

**BAKGATLA SHARE BLOCK LIMITED**

(REG. NO. 2001/000290/06)

**ANNUAL REPORT: DECEMBER 2012**

**AGM: 23 MARCH 2015**



**BAKGATLA SHARE BLOCK LIMITED**

(Registration No. 2001/000290/06)

Directors: DS Matlou, CC Pretorius, LA Tyatya

2 March 2015

**NOTICE TO SHARE HOLDERS**

**PLEASE TAKE NOTE**

THE ANNUAL GENERAL MEETING  
OF BAKGATLA SHARE BLOCK LIMITED WILL TAKE PLACE ON:

DATE: **MONDAY, 23 MARCH 2015**

VENUE: **PROTEA HOTEL MIDRAND  
14<sup>th</sup> STREET, NOORDWYK, EXT 20  
HALFWAY HOUSE  
MIDRAND**

TIME: **18H00**

**Johann Jordaan**  
Managing Director  
FIRST RESORTS AND HOTEL MANAGEMENT (PTY) LTD



P O Box 1287, Pinetown, 3600  
Tel : 00 27 31 7177593  
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E-mail : [johanni@firstresorts.co.za](mailto:johanni@firstresorts.co.za)

## **BAKGATLA SHARE BLOCK LIMITED**

**(Registration No.: 2001/000290/06)**

### **DIRECTORS**

D.S. Matlou  
C.C. Pretorius  
L.A. Tyatya

### **MANAGING AGENTS AND COMPANY SECRETARIES**

First Resorts and Hotel Management (Pty) Ltd  
1 Crompton Street  
PINETOWN  
3610

Tel: (031) 7177593  
e-mail: [info@firstresorts.co.za](mailto:info@firstresorts.co.za)

P.O. Box 1287  
PINETOWN  
3600

Fax: (031) 7091680

### **AUDITORS**

Sizwe Ntsaluba Gobodo Inc.  
75 Brink Street  
Rustenburg  
0300

### **BANKERS**

Nedbank

# BAKGATLA SHARE BLOCK

*Reg No 2001/000290/06*

## INDEX TO ANNUAL REPORT 2010 - 2012

### PAGE NO

For your information we enclose the following documents:

1.	Notice and Agenda for the Meeting	3 - 4
2.	Information Report	5 - 7
3.	Audited Financial Statements for the year ended December 2010	8 - 26
4.	Audited Financial Statements for the year ended December 2011	27 - 46
5.	Audited Financial Statements for the year ended December 2012	47 - 65
6.	Calendar 2015	66
7.	Credit Card Facility	68
8.	Owner Contact Details Form	70
9.	Nomination form for Directorship	72
10.	Form of Proxy	74 - 75

# **BAKGATLA SHARE BLOCK LIMITED**

**(Registration No: 2001/000290/06)**

**NOTICE** is hereby given that an Annual General Meeting of Shareholders of Bakgatla Share Block Limited will be held at Protea Hotel Midrand, 14<sup>th</sup> Street, Noordwyk, Ext 20, Halfway House, Midrand on Monday, 23 March 2015 at 18h00

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## **AGENDA**

1. Welcome
2. Notice of Meeting
3. Attendance, proxies and apologies
4. Establishment of Quorum
5. Appointment of Chairman
6. Presentation of Information Report
7. Presentation of Audited Annual Financial Statements, together with the Directors' Report, the Auditors Report and the Audit Committee Report, in respect of the year ended 31 December 2010, 2011 and 2012
8. Approval of Auditor's remuneration
9. Appointment of Auditors for the financial year ending 31 December 2013 & 2014
10. To determine the number of Directors for the ensuing year
11. Election of Directors
12. Appointment of Audit Committee  
Three Directors of the Company for appointment to the Company's Audit Committee
13. Acceptance of Insurance Values, subject to any amendment
14. Interest rate charged on arrear levies

15. Approval of Directors' Remuneration

*NOTE: In terms of Section 66(9) of the Companies Act, the remuneration of the Directors must be approved by a Special Resolution of Members.*

16. General

- **MOI**

The company's current Memorandum and Articles of Association must be amended and a Memorandum of Incorporation for a public company must be approved by the Shareholders and registered with CIPC in terms of the Companies Act No 71 of 2008. A General Meeting of Shareholders will be called to amend and approve the MOI.



**BY ORDER OF THE BOARD**

First Resorts and Hotel Management (Pty) Ltd  
Per: J Jordaan  
Pinetown, 2 March 2015

**NOTES:**

1. A member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company.  
The proxy form attached hereto must be completed and received at the registered office of the Company at least 48 (FOURTY EIGHT) hours before the scheduled commencement time of the meeting.
2. In terms of the Companies Act, 2008 the participants in the meeting – Members or their Proxy – must provide reasonably satisfactory identification before being entitled to attend or participate in the meeting. Forms of identification include a valid identity document, driver's licence or passport.

# BAKGATLA SHARE BLOCK LIMITED

## INFORMATION REPORT

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Dear Owner

First Resorts and Hotel Management (Pty) Ltd was recently appointed by the Board of Golden Leopard Resorts to assist with the financial and operational management of the time share units on the property. There are a number of matters and concerns that need to be addressed to ensure that Bakgatla Share Block Limited will be able to continue as a going concern.

First Resorts and Hotel Management (Pty) Ltd, the biggest leisure management company in South Africa, is a dynamic company, passionate about providing the highest levels of Service Excellence to property developers, clubs, resorts and hotels. As Managing Agents for over 60 resorts throughout South Africa, Namibia and the United Kingdom, they are proud of the many lives touched every year through their management services.

First Resorts excels at all aspects of administration including asset management, reception, check-in, food and beverage management, financial control, security management, design and refurbishment, rentals, central buying, housekeeping, maintenance and yield management. However, providing these basic expectations is no longer the key to creating memorable and amazing vacation experiences. It now takes a lot more to exceed guests' expectations.

The following matters were identified and need to be urgently confirmed and regularized going forward:

### **1. AGM's**

Annual General Meetings of the company were not held as required in terms of the Companies Act and thus the matters prescribed and statutory haven't been attended to. This will be the first AGM in a number of years.

### **2. Directors**

One of the main items that should have been addressed at the Annual General Meetings is the appointment of Directors. Directors need to be urgently appointed to attend to the affairs of Bakgatla Share Block Ltd as required by l.a.w. and will be attended to at this Annual General Meeting.

### **3. Leases - operating leases**

Lease with Golden Leopard - The property is leased from Golden Leopard Resorts (Proprietary) Limited. The inception date of the lease was 1 April 2001 for a period of forty five years with an annual premium of R200 000, escalating at 10% per annum. The validity and proportionate effect of accounting for the lease, relating to the timeshare units need to be considered.

#### **4. VAT - Non-compliance with the VAT Act**

The VAT has not been properly submitted and reconciled. There is insufficient evidence to establish whether the entity submitted returns and paid VAT 201 in the past. Possible interest charges and penalties may be applicable.

#### **5. Annual Financial Statements**

The last set of signed financial statements available is for the period ended 31 December 2010.

##### **5.1 December 2011 and December 2012**

We assisted resort management and the auditors to prepare these two sets of financial statements.

##### Concerns and qualifications

- Property Lease with Golden Leopard Resorts (Pty) Ltd
- Levy Debtors reconciliation and recoverability
- VAT compliance - possible penalties and interest
- Reserves / Accumulated Deficit
- To appoint Directors to sign the engagement letter of the Auditors and the Audited Annual Financial Statements.

##### **5.2 December 2013**

Awaiting completion of the 2012 Audited AFS to confirm opening balances, whereafter the draft financial statements and audit pack will be prepared.

Auditors to be appointed and auditors' engagement letters must be prepared and signed by the Directors of the company.

##### **5.3 Current year – December 2014**

These financial reports are being prepared by the company and will be reviewed by First Resorts.

Auditors to be appointed and auditors' engagement letters must be prepared and signed by the Directors of the company.

#### **6. Levies Receivable and Budget for the year ending 31 December 2015**

We are aware that there are large amounts of unallocated and unreconciled levies. It is a huge task to reconcile and allocate these correctly. This will be an ongoing project.

With the lack of proper figures and accounting records, First Resorts together with resort management, have prepared a Budget for 2015. The levy increase of 10% has been based on the levies for 2014.

The company's Articles states that "The Members shall establish and maintain a levy fund sufficient in the opinion of its Directors for the repair, upkeep, control, management and administration of the company and of its immovable property and for the discharge of any other obligations of the company".

Please note that your arrear or advance balance up to 31 December 2014 is not reflected. The financial team at the Resort will reconcile the year-end balances.

We, however, request you to kindly pay the amount invoiced into the company's bank account to enable management to discharge your company's obligations and allow you to use / space bank your timeshare week during 2015.

## **7. AGM**

At this meeting all the above matters and all statutory company matters will be dealt with as required by the Companies Act

We are confident that, with your support and co-operation, together we can make your resort "a haven within the borders of Pilanesberg National Park" to be proud of again.

