and
- to provide an adequate value add on each shareholder's investment.

The amount of funding required is dependant on the directors' assessment of the capital required to enhance and maintain the operations of the company. The directors manage the capital structure and make adjustments to it, in light of changes in economic conditions and the risk characteristics of the company's underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of levies raised from its shareholders, issue additional shares, raise external finance or as a last resort realise scheme assets to finance any shortfall.

As the 29 February 2016 and 28 February 2015, the company had no long term debt.

It is the intention of the directors to maintain the debt free status of the company for the foreseeable future. However should the company require additional capital to finance its continuing operations or to acquire additional scheme assets, the directors will seek to raise the amount required from the shareholders before raising external long term interest bearing debt.

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Directors' Report

15. Auditors

Russell James and Company Incorporated will continue in office in accordance with Section 90 of the Companies Act. At the annual general meeting the shareholders will be requested to reappoint Russell James and Company Incorporated as the company's auditors for the 2017 financial year and it is noted that A M Holmes will be the individual registered auditor who will undertake the audit.

16. Date of authorisation for issue of financial statements

The financial statements have been authorised for issue by the directors on 06 July 2016. No authority was given to anyone to amend the financial statements after the date of issue.

Hermanusdoorns Shareblock Limited
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Statement of Financial Position

	Note(s)	2016 R	2015 R
Assets			
Non-current Assets			
Loan asset	2	-	-
Current Assets			
Inventories	3	54 491	46 879
Levies and other receivables	4	829 898	917 015
Cash and cash equivalents	5	1 494 809	1 276 767
		2 379 198	2 240 661
Total Assets		2 379 198	2 240 661
Equity and Liabilities			
Equity			
Share capital	6	1 700 586	1 702 586
Other reserves	7	2 180 000	2 180 000
Accumulated loss		(4 264 831)	(4 321 999)
		(384 245)	(439 413)
Liabilities			
Current Liabilities			
Trade and other payables	8	604 390	415 788
Levies in advance	9	2 159 053	2 264 286
		2 763 443	2 680 074
Total Equity and Liabilities		2 379 198	2 240 661

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Statement of Comprehensive Income

	Note(s)	2016 R	2015 R
Revenue	10	2 264 286	2 040 475
Other income - (refer to page 22)		250 234	350 706
Operating expenses - (refer to pages 23 & 24)		(1 659 600)	(1 732 327)
Capital assets (acquired and expensed)	2	(863 482)	(618 787)
Operating (deficit)/surplus	11	(8 562)	40 067
Investment revenue	12	64 740	44 255
Redemption of shares	13	1 000	6 000
Finance costs	14	(10)	(127)
Surplus for the year		57 168	90 195
Other comprehensive income		-	-
Total comprehensive income for the year		57 168	90 195

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Statement of Changes in equity

	Share capital R	Share premium R	Total share capital R	Other reserves R	Retained earnings R	Total equity R
Balance at 01 March 2014	100 000	1 610 586	1 710 586	2 180 000	(4 412 194)	(521 608)
Changes in equity						
Surplus for the year	-	-	-	-	90 195	90 195
Buy-back of shares	(2 000)	-	(2 000)	-	-	(2 000)
Redemption of shares	(6 000)	-	(6 000)	-	-	(6 000)
Total changes	(8 000)	-	(8 000)	-	90 195	82 195
Balance at 01 March 2015	92 000	1 610 586	1 702 586	2 180 000	(4 321 999)	(439 413)
Changes in equity						
Surplus for the year	-	-	-	-	57 168	57 168
Buy-back of share	(1 000)	-	(1 000)	-	-	(1 000)
Redemption of share	(1 000)	-	(1 000)	-	-	(1 000)
Total changes	(2 000)	-	(2 000)	-	57 168	55 168
Balance at 29 February 2016	90 000	1 610 586	1 700 586	2 180 000	(4 264 831)	(384 245)
Note(s)	6	6	6	7		

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Statement of Cash Flows

	Note(s)	2016 R	2015 R
Cash flows from operating activities			
Cash generated from operations	17	154 312	440 246
Interest revenue		64 740	44 255
Finance costs		(10)	(127)
Net cash from operating activities		219 042	484 374
Cash flows from financing activities			
Buy-back of shares	6	(1 000)	(2 000)
Total cash movement for the year		218 042	482 374
Cash and cash equivalents at the beginning of the year		1 276 767	794 393
Total cash and cash equivalents at end of the year	5	1 494 809	1 276 767

Hermanusdoorns Shareblock Limited

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Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act No 71 of 2008 and Share Blocks Control Act of 1980. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements include:

Financial assets measured at cost and amortised cost

The company assesses its levies receivables and other receivables for impairment at each reporting period date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment of levies and other receivables is based on an assessment of the recoverability of individual debtors as at the reporting date and are recognised in profit or loss. Bad debts are written off when identified.

