

**BUFFELSBED SHARE BLOCK (PTY) LTD
(REGISTRATION NUMBER 1984/003413/07)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

Buffelsbed Share Block (Pty) Ltd

(Registration number 1984/003413/07)

Annual Financial Statements for the year ended 30 June 2017

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Owns property situated in Umbabat Private Nature Reserve, Mpumalanga
Directors	J.M. Saker A.R. Hauptfleisch J.H. Llewellyn
Registered office	Argyle Road Umbabat Private Nature Reserve Mpumalanga 1380
Business address	Argyle Road Umbabat Private Nature Reserve Mpumalanga 1380
Postal address	Buffelsbed Share Block (Pty) Ltd PO Box 121 Hoedspruit 1380
Auditors	Boake Incorporated Registered Auditors
Secretary	C.D. Du Plessis
Company registration number	1984/003413/07
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were internally compiled by: G.I. Maile CA(SA)
Issued	13 October 2017

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

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Independent Auditor's Report

To the shareholders of Buffelsbed Share Block (Pty) Ltd

Opinion

We have audited the annual financial statements of Buffelsbed Share Block (Pty) Ltd set out on pages 6 to 12, which comprise the statement of financial position as at 30 June 2017, and the statement of changes in equity for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Buffelsbed Share Block (Pty) Ltd as at 30 June 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report

Auditor's responsibilities for the audit of the Annual Financial Statements

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

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Boake Incorporated
Per: D.J. Fraser
Director
Registered Auditor

13 October 2017
Bedfordview

Buffelsbed Share Block (Pty) Ltd

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Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual 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.

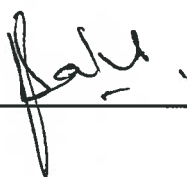
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards 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 company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

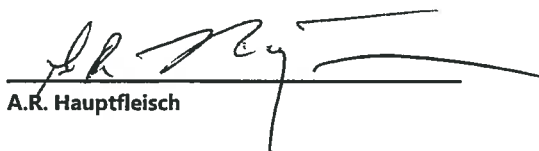
The directors have reviewed the company's cash flow forecast for the year to 30 June 2018 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 3 - 4.

The annual financial statements set out on pages 6 to 12, which have been prepared on the going concern basis, were approved by the board of directors on 13 October 2017 and are signed on their behalf by:



J.M. Saker



A.R. Hauptfleisch

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Annual Financial Statements for the year ended 30 June 2017

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Buffelsbed Share Block (Pty) Ltd for the year ended 30 June 2017.

1. Nature of business

Buffelsbed Share Block (Pty) Ltd was incorporated in South Africa and owns property situated in Umbabat Private Nature Reserve, Mpumalanga. The company operates in South Africa.

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

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements.

No income accrued to the company during the year and all expenses have been borne by Ingwelala Share Block (Pty) Ltd. There is therefore no statement of profit or loss and other comprehensive income nor statement of cash flows to be presented.

3. Share capital

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

4. Dividends

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

5. Directors

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

Directors	Office	Designation	Nationality	Changes
J.M. Saker	Chairman	Non-executive	South African	
A.R. Hauptfleisch	Director	Non-executive	South African	Appointed 17 November 2016
J.H. Llewellyn	Managing director	Executive	South African	Appointed 17 November 2016
K.A. Alborough	Chairman	Non-executive	South African	Resigned 17 November 2016
J.M. Vice	Director	Non-executive	South African	Resigned 17 November 2016

6. Special resolutions

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

7. Events after the reporting period

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

Buffelsbed Share Block (Pty) Ltd

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Directors' Report

8. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual 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.

9. Auditors

Boake Incorporated continued in office as auditors for the company.

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Statement of Financial Position

	Notes	2017 R	2016 R
Assets			
Non-Current Assets			
Land	2	1	1
Loans to shareholders	3	316 162	316 162
		316 163	316 163
Total Assets		316 163	316 163
Equity and Liabilities			
Equity			
Share capital	4	316 162	316 162
Accumulated loss		(316 161)	(316 161)
		1	1
Liabilities			
Non-Current Liabilities			
Loans from shareholders	3	316 162	316 162
Total Equity and Liabilities		316 163	316 163

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Statement of Changes in Equity

	Share capital R	Share premium R	Total share capital R	Accumulated loss R	Total equity R
Balance at 01 July 2015	209	315 953	316 162	(316 161)	1
Balance at 01 July 2016	209	315 953	316 162	(316 161)	1
Balance at 30 June 2017	209	315 953	316 162	(316 161)	1
Note	4	4	4		

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Accounting Policies

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual 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 Land

Land is carried at cost.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit and 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.

1.2 Financial instruments**Initial measurement**

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, are measured at fair value through profit and loss.

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Notes to the Annual Financial Statements

	2017 R			2016 R		
2. Land						
	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land	1	-	1	1	-	1

Details of properties

Land

- Cost	316 162	316 162
- Derecognised	(316 161)	(316 161)
	1	1

Land consists of the remaining extent of the farm Buffelsbed No 26 and the remaining extent of portion 2 of the farm Roodekrantz No 27, Registration Division KU, Mpumalanga, measuring a combined 1018.4208 hectares in extent and held under Deed of Transfer No T35686/1984, Registrar of Pretoria.

In terms of the International Financial Reporting Standard for Small and Medium-sized Entities and the South African Institute of Chartered Accountants Guidelines for Share Block Companies, derecognition of the company's land has been effected in these annual financial statements to reflect that the members of Buffelsbed Share Block (Pty) Ltd have the right of use of the common property and the economic value, as determined by the provisions of the signed Use Agreements.

As a consequence, the land has no economic value to Buffelsbed Share Block (Pty) Ltd and is therefore carried at a nominal value.

3. Loans to (from) shareholders

Loans to shareholders	316 162	316 162
Loans from shareholders	(316 162)	(316 162)
	-	-

The loans are unsecured, interest free and are repayable at the option of the company, which has no intention to do so in the near future.

Non-current assets	316 162	316 162
Non-current liabilities	(316 162)	(316 162)
	-	-

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Notes to the Annual Financial Statements

	2017 R	2016 R
4. Share capital		
Authorised		
209 Ordinary shares of R1 each	209	209
Issued		
209 Ordinary shares of R1 each	209	209
Share premium	315 953	315 953
	316 162	316 162

5. Taxation

No provision has been made for 2017 tax as the company has no taxable income.

6. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

7. Going concern

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

8. Events after the reporting period

The annual financial statements were authorised for issue on 13 October 2017 by the board of directors of the company.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

9. Related parties

Relationships

Companies with similar shareholding

Ingwelala Share Block (Pty) Ltd
Op Goedehoop No 25 (Pty) Ltd
Sibon Property Holdings (Pty) Ltd

Shareholders and directors

A.R. Hauptfleisch
J.M. Saker
J.H. Llewellyn
C.D. Du Plessis (Secretary)