

AGM: 1 NOVEMBER 2016 ANNUAL REPORT: DECEMBER 2015



GETHLANE LODGE SHARE BLOCK LIMITED
(Registration No. 1983/010990/06)
Directors: T Bormann, ES Climpson, W Dersley, G Kimber, S Rault and SE Scott

7 October 2016

NOTICE TO SHARE HOLDERS

ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN OF THE ANNUAL GENERAL MEETING OF GETHLANE LODGE SHARE BLOCK LIMITED THAT WILL TAKE PLACE ON:

DATE:

TUESDAY, 1 NOVEMBER 2016

VENUE:

GARDEN COURT OR TAMBO INTERNATIONAL AIRPORT HOTEL

2 HULLY ROAD, ISANDO

KEMPTON PARK

TIME:

14H00

Jordaan Director

FIRST RESORTS AND HOTEL MANAGEMENT (PTY) LTD



P O Box 1287, Pinetown, 3600 Tel: 00 27 31 7177593 Fax: 00 27 31 7019964

E-mail: johannj@firstresorts.co.za

GETHLANE LODGE SHARE BLOCK LIMITED

(Registration No.: 1983/010990/06)

DIRECTORS

Mrs S Rault (Chairman)

T Bormann Messrs ES Climpson

W Dersley G Kimber SE Scott

MANAGING AGENTS, COMPANY AND TRANSFER SECRETARIES

First Resorts and Hotel Management (Pty) Ltd

1 Crompton Street P.O. Box 1287 PINETOWN PINETOWN 3610 3600

Tel: (031) 7177593 Fax: (031) 7091680

e-mail: info@firstresorts.co.za

AUDITORS

Hugh Strickland & Company P.O. Box 1229 PORT SHEPSTONE 4240

BANKERS

Nedbank

Corporate Banking

GETHLANE LODGE SHARE BLOCK LIMITED

(REG. NO. 1983/0100990/06)

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GETHLANE LODGE SHARE BLOCK LIMITED

(Registration No.: 1983/010990/06)

NOTICE is hereby given that an Annual General Meeting of Shareholders of Gethlane Lodge Share Block Limited will be held at Garden Court OR Tambo International Airport Hotel, 2 Hully Road, Isando, Kempton Park on **Tueday, 1 November 2016** at **14h00**

	AGENDA
1.	Welcome
2.	Notice of Meeting
3.	Attendance, proxies and apologies
4.	Establishment of Quorum
5.	Appointment of Chairman
6.	Presentation of Minutes of Annual General Meeting held on 6 October 2015
7.	Matters arising from the Minutes
8.	Presentation of Chairman's Report
9.	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 2015
10.	Approval of Auditor's remuneration
11.	Appointment of Auditors for the financial year ending 31 December 2016
12.	To determine the number of Directors for the ensuing year
13.	Election of Directors Mr Climpson, Mr Kimber and Mrs Rault retire by rotation but being eligible, they offer themselves for re-election. Election of Directors to be considered with other nominations submitted, if any.

15. Presentation and acceptance of Insurance Values, subject to any amendment

Three Directors of the Company for appointment to the Company's Audit Committee

14. Appointment of Audit Committee

- 16. Presentation and acceptance of the estimate of Income and Expenditure for the year ending 31

 December 2017
- 17. Interest rate charged on arrear levies
- 18. 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.

19. General

BY ORDER OF THE BOARD

First Resorts and Hotel Management (Pty) Ltd

Per: J Jordaan

Pinetown, 7 October 2016

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.

EXPLANATORY NOTES OF THE MEETING NOTICE AND AGENDA

1. Record Date

The record date set by the Board in terms of *Section 59(1)* of the Companies Act, which is the date on which the Company's security register is closed for the purpose of determining which members are entitled to receive this Notice, and to participate in and vote at this Annual General Meeting is 11 October 2016.

2. Proxies

In terms of Section 58 of the Companies Act, each member of the Company entitled to attend and vote at this Annual General Meeting, is entitled to appoint a proxy to attend, participate and vote at the Annual General Meeting in the place of the member.

A proxy need not be a member of the Company.

Further information regarding proxies, including a proxy form, is included in the Annual Report.

3. <u>Identification</u>

In terms of Section 62(1) of the Companies Act, members or their proxy must provide reasonably satisfactory identification before attending and participating in the Annual General Meeting, and the person presiding at the Annual General Meeting must be reasonably satisfied that the right of a person to participate and vote has been reasonably verified, before they will be permitted to so participate and vote.

Chairman

In terms of the MOI, the Chairman of the Board of Directors shall preside at the Annual General Meeting.

If the Chairman is not present, or is unwilling to preside, one of the Directors present will chair the Annual General Meeting.

5. Quorum

In accordance with the Company's MOI, the quorum for an Annual General Meeting is 3 persons representing 1% of the share capital.

6. Voting

6.1 Ordinary Resolution

In terms of the Company's MOI, <u>50% (Fifty Percent)</u> of the votes cast on an ordinary resolution by members present or represented and voting at the Annual General Meeting in favour of the ordinary resolution, are required for it to be adopted.

6.2 Special Resolution

In terms of the Company's MOI, <u>75% (Seventy Five Percent)</u> of the votes cast on a special resolution by members present or represented and voting at the Annual General Meeting in favour of the special resolution, are required for it to be adopted.

7. <u>Directors</u>

In terms of the Company's MOI, Directors serve a certain term of year/s thus one <u>half</u> of the Directors retire each year, with the remaining Directors continuing in office. Retiring Directors are eligible for re-election.

8. Nomination of Directors

As part of the Annual Report, is the form for the nomination of individuals for election as Directors of the Company at the Annual General Meeting.

Details regarding the delivery of completed nomination forms are set out on the form itself.

Directors nominated must sign their consent to be *nominated*, and if *elected*, for the election to be effective, must deliver to the Company their consent in writing to serve the Company as a Director. Section 66 (7) (b).

9. Remuneration of Directors

In accordance with Section 66(9) of the Companies Act, any remuneration of the Directors must be approved by the members at the Annual General Meeting by Special Resolution.

GETHLANE LODGE SHARE BLOCK LTD

(Registration No 1983/010990/06)

MINUTES OF THE ANNUAL GENERAL MEETING
HELD AT CITY LODGE OR TAMBO AIRPORT, OR TAMBO AIRPORT ROAD, KEMPTON PARK
ON TUESDAY, 6 OCTOBER 2015 AT 14H00

PRESENT:

Directors

Ms S Rault

Mr S Scott

Mr G Kimber

Ms T Bormann

Members present in person or by proxy as per the attendance register.

IN ATTENDANCE:

Representing First Resorts and Hotel Management (Pty) Ltd Mr J Jordaan

1. WELCOME

Mr Jordaan welcomed all present.

2. NOTICE OF MEETING

It was unanimously agreed that the notice of the meeting, having been circulated, be taken as read.

3. ATTENDANCE, PROXIES AND APOLOGIES

Apologies were recorded from Mr E S Climpson and Mr W Dersley.

The Managing Agent tabled 3 proxies totalling 9857shares, which had been received within the prescribed time.

4. ESTABLISHMENT OF A QUORUM

Mr Jordaan confirmed that a quorum was present and declared the meeting properly constituted.

5. APPOINTMENT OF CHAIRMAN

Ms S Rault was elected to chair the meeting.

PRESENTATION OF THE MINUTES OF ANNUAL GENERAL MEETING HELD ON 7 OCTOBER 2014 Ordinary Resolution No. 1

Resolved that:

The Minutes of the Annual General Meeting of the Company held on 7 October 2014 be, and are hereby, accepted.

7. MATTERS ARISING FROM THE MINUTES OF THE ANNUAL GENERAL MEETING HELD ON 7 OCTOBER 2014 No matters were raised.

8. PRESENTATION OF CHAIRMAN'S REPORT

It was unanimously agreed that the Chairman's report, having been circulated, be taken as read.

9. 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 2014

Ordinary Resolution No. 2

Resolved that:

The Audited Financial Statements, together with the reports of the Directors, Auditors and Audit Committee, in respect of the year ended 31 December 2014 be, and are hereby, accepted.

10. APPROVAL OF AUDITOR'S REMUNERATION

Ordinary Resolution No. 3

Resolved that:

Payment of the Auditor's remuneration for the year ending 31 December 2014 be, and is hereby, approved.

11. APPOINTMENT OF AUDITORS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2015

Ordinary Resolution No. 4

Resolved that:

Messrs Hugh Strickland and Company be, and are hereby, appointed to serve as the Auditors of the Company for the financial year ending 31 December 2015.

12. DETERMINE THE NUMBER OF DIRECTORS FOR THE ENSUING YEAR

Ordinary Resolution No. 5

Resolved that:

The number of Directors to serve on the Board for the ensuing year be set at Six (6).

13. ELECTION OF DIRECTORS (One half of the Directors retire each year but being eligible, they offer themselves for re-election. Election of Directors to be considered with other nominations submitted, if any)

Ms T Bormann, Mr W Dersley and Mr S Scott retired by rotation and, being eligible offered themselves for re-election. A nomination was received for Ms T Bormann.

Ordinary Resolution No. 6

Resolved that:

The election of Ms T Bormann, Mr W Dersley and Mr S Scott as Directors of the Company be, and is hereby, passed on a single resolution.

Further Resolved that:

Ms T Bormann, Mr W Dersley and Mr S Scott be, and are hereby, re-elected as Directors of the Company and shall serve as such with Mr E S Climpson, Mrs S Rault and Mr G Kimber, upon delivery to the Company of their consent in writing to do so.

14. APPOINTMENT OF AUDIT COMMITTEE 3 Directors of the Company form the Company's Audit Committee Ordinary Resolution No. 7

Resolved that:

Messrs G Kimber, E S Climpson and Ms T Bormann be, and are hereby, elected as Members of the Company's Audit Committee for the ensuing year.