Yours sincerely

*Johann Jordaan*

**MANAGING DIRECTOR**

First Resorts Hotel and Management (Pty) Ltd



Tel: +27 31 717 7593

Fax: +27 31 701 9964

1 Crompton Street | Pinetown 3610 | P.O Box 1287 | Pinetown 3600

**BAKGATLA SHARE BLOCK LTD  
(REGISTRATION NUMBER 2001/000290/06)  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**BAKGATLA SHARE BLOCK LTD.**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

**GENERAL INFORMATION**

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<b>Country of Incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	To conduct time-sharing activities in terms of the Share Block Control Act No. 59 of 1980
<b>Director</b>	Jeanette Dibetso-Nyathi
<b>Registered office</b>	Manyane Complex Golden Leopard Resorts Mogwase Pilanesberg 0300
<b>Postal address</b>	PO Box 6651 Rustenburg 0300
<b>Auditors</b>	SizweNtsalubaGobodo Incorporated Chartered Accountants (S.A.)
<b>Company registration number</b>	2001/000290/06
<b>Tax reference number</b>	9564/104/14/0

**BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

**INDEX**

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

<b>Index</b>	<b>Page</b>
Report of the Independent Auditors	<u>3 - 5</u>
Director's Responsibilities and Approval	6
Director's Report	7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12 - 14
Notes to the Annual Financial Statements	<u>15 - 17</u>
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement	18 - 19

## **REPORT OF THE INDEPENDENT AUDITORS**

### **To the shareholders of Bakgatla Share Block Limited**

We have audited the financial statements of Bakgatla Share Block Limited set out on pages 8 to 17, which comprise the statement of financial position as at 31 December 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### **Director's Responsibility for the Financial Statements**

The company's director is responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice, and the requirements of the Companies Act 71 of 1973, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

### **Auditors' 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 about whether the annual 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 management, as well as evaluating the overall presentation of the financial statements.

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

### **Scope limitation**

### **Operating Expenses**

Sufficient appropriate evidence did not exist for operating expenses amounting to R4 991 656. We were unable to confirm the validity and accuracy of these operating expenses by alternative means. Consequently we were unable to conclude on the validity and accuracy of operating expenses reflected in the financial statements.

### **Revenue**

We were unable to obtain sufficient appropriate audit evidence to confirm the approved charge out rate for Levy income as disclosed at an amount of R2 871 818 in note 7 of the financial statements. We were unable to confirm the validity and accuracy of Levy income by alternative means. Consequently we were unable to conclude on the validity and accuracy of Levy income.

The entity did not have adequate systems in place to maintain records of trade and other receivables, which resulted in the interest on trade debtors not being accounted for. We were unable to perform a calculation of the amount of interest which was not accounted for due to the limited information provided.

### **Operating lease**

The company did not account for property leased from Golden Leopard Resorts (Proprietary) Limited. The inception date of the lease was 1 April 2001 for a period of forty five years with an annual premium of R150 000, escalating at 10% per annum. No lease premiums were made since the effective date of the lease.

## **REPORT OF THE INDEPENDENT AUDITORS**

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We were not provided with any evidence of claims submitted by the lessor for the outstanding amounts owing to them, and neither was there any evidence of a formal termination of the lease agreement. We could also not find any evidence to suggest that the lease agreement may have been cancelled by the parties. In terms of the South African Statements of Generally Accepted Accounting Practice, (AC 105), Leases, the lease should be classified and accounted for as an operating lease.

If the lease had been accounted for, long term liabilities would increase and accumulated profit would decrease by R20 968 057. Accounting for the lease will cause significant doubt as to whether the company will be able to continue as a going concern in the foreseeable future.

### **Trade Receivables**

Included in trade and other receivables is an amount of R5 589 314 which is outstanding for more than 120 days. The company did not assess whether objective evidence of impairment exists for trade and other receivables as required by South African Statements of Generally Accepted Accounting Practice, (AC 133), Financial Instruments : Recognition and Measurement. Consequently, we were unable to obtain all the information and explanations we considered necessary to satisfy ourselves as to the valuation of accounts receivable.

Sufficient appropriate evidence did not exist for accounts receivable clearing accounts amounting to R1 659 906. We were unable to confirm the existence, valuation and rights of these amounts by alternative means. Consequently we were unable to conclude on the existence, valuation and rights of the accounts receivable clearing accounts.

### **VAT Returns**

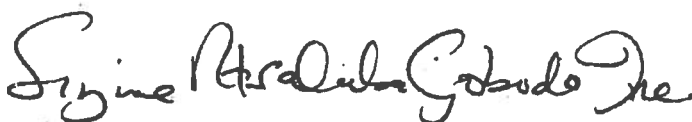
We were unable to obtain sufficient appropriate evidence to confirm whether the entity submitted Value Added Tax 201 returns for the year under review. As a result we were unable to determine whether the entity complied with the requirements of the Value Added Tax Act.

### **Opinion**

Because of the significance of the matters discussed in the preceding paragraphs, we do not express an opinion on the annual financial statements.

### **Other reports required by the Companies Act**

As part of our audit of the financial statements for the year ended 31 December 2010, we have read the director's report for the purpose of identifying whether there are material inconsistencies between the report and the audited financial statements. The report is the responsibility of the preparers. Based on reading the report we have not identified material inconsistencies between the report and the audited financial statements. However, we have not audited the report and accordingly do not express an opinion on the report.



**Sizwe Ntsaluba Gobodo Incorporated**

**Per: D Simpson**

**28 February 2013**

## BAKGATLA SHARE BLOCK LTD

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

### DIRECTOR'S RESPONSIBILITIES AND APPROVAL

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The directors are required in terms of the Companies Act 71 of 1973 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual 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 South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

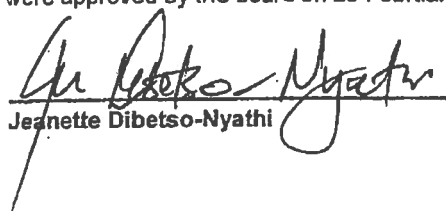
The directors acknowledges that they are ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for 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 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 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 company's cash flow forecast for the year to 31 December 2011 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 reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 3 to 5.

The annual financial statements set out on pages 7 to 19, which have been prepared on the going concern basis, were approved by the board on 28 February 2013 and were signed on its behalf by:



Jeanette Dibetso-Nyathi

## **BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

### **DIRECTOR'S REPORT**

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The directors submits his report for the year ended 31 December 2010.

#### **1. REVIEW OF ACTIVITIES**

##### **Main business and operations**

The company is engaged in conducting time-sharing activities in terms of the share block control act no. 59 of 1980 and operates principally in South Africa.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net loss of the company was R 2 008 549 (2009: R 1 760 439 loss), after taxation of R (45 456) (2009: R (80 903)).

#### **2. GOING CONCERN**

The annual 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.

#### **3. EVENTS SUBSEQUENT TO YEAR END**

The directors are not aware of any matter or circumstance arising since the end of the financial year.

#### **4. AUTHORISED AND ISSUED SHARE CAPITAL**

There were no changes in the authorised or issued share capital of the company during the year under review.

#### **5. DIVIDENDS**

No dividends were declared or paid to shareholder during the year.

#### **6. DIRECTOR**

The director of the company during the year and to the date of this report is as follows:

<b>Name</b>	<b>Changes</b>
Jeanette Dibetso-Nyathi	Appointed 06 December 2012

#### **7. SECRETARY**

The company had no secretary during the year.

#### **8. AUDITORS**

SlizweNtsalubaGobodo Incorporated will continue in office in accordance with section 90 of the Companies Act 71 of 1973.

#### **9. LIQUIDITY AND SOLVENCY**

The director have performed the required liquidity and solvency tests required by the Companies Act 71 of 1973.

#### **10. REGISTERED ADDRESS**

Manyane Complex, Golden Leopard Resorts, Pilanesburg, 0300.

**BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

**STATEMENT OF FINANCIAL POSITION**

Figures in Rand	Notes	2010	2009
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Long term debtors	2	3 022 284	3 022 284
<b>CURRENT ASSETS</b>			
Trade and other receivables	3	6 899 217	4 749 776
Cash and cash equivalents	4	2 323 847	4 868 627
		<b>9 223 064</b>	<b>9 618 403</b>
<b>Total Assets</b>		<b>12 245 348</b>	<b>12 640 687</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	5	34 000	34 000
Accumulated loss		(3 928 276)	(1 919 727)
		<b>(3 894 276)</b>	<b>(1 885 727)</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Current tax payable		256 325	210 869
Trade and other payables	6	15 883 299	14 315 545
		<b>16 139 624</b>	<b>14 526 414</b>
<b>Total Equity and Liabilities</b>		<b>12 245 348</b>	<b>12 640 687</b>

**BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

**STATEMENT OF COMPREHENSIVE INCOME**

Figures in Rand	Notes	2010	2009
Revenue	7	2 880 781	2 636 227
Operating expenses		(4 991 656)	(4 569 148)
<b>Operating loss</b>		<b>(2 110 875)</b>	<b>(1 932 921)</b>
Investment revenue	8	147 782	253 491
Finance costs	9	-	(106)
<b>Loss before taxation</b>		<b>(1 963 093)</b>	<b>(1 679 536)</b>
Taxation		(45 456)	(80 903)
<b>Loss for the year</b>		<b>(2 008 549)</b>	<b>(1 760 439)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss</b>		<b>(2 008 549)</b>	<b>(1 760 439)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of the parent		(2 008 549)	(1 760 439)

**BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

**STATEMENT OF CHANGES IN EQUITY**

<b>Figures in Rand</b>	<b>Share capital</b>	<b>Accumulated loss</b>	<b>Total equity</b>
<b>Balance at 01 January 2009</b>	<b>34 000</b>	<b>(159 288)</b>	<b>(125 288)</b>
Changes in equity			
Total comprehensive Income for the year	-	(1 760 439)	(1 760 439)
Total changes	-	(1 760 439)	(1 760 439)
<b>Balance at 01 January 2010</b>	<b>34 000</b>	<b>(1 919 727)</b>	<b>(1 885 727)</b>
Changes in equity			
Total comprehensive income for the year	-	(2 008 549)	(2 008 549)
Total changes	-	(2 008 549)	(2 008 549)
<b>Balance at 31 December 2010</b>	<b>34 000</b>	<b>(3 928 276)</b>	<b>(3 894 276)</b>
Note(s)	5		

**BAKGATLA SHARE BLOCK LTD**  
 (REGISTRATION NUMBER 2001/000290/06)  
 ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

**STATEMENT OF CASH FLOWS**

<b>Figures in Rand</b>	<b>Notes</b>	<b>2010</b>	<b>2009</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from customers		731 340	321 581
Cash paid to suppliers and employees		(3 423 902)	(302 748)
Cash used in operations	11	(2 692 562)	18 833
Interest income		147 782	253 491
Finance costs		-	(106)
<b>Net cash from operating activities</b>		<b>(2 544 780)</b>	<b>272 218</b>
<b>Total cash movement for the year</b>		<b>(2 544 780)</b>	<b>272 218</b>
Cash at the beginning of the year		4 868 627	4 596 409
<b>Total cash at end of the year</b>	4	<b>2 323 847</b>	<b>4 868 627</b>

## **BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

### **ACCOUNTING POLICIES**

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#### **1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS**

The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice, and the Companies Act 71 of 1973. The annual financial statements have been prepared on the historical cost basis, except where otherwise indicated, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

##### **1.1 FINANCIAL INSTRUMENTS**

###### **Definitions**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

A financial liability is any liability that is:

- a contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

###### **Initial recognition and measurement**

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company 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 measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available for sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

###### **Subsequent measurement**

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

## **BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

### **ACCOUNTING POLICIES**

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#### **1.1 FINANCIAL INSTRUMENTS (continued)**

Held-to-maturity investments are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

##### **Trade and other receivables**

Trade receivables are measured at initial recognition 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 (more than 30 days overdue) 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.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement.

Trade and other receivables are classified as loans and receivables.

##### **Trade and other payables**

Trade payables are classified as financial liabilities at amortised cost.

##### **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. Cash and cash equivalents are classified as loans and receivables.

#### **1.2 TAX**

##### **Current tax assets and liabilities**

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

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

##### **Tax expenses**

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

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

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

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

#### **1.3 LEASES**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Leases are classified as either operating or finance leases at the inception of the lease.

## **ACCOUNTING POLICIES**

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### **1.3 LEASES (continued)**

#### **Operating leases - lessor**

Rental income from operating leases is recognised on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in the income statement.

#### **Operating leases – lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

### **1.4 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.

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

### **1.5 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.

Revenue from levy income is recognised when the liability accrues to the shareholders, net of Value Added Taxation and discounts.

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

**BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

Figures in Rand	2010	2009
-----------------	------	------

**2. LONG TERM DEBTORS**

	2010	2009
Long term debtors	3 022 284	3 022 284

Debtors that are outstanding for a period longer than twelve months are reclassified to long term debtors.

**3. TRADE AND OTHER RECEIVABLES**

Trade receivables	4 979 482	3 209 492
VAT	1 522 197	1 142 746
Other receivables	397 538	397 538
	<b>6 899 217</b>	<b>4 749 776</b>

**Trade and other receivables past due but not impaired**

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 December 2010, R 6 874 359 (2009: R 5 208 510) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

3 months past due	6 874 359	5 208 510
-------------------	-----------	-----------

**4. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of:

Bank balances	2 323 847	4 868 627
---------------	-----------	-----------

**5. SHARE CAPITAL****Authorised**

72 800 Class A shares R0.10 each	7 280	7 280
165 280 Class B shares R0.10 each	16 528	16 528
730 Class C shares R0.10 each	73	73
13 470 Class C shares R0.10 each	1 347	1 347
7 640 Class C shares R0.10 each - Released	764	764
7 280 Class D shares R0.10 each	728	728
72 800 Class E shares R0.10 each	7 280	7 280
	<b>34 000</b>	<b>34 000</b>

**Issued**

340 000 Ordinary shares of R0.10 each	34 000	34 000
---------------------------------------	--------	--------

**6. TRADE AND OTHER PAYABLES**

Trade payables	15 408 663	13 804 767
Other payables	474 636	510 778
	<b>15 883 299</b>	<b>14 315 545</b>

**BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

Figures in Rand	2010	2009
<b>7. REVENUE</b>		
Rental Pool Commission	8 963	25 484
Levies	2 871 818	2 610 743
	<b>2 880 781</b>	<b>2 636 227</b>
<b>8. INVESTMENT REVENUE</b>		
Interest revenue		
Bank	147 782	253 491
The following is an analysis of investment revenue earned per financial asset category:		
Available-for-sale financial assets	-	-
Loans and receivables	-	-
Held-to-maturity investments	-	-
Total interest income for financial assets not designated as at fair value through profit or loss		
Investment income earned on non-financial assets	147 782	253 491
	<b>147 782</b>	<b>253 491</b>
<b>9. FINANCE COSTS</b>		
Other interest paid	-	106
<b>10. AUDITORS' REMUNERATION</b>		
Fees	-	200 678
<b>11. CASH USED IN OPERATIONS</b>		
Loss before taxation	(1 963 093)	(1 679 536)
Adjustments for:		
Interest received	(147 782)	(253 491)
Finance costs	-	106
Changes in working capital:		
Trade and other receivables	(2 149 441)	(2 289 162)
Trade and other payables	1 567 754	4 240 916
	<b>(2 692 562)</b>	<b>18 833</b>
<b>12. TAX REFUNDED</b>		
Balance at beginning of the year	(210 869)	(129 966)
Current tax for the year recognised in profit or loss	(45 456)	(80 903)
Balance at end of the year	256 325	210 869
	-	-

**BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

Figures in Rand	2010	2009
-----------------	------	------

**13. RELATED PARTIES****Relationships**

Shareholder with significant influence

Entity sharing the same shareholder

Close Corporation owned by family member of director

Services provided by company owned by director

Golden Leopard Resorts (Pty) Ltd

Manyane Share Block Ltd

LJD Financial Services

GBD Hospitality

**Related party balances****Amounts included in trade receivables**

Golden Leopard Resorts (Pty) Ltd

3 818 879

2 746 671

**Amounts included in trade payables**

Golden Leopard Resorts (Pty) Ltd

14 351 304

13 196 817

LJD Financial services

7 141

7 141

GBD Hospitality

140 743

140 743

**Provision for doubtful debts related to the amount of outstanding balances**

None

**14. GOING CONCERN**

We draw attention to the fact that at 31 December 2010, the company had accumulated losses of R (3 928 276) and that the company's total liabilities exceed its assets by R (3 894 276).

The annual 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.

**BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

**DETAILED INCOME STATEMENT**

<b>Figures in Rand</b>	<b>Note(s)</b>	<b>2010</b>	<b>2009</b>
<b>Revenue</b>			
Levies		2 871 818	2 610 743
Rental Pool Commission		8 963	25 484
	7	<b>2 880 781</b>	<b>2 636 227</b>
<b>Other Income</b>			
Interest received	8	147 782	253 491
<b>Expenses (Refer to page 19)</b>		<b>(4 981 656)</b>	<b>(4 569 148)</b>
<b>Operating loss</b>		<b>(1 963 093)</b>	<b>(1 679 430)</b>
Finance costs	9	-	(106)
<b>Loss before taxation</b>		<b>(1 963 093)</b>	<b>(1 679 536)</b>
Taxation		45 456	80 903
<b>Loss for the year</b>		<b>(2 008 549)</b>	<b>(1 760 439)</b>

**BAKGATLA SHARE BLOCK LTD**

(REGISTRATION NUMBER 2001/000290/06)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

