



2 0 1 6 A N N U A L R E P O R T

BANTRY COURT SHARE BLOCK LIMITED
(Registration No. 1926/002856/06)

ANNUAL REPORT 2016

BANTRY COURT SHARE BLOCK LIMITED

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BANTRY COURT SHARE BLOCK LIMITED

REGISTRATION NO. 1926/002856/06

REGISTERED OFFICE

Tannery Park 23 Belmont Road Rondebosch
7700

DIRECTORS

J W Maree (Chairman)
A M Andrews (Appointed 06 March 2017)
D S Cameron
E L Reppert
I Sacker (Retired 06 March 2017)
E M Strickland

MANAGING AGENT

Ovland Management Services (Pty) Limited
PO Box 155 Rondebosch 7701

TRANSFER SECRETARIES

Ovland Management Services (Pty) Limited
Tannery Park 23 Belmont Road Rondebosch
7700
PO Box 155 Rondebosch 7701

BANKERS

First National Bank
215 Main Road
Claremont
Cape Town

AUDITORS

Sprigg Abbott Inc.
Sprigg Abbott House
Centurion Business Park
Bosmansdam Road Milnerton 7441
Private Bag X22 Milnerton 7435

NOTICE OF

ANNUAL GENERAL MEETING

BANTRY COURT SHARE BLOCK LIMITED

Notice is hereby given that the twenty-ninth Annual General Meeting of Shareholders of Bantry Court Share Block Limited will be held at the Winchester Mansions Hotel, 221 Beach Road, Sea Point on Tuesday 13 June 2017 at 17h30.

AGENDA

1. Welcome
2. Notice of Meeting
3. Attendance, proxies and apologies
4. Establishment of Quorum
5. Presentation of Chairman's Report
6. 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 2016.
7. Appointment of Auditors for the year ending 31 December 2017.
8. Election of Directors:
All the directors retire annually in terms of the Articles of Association, but, being eligible, offer themselves for re-election. Election of Directors to be considered with other nominations submitted, if any.
9. Appointment of Audit Committee:
Three Directors of the Company to be appointed to the Audit Committee.
10. Insurance:
To receive and approve the schedule of insurance for the ensuing year.
11. Approval of Directors' Remuneration:
Proposed remuneration for the ensuing year is R226 803 (past year R226 803).
12. General

By order of the Board



F J Jenkins
Ovland Management Services (Pty) Limited
Secretaries

Cape Town
22 May 2017

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 share 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 22 May 2017.

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, speak and vote in the place of the member.

A proxy need not be a member of the company.

The proxy form, included with the Annual Report, must be completed and received at the registered office of the Company at least 48 (Forty-eight) hours before the scheduled commencement of the meeting.

3. IDENTIFICATION:

In terms of *Section 62(1)* of the Companies Act, the participants at the meeting – Members or their Proxy – must provide satisfactory identification before being entitled to attend or participate in the 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 participate or vote.

Forms of identification include a valid identity document, driver's licence or passport.

4. CHAIRMAN:

The Chairman of the Board will preside at the Annual General Meeting. If the Chairman is absent, or unwilling to preside, one of the Directors present will chair the Annual General Meeting.

5. QUORUM:

A quorum for an Annual General Meeting is three members present in person or by proxy.

6. VOTING:

6.1 ORDINARY RESOLUTION:

50% (fifty percent) plus one, of the votes cast on an ordinary resolution by members present or represented and voting at the Annual General Meeting in favour of the resolution, are required for it to be adopted.

6.2 SPECIAL RESOLUTION:

75% (seventy-five percent) of the votes cast on a special resolution by members present or represented and voting at the Annual General Meeting in favour of the resolution, are required for it to be adopted.

7. DIRECTORS:

In terms of the Company's Memorandum and Articles of Association, all directors retire each year at the Annual General Meeting. Retiring Directors are eligible for re-election.

8. 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 means of a Special Resolution.

SCHEDULE OF INSURANCES

BANTRY COURT SHARE BLOCK LIMITED

NEW POLICY WITH EFFECT 1 JANUARY 2017

CLASS OF INSURANCE	SUM INSURED/LIMIT
CORPORATE PLAN AND FIRE - BUILDINGS	
Buildings	R96 651 000
Escalation (7.9%)	R7 636 000
Escalation during reinstatement	R 8 630 000
Plant, machinery and contents	R7 000 000
OFFICE CONTENTS	R63 600
BUSINESS INTERRUPTION (12 month indemnity)	
Gross revenue	R11 250 000
AICOW	R1 000 000
MONEY	R10 000
BUSINESS ALL RISKS	R365 676
GLASS	R20 000
ELECTRONIC EQUIPMENT	R602 553
LIABILITIES	
Public liability	R5 000 000
Top Up liability	R30 000 000
Management liability	R15 000 000
MOTOR	R127 400
SASRIA Riot and Strike (as per master policy)	
FIRE	R96 651 000
PLANT, MACHINERY & CONTENTS	R7 000 000
MONEY	R10 000
MOTOR	R140 000