15. PRESENTATION AND ACCEPTANCE OF INSURANCE VALUES, SUBJECT TO ANY AMENDMENT

Ordinary Resolution No 8

Resolved that:

The Schedule of Insurance Values be accepted without amendment.

16. PRESENTATION AND ACCEPTANCE OF THE ESTIMATE OF INCOME AND EXPENDITURE IN RESPECT OF THE YEAR ENDED 31 DECEMBER 2016

Ordinary Resolution No 9

Resolved that:

The estimate of Income and Expenditure for the year ending 31 December 2016 be, and is hereby, accepted. The levy increase was approved at 10% effective 1 January 2016.

17. INTEREST RATE CHARGED ON ARREAR LEVIES

Ordinary Resolution No 10

Resolved that:

The interest rate on arrear levies be set at 2% per month.

18. APPROVAL OF DIRECTORS' REMUNERATION (In terms of Section 66(9) of the Companies Act, the remuneration of the Directors must be approved by a Special Resolution of Members) Special Resolution No. 1 Resolved that: The fees paid to the Directors in respect of services rendered for the year ended 31 December 2014, as indicated in the Audited Annual Financial Statements of the Company in respect of the year ended 31 December 2014 be, and are hereby approved. Further resolved: That for the ensuing financial year ending 31 December 2016, each Director is to receive annual Director's fees being equivalent to the highest levy charged at the resort, in addition to travel costs incurred.						
19. GENERAL No issues were raised.						
There being no further business, the Chairman thanked everyone for their attendance, and closed the meeting.						
Read and confirmed this day of						
CHAIRMAN						
Page 3						

GETHLANE LODGE SHAREBLOCK LTD

CHAIRMANS REPORT FOR THE PERIOD UP TO 31 JULY 2016

It is yet again a privilege and a pleasure to report on the progress and activities at our resort.

SHAREBLOCK REPORT

The past 6 months have been tough for Gethlane, but I am happy to report that, despite numerous financial and occupancy challenges, we have been able to continue upgrading the resort.

The entrance gate and staff houses have all had the old wooden fencing replaced. This has neatened up these areas substantially. The painting and signage replacement at the hotel is complete and work on the road is ongoing. The trampoline mat has been replaced, the games room repainted and some of the uneven verandas at the thatch units repaired, along with some of the paths.

We had to resurface one of the tennis courts and the cracks in the other one have been filled in.

The Eskom situation has become a lot more stable, but we unfortunately took two direct lightning strikes to the resort which led to the switchboard being taken out, along with numerous electrical appliances.

The communication system remains a major area of concern, as it is extremely unstable. We are working with VOX, MTN and Vodacom in order to see how we can improve this. We have managed to sign a contract with Vodacom to install additional boosters in the hotel, and are attempting to get MTN to do the same. If we get this right, I am convinced we can really improve the vital conference side of our business.

The introduction of the conservancy gate has been an unparalleled success. Despite constant crime in the area, I am happy to report that it has been almost nonexistent on the resort. The operating hours are being extended, so that there is a guard manning the station over the weekends as well.

The game situation has remained stable but we have had to start feeding early due to the severe drought. The grass coverage is of particular concern, and we are praying for early rains. The paths are constantly remarked and new signage has been installed. Work on the fence is ongoing. We have also completed the new boma next to the dam.

The effort put into the plumbing is definitely paying dividends, as we are experiencing substantially fewer blockages. The lack of water is a constant concern, and we are irrigating as much as we can in order to keep the main garden areas going. Additional plants have been purchased. Work has been done on the drainage around the pools and ramps have been built to improve accessibility to the summerhouse. The step markings have been redone, and we have also refurbished the slides.

The main staff house and entrance gate have been rethatched, and limited repairs have been carried out to the thatch on the middle block, some rondavels and the Jacuzzi area.

The reception desk has been replaced and it has made a marked difference to the area.

All the airconditioning units have been serviced, and I am glad to say that the new maintenance manager is a qualified electrician, which has helped a great deal in sorting out the constant niggling electronic issues around the hotel. The fire extinguishers and hose reels have been fully serviced as well.

Non-return valves have been fitted to the geysers, and stop cocks on the water lines throughout the resort. The additional water tanks have also given us increased water holding capacity.

The septic tanks are being serviced regularly and fewer issues have been experienced. We are working on the staff house at the moment and are awaiting the go-ahead to complete the last of the tanks.

We also had a comprehensive OHS evaluation done and are busy improving in this area.

OCCUPANCY

As we are all aware, the state of the economy had a bad effect on Gethlane with occupancies lower than previous years. The reasons were investigated and the single biggest factor from both owners and clubs, were that guests preferred resorts closer to where they lived and closer to the known attractions.

Flexi Club as the major shareholder in Gethlane has decided to close a number of units as Timeshare and rent them as permanent rentals. This obviously will have an effect on the resort income. The shortfall will be recovered from savings that were implemented going forward. The savings were achieved through savings on staff, certain unnecessary expenses and general good management.

Units affected will be all the log cabins as well as the up stair thatch units.

A new marketing strategy has been embarked on to improve the occupancy which obviously will ensure the re-opening of the mothballed units.

DOUBLE OPTIONS

Double Options has had an extremely tough year so far. With the closure of 7 mines, the short-shifting on the others, the closure of some of the smelters and the continual strike action in the area, the businesses in the area have been seriously hurt, and we are no exception. On top of this, we have had problems with Government refusing to put down deposits, and a lack of payment to us and the various travel agencies has led to a major setback to our efforts to grow this section of the business.

We have repainted the dining room, purchased new dining room chairs and generally neatened up the area. We unfortunately lost our head chef due to motor car accident. We have also experienced a breakdown in the system with regard to the food and beverage controls, but are working on getting it back up and running. Before that the costs seemed to have remained in line and stable.

The hotel verandas have been improved and opened up and the area around the hotel swimming pool has been prepared for laying artificial lawn.

We have carried out the mandatory canopy service and remain compliant in this area.

The conference centre has been neatened up and the broken airconditioners replaced.

The VOX Wi- Fi has been a lot more stable to date, with fewer problems being experienced.

SOCIAL AND ETHICS COMMITTEE

It has been a quiet period on this front. We have remained compliant with the Companies Act directives and can report back on the following:

- 1. Continued staff training in improving skills and management training.
- 2. Continued upgrading of the staff facilities.
- 3. Constant in-house training.
- 4. Old equipment made available for purchase to the staff.

- 5. Monthly staff meetings to encourage interaction.
- 6. The wage increase went off smoothly. The staff was given a 6.5% increase. We are also not replacing staff as and when they leave.
- 7. The Resort continues to contribute to the Fraaiuitzicht Conservancy Gate management programme.
- 8. We still do not allow wood to be removed from the area, except for the farewell braai.

GENERAL

The road network into the area remains a challenge. The Machadodorp road repairs are progressing well, but it is not advisable to use the Steelpoort road due to its poor condition, and also on account of the rioting and unrest taking place along this route. The section between Lydenburg and Dullstroom is badly potholed, but still remains our best option at the moment. The 5km dirt stretch is continually graded, but has to be taken slowly.

Once the elections are over and the political unrest has subsided, and hopefully with some of the mines stating that they are looking at reopening, it is probable that the business in the area can start to move forward again.

We will continue to strive to take the resort forward to get it to a position where it once again becomes a sort after destination.

I would like to thank the Resort Manager, the Managing Agent, First Resorts and Hotel Management (Pty) Limited, and each member of the Board for their contribution and participation in all aspects concerning the resort to ensure compliance in terms of corporate governance and to secure the future of this lovely resort.

As you are well aware, the Directors are always mindful of their fiduciary duties and take care in carrying out these duties in the interests of their members. We therefore invite you to attend the AGM where matters of common interest will be discussed. Should you not be able to attend in person, please do not hesitate to appoint a proxy on your behalf.

CHAIRMAN

Hugh Strickland & Company Chartered Accountant (SA) Registered Auditor Published 30 September 2016

General Information

Country of incorporation and domicile South Africa

Directors ES Climpson

> GI Kimber SE Scott SG Rault T Bormann W Dersley

Registered office 1 Crompton Street

> Pinetown 3610

Postal address P O Box 1287

> Pinetown 3600

Bankers Standard Bank of SA Limited

Auditor Hugh Strickland & Company

Chartered Accountant (SA)

Registered Auditor

First Resorts and Hotel Management Proprietary Limited Secretary

Company registration number 1983/010990/06

Subsidiary Double Options Trading 182 Proprietary Limited

Content

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

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The following supplementary information does not form part of the ser	esolidated and congrate financial statements and

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

Detailed Income Statement 24 - 25

Level of assurance

These consolidated and separate financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa and the Share Blocks Controls Act of South Africa.

Preparer

M Hanekom - Professional Accountant (SA)

Financial Manager of First Resorts and Hotel Management Proprietary Limited

(Registration number 1983/010990/06)
Consolidated and Separate Financial Statements for the year ended 31 December 2015

Audit Committee's Report

This report is provided by the audit committee appointed in respect of the 2015 financial year of Gethlane Lodge Shareblock Limited.

1. Members of the Audit Committee

The members of the audit committee are all independent non-executive directors and include:

ES Climpson T Bormann Gl Kimber

The committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act of South Africa and Regulation 42 of the Companies Regulation of South Africa.

2. Meetings held by the Audit Committee

The audit committee performs the duties laid upon it by Section 94(7) of the Companies Act of South Africa by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditor.

3. External auditor

The committee satisfied itself through enquiry that the external auditor is independent as defined by the Companies Act of South Africa and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the auditor that internal governance processes within the firm support and demonstrate the claim to independence.

The audit committee in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

The audit committee has considered and pre-approved all non-audit services provided by the external auditor and the fees relative thereto so as to ensure the independence of the external auditor is maintained.