<b>Operating expenses</b>		
Administration and management fees	(13 343)	-
Advertising	(90 245)	-
Annual returns	-	(4 150)
Auditors remuneration	10 -	(200 678)
Bank charges	(1 811)	(1 519)
Chalet Costs	(1 043 553)	(1 540 402)
Commission paid	(49 041)	(18 870)
Conservation levy	(20 608)	(154 067)
Consulting and professional fees	(163 196)	(125 687)
Discount allowed	(80 250)	(99 446)
Gifts	-	(20 110)
Hire	(151 813)	(35 444)
Insurance	(115 883)	(88 369)
Lease rentals on operating lease	(172 853)	(472 435)
Legal expenses	(101 480)	(234 101)
Motor vehicle expenses	(27 168)	(77 086)
Other expenses	-	(1 667)
Other operating costs	(76 281)	(11 442)
Postage	(4 639)	(6 514)
Printing and stationery	(57 225)	(77 291)
Promotions	-	(80 718)
Repairs and maintenance	(1 677 994)	(1 080 632)
Staff welfare	(346 573)	(238 720)
Travel - local	(40 752)	-
Utilities	(756 948)	-
	<b>(4 991 656)</b>	<b>(4 569 148)</b>

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**BAKGATLA SHARE BLOCK LTD**  
**(REGISTRATION NUMBER 2001/000290/06)**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**GENERAL INFORMATION**

Country of incorporation and domicile	South Africa	
Nature of business and principal activities	To conduct time-sharing activities in terms of the Share Block Control Act No, 59 of 1980	
Directors	Mr. L.A Tyatya Ms. D.S Matlou Mr. C.C Pretorius Mr. B.W Downey	Chairman Deputy Chairperson Member Member
Registered office	Manyane Complex Golden Leopard Resorts Mogwase Pillanesberg 0300	
Postal address	PO Box 6651 Rustenburg 0300	
Auditors	Sizwe Ntshalubabodo Incorporated Chartered Accountants (S.A.)	
Company registration number	2001/000290/06	
Tax reference number	9564/104/14/0	



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**INDEX**

THE REPORTS AND STATEMENTS SET OUT BELOW COMPRISE THE ANNUAL FINANCIAL STATEMENTS PRESENTED TO THE SHAREHOLDERS:

INDEX .....	PAGE
REPORT OF THE INDEPENDENT AUDITORS.....	4-6
DIRECTORS RESPONSIBILITIES AND APPROVAL .....	7
DIRECTORS REPORT .....	8
STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2011 .....	9
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2011.....	10
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2011 .....	11
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2011 .....	12
ACCOUNTING POLICIES .....	13-15
NOTES TO THE FINANCIAL STATEMENTS.....	16-18
THE FOLLOWING SUPPLEMENTARY INFORMATION DOES NOT FORM PART OF THE ANNUAL FINANCIAL STATEMENT STATEMENTS AND IS UNAUDITED:	
DETAILED STATEMENT OF COMPREHENSIVE INCOME .....	19



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF  
BAKGATLA SHARE BLOCK LIMITED (PTY) LTD**

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**TO BAKGATLA SHARE BLOCK PROPIERTY LIMITED**

We were engaged to audit the accompanying annual financial statements of Bakgatla Share Block Pty Ltd, which comprise the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in net assets, statement of cash flows and a summary of significant accounting policies and other explanatory notes.

**Director's Responsibility for the Financial Statements**

The company's directors is responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice and requirements of the Companies Act, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these annual 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 annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual 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 annual 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 council, as well as evaluating the overall presentation of the annual financial statements.

Because of the matters described in the basis for disclaimer of opinion paragraphs, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

**Basis for disclaimer of opinion**

**Comparative figures and opening balances**

We were unable to obtain sufficient appropriate audit evidence to verify opening balances. Furthermore no comparative figures were available, due to a limitation of scope. Consequently we were unable to verify any opening balances and comparative figures.

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**Operating Lease**

The company did not account for property leased from Golden Leopard Resorts (Proprietary) Limited. The inception date of the lease was 1 April 2001 for a period of forty five years with an annual premium of R200 000, escalating at 10% per annum. No lease premiums were made since the effective date of the lease. We were not provided with any evidence of claims submitted by the lessor for the outstanding amounts owing to them, and neither was there any evidence of a formal termination of the lease agreement. We could also not find any evidence to suggest that the lease agreement may have been cancelled by the parties. In terms of the South African Statements of Generally Accepted Accounting Practice, (AC105), Leases, the lease should be classified and accounted for as an operating lease. If the lease had been accounted for, long term liabilities would increase and accumulated profit would decrease by R 35 146 459. Accounting for the lease will cause significant doubt as to whether the company will be able to continue as a going concern in the foreseeable future

**Trade and other receivables**

We were unable to obtain sufficient appropriate audit evidence for a difference amounting to R 1 330 959 between the annual financial statements and trade and other receivables age analysis. Consequently we were unable to verify the completeness and valuation of trade and other receivables as disclosed in the annual financial statements.

**Expenditure**

We were unable to obtain sufficient appropriate audit evidence for operating expenditure amounting to R 3 766 143. Consequently we were unable to verify the accuracy, completeness and classification of operating expenditure as disclosed in the annual financial statements.

**Financial Assets**

We were unable to obtain sufficient appropriate audit evidence for financial assets amounting to R 34 000. Consequently we were unable to verify the existence, completeness, valuation, rights and obligations as disclosed in the annual financial statements.

**Trade payables**

We were unable to obtain sufficient appropriate audit evidence for trade payables amounting to R 18 954 361. Consequently we were unable to verify the existence, completeness, valuation, rights and obligations as disclosed in the annual financial statements.

**Current tax payables**

We were unable to obtain sufficient appropriate audit evidence for current tax payables amounting to R 256 325. Consequently we were unable to verify the existence, completeness, valuation, rights and obligations as disclosed in the annual financial statements.

**Disclaimer of opinion**

Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on these financial statements.

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**Other reports required by the Companies Act**

As part of our audit of the financial statements for the year ended 31 December 2011, we have read the director's report for the purpose of identifying whether there are material inconsistencies between the report and the audited financial statements. The report is the responsibility of the preparers. Based on reading the report we have not identified material inconsistencies between the report and the audited financial statements. However, we have not audited the report and accordingly do not express an opinion on the report.



**PID de Villiers**  
**SizweNtsalubaGobodo Inc.**  
**Director**  
**Registered Auditor**

**10 December 2014**

**75 Brink Street**  
**Rustenburg**  
**0299**

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**DIRECTOR'S RESPONSIBILITIES AND APPROVAL**

The directors are required in terms of the Companies Act to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual 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 South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and 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 places 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 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 endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behavior 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 company's cash flow forecast for the year ending 31 December 2012 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 reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 9 to 19, which have been prepared on the going concern basis, were approved by the board on ..... and were signed on its behalf by:

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**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

---

**DIRECTOR'S REPORT**

The directors submit their report for the year ended 31 December 2011.

**1. REVIEW OF ACTIVITIES**

**Main business and operations**

The company is engaged in conducting time-sharing activities in terms of the Share Block Control Act and operates principally in South Africa.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

**2. GOING CONCERN**

The annual 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.

**3. EVENTS SUBSEQUENT TO YEAR END**

The directors are not aware of any matter or circumstance arising since the end of the financial year.

**4. AUTHORISED AND ISSUED SHARE CAPITAL**

There were no changes in the authorised or issued share capital of the company during the year under review.

**5. DIVIDENDS**

No dividends were declared or paid to shareholder during the year.

**6. DIRECTOR**

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

Ms DS Matlou, LA Tyatya, CC Pretorius and BW Downey.

**7. SECRETARY**

The company had no secretary during the year.

**8. AUDITORS**

SlzweNtsalubaGobodo Incorporated will continue in office in accordance with section 90 of the Companies Act 71 of 1973.

**9. LIQUIDITY AND SOLVENCY**

The directors have performed the required liquidity and solvency tests required by the Companies Act 71 of 1973.

**10. REGISTERED ADDRESS**

Manyane Complex, Golden Leopard Resorts, Pilanesburg, 0300.



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

---

**DIRECTOR'S REPORT**

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**7. SECRETARY**

The company had no secretary during the year.

**8. AUDITORS**

SizweNtsalubaGobodo Incorporated will continue in office in accordance with section 90 of the Companies Act.

**9. LIQUIDITY AND SOLVENCY**

The directors have performed the required liquidity and solvency tests required by the Companies Act.

**10. REGISTERED ADDRESS**

Manyane Complex, Golden Leopard Resorts, Pilanesburg, 0300.