MINUTES OF 2016 ANNUAL GENERAL MEETING

BANTRY COURT SHARE BLOCK LIMITED

Minutes of the twenty-eighth Annual General Meeting of shareholders held at the Winchester Mansions Hotel, Beach Road, Sea Point at 17h30 on 30 May 2016.

PRESENT:

J W Maree (Chairman)
D S Cameron
E L Reppert
E M Strickland

14 shareholders representing 18 weeks in person
199 shareholders representing 485 weeks represented by proxy

APOLOGIES:

Apologies were received from Mr I Sacker and four shareholders

IN ATTENDANCE:

F J Jenkins [representing Ovland Management Services (Pty) Limited]

The Chairman welcomed the shareholders to the meeting and announced that, as a quorum was present, the meeting was duly constituted. It was unanimously agreed to take the notice of meeting as read.

The Chairman's Report for the year ended 31 December 2015 was tabled. The Report having been circulated with the Annual Financial Statements, on a motion from the chairman, the meeting unanimously agreed to take these as read.

The Annual Financial Statements, Report of the Directors, Report of the Auditors and Report of the Audit Committee for the year ended 31 December 2015 were tabled. On a motion from the chairman, the meeting

unanimously agreed to take these as read. The Chairman opened the meeting for questions.

Mr Ivor-Pullen questioned the shareholders' loans reflected in the balance sheet. Mr Jenkins advised that these represented the original developer's loans which were apportioned proportionally between and linked to all the shares. Accordingly, when a share is purchased, the linked loan portion is also purchased. These loans are never repayable unless the company is wound up.

Ms. Andrews then seconded the motion by the chairman that the Annual Financial Statements, the Report of the Auditors and Report of the Audit Committee and all the acts undertaken by the directors during the year ended 31 December 2015, be approved. The motion was unanimously carried.

On a motion from the chairman, seconded by Mr. Erickson, it was resolved that Mazars continue as auditors of the company for the ensuing year.

The chairman then requested Mr. Jenkins of Ovland Management Services (Pty) Ltd, the company's secretary, to deal with the certain statutory matters.

Mr. Jenkins advised that, in terms of the Company's Articles of Association, all the directors retire annually at the Annual General Meeting. All the existing directors had made themselves available for re-election and had been duly nominated to serve again. No additional nominations were received.

On a motion from Mr. Jenkins, seconded by Ms. Andrews, the meeting unanimously

agreed to vote for the directorate by way of a show of hands. The voting was recorded as follows:

Mr. J W Maree	14 votes
Mr. D S Cameron	13 votes
Mr. E L Reppert	14 votes
Mr. I Sacker	14 votes
Mr. E Strickland	14 votes

Mr. Jenkins accordingly announced that Messrs Sacker, Reppert, Cameron, Strickland & Maree would constitute the Board of Directors for the forthcoming year.

On a motion by Mr. Jenkins, seconded by Mrs. Maree, it was resolved that Messrs. E Strickland, I Sacker and J Maree be appointed as the Audit Committee for the ensuing year.

Mr. Jenkins advised the meeting that the 2008 Company's Act requires shareholders to approve directors remuneration for the ensuing year. It was proposed that the directors' remuneration for the ensuing year be fixed at R226 803, the same as the previous year.

The motion was seconded by Ms. Andrews.

By unanimous agreement, it was resolved that the voting be done by way of a show of hands. The voting was recorded as follows with the directors recusing themselves from the voting:

For	8
Against	0
Abstain	2

As a 75% vote is required and a positive vote of 80% was recorded, Mr. Jenkins declared the motion carried

The chairman tabled the schedule of insurances for 2016 and asked if there were any questions relating to the insurance schedule.

As there were no questions, on a motion by

the chairman, seconded by Mr. Strickland, it was resolved that the schedule of insurance values for 2016, as determined by management in collaboration with the company's brokers and as set out in the notice convening the meeting, be and is hereby approved.

There being no further statutory business, the chairman invited comments from the floor.

Mr. Barry advised that wi-fi reception in unit 209 was almost non-existent. Mr Daly advised that management would investigate the possibility of installing a booster router on the second floor.