4. Consolidated Financial Statements and Seperate Financial Statements

Following the review of the consolidated and separate financial statements, the audit committee recommends board approval thereof.

On behalf of the audit committee

T Bormann

30 September 2016

Durban

Certificate by the Company Secretary

I certify that the requirements as stated in section 88(2) (e) of the Companies Act of South Africa, as amended, have been met and that all returns, as required of a public company in terms of the aforementioned Act, have been submitted to the Registrar of Companies and that such returns are true, correct and up to date.

On behalf of First Resorts and Hotel Management Proprietary Limited

30 September 2016 Durban

(Registration number 1983/010990/06)

Consolidated and Separate Financial Statements for the year ended 31 December 2015

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa and the Share Blocks Controls Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor is engaged to express an independent opinion on the consolidated and separate financial statements.

The consolidated and separate financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are not aware of any fraud which has been committed or is being committed by the company or its employees.

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 consolidated and separate financial statements. However, any system of internal control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors are satisfied that the group has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently reviewing and reporting on the group's consolidated and separate financial statements. The consolidated and separate financial statements have been examined by the group's external auditor and his report is presented on pages 6 to 7.

The consolidated and separate financial statements set out on pages 10 to 23, which have been prepared on the going concern basis, were approved by the board of directors on 30 September 2016 and were signed on its behalf by:

Director

Director

30 September 2016

Durban



CHARTERED ACCOUNTANT (SA) SAICA Reg No: 03312901 REGISTERED AUDITOR IRBA Practice No: 922277 PO Box 1229 68 Nelson Mandela Drive, Port Shepstone, 4240 Tel: (039) 682 1044 admin@strickland.co.za

Independent Auditor's Report

To the shareholders of Gethlane Lodge Shareblock Limited

I have audited the consolidated and separate financial statements of Gethlane Lodge Shareblock Limited, as set out on pages 10 to 23, which comprise the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated And Separate Financial Statements

The company's directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated and separate 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 consolidated and separate 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 consolidated and separate financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Gethlane Lodge Shareblock Limited as at 31 December 2015, consolidated and separate financial performance and the consolidated and separate cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the requirements of the Companies Act of South Africa.

Other matter

Without qualifying my opinion, I draw attention to the fact that supplementary information set out on pages 24 to 25 does not form part of the consolidated and separate financial statements and is presented as additional information. I have not audited this information and accordingly do not express an opinion thereon.

Independent Auditor's Report

Other reports required by the Companies Act

As part of my audit of the consolidated and separate financial statements for the year ended 31 December 2015, I have read the Directors' Report, the Audit Committee's Report, and the Certificate by the Company Secretary for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated and separate financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports I have not identified material inconsistencies between these reports and the audited consolidated and separate financial statements. However, I have not audited these reports and accordingly do not express an opinion on these reports.

Hugh Strickland
Hugh Strickland & Company
Chartered Accountant (SA)
Registered Auditor

30 September 2016 Port Shepstone

(Registration number 1983/010990/06)

Consolidated and Separate Financial Statements for the year ended 31 December 2015

Directors' Report

The directors submit their report for the year ended 31 December 2015.

1. Review of activities

Main business and operations

There were no changes in the nature of the group's business during the year under review. The group is the owner of a hotel building and chalets near Burgersfort in Mpumulanga. The buildings are utilised as a timeshare holiday resort. The timeshare units function on a share block basis. The business operations of the subsidiary are set out in note 3 to the financial statements.

2. Events after the reporting period

Subsequent to year end the directors resolved to close the 8 Bush cabins, 6 Upper Thatch units. The closure of the units will have no significant impact on the going concern of the entity.

3. Authorised and issued share capital

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

4. Dividends

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

Directors

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

ES Climpson GI Kimber SE Scott SG Rault T Bormann

W Dersley

6. Secretary

The secretary of the company is First Resorts and Hotel Management Proprietary Limited of:

Business address:

Postal address:

1 Crompton Street Pinetown

P O Box 1287 Pinetown

3610

3600

7. Interest in subsidiaries

Name of subsidiary

Net deficit

Double Options Trading 182 Proprietary Limited

(508 016)

The share block company owns 100% of the issued capital of Double Options Trading 182 Proprietary Limited. The results of Double Option Trading 182 Proprietary Limited have been consolidated with the share block company.

Details of the company's investment in subsidiaries are set out in note 3.

8. Auditor

Hugh Strickland & Company continued in office as auditors for the company and its subsidiaries for 2015.

At the AGM, the shareholders will be requested to reappoint Hugh Strickland & Company as the independent external auditors of the company and to confirm Desiree Govender as the designated lead audit partner for the 2016 financial year.

Directors' Report

Insurance

The share block units and their contents are insured. The company does not insure personal belongings of the individual timeshare owners. The company does not guarantee the provision of an alternative timeshare in the event of a natural disaster, and does not take out insurance against the occurrence of this risk.

10. Levy fund

The principle of the levy fund contributions is that they are designed to provide funds for the normal operating expenditure of the timesharing scheme and for property, plant and equipment replacements and maintenance.

Statement of Comprehensive Income

		Grou	ıb	Compa	any
	Note(s)	2015 R	2014 R	2015 R	2014 R
Revenue		12 481 629	10 981 813	9 606 262	8 569 849
Cost of sales		(1 166 683)	(992 976)	-	-
Gross profit	•	11 314 946	9 988 837	9 606 262	8 569 849
Other income		106 893	181 919	103 865	177 297
Operating expenses		(11 655 382)	(10 347 329)	(9 411 992)	(8 325 412)
Operating (deficit)/surplus before interest received / paid	•	(233 543)	(176 573)	298 135	421 734
Interest received	10	165 681	517 234	141 257	490 556
Refurbishment expenses and replacements	11	(1 403 479)	(2 037 201)	(1 403 479)	(2 037 201)
Interest paid		(4 808)	(972)	(4 048)	(972)
Operating (deficit) before taxation		(1 476 149)	(1 697 512)	(968 135)	(1 125 883)
Taxation	12	(20 720)	(107 460)	(20 720)	(107 460)
(Deficit) for the year	•	(1 496 869)	(1 804 972)	(988 855)	(1 233 343)

Statement of Changes in Equity

	Share capital R	Reserves R	Total equity R
Consum			
Group Balance at 01 January 2014 Deficit for the year	30 000	3 810 934 (1 804 972)	3 840 934 (1 804 972)
Balance at 01 January 2015 Deficit for the year	30 000	2 005 962 (1 496 869)	2 035 962 (1 496 869)
Balance at 31 December 2015	30 000	509 093	539 093
Note(s)	8		
Company Balance at 01 January 2014 Deficit for the year	30 000	3 750 683 (1 233 343)	3 780 683 (1 233 343)
Balance at 01 January 2015 Deficit for the year	30 000	2 517 340 (988 855)	2 547 340 (988 855)
Balance at 31 December 2015	30 000	1 528 485	1 558 485
Note	8		

Statement of Cash Flows

		Group			iny
	Note(s)	2015 R	2014 R	2015 R	2014 R
Cash flows from operating activities					
Cash used in operations Interest received Interest paid	14	(451 278) 165 681 (4 808)	(2 021 271) 517 234 (972)	(172 041) 141 257 (4 048)	(2 068 834) 490 556 (972)
Tax paid	15 _	(112 119)	(74 783)	(112 119)	(74 783)
Net cash from operating activities	_	(402 524)	(1 579 792)	(146 951)	(1 654 033)
Total cash movement for the year		(402 524)	(1 579 792)	(146 951)	(1 654 033)
Cash at the beginning of the year		632 192	2 211 984	345 330	1 999 363
Total cash at end of the year	7	229 668	632 192	198 379	345 330

(Registration number 1983/010990/06)
Consolidated and Separate Financial Statements for the year ended 31 December 2015

Accounting Policies

1. Presentation of Consolidated and Separate Financial Statements

The consolidated and separate financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, the Companies Act of South Africa and the Share Blocks Controls Act of South Africa. The consolidated and separate financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Consolidation

Basis of consolidation

Control exists when the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries are included in the consolidated financial statements from the effective date of acquisition to the effective date of disposal.

1.2 Significant judgements and sources of estimation uncertainty

In preparing the consolidated and separate financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the consolidated and separate financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the consolidated and separate financial statements.

1.3 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes;
 and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item Equipment Average useful life 3 to 6 years

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

1.4 Reserves and capital expenditure

Normal maintenance expenditure and capital expenditure is written off as expenses in the statement of comprehensive income in the period in which it is incurred.

A reserve for expenditure on property, plant and equipment is provided for. This reserve is intended to provide for the acquisition, replacement and refurbishment of property, plant and equipment, including maintenance expenditure regarded by the directors as being beyond the scope of the normal maintenance component of levy expenditure. Levies collected annually include an amount in respect of the reserve for expenditure on property, plant and equipment and any other capital expenses required.

(Registration number 1983/010990/06)

Consolidated and Separate Financial Statements for the year ended 31 December 2015

Accounting Policies

1.5 Net financial asset

Net financial asset are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The carrying amount of an item of net financial asset shall be derecognised on disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.6 Investment in subsidiaries

Group consolidated and separate financial statements

The group consolidated and separate financial statements include those of the holding company and its subsidiaries. The results of the subsidiaries are included from the effective date of acquisition.

Subsidiary undertakings, which are those companies in which the group, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operation policies, are consolidated. Subsidiaries are consolidated from the date on which control is transferred to the group and are no longer consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given up, shares issued, or liabilities undertaken at the date of acquisition plus costs directly attributable to the acquisition. The excess of the cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill. All inter company transactions, balances and unrealised surpluses and deficits on transactions between group companies are eliminated. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the group.