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011**

<b>ASSETS</b>		<b>2011</b>	<b>2010</b>
		<b>R</b>	<b>R</b>
<b>Non-current assets</b>		<b>3 056 284</b>	<b>3 056 284</b>
Financial asset	15	34 000	34 000
Long term debtors	2	3 022 284	3 022 284
<b>Current assets</b>		<b>10 937 772</b>	<b>9 223 064</b>
Trade and other receivables	3	10 694 759	6 899 217
Cash and cash equivalents	4	243 013	2 323 847
<b>Total assets</b>		<b>13 994 056</b>	<b>12 279 348</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity and Reserves</b>			
<b>Total equity and reserves</b>		<b>(5 216 630)</b>	<b>(3 894 276)</b>
Share capital	5	34 000	34 000
Accumulated income		(5 250 630)	(3 928 276)
<b>Liabilities</b>			
<b>Current liabilities</b>		<b>19 210 686</b>	<b>16 173 624</b>
Current tax payables		256 325	256 325
Trade payables	6	18 954 361	15 917 299
<b>Total Equity and Liabilities</b>		<b>13 960 056</b>	<b>12 279 348</b>



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 R	2010 R
Revenue	7	2 375 151	2 880 781
Operating costs		(3 766 143)	(4 991 656)
<b>Profit/(loss) before taxation</b>		<b>(1 390 992)</b>	<b>(2 110 875)</b>
Investment revenue	8	68 638	147 782
Finance costs	9	-	-
<b>Loss before taxation</b>		<b>(1 322 354)</b>	<b>(1 963 093)</b>
Taxation		-	(45 456)
<b>Loss for the year</b>		<b>(1 322 354)</b>	<b>(2 008 549)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss</b>		<b>(1 322 354)</b>	<b>(2 008 549)</b>
<b>Total comprehensive loss attribute to: Owner of the parent</b>		<b>(1 322 354)</b>	<b>(2 008 549)</b>



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2011**

	Share capital	Accumulated profit / (loss)	TOTAL
	R	R	R
Balance as at 1 March 2009	34 000	(159 288)	(125 288)
Changes in equity	-		
Total comprehensive Income for the year		(1 760 439)	(1 760 439)
Total changes	-	(1 760 439)	(1 760 439)
Balance at 01 January 2010	34 000	(1 919 727)	(1 885 727)
Changes in equity			
Total comprehensive Income for the year	-	(2 008 549)	(2 008 549)
Total changes	-	(2 008 549)	(2 008 549)
Balance at 31 January 2011	34 000	(3 928 276)	(3 894 276)
Total comprehensive Income for the year		(1 322 354)	(1 322 354)
Total changes		(1 322 354)	(1 322 354)
Balance at 31 December 2011	34 000	(5 250 630)	(5 216 630)



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 R	2010 R
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	1 972 580	731 340
Cash paid to suppliers and employees	(4 122 302)	(3 423 902)
<b>Cash used in operations</b>	<b>11 (2 149 722)</b>	<b>(2 692 562)</b>
Interest income	68 888	147 782
Finance costs	-	-
<b>Net cash from operating activities</b>	<b>(2 080 834)</b>	<b>(2 544 780)</b>
<b>Total cash movement for the year</b>	<b>(2 080 834)</b>	<b>(2 544 780)</b>
Cash at the beginning of the year	2 323 847	4 868 627
<b>Total cash at end of the year</b>	<b>4 243 013</b>	<b>2 323 847</b>



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**Accounting Policies**

**PRESENTATION OF ANNUAL FINANCIAL STATEMENTS**

The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice, and the Companies Act. The annual financial statements have been prepared on the historical cost basis, except where otherwise indicated, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

**1.1 FINANCIAL INSTRUMENTS**

**Definitions**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

A financial liability is any liability that is:

- a contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

**Initial recognition and measurement**

Financial instruments are recognised initially when the company becomes a party to the contractual provisions instruments.

The company 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 measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available for sale financial assets.

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

**Subsequent measurement**

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Held-to-maturity investments are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

**Trade and other receivables**

Trade receivables are measured at initial recognition 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 (more than 30 days overdue) 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.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement.

Trade and other receivables are classified as loans and receivables.

**Trade and other payables**

Trade payables are classified as financial liabilities at amortised cost.

**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. Cash and cash equivalents are classified as loans and receivables.

**1.2 TAX**

**Current tax assets and liabilities**

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

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

---

**Tax expenses**

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

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

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

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

**1.3 LEASES**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Leases are classified as either operating or finance leases at the inception of the lease.

**Operating leases – lessor**

Rental income from operating leases is recognised on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in the income statement.

**Operating leases – lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. This liability is not discounted. Any contingent rents are expensed in the period they are incurred.

**1.4 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.

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

**1.5 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.

Revenue from levy income is recognised when the liability accrues to the shareholders, net of Value Added Taxation and discounts.

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

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

**2. LONG TERM DEBTORS**

	2011	2010
Long term debtors	3 022 284	3 022 284

Debtors that are outstanding for a period longer than twelve months are reclassified to long term debtors.

**3. TRADE AND OTHER RECEIVABLES**

	2011	2010
Trade receivables	5 321 335	4 979 482
VAT	2 144 802	1 522 197
Other receivables	3 228 622	397 538
	<u>10 694 759</u>	<u>6 899 217</u>

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired.

The ageing of amounts past due but not impaired is as follows:

3 months past due	-	6 874 359
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**4. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of:

Current Account	67 825	212 250
Call Account	175 188	2 111 597
Bank balances	<u>243 013</u>	<u>2 323 847</u>

**5. SHARE CAPITAL**

72 800 Class A shares R0.10 each	7 280	7 280
165 280 Class B shares R0.10 each	16 528	16 528
730 Class C shares R0.10 each	73	73
13 470 Class C shares R0.10 each	1 347	1 347
7 640 Class C shares R0.10 each – Released	764	764
7 280 Class D shares R0.10 each	728	728
72 800 Class E shares R0.10 each	7 280	7 280
	<u>34 000</u>	<u>34 000</u>
<b>ISSUED</b>		
340 000 Ordinary shares of R0.10	<u>34 000</u>	<u>34 000</u>

**6. TRADE AND OTHER PAYABLES**

Trade payables	16 001 963	15 442 663
Other payables	2 952 398	474 636
	<u>18 954 361</u>	<u>15 917 299</u>

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

**7. REVENUE**

Rental pool commission	3 735	8 963
Levies	2 371 416	2 871 818
	<u>2 375 151</u>	<u>2 880 781</u>

**8. INVESTMENT REVENUE**

Interest revenue		
Bank	68 638	147 782
	<u>68 638</u>	<u>147 782</u>

The following is an analysis of investment revenue earned per financial asset category:

Available-for sale financial assets	-	-
Loans and receivables	-	-
Held-to-maturity investment	-	-

Total interest income for financial assets not designated as fair value through profit or loss

Investment income earned on non-financial assets.	68 638	147 782
	<u>68 638</u>	<u>147 782</u>

**9. FINANCE COSTS**

Other interest paid	-	-
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**10. AUDITOR'S REMUNERATION**

Fees	-	200 678
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**11. CASH USED IN OPERATIONS**

Loss before taxation	(1 805 504)	(1 963 093)
Adjustments for:		
Interest received	(35 206)	(147 782)
Financial costs	-	-
Changes in working capital:		
Trade and receivables	(2 614 684)	(2 149 441)
Trade and other payables	3 037 061	1 567 754
Total	<u>(1 418 333)</u>	<u>(2 692 562)</u>

**12. TAX REFUNDED**

Balance at beginning of the year	(256 325)	(210 869)
Current tax for the year recognized in profit or loss	(10 903)	(45 456)
Balance at the end of the year	267 228	256 325
Total	<u>-</u>	<u>-</u>

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

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**13. RELATED PARTIES**

**Relationships**

Shareholder with significant influence  
 Entity sharing the same shareholder  
 Close corporation owned by family member of director  
 Service provided by company owned by director

Golden leopard resorts (Pty) Ltd  
 Manyane Share Block Ltd  
 LJD Financial Services  
 GBD Hospitality

**Related party balances**

**Amounts included in trade receivables**

Golden leopard resorts (Pty) Ltd	2 707 944	3 818 879
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**Amounts included in trade payables**

Golden leopard resorts (Pty) Ltd	2 807 797	14 351 304
LJD Financial Services	7 141	7 141
GBD Hospitality	-	140 743
Manyane	382 616	153 351

**Provision for doubtful debts related to the amount of outstanding balances**

**14. GOING CONCERN**

We draw attention to the fact that at 31 December 2011, the company had accumulated losses of R (5 250 630) and that the company's total liabilities exceed its assets by R5 216 630.

The annual 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 realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

**15. FINANCIAL ASSET**

Land and Buildings	3 822 288	3 822 288
Loans from shareholder	(3 788 288)	(3 788 288)
	<u>34 000</u>	<u>34 000</u>



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2011*

**DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED 31 DECEMBER 2011**

	2011 R	2010 R
Revenue	2 375 151	2 880 781
Levies	2 371 416	2 871 818
Rental pool commission	3 735	8 963
Other income	68 637	147 782
Interest received	68 637	147 782
	<b>2 443 788</b>	<b>3 028 563</b>
Operating Expenses	<b>(3 766 143)</b>	<b>(4 991 656)</b>
Accounting fees	3 557	-
Administration and management fees	-	13 343
Advertising	-	90 245
Auditor's remuneration	-	163 196
Bank charges	1 933	1 811
Boarding meeting	-	15 276
General cleaning	-	16 121
General credit card	-	49 041
Conservation levy	-	20 608
Discount allowed	88 318	80 250
Garden & room	-	713 964
Hire	-	151 813
Insurance	-	115 883
Lease premises	-	172 853
Legal fees	190 800	101 480
License fees	-	66 680
General-motor vehicle	-	27 168
General-pest control	-	27 838
Postage	-	4 639
General printing & stationery	-	57 225
Sundry costs	-	948 753
General-staff expenses	-	346 573
General R+M	26 858	-
Repairs & maintenance	-	594 865
Security cost	-	37 849
Subscriptions	-	9 601
Subsistence & travel	-	146 333
Telephone & fax	-	202 563
Staff training	-	58 736
Electricity & power	-	519 251
Water	-	237 697
Recharges	3 143 980	-
Salaries	310 697	-
Loss before taxation	<b>(1 322 354)</b>	<b>(1 963 093)</b>
Taxation	-	45 456
Net(loss)/ profit before tax	<b>(1 322 354)</b>	<b>(2 008 549)</b>