Mr Hambige requested management to investigate the possibility of erecting a cover over the stairs from the Neptune unit to the first floor, as there is no protection when it rains.

Mr Ivor-Pullen expressed appreciation to Mr Daly and his team for the efficient way the resort is run, while Mr Cameron expressed his appreciation to the Chairman and Managing Agent for their efforts.

Mr Jenkins then tabled a letter received from Mr Charilou, raising a number of issues. These were dealt with as follows:

- *A proposal to change the share capital structure so that units/weeks which had a higher resale value would have greater voting rights. If this had been the case, the decision to acquire unit 3 would have been in favour.* It was pointed out that a) to change the voting rights would require a 75% vote on a special resolution, b) levies are based on number of votes which would have a significant impact on the way the resort was run and c) at what point would the determination be made as prices change on a regular basis.
- *The board of trustees (sic) should have a representation by owners.* The board of directors consists only of owners and any shareholder

has the opportunity to address any issues with the board at any time.

- *The board of trustees (sic) should not be remunerated and the savings be split amongst the staff by way of bonuses.* Shareholders have voted on the issue of directors' remuneration. It would be difficult to get people to serve as directors, given the onerous responsibilities they carry in terms of the Companies Act, without some form of remuneration. Staff are already rewarded with annual bonuses.
- *An exercise/therapy room should be erected on the fifth floor where guests could exercise and ladies could be treated over the season.* Given the limited demand for such a facility, the cost of erecting it could not be justified.
- *Toilets and a catering area should be erected on the deck.* The question of toilets is being investigated.
- *Airconditioning should be installed in all units.* Given the structure of the building it is felt that it would not be feasible to install airconditioning in all units. The proposal will, however, be investigated.
- *The linen is not up to the standard required by a resort of this caliber and is often faded and old.* The linen is replaced on a regular basis and is of the highest quality. It does happen that, occasionally during the season, older towels are used for the pool area, but this is rare.

The chairman advised that the board would be looking into the matters raised, and would also communicate them to the wider shareholder body to obtain their views.

There being no further business, the chairman thanked the members for their attendance and declared the meeting closed. Members

were invited to join the board for refreshments.

Confirmed

A handwritten signature in black ink, appearing to read 'J Maree', written over a faint circular stamp or watermark.

J Maree
CHAIRMAN

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

It once again gives me pleasure to present my Chairman's Report in respect of the activities at Bantry Bay for the year ended 31 December 2016.

It was with great sadness that, during the year, we bid farewell to Isadore 'Tich' Sacker as a director, who has retired as a result of ill health. Tich served as a director of the company from July 1990, and as chairman from 1997 to 2015 and his wise council will be sorely missed.

Mrs Ann Andrews, a long-time owner who has always taken a keen interest in the resort was appointed to fill the casual vacancy. As is customary, all directors retire at the forthcoming Annual General Meeting, but, being eligible, have offered their services to continue to serve the company.

As many owners are aware, the Western Cape is currently in the throes of a severe drought. The poor rainfall, extremely low dam levels – 12% at the time of writing – as well as the long hot summer we have experienced, has reinforced the need to save water. For us to make sure that we have enough water available we all need to do our part to use water sparingly and adhere to the water restrictions that are in place. We can only achieve our water saving targets together and, whilst we have many water saving measures in place at the resort, the biggest saving comes from guests who are water conscious. I would like to thank all those owners who have been mindful of the situation in their water usage, and the many who have put forward suggestions to our management team on ways to improve our water savings.

Over the past year we have all endured the discomforts caused from the renovations in the privately-owned apartment "Studio 3" which went on longer than originally anticipated but I am happy to report that this is

now coming to an end and should be completed by July.

In accordance with the refurbishment programme for the resort, we will be continuing with the soft refurbishments of the fourth and fifth floor apartments in June this year and replacing the patio doors and windows of reception and 701 penthouse which will bring to an end this project.

We upgraded to a new fibre line at the beginning of the year but our internal wireless coverage was not adequate to cope with the demands of our users and we will be upgrading this infrastructure next month which will greatly improve the access.

As I reported last year, the property valuation carried out by the City of Cape Town, resulted in an increase of 92% in the overall valuation of the units in the resort. We objected to this increase and are happy to report that in most cases our objection was successful, with a corresponding reduction in our rates bill. Unfortunately this was only finalised during this calendar year after the levies had been set. It should, barring unforeseen circumstances, reflect in lower levy increases for 2018.

The attached financial statements set out the results of the company in detail and as in the past we have included unaudited supplementary schedules giving more detail in respect of certain items which are aggregated by the auditors and reflecting the position of the company based on its actual assets and liabilities, as these are now excluded in terms of current accounting practices.