Company consolidated financial statements

In the company's consolidated and separate financial statements, investment in subsidiaries are carried at cost less any accumulated impairment.

1.7 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through profit or loss.

Financial instruments at cost

Commitments to receive a loan are measured at cost less impairment.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

1.8 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.

(Registration number 1983/010990/06)

Consolidated and Separate Financial Statements for the year ended 31 December 2015

Accounting Policies

1.8 Tax (continued)

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences and for the carry forward of unused tax losses and unused tax credits.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income (i.e. continuing operations, discontinued operations, or other comprehensive income) or equity as the transaction or other event that resulted in the tax expense.

1.9 Inventories

Inventories are measured at the lower of cost and selling price less costs to complete and sell.

1.10 Share capital and equity

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

1.11 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor
 effective control over the goods sold;
- the amount of revenue can be measured reliably;
- · it is probable that the economic benefits associated with the transaction will flow to the group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the group;
- · the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

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

Interest is recognised, in profit or loss, using the effective interest rate method, as it accrues unless collectability is in doubt.

Levy revenue is recognised when the right to occupation arises.

1.12 Borrowing costs

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

(Registration number 1983/010990/06)
Consolidated and Separate Financial Statements for the year ended 31 December 2015

Accounting Policies

1.13 Financial risk management

Financial risk factors:

Foreign exchange risk

The group is not exposed to foreign exchange risk as no foreign currency transactions are entered into.

Interest rate risk

The group has no significant interest-bearing assets, except for cash and cash equivalents. The company's income and operating cash flows are substantially independent of changes in market interest rate.

Credit risk

Credit risk arises from cash and cash equivalents and levies in arrears.

Credit risk arising from levies in arrears is managed by close monitoring of outstanding balances and prompt repossession of defaulting units through the exercise of a lien on shares as provided by the Memorandum of Incorporation of the Company.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash resources to meet the operating requirements of the company. The shareholders are obliged to contribute levies sufficient to cover the costs of the maintenance, upkeep and management of the resort.

Capital risk management

The funding of property, plant and equipment was initially provided by share capital, together with an associated loan obligation.

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern. To achieve this, all costs associated with the maintenance of the resort, including the refurbishment of the property and replacements of moveable property, plant and equipment, are financed out of the annual levies from shareholders.

(Registration number 1983/010990/06)

Consolidated and Separate Financial Statements for the year ended 31 December 2015

Notes to the Consolidated and Separate Financial Statements

Group		Company	
2015	2014	2015	2014
R	R	R	R

2. Property, plant and equipment

Group		2015			2014	
	Cost	Accumulated Car depreciation	rying value	Cost	Accumulated depreciation	Carrying value
Equipment	149 190	(138 229)	10 961	149 190	(97 476)	51 714

Reconciliation of property, plant and equipment

	Opening balance	Depreciation	Total
Equipment	51 714	(40 753)	10 961
Reconciliation of property, plant and equipment			
	Opening balance	Depreciation	Total

95 231

(43517)

51 714

3. Investment in subsidiaries

Equipment

Name of subsidiary	%	%	Carrying	Carrying
	holding	holding	amount 2015	amount 2014
	2015	2014		
Double Options Trading 182 Proprietary Limited	100	100	100	100

The principal business of the subsidiary is the operation of the hotel facilities of the share block property.

The deficit of the subsidiary was R 508,016 (Deficit 2014: R 571,628).

4. Net financial asset

Right of use of property vested in shareholders	5 864 179	5 864 179	5 864 179	5 864 179
Loan from shareholders	(5 834 179)	(5 834 179)	(5 834 179)	(5 834 179)
	30 000	30 000	30 000	30 000

The loans from shareholders together with the share capital represent the shareholders' investment in the company, which investment in conjunction with a use agreement gives right to accommodation in the building. The net financial asset arises from the assignment of the right of use of the property owned by the company to the shareholders in excess of their loans.

Land and buildings described as portion 14 of the farm Vraaiuitzicht No. 343 Registration KT, Mpumalanga, In extent 174, 8685 hectares were originally purchased for R5,864,179 and were not recognised because although the company has legal title to the property it effectively owns the bare dominion over the property which is considered to be of no value. This is in accordance with the SAICA guideline for share block companies, issued in June 2011. The property is adequately insured for R60,133,753 The loan obligation of shareholders and their share in the value of the property is reflected in note 4. There are no bonds on the property.

Notes to the Consolidated and Separate Financial Statements

	Group		Company	
	2015 R	2014 R	2015 R	2014 R
5. Inventories				
Bar Kiosk Restaurant Cellar	14 105 26 649 153 145 76 525	80 336 26 682 115 993	- - - -	- - -
	270 424	223 011	-	
6. Trade and other receivables				
Deposits Sundry Debtors Levies receivable Trade receivables Prepayments South African Revenue Services - VAT Other receivables	160 504 - 87 262 603 708 17 896 512 367 2 881	147 308 2 123 765 485 360 15 305 426 948	160 504 446 798 1 694 540 - 17 896 427 163 2 881	147 308 686 137 2 960 128 - 15 305 426 948
	1 384 618	3 198 686	2 749 782	4 235 826
Trade receivables Accounts receivable Provision for doubtful debts	791 788 (188 080) 603 708	522 240 (36 880) 485 360	- - -	- - -
Levies receivable Levies receivable Provision for irrecoverable levies and interest	90 637 (3 375) 87 262	2 158 696 (34 931) 2 123 765	1 697 915 (3 375) 1 694 540	2 995 059 (34 931) 2 960 128
7. Cash and cash equivalents				
Cash and cash equivalents consist of:				
Cash on hand Bank balances	229 668 229 668	800 631 392 632 192	198 379 198 379	345 330 345 330
8. Share capital				
Authorised and issued "A" Class ordinary shares	30 000	30 000	30 000	30 000

Class "A" shares entitle the owners of such shares to the use and occupation on a time sharing basis, in perpetuity, of the residential units relating to such share blocks.

(Registration number 1983/010990/06)
Consolidated and Separate Financial Statements for the year ended 31 December 2015

Notes to the Consolidated and Separate Financial Statements

	Group		Company	
	2015 R	2014 R	2015 R	2014 R
9. Trade and other payables				
Trade payables Other payables South African Revenue Services - VAT Audit fees provision	506 238 48 758	694 443 43 498 14 532 81 400	539 436 48 758 -	708 450 43 498 - 46 200
- Additional provision	554 996	833 873	588 194	798 148
10. Interest received				
Bank Other interest	114 614 51 067	119 292 397 942	90 190 51 067	92 614 397 942
	165 681	517 234	141 257	490 556
11. Refurbishment expenses and replacements				
Breakages received Bricks / tiles / grounds Computers Crockery and cutlery Electrical appliances Furniture Garden and other equipment Generator Linen Plumbing Pool Special levy expenses Tools Wildlife	(7 367) 18 281 39 145 254 541 49 271 98 464 - 137 834 - 7 956 799 934 - 5 419	(782) 1 728 66 940 21 637 161 004 50 022 37 436 90 000 105 424 6 939 110 723 1 356 908 29 222 2 037 201	18 281 39 145 254 541 49 271 98 464 - 137 834 7 956 799 934 - 5 419	(782) 1 728 66 940 21 637 161 004 50 022 37 436 90 000 105 424 6 939 110 723 1 356 908 29 222
12. Taxation				
Major components of the tax expense				
Current Local income tax - current period	20 720	107 460	20 720	107 460

Provision is made for company taxation on the net non-levy income of the levy fund. No tax is payable on the levy income from the shareholders in terms of Sec 10(1)e of the Income Tax Act. A reconciliation of the taxation charge is not considered appropriate as share block companies are liable for taxation only on their non-levy income exceeding the R50,000 exemption and after a pro rata deduction of certain administration expenses.

Notes to the Consolidated and Separate Financial Statements

	Grou	р	Compa	any
	2015 R	2014 R	2015 R	2014 R
13. Auditor's remuneration				
Fees Adjustment for previous year	- 2 700	79 000 7 300	2 700	46 200 7 300
Consulting Other services	4 911 11 009	9 065 3 105	4 911	9 065
	18 620	98 470	7 611	62 565
14. Cash used in operations				
Loss before taxation Adjustments for:	(1 476 149)	(1 697 512)	(968 135)	(1 125 883)
Depreciation	40 753	43 517	_	_
Interest received	(165 681)	(517 234)	(141 257)	(490 556)
Interest paid	` 4 808 [′]	972	` 4 048 [°]	972
Changes in working capital:				
Inventories	(47 413)	(98 782)	-	4 721
Trade and other receivables	1 814 068	(532 531)	1 486 044	(1 244 845)
Trade and other payables Levies received in advance	(278 877)	115 724 664 575	(209 954) (342 787)	122 182 664 575
Levies received in advance	(342 787)			
	(451 278)	(2 021 271)	(172 041)	(2 068 834)
15. Tax paid				
Balance at beginning of the year	(24 136)	8 541	(24 136)	8 541
Current tax for the year recognised in profit or loss	(20 720)	(107 460)	(20 720)	(107 460)
Balance at end of the year	(67 263)	24 136	(67 263)	24 136
	(112 119)	(74 783)	(112 119)	(74 783)

Notes to the Consolidated and Separate Financial Statements

Group

Company

	2015 R	2014 R	2015 R	2014 R
16. Related parties				
Relationships Subsidiaries			32 Trading Proprietary L	
Members with key management		First Resorts and Limited	Hotel Management Pro	prietary
Related party balances				
Loan due from related party Double Options 182 Trading Proprietary Limited			446 798	686 136
Amounts receivable from related party Double Options 182 Trading Proprietary Limited			1 607 276	836 364
Amounts payable to related party Double Options 182 Trading Proprietary Limited			3 756	31 647
Related party transactions				
Levies paid to (received from) related parties Double Options 182 Trading Proprietary Limited			(920 946)	(821 307)
Administration fees paid to (received from) related part First Resorts and Hotel Management Proprietary Limited	ies		884 800	785 989
17. Directors' remuneration				
Non-executive				
2015				
ES Climacon			Directors' fees 6 191	Total 6 191
ES Climpson GI Kimber			6 191	6 191
SG Rault SE Scott			6 191 6 191	6 191 6 191
W Dersley			6 191	6 191
			30 955	30 955
2014				
			Directors' fees	Total
ES Climpson			5 528	5 528
GI Kimber WS Dersley			5 528 5 528	5 528 5 528
P Winter			5 528	5 528
SE Scott W Dersley			5 528 5 528	5 528 5 528
•			33 168	33 168

Notes to the Consolidated and Separate Financial Statements

Group		Company	
2015	2014	2015	2014
R	R	R	R

18. Prior period errors

Levies paid and received between Double Options Tradfing 182 Proprietary Limited and Gethlane Lodge Share Block Limited were incorrectly eliminated in the prior year.