**BAKGATLA SHARE BLOCK LTD  
(REGISTRATION NUMBER 2001/000290/06)  
ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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**GENERAL INFORMATION**

Country of incorporation and domicile	South Africa	
Nature of business and principal activities	To conduct time-sharing activities in terms of the Share Block Control Act No. 59 of 1980	
Directors	Mr. L.A Tyatya Ms. D.S Matlou Mr. C.C Pretorius Mr. B.W Downey	Chairman Deputy Chairperson Member Member
Registered office	Manyane Complex Golden Leopard Resorts Mogwase Pillanesberg 0300	
Postal address	PO Box 6651 Rustenburg 0300	
Auditors	SizweNtsalubaGobodo Incorporated Chartered Accountants (S.A.)	
Company registration number	2001/000290/06	
Tax reference number	9564/104/14/0	



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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**INDEX**

THE REPORTS AND STATEMENTS SET OUT BELOW COMPRISE THE ANNUAL FINANCIAL STATEMENTS PRESENTED TO THE SHAREHOLDERS:

<b>INDEX .....</b>	<b>PAGE</b>
<b>REPORT OF THE INDEPENDENT AUDITORS.....</b>	<b>4</b>
<b>DIRECTORS RESPONSIBILITIES AND APPROVAL .....</b>	
<b>DIRECTORS REPORT .....</b>	
<b>STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2012 .....</b>	
<b>STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2012.....</b>	
<b>STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2012 .....</b>	
<b>STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2012 .....</b>	
<b>ACCOUNTING POLICIES .....</b>	<b>13</b>
<b>NOTES TO THE FINANCIAL STATEMENTS.....</b>	<b>16</b>
<b>THE FOLLOWING SUPPLEMENTARY INFORMATION DOES NOT FORM PART OF THE ANNUAL FINANCIAL STATEMENT STATEMENTS AND IS UNAUDITED:</b>	
<b>DETAILED STATEMENT OF COMPREHENSIVE INCOME .....</b>	



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF  
BAKGATLA SHARE BLOCK LIMITED (PTY) LTD**

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**TO BAKGATLA SHARE BLOCK PROPIERTY LIMITED**

We were engaged to audit the accompanying annual financial statements of Bakgatla Share Block Pty Ltd, which comprise the statement of financial position as at 31 December 2012, the statement of comprehensive income, statement of changes in net assets, statement of cash flows and a summary of significant accounting policies and other explanatory notes.

**Director's Responsibility for the Financial Statements**

The company's directors is responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice and requirements of the Companies Act, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these annual 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 annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual 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 annual 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 council, as well as evaluating the overall presentation of the annual financial statements.

Because of the matters described in the basis for disclaimer of opinion paragraphs, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

**Basis for disclaimer of opinion**

**Comparative figures and opening balances**

We were unable to obtain sufficient appropriate audit evidence to verify opening balances. Furthermore no comparative figures were available, due to a limitation of scope. In addition, no prior period error disclosure, nor sufficient appropriate audit evidence for a prior period error amounting to R 18 438 501 were available. Consequently we were unable to verify any opening balances and comparative figures



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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**Operating Lease**

The company did not account for property leased from Golden Leopard Resorts (Proprietary) Limited. The inception date of the lease was 1 April 2001 for a period of forty five years with an annual premium of R200 000, escalating at 10% per annum. No lease premiums were made since the effective date of the lease. We were not provided with any evidence of claims submitted by the lessor for the outstanding amounts owing to them, and neither was there any evidence of a formal termination of the lease agreement. We could also not find any evidence to suggest that the lease agreement may have been cancelled by the parties. In terms of the South African Statements of Generally Accepted Accounting Practice, (AC105), Leases, the lease should be classified and accounted for as an operating lease. If the lease had been accounted for, long term liabilities would increase and accumulated profit would decrease by R 38 341 591. Accounting for the lease will cause significant doubt as to whether the company will be able to continue as a going concern in the foreseeable future

**Trade and other receivables**

We were unable to obtain sufficient appropriate audit evidence for a difference amounting to R 5 408 292 between the annual financial statements and trade and other receivables age analysis. Consequently we were unable to verify the completeness and valuation of trade and other receivables as disclosed in the annual financial statements.

**Expenditure**

We were unable to obtain sufficient appropriate audit evidence for operating expenditure amounting to R 8 098 106. Consequently we were unable to verify the accuracy, completeness and classification of operating expenditure as disclosed in the annual financial statements.

**Financial Assets**

We were unable to obtain sufficient appropriate audit evidence for financial assets amounting to R 34 000. Consequently we were unable to verify the existence, completeness, valuation, rights and obligations as disclosed in the annual financial statements..

**Current tax payables**

We were unable to obtain sufficient appropriate audit evidence for current tax payables amounting to R 256 325. Consequently we were unable to verify the existence, completeness, valuation, rights and obligations as disclosed in the annual financial statements.

**Trade payables**

We were unable to obtain sufficient appropriate audit evidence for trade payables amounting to R 1 311 583. Consequently we were unable to verify the existence, completeness, valuation, rights and obligations as disclosed in the annual financial statements.

**Disclaimer of opinion**

Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on these financial statements.



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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**Other reports required by the Companies Act**

As part of our audit of the financial statements for the year ended 31 December 2012, we have read the director's report for the purpose of identifying whether there are material inconsistencies between the report and the audited financial statements. The report is the responsibility of the preparers. Based on reading the report we have not identified material inconsistencies between the report and the audited financial statements. However, we have not audited the report and accordingly do not express an opinion on the report.



**PID de Villiers**  
**SizweNtsalubaGobodo Inc.**  
**Director**  
**Registered Auditor**

**10 December 2014**

**75 Brink Street**  
**Rustenburg**  
**0299**

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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**DIRECTOR'S RESPONSIBILITIES AND APPROVAL**

The directors are required in terms of the Companies Act to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual 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 South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and 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 places 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 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 endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behavior 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 company's cash flow forecast for the year to 31 December 2013 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 reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 9 to 19, which have been prepared on the going concern basis, were approved by the board on ..... and were signed on its behalf by:

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**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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**DIRECTOR'S REPORT**

The directors submit their report for the year ended 31 December 2012.

**1. REVIEW OF ACTIVITIES**

**Main business and operations**

The company is engaged in conducting time-sharing activities in terms of the Share Block Control Act and operates principally in South Africa.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

**2. GOING CONCERN**

The annual 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.

**3. EVENTS SUBSEQUENT TO YEAR END**

The directors are not aware of any matter or circumstance arising since the end of the financial year.

**4. AUTHORISED AND ISSUED SHARE CAPITAL**

There were no changes in the authorised or issued share capital of the company during the year under review.

**5. DIVIDENDS**

No dividends were declared or paid to shareholder during the year.

**6. DIRECTORS**

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

Ms DS Matlou, LA Tyatya, CC Pretorius and BW Downey.

**7. SECRETARY**

The company had no secretary during the year.

**8. AUDITORS**

SizweNtsalubaGobodo Incorporated will continue in office in accordance with section 90 of the Companies Act.

**9. LIQUIDITY AND SOLVENCY**

The directors have performed the required liquidity and solvency tests required by the Companies Act.

**10. REGISTERED ADDRESS**

Manyane Complex, Golden Leopard Resorts, Pilanesburg, 0300.



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

---

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012**

<b>ASSETS</b>		<b>2012</b>	<b>2011</b>
		<b>R</b>	<b>R</b>
<b>Non-current assets</b>		<b>34 000</b>	<b>3 056 284</b>
Financial Asset		34 000	34 000
Long term debtors	2	-	3 022 284
<b>Current assets</b>		<b>9 066 938</b>	<b>10 937 772</b>
Trade and other receivables	3	8 842 474	10 694 759
Cash and cash equivalents	4	224 463	243 013
<b>Total assets</b>		<b>9 100 938</b>	<b>13 994 056</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity and Reserves</b>			
<b>Total equity and reserves</b>		<b>7 533 030</b>	<b>(5 216 630)</b>
Share capital	5	34 000	34 000
Accumulated loss		7 499 030	(5 250 630)
<b>Liabilities</b>			
<b>Current liabilities</b>		<b>1 567 908</b>	<b>19 210 686</b>
Current tax payables		256 325	256 325
Trade payables	6	1 311 583	18 954 361
<b>Total Equity and Liabilities</b>		<b>9 100 938</b>	<b>13 994 056</b>