The financial statements continue to show a healthy position with net current assets reflecting a healthy balance of R2 400 000 (2014: R1 651 000) with net cash resources of

R1 831 000 (2015: R1 050 000). At these levels we are comfortable that we have sufficient reserves to meet any unexpected contingency. The fact that this was achieved, while in no measure reducing the standards of the resort bears testimony to the tight control over expenses exercised by both the management at the resort and our managing agent, Ovland Management Services. We all owe a debt of gratitude to them for the outstanding work they are doing to maintain the resort at the high standard demanded by the Board, within the budget constraints placed on them.

To this end I, and my co-directors, wish to acknowledge the leadership of our general manager, Sean Daly, who celebrated 20 years of service to the resort on 1 April 2017. Congratulations Sean, and thanks for your dedication and commitment to the company, our owners and other guests.

It is pleasing to note that the high standard at the resort is recognised by our peers and the resort was once again awarded RCI Gold Crown status at the last RCI Oscars award function. This speaks volumes about the quality of the resort.

My fellow directors and I always welcome constructive criticism, as that is the only way that we can gauge the levels of satisfaction or otherwise among the owners. While comments on the guest questionnaires are often brought to our attention, we seldom get any other feedback from shareholders. If you have any criticism or comments, please feel free to contact me, or the Company's managing agent.

I would encourage those shareholders who are able to do so, to attend the Annual General Meeting, notice of which is included in this document. If you are unable to attend the meeting personally, I encourage you to send

your proxy timeously to ensure that your wishes are reflected in the voting at the meeting.

My personal thanks go to the members of the Board for their unselfish and unstinting support and contribution to the past year.

A handwritten signature in black ink, appearing to read 'J Maree', written over a faint circular stamp or watermark.

J Maree
Cape Town
22 May 2017

AUDIT COMMITTEE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

As required by the Companies Act No. 71 of 2008 an Audit Committee was elected at the 2016 Annual General Meeting. The Audit Committee was charged with the duties as set out in the Act. The members of the Audit Committee are:

E Strickland
J Maree
I Sacker

Members of the Audit Committee have at all times acted in an independent manner.

The Audit Committee has discharged its functions and attended inter alia to the following matters:

- Reviewed the Annual Financial Statements for the year ended 31 December 2016.
- Evaluated the effectiveness of financial risk management, controls and the governance process.
- In the light of the long service of Mazars as auditors of the company, the committee called for proposals from four audit firms, including Mazars, for the 2016 audit. Three responses were received and, after evaluating the responses Sprigg Abbott Inc. were appointed as the company's auditors.

The Audit Committee has confirmed the independence of the external auditor.

A handwritten signature in black ink, appearing to read 'J Maree', with a stylized flourish above the name.

J Maree
CHAIRMAN

Bantry Court Share Block Limited
(Registration number 1926/002856/06)
Annual Financial Statements
for the year ended 31 December 2016

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Share block company
Directors	E L Reppert D S Cameron E M Strickland J W Maree A M Andrews
Registered office	Tannery Park 23 Belmont Road Rondebosch 7700
Bankers	First National Bank, a division of FirstRand Bank Limited
Auditors	Sprigg Abbott Incorporated Chartered Accountants (SA) Registered Auditors
Secretary	Ovland Mangement Services Proprietary Limited
Company registration number	1926/002856/06
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 independently compiled by: Andy Chu Decisive Business Management Services CC

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

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

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

Detailed Income Statement	24 - 25
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Preparer

Andy Chu
Decisive Business Management Services CC

Published

02 May 2017


Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Certificate of Company Secretary

In terms of section 88(2)(e) of the Companies Act 71 of 2008, I certify that, Bantry Court Share Block Limited has lodged with the Commissioner all such returns and notices as are required by the Companies Act 71 of 2008 and that all such returns and notices are true, correct and up to date.



For and on behalf of Ovland Management Services Proprietary Limited
Company Secretary

Cape Town
02 May 2017

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Directors' Responsibilities and Approval

The directors are required in terms of 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 International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

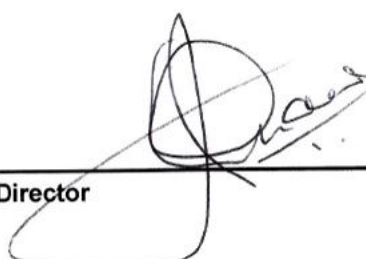
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards 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.