Allowance for slow moving, damaged and obsolete stock

The company provides for an allowance to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell certain inventory items. The write down is included in the operating deficit or surplus note.

1.2 Loan asset of share block company and the nature of scheme assets

The company complies with the accounting treatment for share block companies as outlined in the SAICA Guide, *Guide on financial reporting by share block companies* (Issued June 2011).

In accordance with the legal structure of a share block company in accordance with the Share Blocks Control Act (Act 59 of 1980), the right of use of the property (the fixed property and all property related assets) (the scheme assets) is automatically conveyed to the shareholders and, therefore, all future economic benefits expected from the use of the scheme assets do not belong to the share block company, but to the shareholders of the company. "Future economic benefits" include both benefits that may be realised from use, for example by occupying the property, and benefits that may be realised through sale. Therefore, the company owns the *bare dominium*, only, and the members of the share block scheme own the *usufruct*; giving the members the indefinite right of use and all the future economic benefits associated with the scheme assets.

The scheme assets in terms of the company's Memorandum of Incorporation is defined as "*shall mean the Property and Buildings as defined as well as property related and other assets that may be acquired from time to time for the Company to conduct its business in accordance with its purpose and main objects*"

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Accounting Policies

1.2 Loan asset of share block company and the nature of scheme assets (continued)

Property and buildings are in turn defined in the Memorandum of Incorporation as "*means the buildings erected on the immovable property described*", in note 2 of the notes to the financial statements and "*known as Hermanusdoorns or "the farm"*"

The company recognises a loan asset with respect to the obligation of the shareholders to the company for the company's loan obligation pertaining to the scheme assets that are the subject of the share block scheme. The shareholders have an obligation to the company that will at any time be equal to any loan obligation of the company with respect to the scheme assets.

The loan asset is classified as a basic financial instrument and is recognised and measured as explained in accounting policies note 1.3, Financial instruments.

1.3 Financial instruments

Recognition

The following basic financial instruments have been recognised as financial assets and financial liabilities, as appropriate, in the statement of financial position (the company does not have any financial instruments, other than basic financial instruments):

- Loan asset
- Levies and other receivables
- Cash and cash equivalents
- Trade and other payables

Basic financial instruments are initially recognised at transaction price, including transaction costs. Subsequent to initial recognition, these instruments are measured at each reporting date at amortised cost less impairment, using the effective interest method. Adjustments through the amortisation process or as a result of impairment are recognised as part of finance costs in profit or loss. Levies and other receivables and, trade and other payables are measured at the undiscounted amount of cash or other consideration expected to be received or paid

Financial assets measured at cost or amortised cost are assessed at each reporting date to determine whether there is any indication of impairment. If there is objective evidence of impairment an impairment loss is recognised in profit or loss. If there is objective evidence that an impairment loss previously recognised may no longer exist or may have decreased, the previously recognised impairment loss is reversed, limited to the carrying amount that would have been determined had no impairment loss been recognised in prior years.

1.4 Tax

Current tax assets and liabilities

No provision was made for taxation as the company is, in terms of Section 10(1)(e) of the Income Taxation Act 58 of 1962, exempt from taxation on any levy income it receives. In addition, the aforementioned section provides that the body corporate is exempt from income taxation on any other receipts or accruals up to R50,000 per annum.

Accounting Policies

1.5 Inventories

Inventories are measured at the lower of cost and selling price less costs to complete and sell, on the weighted average cost basis.

Inventories are assessed at the reporting date to determine whether there is any indication of impairment. If inventories are impaired due to damage or the inventories becoming obsolete or declining selling prices or the cost to complete the inventories having increased, an impairment loss is recognised in profit or loss. The impairment loss is determined as the difference between the carrying amount of the inventory items concerned and their selling price less costs to complete and sell.