The correction of the error results in adjustments as follows:

Statement of Financial Position Decrease in trade and other receivables - levies receivable	-	(295 804)	-	-
Profit or Loss Decrease in revenue - levies received	-	295 804	-	-

Gethlane Lodge Shareblock Limited
(Registration number 1983/010990/06)
Consolidated and Separate Financial Statements for the year ended 31 December 2015

Detailed Income Statement

	Gro	ab dr	Compa	any
Note(s)	2015 R	2014 R	2015 R	2014 R
Levy income				
Levies	8 685 317	7 748 542	9 606 262	8 569 849
Trading income				
Sales of goods and services	3 796 312	3 233 271	-	-
Cost of sales	(1 166 683)	(992 976)	-	~
Gross profit	2 629 629	2 240 295	•	-
Other income				
Interest received 10	165 681	517 234	141 257	490 556
Sundry income	106 893	181 919	103 865	177 297
	272 574	699 153	245 122	667 853
Expenses (Refer to page 25)	(11 655 382)	(10 347 329)	(9 411 992)	(8 325 412)
Operating surplus	(67 862)	340 661	439 392	912 290
Interest paid	(4 808)	(972)	(4 048)	(972)
Refurbishment expenses and replacements 11	(1 403 479)	(2 037 201)	(1 403 479)	(2 037 201)
	(1 408 287)	(2 038 173)	(1 407 527)	(2 038 173)
(Deficit) / surplus before taxation	(1 476 149)	(1 697 512)	(968 135)	(1 125 883)
Taxation 12	(20 720)	(107 460)	(20 720)	(107 460)
(Deficit) / surplus for the year	(1 496 869)	(1 804 972)	(988 855)	(1 233 343)

Gethlane Lodge Shareblock Limited (Registration number 1983/010990/06) Consolidated and Separate Financial Statements for the year ended 31 December 2015

Detailed Income Statement

		Grou	1b	Compa	ny	
		2015	2014	2015	2014	
	Note(s)	R	R	R	R	
Operating expenses						
Administration and management fees		289 830	322 038	-	-	
Assessment rates and municipal charges		200 140	199 475	200 140	199 475	
Auditor's remuneration	13	18 620	98 470	7 611	62 565	
Bad debts		395 484	4 918	262 852	(17 800)	
Bank charges		51 776	53 275	17 175	16 253	
Cleaning		417 575	424 530	394 826	409 675	
Computer expense		198 764	169 145	136 402	129 877	
Depreciation	2	40 753	43 517	-	-	
Directors' meetings and fees		39 436	75 287	39 436	75 287	
Electricity and water		934 762	849 476	934 762	849 476	
Employee costs		4 907 102	4 533 460	3 646 330	3 415 420	
Flowers		22 325	-	22 325	-	
Guest amenties		185 360	40 944	156 772	20 472	
Insurance		242 710	238 317	242 710	238 317	
Legal expenses		11 145	16 712	10 242	16 712	
Licences and levies		36 569	34 594	36 569	34 594	
Management fees		884 400	785 989	884 400	785 989	
Motor vehicle expenses		176 491	133 353	115 996	81 299	
Printing and stationery		243 126	267 645	221 923	215 692	
Repairs and maintenance		1 375 619	1 137 592	1 273 010	1 101 314	
Security		462 725	418 455	426 817	382 912	
Staff welfare and training		23 135	55 279	-	-	
Subscriptions		308 157	241 924	303 052	232 711	
Sundry expense		419	1 828	419	1 828	
Telephone and fax		150 726	141 522	78 223	73 344	
Welcome refreshments		38 233	59 584			
	_	11 655 382	10 347 329	9 411 992	8 325 412	

Hugh Strickland & Company Chartered Accountant (SA) Registered Auditor Issued 30 September 2016

General Information

South Africa Country of incorporation and domicile

ES Climpson **Directors**

G Kimber

Registered office 1 Crompton Street

> Pinetown 3610

Business address Fraaiuitzicht Road

> Burgersfort Lydenburg District

1120

Postal address P O Box 1287

Pinetown 3600

Standard Bank of SA Limited **Bankers**

Hugh Strickland & Company Auditor

Chartered Accountant (SA)

Registered Auditor

Secretary First Resorts and Hotel Management Proprietary Limited

2003/018377/07 Company registration number

Content

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Level of assurance

These financial statements have been voluntarily audited in compliance with the applicable requirements of the Companies Act of South Africa.

Preparer

M Hanekom - Professional Accountant (SA) Financial Manager of First Resorts and Hotel Management Proprietary Limited

Double Option Trading 182 Proprietary Limited

(Registration number 2003/018377/07)
Financial Statements for the year ended 31 December 2015

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors 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 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 2016 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 auditor is responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor and his report is presented on page 4 to 5.

The financial statements set out on pages 8 to 16 which have been prepared on the going concern basis, were approved by the board of directors on 30 September 2016 and were signed on its behalf by:

Director

Director



CHARTERED ACCOUNTANT (SA)
SAICA Reg No: 03312901
REGISTERED AUDITOR
IRBA Practice No: 922277

PO Box 1229 68 Nelson Mandela Drive, Port Shepstone, 4240 Tel: (039) 682 1044 admin@strickland.co.za

Independent Auditor's Report

To the shareholders of Double Option Trading 182 Proprietary Limited

I have audited the financial statements of Double Option Trading 182 Proprietary Limited, set out on pages 8 to 16, which comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income, the 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.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and requirements of the Companies Act of South Africa, 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company'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 company'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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Double Option Trading 182 Proprietary Limited as at 31 December 2015, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the requirements of the Companies Act of South Africa.

Emphasis of Matter

Without qualifying my opinion, I draw attention to note 6 to the Directors' Report which indicates that the company incurred a net loss of R (508 016) for the year ended 31 December 2015 and, as at that date, the company's total liabilities exceeded its total assets by R (1 019 289). The note also indicates that these conditions, along with other matters, indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern.

Other matter

Without qualifying my opinion, I draw attention to the fact that supplementary information set out on page 17 does not form part of the financial statements and is presented as additional information. I have not audited this information and accordingly do not express an opinion thereon.

Independent Auditor's Report

Other reports required by the Companies Act

As part of my audit of the financial statements for the year ended 31 December 2015, I have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between that report and the audited financial statements. The Directors' Report is the responsibility of the directors. Based on reading that report I have not identified material inconsistencies between it and the audited financial statements. However, I have not audited the Directors' Report and accordingly do not express an opinion thereon.

Hugh Strickland

Hugh Strickland & Company Chartered Accountant (SA)

Registered Auditor

30 September 2015 Port Shepstone

Double Option Trading 182 Proprietary Limited

(Registration number 2003/018377/07)
Financial Statements for the year ended 31 December 2015

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Double Option Trading 182 Proprietary Limited for the year ended 31 December 2015.

1. Review of financial results and activities

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

2. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

3. Directors

The directors in office at the date of this report are as follows:

ES Climpson G Kimber

4. Holding company

The company's holding company is Gethlane Lodge Share Block Limited.

5. Events after the reporting period

Subsequent to year end the directors resolved to close the 19 Hotel units. The closure of the Hotel units will have no significant impact on the going concern of the entity.

6. Going concern

The directors draw attention to the fact that at 31 December 2015 the company had accumulated losses of R (1 019 389) and that the company's total liabilities exceeds its assets by R(1 019 289).

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

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the company

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

7. Auditors

Hugh Strickland & Company continued in office as auditors for the company for 2015.

At the AGM, the shareholders will be requested to reappoint Hugh Strickland & Company as the independent external auditors of the company and to confirm Miss Desiree Govender as the designated lead audit partner for the 2016 financial year.

Directors' Report

Secretary

The company secretary is First Resorts and Hotel Management Proprietary Limited.

Postal address

P O Box 1287 Pinetown 3600

Business address

1 Crompton Street

Pinetown 3610

Audit committee

An audit committee has been established at the holding company level.