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 R	2011 R
Revenue	7	2 394 334	2 375 151
Operating costs		(8 098 106)	(3 766 143)
<b>(Loss) before taxation</b>		<b>(5 703 772)</b>	<b>(1 390 992)</b>
Investment revenue	8	14 930	68 638
Finance costs	9	-	-
<b>(Loss) before taxation</b>		<b>(5 688 842)</b>	<b>(1 322 354)</b>
Taxation		-	-
<b>(Loss) for the year</b>		<b>(5 688 842)</b>	<b>(1 322 354)</b>
Other comprehensive income		-	-
<b>Total comprehensive (loss)</b>		<b>(5 688 842)</b>	<b>(1 322 354)</b>
<b>Total comprehensive profit/(loss) attribute to:</b>			
Owner of the parent		<b>(5 688 842)</b>	<b>(1 322 354)</b>

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2012**

	Share capital	Accumulated profit / (loss)	TOTAL
	R	R	R
Balance as at 1 march 2009	34 000	(159 288)	(125 288)
Changes in equity			
Total comprehensive Income for the year			
Total changes		(1 760 439)	(1 760 439)
Balance at 01 January 2010	34 000	(1 919 727)	(1 885 727)
Changes in equity			
Total comprehensive Income for the year			
Total changes		(2 008 549)	(2 008 549)
Balance at 01 January 2011	34 000	(3 928 276)	(3 894 276)
Changes in equity			
Total comprehensive income for the year		(1 322 354)	(1 322 354)
Total changes			
Balance at 01 January 2012	34 000	(5 260 630)	(5 216 630)
Total comprehensive Income for the year		(5 688 842)	(5 688 842)
Prior year adjustment		18 438 501	18 438 501
Balance at 31 December 2012	34 000	7 499 030	7 533 030

*P*

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 R	2011 R
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	1 414 703	1 972 580
Cash paid to suppliers and employees	(1 442 483)	(4 122 302)
Cash used in operations	11 (27 780)	(2 149 722)
Interest income	-	68 888
Finance costs	-	-
Net cash from operating activities	(27 780)	(2 080 834)
Total cash movement for the year	(27 780)	(2 080 834)
Cash at the beginning of the year	243 013	2 323 847
Total cash at end of the year	4 215 233	243 013

*[Handwritten signature]*

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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**Accounting Policies**

**PRESENTATION OF ANNUAL FINANCIAL STATEMENTS**

The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice, and the Companies Act. The annual financial statements have been prepared on the historical cost basis, except where otherwise indicated, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

**1.1 FINANCIAL INSTRUMENTS**

**Definitions**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

A financial liability is any liability that is:

- a contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

**Initial recognition and measurement**

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company 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 measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available for sale financial assets.

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

**Subsequent measurement**

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Held-to-maturity investments are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

**Trade and other receivables**

Trade receivables are measured at initial recognition 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 (more than 30 days overdue) 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.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement.

Trade and other receivables are classified as loans and receivables.

**Trade and other payables**

Trade payables are classified as financial liabilities at amortised cost.

**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. Cash and cash equivalents are classified as loans and receivables.

**1.2 TAX**

**Current tax assets and liabilities**

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

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

**Tax expenses**

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



**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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

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

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

### **1.3 LEASES**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Leases are classified as either operating or finance leases at the inception of the lease.

#### **Operating leases – lessor**

Rental income from operating leases is recognised on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in the income statement.

#### **Operating leases – lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. This liability is not discounted. Any contingent rents are expensed in the period they are incurred.

### **1.4 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.

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

### **1.5 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.

Revenue from levy income is recognised when the liability accrues to the shareholders, net of Value Added Taxation and discounts.

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

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

**2. LONG TERM DEBTORS**

	2012	2011
Long term debtors	-	3 022 284

Debtors that are outstanding for a period longer than twelve months are reclassified to long term debtors.

**3. TRADE AND OTHER RECEIVABLES**

	2012	2011
Trade receivables	359 345	5 321 335
VAT	2 177 571	2 144 802
Other receivables	6 305 558	3 228 622
	<u>8 842 474</u>	<u>10 694 759</u>

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired.

The ageing of amounts past due but not impaired is as follows:

3 months past due	-	6 874 359
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**4. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of:

Current Accounts	40 045	67 825
Call Accounts	184 418	175 188
Bank balances	<u>224 463</u>	<u>243 013</u>

**5. SHARE CAPITAL**

72 800 Class A shares R0.10 each	7 280	7 280
165 280 Class B shares R0.10 each	16 528	16 528
730 Class C shares R0.10 each	73	73
13 470 Class C shares R0.10 each	1 347	1 347
7 640 Class C shares R0.10 each – Released	764	764
7 280 Class D shares R0.10 each	728	728
72 800 Class E shares R0.10 each	7 280	7 280
	<u>34 000</u>	<u>34 000</u>

**ISSUED**

340 000 Ordinary shares of R0.10	<u>34 000</u>	<u>34 000</u>
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**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

**6. TRADE AND OTHER PAYABLES**

Trade payables	1 311 583	18 479 725
Other payables	-	474 636
	<u>1 311 583</u>	<u>18 954 361</u>

**7. REVENUE**

Rental pool commission	-	3 735
Levies	2 394 334	2 371 416
	<u>2 394 334</u>	<u>2 375 151</u>

**8. INVESTMENT REVENUE**

Interest revenue		
Bank	14 930	68 888
	<u>14 930</u>	<u>68 888</u>

The following is an analysis of investment revenue earned per financial asset category:

Available-for sale financial assets	-	-
Loans and receivables	-	-
Held-to-maturity investment	-	-

Total interest income for financial assets not designated as fair value through profit or loss

Investment income earned on non-financial assets.	14 930	68 888
	<u>14 930</u>	<u>68 888</u>

**9. FINANCE COSTS**

Other interest paid	-	-
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**10. AUDITOR'S REMUNERATION**

Fees	-	217 8
	<u>-</u>	<u>217 8</u>

**10. CASH USED IN OPERATIONS**

Loss before taxation	679 582	(1 805 505)
Adjustments for:		
Interest received	(5 699)	(35 206)
Financial costs		
Changes in working capital:		
Trade and receivables	(2 574 470)	(2 614 684)
Trade and other payables	1 867 108	3 037 061
Total	<u>(3 379)</u>	<u>(1 418 334)</u>

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

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**11. TAX REFUNDED**

Balance at beginning of the year	256 325	(256 325)
Current tax for the year recognized in profit or loss	-	-
Balance at the end of the year	256 325	256 325
<b>Total</b>	<b>-</b>	<b>-</b>

**12. RELATED PARTIES**

**Relationships**

Shareholder with significant influence

Entity sharing the same shareholder

Close corporation owned by family member of director

Service provided by company owned by director

Golden leopard resorts (Pty) Ltd

Manyane Share Block Ltd

LJD Financial Services

GBD Hospitality

**Related party balances**

**Amounts included in trade receivables**

Golden leopard resorts (Pty) Ltd	6 095 180	3 818 879
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**Amounts included in trade payables**

Golden leopard resorts (Pty) Ltd	358 491	14 351 304
LJD Financial Services	-	7 141
GBD Hospitality	-	140 743

Provision for doubtful debts related to the amount of outstanding balances

None

**13. FINANCIAL ASSET**

Land and Buildings	3 822 288	3 822 288
Loans from shareholder	(3 788 288)	(3 788 288)
	<b>34 000</b>	<b>34 000</b>

**BAKGATLA SHARE BLOCK LTD**  
**ANNUAL FINANCIAL STATEMENTS**  
*For the year ended 31 December 2012*

**DETAILED STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED 31 DECEMBER 2012**

	2012 R	2011 R
<b>Revenue</b>	<b>2 394 334</b>	<b>2 375 151</b>
Levies	2 394 334	2 371 416
Rental pool commission	-	3 735
<b>Other income</b>	<b>5 699</b>	<b>68 637</b>
Interest received	5 699	68 637
	<b>2 400 033</b>	<b>2 443 788</b>
<b>Operating Expenses</b>	<b>(8 098 106)</b>	<b>(3 766 143)</b>
Director's fees	69 650	-
Accounting fees	-	3 557
Accounting fees	20 189	-
Audit tax	10 250	-
Bank charges	4 065	1 933
Bad debts provision	5 688 842	-
Discount allowed	82 495	88 318
Legal fees	14 250	190 800
General R&M	-	26 858
Recharge GLR	1 049 019	3 143 980
Salaries paid	123 780	310 697
<b>Profit/(Loss) before tax</b>	<b>(5 688 842)</b>	<b>(1 322 354)</b>
Taxation	-	-
<b>Net profit/(loss) before tax</b>	<b>(5 688 842)</b>	<b>(1 322 354)</b>