1.6 Impairment of assets

The company assesses at each reporting period date 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, and if lower than the carrying amount of the amount, an impairment loss is recognised in the profit or loss to reduce the carrying amount to the estimated recoverable amount.

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.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.7 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.8 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.9 Revenue

Revenue is measured at the fair value of the consideration received or receivable, excluding value added tax (as appropriate) and excluding discounts and rebates. Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity, the amount of revenue can be reliably measured and other relevant criteria pertaining to the type of revenue are met, as specified in the following paragraphs.

- Revenue from levies with respect to the financial year under review is recognised on an accrual basis when levies are due and payable by members, in accordance with the approved levies structure. Levies received in advance are deferred and recognised on a straight line basis with respect to the period to which they relate.

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Accounting Policies

1.9 Revenue (continued)

- Revenue from rendering of ancillary services to the members are recognised on the accrual basis and is therefore recognised in the statement of profit or loss when the invoices are raised.
- Revenue in the form of interest income is recognised using the effective interest method to allocate the interest income over the expected life of the financial asset concerned.

1.10 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

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Notes to the Financial Statements

	2016 R	2015 R
2. Loan asset		
Cumulative amount owing by the shareholders to cover any loan obligation of the company to the scheme assets (Refer to Note 1.2 of the accounting policies)	-	-
<p>The loan asset has been realised in full since the company has no loan obligations as at the reporting date.</p> <p>Scheme assets</p> <p>Information in respect of the scheme assets under the identified share block scheme is provided in accordance with Note 1.2 of the accounting policies.</p> <p>The details provided in this note is for the information of the shareholders only. The value of use of the property owned by the shareholders (each shareholder owning his/her/its allocated portion) is reflected in the value of the shares and not in the company's financial statements.</p> <p>Land, buildings and improvements at cost</p> <ul style="list-style-type: none"> • The farm 650 of the farm Hermanusdoorns in the registration division KQ Northern Province. (This represents the consolidation of the remaining portion 600 of the farm Hermanusdoorns and the remaining portion 4 of the farm Manamane 201); • The remaining portion of farm La Rive 592 in the registration division KQ Northern Province. 		
Purchase price and costs prior to 2011	7 205 356	7 205 356
2011 improvements	362 656	362 656
2012 improvements	181 107	181 107
2013 improvements	9 736	9 736
2014 improvements	276 004	276 004
2015 improvements	561 357	561 357
2016 improvements	587 666	-
	9 183 882	8 596 216
Other classes of scheme assets at cost		
Farm equipment	857 405	842 568
Motor vehicles	1 246 379	985 400
Office equipment	27 811	27 811
Computer equipment	32 615	32 615
Furniture and fittings	126 240	126 240
	2 290 450	2 014 634
Total scheme assets at cost	11 474 332	10 610 850

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Notes to the Financial Statements

	2016 R	2015 R
2. Loan asset (continued)		
Additions per category		
Land and buildings	587 666	561 357
Farm equipment	14 837	14 321
Motor vehicle	260 979	-
Furniture and fittings	-	43 109
Total assets acquired and expensed	863 482	618 787
3. Inventories		
Diesel stock	34 584	24 637
Tuck shop supplies	19 907	22 242
	54 491	46 879
4. Levies and other receivables		
Levies receivables	793 091	853 562
Deposits	30 693	29 038
VAT	6 114	34 415
	829 898	917 015
5. Cash and cash equivalents		
Cash on hand	2 500	2 500
Bank balances	341 863	242 843
Short-term deposits	1 150 446	1 031 424
	1 494 809	1 276 767
6. Share capital		
Authorised		
104 Ordinary shares of R1,000 each	104 000	104 000
Reconciliation of number of shares issued:		
Reported as at end of February 2015	92 000	100 000
Share buy back	(1 000)	(2 000)
Redemption of shares	(1 000)	(6 000)
Reported as at end of February 2016	90 000	92 000
Issued		
90 Ordinary shares of R1,000 each	90 000	92 000
Share premium	1 610 586	1 610 586
	1 700 586	1 702 586