Statement of Financial Position as at 31 December 2015

	Note(s)	2015 R	2014 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	10 961	51 714
Current Assets			
Inventories	3	270 424	223 011
Trade and other receivables	4	722 984	517 007
Cash and cash equivalents	5	31 289	286 862
		1 024 697	1 026 880
Total Assets		1 035 658	1 078 594
Equity and Liabilities			
Equity			
Share capital	6	100	100
Accumulated loss		(1 019 389)	(511 373)
		(1 019 289)	(511 273)
Liabilities			
Current Liabilities			
Trade and other payables	7	2 054 947	1 589 867
Total Equity and Liabilities		1 035 658	1 078 594

Statement of Comprehensive Income

	Note(s)	2015 R	2014 R
	140te(s)	17	17
Revenue		3 796 311	3 233 271
Cost of sales		(1 166 683)	(992 976)
Gross profit		2 629 628	2 240 295
Other income		3 028	4 622
Operating expenses		(3 164 336)	(2 843 223)
Operating loss		(531 680)	(598 306)
Interest received	8	24 424	26 678
Finance costs		(760)	-
Loss for the year		(508 016)	(571 628)

Statement of Changes in Equity

	Share capital	Accumulated loss	Total equity
	R	R	R
Balance at 01 January 2014 Loss for the year	100	60 255 (571 628)	60 355 (571 628)
Balance at 01 January 2015 Loss for the year	100	(511 373) (508 016)	(511 273) (508 016)
Balance at 31 December 2015	100	(1 019 389)	(1 019 289)
Note	6		

Statement of Cash Flows

	Note(s)	2015 R	2014 R
Cash flows from operating activities			
Cash (used in) generated from operations Interest received Finance costs	11	(279 237) 24 424 (760)	47 562 26 678
Net cash from operating activities		(255 573)	74 240
Total cash movement for the year Cash at the beginning of the year		(255 573) 286 862	74 240 212 622
Total cash at end of the year	5	31 289	286 862

Double Option Trading 182 Proprietary Limited

(Registration number 2003/018377/07)
Financial Statements for the year ended 31 December 2015

Accounting Policies

1. Presentation of financial statements

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes;
 and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

Item Equipment Average useful life 3 to 6 years

The residual value, depreciation method and useful life of each asset are reviewed at each higher (lower) if there are indicators present that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

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.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences and for the carry forward of unused tax losses and unused tax credits.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

1.3 Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell.

Double Option Trading 182 Proprietary Limited

(Registration number 2003/018377/07)
Financial Statements for the year ended 31 December 2015

Accounting Policies

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.

1.5 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

1.6 Borrowing costs

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

Notes to the Financial Statements

Cost 149 190 I equipme	2015 Accumulated Cardepreciation (138 229)	rying value	Cost	2014 Accumulated Cadepreciation	rrying value
149 190	Accumulated Car depreciation (138 229)			Accumulated Ca	rrying value
149 190	depreciation (138 229)				rrying value
		10 961		acpicolation	ź –
d equipme	nt - 2015		149 190	(97 476)	51 714
	111 - 2015				
			Opening	Depreciation	Total
		_	balance 51 714	(40 753)	10 961
d equipme	nt - 2014				
			Opening	Depreciation	Total
		_	95 231	(43 517)	51 714
				14 105 26 649 153 145 76 525	80 336 26 682 115 993
			-	270 424	223 011
				85 204 34 072 603 708	31 647 485 360 517 007
			_	122 304	317 007
				31 289	800 286 062
				31 289	286 862
			_	1 000	1 000
				100	100
	d equipme	d equipment - 2014		d equipment - 2014 Opening balance 95 231	Opening balance 95 231 Depreciation 14 105 26 649 153 145 76 525 270 424

Notes to the Financial Statements

	2015 R	2014 R
7. Trade and other payables		
Trade payables	871	17 635
Gethlane Lodge Shareblock Limited - Current Account VAT	446 798	686 136 14 532
Accrued leave pay	_	35 200
evies payable to Gethlane Lodge Shareblock Limited	1 607 278	836 364
	2 054 947	1 589 867
s. Interest received		
Bank	24 424	26 678
. Taxation		
. Taxation		
flajor components of the tax expense lo provision has been made for 2015 tax as the company has no taxable incompany has no taxable incompany.	ome. The estimated tax loss availat	ole for set off
Major components of the tax expense No provision has been made for 2015 tax as the company has no taxable incongainst future taxable income is R1,606,141 (2014: R1,098,125).	ome. The estimated tax loss availab	ole for set off
Major components of the tax expense No provision has been made for 2015 tax as the company has no taxable incongainst future taxable income is R1,606,141 (2014: R1,098,125). O. Auditors' remuneration	-	32 800
flajor components of the tax expense lo provision has been made for 2015 tax as the company has no taxable incogainst future taxable income is R1,606,141 (2014: R1,098,125). O. Auditors' remuneration Fees	11 009	32 800 3 105
lajor components of the tax expense lo provision has been made for 2015 tax as the company has no taxable incogainst future taxable income is R1,606,141 (2014: R1,098,125). 0. Auditors' remuneration fees Other services	-	32 800
flajor components of the tax expense Ito provision has been made for 2015 tax as the company has no taxable incompanded incompanies of the taxable incompanies of taxable incompa	11 009	32 800 3 105
lajor components of the tax expense to provision has been made for 2015 tax as the company has no taxable incompains future taxable income is R1,606,141 (2014: R1,098,125). O. Auditors' remuneration tees Other services 1. Cash (used in) generated from operations	11 009	32 800 3 105 35 905
lajor components of the tax expense o provision has been made for 2015 tax as the company has no taxable incogainst future taxable income is R1,606,141 (2014: R1,098,125). O. Auditors' remuneration ees other services 1. Cash (used in) generated from operations oss adjustments for:	11 009 11 009 (508 016)	32 800 3 105 35 905 (571 628
lajor components of the tax expense to provision has been made for 2015 tax as the company has no taxable incogainst future taxable income is R1,606,141 (2014: R1,098,125). O. Auditors' remuneration tees Other services 1. Cash (used in) generated from operations toss todijustments for: Depreciation	11 009 11 009 (508 016) 40 753	32 800 3 105 35 905 (571 628 43 517
lajor components of the tax expense o provision has been made for 2015 tax as the company has no taxable incogning future taxable income is R1,606,141 (2014: R1,098,125). O. Auditors' remuneration ees other services 1. Cash (used in) generated from operations oss adjustments for: eepreciation interest received	11 009 11 009 (508 016)	32 800 3 105 35 905 (571 628 43 517
lajor components of the tax expense lo provision has been made for 2015 tax as the company has no taxable incogainst future taxable income is R1,606,141 (2014: R1,098,125). O. Auditors' remuneration fees Other services 1. Cash (used in) generated from operations coss Adjustments for: Depreciation Interest received Finance costs Changes in working capital:	11 009 11 009 (508 016) 40 753 (24 424) 760	32 800 3 105 35 905 (571 628 43 517 (26 678
Alajor components of the tax expense Ito provision has been made for 2015 tax as the company has no taxable incompaint future taxable income is R1,606,141 (2014: R1,098,125). O. Auditors' remuneration Tees Other services 1. Cash (used in) generated from operations Loss Adjustments for: Depreciation Interest received Finance costs Changes in working capital: Inventories	11 009 11 009 (508 016) 40 753 (24 424) 760 (47 413)	32 800 3 105 35 905 (571 628 43 517 (26 678 -
Major components of the tax expense No provision has been made for 2015 tax as the company has no taxable incongainst future taxable income is R1,606,141 (2014: R1,098,125). O. Auditors' remuneration	11 009 11 009 (508 016) 40 753 (24 424) 760	32 800 3 105 35 905 (571 628 43 517 (26 678

Notes to the Financial Statements

2015	2014
R	R

12. Related parties

Relationships

Holding company Members of key management

Gethlane Lodge Share Block Limited First Resorts and Hotel Management Proprietary Limited provides management services to Double Options Trading 182 Proprietary Limited.

Related party balances and transactions with entities with control, joint control or significant influence over the company

Related party balances

Amounts receivable from related party Gethlane Lodge Share Block Limited	3 756	31 647
Amounts payable to related party Gethlane Lodge Share Block Limited	1 607 278	836 364
Amounts owed to related party Gethlane Lodge Share Block Limited	446 798	686 136
Related party transactions		
Levies paid to related parties Gethlane Lodge Share Block Limited	920 946	821 307
Administration fees paid to related parties First Resorts and Hotel Management Proprietary Limited	289 830	322 038

Detailed Income Statement

	Noto/a\	2015	2014
	Note(s)	R	R
Revenue			
Sale of goods		2 324 430	2 013 981
Accommodation income		1 471 882	1 219 290
		3 796 312	3 233 271
Cost of sales			
Opening stock		(223 011)	(119 508)
Purchases		(1 214 096)	(1 096 479
Closing stock		270 424	223 011
Closing stock			
	3	(1 166 683)	(992 976
		2 629 629	2 240 295
Other income			
Sundry income		3 028	4 622
nterest received	8	24 424	. 26 678
		27 452	31 300
Operating expenses			
Administration and management fees		289 830	322 038
Auditors remuneration	10	11 009	35 905
Bad debts		132 632	22 718
Bank charges		34 601	37 022
Cleaning		22 749	14 855
Computer expenses		62 362	39 268
Depreciation	2	40 753	43 517
Employee costs		1 260 773	1 118 040
Entertainment		28 588	20 472
Guest supplies		38 233	59 584
evies		920 946	821 307
egal expenses		903	-
Notor vehicle expenses		60 495	52 054
Printing and stationery		21 203	51 953
Replacements		102 609	36 278
Security		35 908	35 543
Staff welfare		23 135	55 279
Subscriptions		5 105	9 213
elephone and fax		72 503	68 178
		3 164 337	2 843 224
Operating loss		(507 256)	(571 629)
inance costs		(760)	
oss for the year		(508 016)	(571 629)