# 2015 TIMESHARE CALENDAR MANYANE/BAKGATLA

Start date Weekend	Start date Midweek	Start date Full week	Module	Wk#	School Holidays	Start date weekend	Start date Midweek	Start date Full week	Module	Wk#	School Holidays
09-Jan-15	12-Jan-15	02-Jan-15	MP01	1				03-Jul-15	MP05	27	
16-Jan-15	19-Jan-15		RED 1	2				10-Jul-15	MP06	28	
23-Jan-15	26-Jan-15		RED 2	3					RED23	29	Opens 20/07/15
30-Jan-15	02-Feb-15		RED 3	4		17-Jul-15	20-Jul-15		RED24	30	
06-Feb-15	09-Feb-15		RED 4	5		24-Jul-15	27-Jul-15		RED25	31	
13-Feb-15	16-Feb-15		RED 5	6		31-Jul-15	03-Aug-15		RED26	32	
20-Feb-15	23-Feb-15		RED 6	7		07-Aug-15	10-Aug-15		RED27	33	
27-Feb-15	02-Mar-15		RED 7	8		14-Aug-15	17-Aug-15		RED28	34	
06-Mar-15	09-Mar-15		RED 8	9		21-Aug-15	24-Aug-15		RED29	35	
13-Mar-15	16-Mar-15		RED 9	10		28-Aug-15	31-Aug-15		RED30	36	
20-Mar-15	23-Mar-15		RED 10	11		04-Sep-15	07-Sep-15		RED31	37	
			RED 11	12		11-Sep-15	14-Sep-15		RED32	38	
			MP02	13	Closes 25/03/15	18-Sep-15	21-Sep-15		RED33	39	
			MP03	14		25-Sep-15	28-Sep-15		MP07	40	Closes 02/10/15
10-Apr-15	13-Apr-15	03-Apr-15	RED 12	15	Opens 13/04/15			02-Oct-15	LP08	41	Opens 12/10/15
17-Apr-15	20-Apr-15		RED 13	16		16-Oct-15	19-Oct-15		RED 34	42	
24-Apr-15	27-Apr-15		RED 14	17		23-Oct-15	26-Oct-15		RED 35	43	
01-May-15	04-May-15		RED 15	18		30-Oct-15	02-Nov-15		RED 36	44	
08-May-15	11-May-15		RED 16	19		06-Nov-15	09-Nov-15		RED 37	45	
15-May-15	18-May-15		RED 17	20		13-Nov-15	16-Nov-15		RED 38	46	
22-May-15	25-May-15		RED 18	21		20-Nov-15	23-Nov-15		RED 39	47	
29-May-15	01-Jun-15		RED 19	22		27-Nov-15	30-Nov-15		SR40	48	
05-Jun-15	08-Jun-15		RED 20	23		04-Dec-15	07-Dec-15		MP09	49	Closes 09/12/15
12-Jun-15	15-Jun-15		RED 21	24					HP10	50	
19-Jun-15	22-Jun-15		RED 22	25					HP11	51	
			MP04	26	Closes 26/06/15				HP12	52	
A	B	C	D			A	B	C	D		

**RED WEEK** **MID PEAK** **LOW PEAK** **HIGH PEAK**

A = Friday checkin dates B= Monday check-in date C= Friday check-in if you own Low/ High/ mid peaks D= The time Module pertaining your purchase

MANYANE SHARE BLOCK LTD

REG No 2001/000290/06

P.O Box 6651

Rustenburg 0300

Tel. 014 555 1025

BAKGATLA SHARE BLOCK LTD

Reg No 2001/000284/06

P.O Box 6651

Rustenburg 0300

Tel. 014 556 8500



**FIRST RESORTS**

PO BOX 1287 PINETOWN 3600, 1 CROMPTON STREET PINETOWN 3610 TEL 031 7177593 FAX 7091680

**CREDIT CARD FACILITY**

**RESORT**

\_\_\_\_\_

**UNIT & WEEK**

\_\_\_\_\_

**CONTACT TELEPHONE NUMBER**

\_\_\_\_\_

**CARD HOLDER'S INITIALS & SURNAME**

\_\_\_\_\_

**CARD HOLDER'S ID NUMBER**

\_\_\_\_\_

**TYPE OF CARD (VISA, MASTER, etc)**

\_\_\_\_\_

**CARD NUMBER**

**EXPIRY DATE**

**AMOUNT**

\_\_\_\_\_

**DATE YOU WISH YOUR CARD TO BE DEBITED**

\_\_\_\_\_

**CLIENTS LIVING OUTSIDE SOUTH AFRICA - CREDIT CARD FACILITY ON STRAIGHT ONLY**

**CVC Number**

Last 3 digits at the back of card

**BUDGET (months)**

12

24

36

48

\_\_\_\_\_  
**CARD HOLDER SIGNATURE**

\_\_\_\_\_  
**DATE**



**FIRST RESORTS**

*360° Service*

P.O Box 1287 Pinetown 3600, 1 Crompton Street Pinetown 3610

Tel: +27 31 717 7593 Fax: +27 31 709 1680

Email Address: info@firstresorts.co.za

RESORT: \_\_\_\_\_ UNIT: \_\_\_\_\_ WEEK: \_\_\_\_\_

**MEMBERS DETAILS**

First Names: \_\_\_\_\_ Title: \_\_\_\_\_

Surname: \_\_\_\_\_ Gender: M ☐ F ☐

ID NO.:  Birthday:

Street Address: \_\_\_\_\_

Postal Address: \_\_\_\_\_

City/Town: \_\_\_\_\_ Province: \_\_\_\_\_

Postal Code: \_\_\_\_\_ Email Address: (self) \_\_\_\_\_

Email Address: (spouse) \_\_\_\_\_

Email Address: (office) \_\_\_\_\_

Tel:(Home) \_\_\_\_\_ Tel:(Work) \_\_\_\_\_

Tel:(Cell 1) \_\_\_\_\_ Tel:(Cell 2) \_\_\_\_\_

Preferred Language: \_\_\_\_\_ Marital Status: \_\_\_\_\_

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

# BAKGATLA SHARE BLOCK LIMITED

(Registration No: 2001/000290/06)

## NOMINATION FORM FOR DIRECTORSHIP

I/We the undersigned \_\_\_\_\_

the owner/s of module \_\_\_\_\_

in Unit \_\_\_\_\_ duly authorised hereto as a member of the above Company, hereby nominate the following persons for election as Directors of the Company at the Annual General Meeting of the Company to be held on **23 MARCH 2015** and their signatures signify acceptance.

### NAMES OF PROPOSED DIRECTORS

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### SIGNATURES OF PROPOSED DIRECTORS

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### Current Directors:

DS Matlou  
CC Pretorius  
LA Tyatya

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2015

**MEMBER'S SIGNATURE** \_\_\_\_\_

### DOMICILIUM

BAKGATLA SHARE BLOCK LIMITED  
c/o FIRST RESORTS AND HOTEL MANAGEMENT (PTY) LTD  
1 CROMPTON STREET  
PINETOWN  
3610

### POSTAL ADDRESS

P.O.BOX 1287  
PINETOWN  
3600  
Fax: 031 701 9964/ 086 2956099  
email: [liezls@firstresorts.co.za](mailto:liezls@firstresorts.co.za)

Nomination Forms should be completed and returned to First Resorts and Hotel Management (Pty) Ltd, P O Box 1287, Pinetown, 3600 so as to arrive no later than **48 (FORTY EIGHT)** hours before the meeting.

Fax to: 031 701 9964/ 086 433 3238 and email to [liezls@firstresorts.co.za](mailto:liezls@firstresorts.co.za) will also be acceptable.

# BAKGATLA SHARE BLOCK LIMITED

(Registration No.: 2001/000294/06)

## FORM OF PROXY

A member entitled to attend and vote at the meeting is entitled to appoint a proxy of his own choice to attend, speak and vote in his stead. A proxy need not be a member of the company.

I/ We \_\_\_\_\_

(Name in block capitals)

Unit No.: \_\_\_\_\_ Week No.: \_\_\_\_\_ being a shareholder/s of BAKGATLA SHARE BLOCK LIMITED and entitled to \_\_\_\_\_ vote(s) do hereby appoint:

\_\_\_\_\_ (ID: No: \_\_\_\_\_)

of \_\_\_\_\_ or failing him :

\_\_\_\_\_ (ID: No: \_\_\_\_\_)

of \_\_\_\_\_

failing him, the Chairman of the meeting, as my/our proxy to attend, and on a poll, vote on my/our behalf at the annual general meeting to be held on **23 MARCH 2015**, or at any adjournment thereof, as follows:

(Indicate directions to proxy by way of a cross (X) in the space provided above.)

Unless otherwise instructed, the proxy may vote as he thinks fit.

AGENDA ITEM		FOR	AGAINST	ABSTAIN
9.	To accept the Annual Financial Statements in respect of the year ended 31 December 2010, 2011 and 2012			
10.	To approve the auditors' remuneration for the year ended December 2010, 2011 and 2012			
11.	To appoint auditors for the year ending December 2013 and 2014 (on recommendation of the current Audit Committee)			
12.	Determine number of Directors			
13.	To elect the Directors: _____ _____ _____ _____			
14.	To appoint the Audit Committee			
17.	Determine interest rate on arrear levies			

18.	SPECIAL RESOLUTION: Approval of Directors' Remuneration			
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Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

\_\_\_\_\_  
Signature

**DOMICILIUM**

BAKGATLA SHARE BLOCK LIMITED  
c/o FIRST RESORTS AND HOTEL MANAGEMENT (PTY) LTD  
1 CROMPTON STREET  
PINETOWN  
3610

**POSTAL ADDRESS**

P.O.BOX 1287  
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3600  
Fax: 031 701 9964/ 086 2956099  
email: [liezls@firstresorts.co.za](mailto:liezls@firstresorts.co.za)