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	2016 R	2015 R
7. Other reserves		
Surplus from the transfer of shares	2 180 000	2 180 000
8. Trade and other payables		
Obligation in respect of generator	29 261	53 661
Trade and other payables	575 129	362 127
	604 390	415 788
<p>During the course of the 2012 financial year end the company acquired a generator with fair value of R171,443 from one of the shareholders. During the course of the 2013 financial year the parties, by mutual agreement agreed to reduce the consideration due by R51,443. It is the intention of the parties to settle the obligation by setting off future levies due from the shareholder against the obligation until settled in full.</p> <p><i>Reconciliation of obligation in respect of generator:</i></p>		
Obligation recognised brought forward	53 661	76 961
Offset of the levies due from shareholder in respect of the 2014/2015 year end	-	(23 300)
Offset of the levies due from shareholder in respect of the 2016/2017 year	(24 400)	-
	29 261	53 661
9. Levies in advance		
<p>The amounts represent levies in advance from the members for the periods listed below. Levies in advance relate to the following periods and categories:</p> <p><i>Levies - for the next financial year</i></p> <p>It is the policy of the company to invoice the levies due from the members for the next financial year in February of the current year. As a result the levies for the year ended 28 February 2017 were invoiced during February 2016 and the levies for 29 February 2016 were invoiced during February 2015.</p>		
1 March 2015 to 29 February 2016	-	2 264 286
1 March 2016 to 28 February 2017	2 159 053	-
10. Revenue		
Levies raised	2 264 286	2 040 475

Hermanusdoorns Shareblock Limited
 (Registration number 1991/006901/06)
 Financial Statements for the year ended 29 February 2016

Notes to the Financial Statements

	2016	2015
	R	R
11. Operating (deficit)/surplus		
Operating deficit for the year is stated after accounting for the following:		
Administration fees	111 784	117 550
Bad debts	19 300	44 400
Capital assets expensed	863 482	618 787
Electricity and other related expenses (net of recoveries)	153 897	137 039
Employee costs	902 899	836 764
Insurance	46 733	40 541
Motor vehicle expenses (for additional detail see pages 23 & 24)	189 096	217 401
Repairs and maintenance (for additional detail see pages 23 & 24)	80 615	211 732
12. Investment revenue		
Interest revenue		
Interest received - bank	64 740	44 255
13. Redemption of shares		
Redemption of 1 share (2015 - 6 shares)	1 000	6 000
14. Finance costs		
Bank	10	127

15. Taxation

No provision was made for taxation as the company is, in terms of Section 10(1)(e) of the Income Taxation Act 58 of 1962, exempt from taxation on any levy income it receives.

In addition, the aforementioned section provides that the body corporate is exempt from income taxation on any other receipts or accruals up to R50,000 per annum.

16. Directors' emoluments

No emoluments were paid to the directors during the current or prior year.

Hermanusdoorns Shareblock Limited
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 Financial Statements for the year ended 29 February 2016

Notes to the Financial Statements

	2016	2015
	R	R
17. Cash generated from operations		
Profit before taxation	57 168	90 195
Adjustments for:		
Interest received	(64 740)	(44 255)
Finance costs	10	127
Redemption of shares	(1 000)	(6 000)
Changes in working capital:		
Inventories	(7 612)	(29 906)
Levies and other receivables	87 117	118 896
Trade and other payables	188 602	210 189
Levies in advance - net movement	(105 233)	101 000
	154 312	440 246

18. Related parties

Transactions with members

Other than the levies received and transactions included under "other income" in the detailed income statement and the transaction detailed below, there are no other material transactions between the company and its members. The transactions between the shareholders and the company included under "other income" are conducted on an arms length basis.

Directors and directors' interest in shares

The details of the directors are disclosed in note 6 of the directors' report. Directors' beneficial interest in shares are disclosed in note 7 of the directors' report.

19. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

20. Events after the reporting period

Shortly after year end the company concluded an agreement with a shareholder to buy back 1 ordinary share at its par value of R1,000.

Other than the aforementioned event the directors are not aware of any material matter or circumstance arising since the end of the financial year.

The financial statements were authorised for issue on 06 July 2016 by the board of directors of the company.