GETHLANE LODGE SHARE BLOCK LIMITED

INSURANCE COVER SCHEDULE

POLICY NUMBER: TOURIS-0001753



INSURED: GETHLANE LODGE SHARE BLOCK LIMITED

INSURER: HOLLARD INSURANCE

POLICY NO: TOURIS-0001753

PERIOD OR COVER: 01 OCTOBER 2016 TO 30 SEPTEMBER 2017

BROKERS: THE INSURANCE CENTRE

DETAILS			
BUILDINGS COMBINED & FIRE			87 194 960
BUILDINGS	Γ	60 436 000	
FIRE & PERILS CONTENTS		26 758 960	
OFFICE CONTENTS			26 612
LOSS OF LEVIES			5 118 223
MONEY			7 000
GLASS			5 000
THEFT			10 000
BUSINESS ALL RISKS			365 100
FIDELITY GUARENTEE			20 000
GOODS IN TRANSIT			25 000
ACCIDENTAL DAMAGE			100 000
ELECTRONIC EQUIPMENT			131 800
INCREASE COST OF WORKING			500 000
PUBLIC LIABILITY			50 000 000
DIRECTORS LIABILITY			1 000 000
GROUP PERSONAL ACCIDENT			1 000 000
MOTOR			200 000
IMPLEMENTS		50 000	
TRAILER		5 000	
ISUZU KB LDV		80 000	
MASSEY FERGUSON TRACTOR		45 000	
BASHAN LOADER 200cc		20 000	
TOTAL			145 703 695



GETHLANE LODGE SHARE BLOCK

Reg No 1983/010990/06

YEAR ENDING: 31 DECEMBER 2017

LEVY INCREASE

GETHLANE LODGE

Hospitality Resort

Diamond

CLG GRADING: RCI STATUS:

10%

TOTAL CONSOLIDATED RESERVES				
SHARE BLOCK RESERVE - NORMAL RESERVE				
Opening balance	1 803 542	1 418 371	1 528 482	2 517 337
Transfer for the year	367 026	620 748	775 059	414 624
Expenditure	(200 000)	(1 347 014)	(200 000)	(1 403 479)
Closing balance	1 970 568	692 105	1 803 542	1 528 482
	0		0	0
DOUBLE OPTIONS RESERVES / (DEFICIT)				
Opening balance	(1 653 465)	(515 500)	(854 648)	(511 364)
Transfer for the year	(206 404)	(124 424)	(798 817)	(343 284)
	(1 859 869)	(639 924)	(1 653 465)	(854 648)
	110 700	52 181	150 077	673 834
		-		

Approved by the Directors: 16 August 2016



GETHLANE LODGE SHARE BLOCK Reg No 1983/010990/06 YEAR ENDING: 31 DECEMBER 2017

RCI STATUS: CLG GRADING:

LEVY INCREASE

10%

SCHEDULE "A" - LEVY INCOME Shareblock Levies - Timeshare Hotel Levies SCHEDULE "B" - SUNDRY INCOME Interest earned Telephone Sundry SCHEDULE "C" - ADMINISTRATION
Advertising and signage
AGM
Directors Fee and travel
Audit fees
Bank and credit card charges
Computer expenses
First Exchange Fee
Interest pald
Legal expenses
Motor vehicle expenses
Postage & courier
Printing & stationery
Subscriptions
Travelling
Office Expense

SCHEDULE "D" - ON SITE EXPENSES
Cleaning material
Guest entertainment
Laundry expenses
M Net expenses
Pest control
Telephones
TY Licences
Sundry Expenses

Hospitality Resort
Diamond

LODGE
GETHLANE

AUDITED Dec-15	Hugh Strickland	292 909 6		9 606 262	141 257	103 865	245 122	67 856	2 023	37 413	7 611	17 175	136 402	86 748	4 048	10 242	73 175	54 627	100 100	29 150	42 820	419	٠	669 811	000	328 228	132 112	201 511	26 671	78 223	21 372		901 699
PROJECTED 31-Dec-16	24	9 439 794	000000000000000000000000000000000000000	10 214 834	190 000	87 894	280 394	70 000	4 500	67 794	57 810	16 764	197 604	86 748	204	45 169	80 000	46 693	71 466	32 845	37 342	2 310	7 500	824 749	17	195 461	137 700	221 920	26 000	80 662	21 084	*	783 297
BUDGET DEC 2016		10 569 138		10 569 138	250 000	114 732	367 232	71 400	4 500	75 199	62 037	24 863	182 718	91 953	1	25 759	000 68	25 498	84 286	30 492	45 615	4 100	2 200	854 920	7	224 130	192 463	233 306	24 772	71171	22 374	2 000	915 357
BUDGET DEC 2017		7 958 183		7 958 183	110 000	92 894	205 394	39 255	4 500	226 99	40 000	9 401	168 580	45 977	•	36 406	44 863	20 828	42 026	30 570	33 576	2 400	4 200	619 588		135 916	123 464	174 900	18 000	860 68	15 739	2 000	617 870
USE SERVICE COST	17.00-76	6 918 762		4 843 133	90 429	2 500	185 823	32 525	\$	•	,	6 581	168 580	45 977	•	1	•	1	33 986	29 575	•	2 400	4 200	323 824	6 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	125 016	173 464	174 900	12 600	•	15 739	2 000	523 371
COMMON COSTS	21-00-17			3 115 049	19 571	1 1	19 571	6 7 2 9	4 500	226 99	40 000	2 820	•	•	,	36 406	44 863	50 858	8 040	995	33 576	•	•	295 764		1		1	5 400	860 68	•	•	94 498
DETAILS	Number		4		2	7		н	2	2	m	4	5	9	7	00	6	10	11	12	13	14	15		,	16	T F	13	20	21	22	23	

YEAR ENDING: 31 DECEMBER 2017 GETHLANE LODGE SHARE BLOCK Reg No 1983/010990/06

10%

LEVY INCREASE

CLG GRADING: RCI STATUS:

Hospitality Resort

GETHLANE LODGE

SCHEDULE "E" - PROPERTY COSTS Repairs & maintenance - property Rates, refuse & sewerage Electricity Insurance Security

Head Office Accounting , Administration and Direct costs SCHEDULE "F" - MANAGEMENT & FR DIRECT COST First Resort Management

Salary Fee - CLM - HR/Payroll/Reception Admin Fee FR Accounting / Levy / Regional SCHEDULE "G" - STAFFING Rental Agents - Optima Health and safety Officer Casuals - Housekeeping Housekeeping/Laundry Casuals - Maintenance Resort management Reception / Admin Casuals - Gardners Game Wardens Relief Manager Provident fund Staff expenses Maintenance **Total Salaries** Medical Aid Skills levy Gardener Overtime Uniforms

SCHEDULE "H" - PROVISION FOR BAD DEBT Provision for Possible Bad Debts SCHEDULE "I" - REFURBISHMENT EXPENDITURE AND REPLACEMENT

Refurbishment Replacement Special Levy Replacements

Transfer to/ (from) Replacement Reserve SCHEDULE "I" - TRANSFER TO RESERVES

_	DETAILS	COMMON COSTS	USE SERVICE COST	BUDGET DEC 2017	BUDGET DEC 2016	PROJECTED	AUDITED
	Note	31-Dec-17	31-Dec-17	Rands	Rands	31-Dec-16	Dec-15
	Number						Hugh Strickland
	24	303 927	709 163	1.013.089	1 290 245	296 606	934 762
	25	95 837	226 967	322 804	294 897	293 458	242 710
	56	304 739	•	304 739	282 072	283 602	239 660
	27	377 000	407 000	784 000	784 000	784 000	1 206 999
	28	369 218	•	369 218	430 721	433 186	426 817
		1 450 721	1 343 130	2 793 851	3 096 935	2 704 209	3 050 947
	<u>۾</u>	145 926	340 494	486 420	946 308	946 308	884 400
	30.1	181 974	424 606	6/5 909	561 648	561 648	
_		327 900	765 100	1 092 999	1 507 956	1 507 956	884 400
_				0000	0.00	0.00	
	31	83 490	T34 /40	2/8 200	4/07/8	4/4 038	
	31	020 06	210 163	300 233	287 993	229 397	-
	31	•	563 529	563 529	791 966	805 388	
	31	93 531	•	93 531	261 981	397 183	
	31	226 987	1	226 982	791 604	786 329	
	31	63 819	1 (4	63 819	136 429	102 674	
	31		135 148	136 148	193 388	150 000	
		907 867	1 104 581	2 012 448	2 939 639	2 345 029	2 5/1 54/
	31	20 000	00000	200000	2000 05	000 00	16 100
	31	00000	20 000	20 000	000 06	200002	163
	27	000 00	י טטט טני	20 000	20,000	17,000	507
	7 7		20 020	20.03	29 396	20 133	27.783
	7 12		179 898	129 898	190 125	99 646	95 824
	7 7		י י	,	777 077	1	373 016
	3 2	•	167 969	167 969	159 419	156 980	147 855
	1	•	'		19 600	19 600	
		•	,	,	19 600	19 600	,
	31	•	10 000	10 000	19 796	'	9 587
	31	•	•	•	•	•	79 792
	32	•	20 124	20 124	29 396	28 773	31 896
	33	7 500	45 195	52 695	005 99	53 614	25 699
	34	1	52 600	22 600	009 68	000 08	119 574
_		975 367	1 600 492	2 575 859	3 673 071	3 649 375	3 646 330
_	35	45 000	34 585	79 585	211 383	211 383	262 852
_		45 000	34 585	79 585	211 383	211 383	262 852
TTS							
	36	000 09	140 000	200 000	1 347 014	200 000	603 545
				•		1	799 934
		000 09	140 000	200 000	1 347 014	200 000	1 403 479
						8	
	37	1	167 026	167 026	(726 266)	275 059	•
_		-	16/ 026	16/ 026	(997 97/)	850 S/7	1

GETHLANE LODGE SHARE BLOCK

Reg No 1983/010990/06

LEVIES FOR THE YEAR ENDED 31 DECEMBER 2017



UNIT NO 4 5 6 7 8 9 10 11	2017 PER ANNUM INCL	2017 COMMON LEVIES INCL	2017 TOTAL LEVIES INCL	2016 TOTAL LEVIES INCL R 1 303 R 1 303
5 6 7 8 9	-	INCL	-	R 1 303
5 6 7 8 9			-	
6 7 8 9	-			
7 8 9	-			
8 9 10	-			R 1 303
9 10	-		-	R 1 303
10	-		-	R 1 379
			-	R 1 379
11	-		-	R 1 379
	-		-	R 1 379
12	-		-	R 1 379
13	No unit 13		-	
14	•		-	R 1 379
15	-		-	R 1 368
16	-		-	R 1 368
17	-		-	R 1 368
18	-			R 1 368
19	-		-	R 1 368
20	0.000.740			5.5.445
22	R 286 746		R 5 622	R 5 112
23	R 286 746		R 5 622	R 5 112
24 25	R 286 746 R 286 746		R 5 622 R 5 622	R 5 112 R 5 112
26	R 382 038		R 7 491	R 6 810
27	R 382 038		R 7 491	R 6 810
28	R 382 038		R 7 491	R 6 810
29	R 382 038		R 7 491	R 6 810
30	R 382 038		R 7 491	R 6 810
31	R 382 038		R 7 491	R 6 810
32	R 382 038		R 7 491	R 6 810
33	R 382 038		R 7 491	R 6 810
34	R 355 468		R 6 970	R 6 336
35	R 355 468		R 6 970	R 6 336
36	R 355 468		R 6 970	R 6 336
37	R 355 468		R 6 970	R 6 336
134	-		-	R 1 229
135	-		-	R 1 229
136	-		-	R 1 229
137	-		-	R 1 229
38	R 377 038		R 7 393	R 6 720
39	R 377 038		R 7 393	R 6 720
40	R 377 038		R 7 393	R 6 720
41	R 377 038		R 7 393	R 6 720
42	R 377 038		R 7 393	R 6 720
43	R 377 038		R 7 393	R 6 720
138	R 67 605	R 1 326	R 1 326	R 4 017
139	R 67 605	R 1 326	R 1 326	R 4 017
140	R 67 605	R 1 326	R 1 326	R 4 017
141	R 67 605	R 1 326	R 1 326	R 4 017
142	R 67 605	R 1 326	R 1 326	R 4 017
143	R 67 605	R 1 326	R 1 326	R 4 017 R 6 237
47	R 104 966 R 104 966	R 2 058	R 2 058	
48 49	R 104 966	R 2 058 R 2 058	R 2 058 R 2 058	R 6 237 R 6 237
50	R 104 966	R 2 058	R 2 058	R 6 237
147	R 62 809	R 1 232	R 1 232	R 3 732
148	R 62 809	R 1 232	R 1 232	R 3 732
149	R 62 809	R 1 232	R 1 232	R 3 732
150	R 62 809	R 1 232	R 1 232	R 3 732
51	R 108 210	R 2 122	R 2 122	R 6 430
	200 220	.,		1.0 4.50
56	R 9 072 328			

Vat Portion

R 1 114 146

Exclusive Amt

R 7 958 182



Gethlane Lodge Share Block 2017 Timeshare Calendar

Week	Start Date	End Date	Week Rank Name
1	06/01/2017	13/01/2017	Peak2
2	13/01/2017	20/01/2017	Peak1
3	20/01/2017	27/01/2017	Medium
4	27/01/2017	03/02/2017	Medium
5	03/02/2017	10/02/2017	Medium
6	10/02/2017	17/02/2017	Medium
7	17/02/2017	24/02/2017	Medium
8	24/02/2017	03/03/2017	Medium
9	03/03/2017	10/03/2017	Low
10	10/03/2017	17/03/2017	Low
11	17/03/2017	24/03/2017	Medium
12	24/03/2017	31/03/2017	Medium
13	31/03/2017	07/04/2017	Peak3
14	07/04/2017	14/04/2017	Peak3
15	14/04/2017	21/04/2017	Peak1
16	21/04/2017	28/04/2017	High
17	28/04/2017	05/05/2017	High
18	05/05/2017	12/05/2017	Medium
19	12/05/2017	19/05/2017	Medium
20	19/05/2017	26/05/2017	Medium
21	26/05/2017	02/06/2017	Medium
22	02/06/2017	09/06/2017	Medium
23	09/06/2017	16/06/2017	Medium
24	16/06/2017	23/06/2017	High
25	23/06/2017	30/06/2017	
26	30/06/2017	07/07/2017	High
	07/07/2017	14/07/2017	Peak4 Peak4
27		21/07/2017	
28	14/07/2017		Peak4
29	21/07/2017	28/07/2017	Peak1
30	28/07/2017	04/08/2017	High
31	04/08/2017	11/08/2017	High
32	11/08/2017	18/08/2017	High
33	18/08/2017	25/08/2017	High
34	25/08/2017	01/09/2017	High
35	01/09/2017	08/09/2017	High
36	08/09/2017	15/09/2017	High
37	15/09/2017	22/09/2017	High
38	22/09/2017	29/09/2017	Peak2
39	29/09/2017	06/10/2017	Peak3
40	06/10/2017	13/10/2017	Medium
41	13/10/2017	20/10/2017	Medium
42	20/10/2017	27/10/2017	Medium
43	27/10/2017	03/11/2017	Medium
44	03/11/2017	10/11/2017	Low
45	10/11/2017	17/11/2017	Low
46	17/11/2017	24/11/2017	Low
47	24/11/2017	01/12/2017	Low
48	01/12/2017	08/12/2017	Peak1
49	08/12/2017	15/12/2017	Peak2
50	15/12/2017	22/12/2017	Peak2
51	22/12/2017	29/12/2017	Peak3
52	29/12/2017	05/01/2018	Peak3



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

CREDIT CARD FACILITY

RESORT		
UNIT & WEEK		
CONTACT TELEPI	HONE NUMBER	
CARD HOLDER'S	INITIALS & SURNAME	
CARD HOLDER'S	ID NUMBER	
TYPE OF CARD (V	/ISA, MASTER, etc)	
CARD NUMBER		
EXPIRY DATE		
AMOUNT		
DATE YOU WISH	YOUR CARD TO BE DEBITED	
CLIENTS LIVING OU	JTSIDE SOUTH AFRICA - CREDIT C	ARD FACILITY ON STRAIGHT ONLY
CVC Number	Last 3 digits at the back of card	
BUDGET (months)	6 12 24 36 48	
CARD HOLDER SIGN	ATURE	DATE



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 Sta	atus:
SIGNATURE		DATE

GETHLANE LODGE SHAREBLOCK LIMITED

REGISTRATION NO: 1983/010990/06

NOMINATION FORM FOR DIRECTORSHIP

I/We the undersigned				
the owner/s of module _				
in UnitCompany, hereby noming Company at the Annual Company	nate the following General Meeting o	g perso of the Co	ns for election as Direction on the company to be held on	
NAMES OF PROPOSED DIREC	TORS	SIGNA	TURES OF PROPOSED DIRE	CTORS
Current Directors are:	T Bormann ES Climpson W Dersley G Kimber S Rault SE Scott			
Signed at	this		_ day of	2016
MEMBER'S SIGNATURE				-
DOMICILIUM GETHLANE LODGE SHAREBLO c/o FIRST RESORTS AND HOTE 1 CROMPTON STREET PINETOWN 3610		Y) LTD	POSTAL ADDRESS P.O.BOX 1287 PINETOWN 3600 Fax: 031 701 9964/ 086 2 email: estia@firstresorts	

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 2956099 and email to estia@firstresorts.co.za will also be acceptable.

GETHLANE LODGE SHARE BLOCK LIMITED

(Registration No.: 1983/010990/06)

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		
	e in block capitals)	
	being a shareholder/s of GETHLANvote(s) do hereby appoint:	E LODGE
	(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 1 NOVEMBER 2016, 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	orness other wise instructed, the proxy may vote	FOR	AGAINST	ABSTAIN
6.	To accept the minutes of the Annual General Meeting held on 6 October 2015			
9.	To accept the Annual Financial Statements in respect of the year ended 31 December 2015			
10.	To approve the auditors' remuneration for the year ended December 2015			
11.	To appoint auditors for the year ending December 2016 (on recommendation of the current Audit Committee)			
12.	Determine number of Directors			
13.	To elect the Directors: Mr Climpson Mr Kimber Mrs Rault			

14.	To appoint the Audit Committee		
15.	To accept the schedule of insurance cover		
16.	To accept the levy budget for the year ending 31 December 2017		
17.	Determine interest rate on arrear levies		
18.	SPECIAL RESOLUTION: Approval of Director' Remuneration for the year ended 31 December 2015 and 2016		

Signed this	day of	2016.
Signature		

DOMICILIUM

GETHLANE LODGE SHAREBLOCK 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: estia@firstresorts.co.za

Note 1: This proxy must be delivered or faxed to the Secretaries of the company not less than **FORTY EIGHT HOURS** before the time appointed for the meeting.

Note 2: A Member entitled to attend and vote is entitled to appoint a proxy to attend, speak and vote in his stead, and such proxy need not also be a Member of the Company.

Note 3: This Proxy shall be binding upon the Member until such time as the Member personally withdraws it and it is limited to the voting on the special and ordinary resolutions referred to herein. Unless otherwise instructed, the proxy will vote as he thinks fit. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead.

Any alteration or correction made to this form of proxy (excluding the deletion of alternatives) must be initialled by the signatory. Documentary evidence establishing the authority of a Person signing this form of proxy in a representative capacity (i.e. on behalf of a Company, Close Corporation or Trust) must be attached to this form.

The completion and lodging of this form of proxy will not preclude the relevant Member from attending the meeting and speaking and voting in Person thereat, to the exclusion of any proxy appointed in terms thereof, should such Member wish to do so.

Emailed and facsimile copies of this proxy form must be duly verified before the commencement of the meeting to be eligible for acceptance. If any one of the requirements contained herein is not fulfilled, the proxy form and/or the nomination of the proxy will be null and void.

Proxy holders must present reasonably satisfactory identification before attending and participating in the meeting.