Hermanusdoorns Shareblock Limited

(Registration number 1991/006901/06)

Financial Statements for the year ended 29 February 2016

Statement of Financial Performance

29 February 2016

	Notes	Gross receipts	Direct costs	Net
Revenue				
Levies received from members	10	2 264 286	-	2 264 286
Other income				
Alarm monitoring		31 430	- *	31 430
Cleaning services		131 625	- *	131 625
Maintenance income		82 652	- *	82 652
Tuck shop surplus		4 527	- *	4 527
		250 234	-	250 234
Total expenses (refer to page 23)				2 523 082
Operating surplus for the year				(8 562)
Interest received	12			64 740
Redemption of shares	13			1 000
Finance costs	14			(10)
Surplus for the year				57 168

28 February 2015

Revenue				
Levies received from members	10	2 040 475	-	2 040 475
Other income				
Alarm monitoring		31 240	- *	31 240
Cleaning services		123 822	- *	123 822
Recovery of game expenses		157 675		157 675
Maintenance income		28 646	- *	28 646
Tuck shop surplus		9 323	- *	9 323
		350 706	-	350 706
Expenses (refer to page 24)				2 351 114
Operating surplus for the year				40 067
Interest received	12			44 255
Redemption of shares	13			6 000
Finance costs	14			(127)
Surplus for the year				90 195

*Although the farm's employees and assets are utilised to generate income, the accounting records of the company do not permit an accurate allocation of costs between the income generated and the overheads incurred. All costs attributable to the generation of the identified income are included in the employees costs, impairments, motor vehicle expenses and repairs and maintenance

Hermanusdoorns Shareblock Limited

(Registration number 1991/006901/06)

Financial Statements for the year ended 29 February 2016

Statement of financial Performance

29 February 2016

	Costs	Recoveries	Net
Expenses - overheads			
Administration fees	111 784	-	111 784
Auditors remuneration	16 44 389	-	44 389
Bad debts	19 300	-	19 300
Bank charges	9 124	-	9 124
Cleaning materials	3 710	-	3 710
Compensation commissioner	20 907	-	20 907
Computer expenses	802	-	802
Electricity and other related expenses	355 312	201 415	153 897
Employee costs	902 899	-	902 899
Entertainment	1 072	-	1 072
Game expenses	16 211	-	16 211
Insurance	46 733	-	46 733
Legal expenses	27 472	13 415	14 057
License fees - radios	279	-	279
Motor vehicle expenses	189 096	-	189 096
- Fuel	110 004	-	110 004
- Repairs and maintenance	74 354	-	74 354
- other	4 738	-	4 738
Printing and stationery	270	-	270
Repairs and maintenance	80 615	-	80 615
- Electrical	17 631		17 631
- Water	40 053		40 053
- Radio	14 868		14 868
- Gates	1 960		1 960
- Pool	4 114		4 114
- Bush cutting	1 988		1 988
Secretarial fees	11 900	8 771	3 129
Subscriptions	12 700	-	12 700
Telephone and data	14 802	-	14 802
Training	12 025	-	12 025
Travel	1 800	-	1 800
Operating expenses	1 883 201	223 601	1 659 600
Capital assets acquired and expensed			863 482
Total expenses for the year			2 523 082

Hermanusdoorns Shareblock Limited

(Registration number 1991/006901/06)

Financial Statements for the year ended 29 February 2016

Statement of financial Performance

28 February 2015

	Costs	Recoveries	Net
Expenses - overheads			
Administration fees	117 550	-	117 550
Auditors remuneration	16 41 600	-	41 600
Bad debts	44 400	-	44 400
Bank charges	10 890	-	10 890
Cleaning materials	2 608	-	2 608
Compensation commissioner	16 063	-	16 063
Computer expenses	4 360	-	4 360
Electricity and other related expenses	327 119	190 080	137 039
Employee costs	836 764	-	836 764
Entertainment	327	-	327
Insurance	40 541	-	40 541
Legal expenses	55 148	55 051	97
License fees - radios	450	-	450
Motor vehicle expenses	217 401	-	217 401
- Fuel	146 271	-	146 271
- Repairs and maintenance	66 006	-	66 006
- other	5 124	-	5 124
Printing and stationery	4 815	-	4 815
Repairs and maintenance	211 732	-	211 732
- Roads	13 555	-	13 555
- Electrical	124 641	-	124 641
- Water	33 890	-	33 890
- Radio	4 686	-	4 686
- Fencing	1 412	-	1 412
- Gates	260	-	260
- Building	27 050	-	27 050
- Pool	4 224	-	4 224
- Bush cutting	2 014	-	2 014
Secretarial fees	31 775	14 667	17 108
Subscriptions	8 900	-	8 900
Telephone and data	19 682	-	19 682
Operating expenses	1 992 125	259 798	1 732 327
Capital assets acquired and expensed			618 787
Total expenses for the year			2 351 114