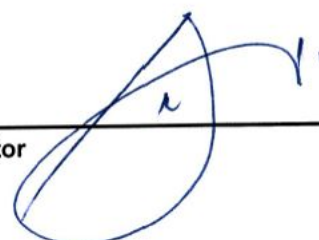
The directors have reviewed the company's cash flow forecast for the year to 31 December 2017 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

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 5 to 6.

The annual financial statements set out on page 8, which have been prepared on the going concern basis, were approved by the board of directors on 02 May 2017 and were signed on their behalf by:



Director



Director

SPRIGG ABBOTT INCORPORATED

CHARTERED ACCOUNTANTS (SA)
REGISTERED AUDITORS

Independent Auditor's Report

To the shareholders of Bantry Court Share Block Limited

Opinion

We have audited the Annual Financial Statements of Bantry Court Share Block Limited set out on pages 10 to 23, which comprise the Statement of Financial Position as at 31 December 2016, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows 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 Bantry Court Share Block Limited as at 31 December 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards 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 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 and the Audit Committee's Report as required by the Companies Act 71 of 2008 of South Africa, 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 Standards 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.

Sprigg Abbott House, Centurion Business Park, Bosmansdam Road, Milnerton, 7441, South Africa
Private Bag X22, Milnerton, 7435, South Africa
Tel: +27 (0)21 552 5599 Fax: +27 (0)21 552 5544 email: auditors@sprigg.co.za Web: www.sprigg.co.za

Directors: DM Barnes CA(SA); M Mulder B Acc, B Compt(Hons), CA(SA)
Consultants: PJ Chong B Com(Hons), CA(SA); LE Norman B Com, CA(SA)
Assisted by: RE Norman B Com, CTA, JJ Smith B Econ Registration Number: 2003/023087/21



Independent Auditor's Report

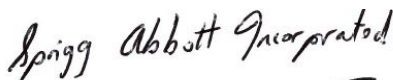
Auditor's responsibilities for the audit of the Annual Financial Statements

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.



Sprigg Abbott Incorporated
Director: David Barnes
Chartered Accountant (SA)
Registered Auditor

02 May 2017
Milnerton

DECISIVE BUSINESS MANAGEMENT SERVICES CC

REG No. CK1992/016391/23

P O BOX 1533 MILNERTON 7435
TELEPHONE 082 4567158

17 CENTURY GROVE
CENTURY CITY 7441

Practitioner's Compilation Report

To the shareholders of Bantry Court Share Block Limited

We have compiled the Annual Financial Statements of Bantry Court Share Block Limited, as set out on pages 10 - 23, based on the information you have provided. These Annual Financial Statements comprise the Statement of Financial Position of Bantry Court Share Block Limited as at 31 December 2016, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these Annual Financial Statements in accordance with International Financial Reporting Standards. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These Annual Financial Statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these Annual Financial Statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these Annual Financial Statements are prepared in accordance with International Financial Reporting Standards.



Decisive Business Management Services CC
Andy Chu

02 May 2017

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Bantry Court Share Block Limited for the year ended 31 December 2016.

1. Nature of business

The company is a share block company and operates principally 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 Standards and the requirements of the Companies Act 71 of 2008. 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 annual financial statements.

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 under review.

5. Directorate

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

I Sacker
E L Reppert
D S Cameron
E M Strickland
J W Maree
A M Andrews

Changes

Resigned 06 March 2017

Co-opted 06 March 2017

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 material event which occurred after the reporting date and up to the date of this 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

Sprigg Abbott Incorporated were appointed as auditors for the company for 2016.

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Directors' Report

10. Secretary

The company secretary is Ovland Mangement Services Proprietary Limited.

Business address:

Tannery Park
23 Belmont Road
Rondebosch
7700

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Statement of Financial Position as at 31 December 2016

Figures in Rand	Note(s)	2016	2015
Assets			
Non-Current Assets			
Investment property	2	1	1
Loans to shareholders	3	4 830 468	4 830 468
		4 830 469	4 830 469
Current Assets			
Inventories	4	295 375	295 346
Trade and other receivables	5	253 330	287 195
Current tax receivable		20 708	19 533
Cash and cash equivalents	6	5 798 417	6 004 462
		6 367 830	6 606 536
Total Assets		11 198 299	11 437 005
Equity and Liabilities			
Equity			
Share capital	7	1 734	1 734
Retained income		2 399 050	1 649 663
		2 400 784	1 651 397
Liabilities			
Non-Current Liabilities			
Loans from shareholders	3	4 830 468	4 830 468
Current Liabilities			
Trade and other payables	8	3 967 047	4 955 140
Total Liabilities		8 797 515	9 785 608
Total Equity and Liabilities		11 198 299	11 437 005

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2016	2015
Revenue	9	9 280 132	8 629 292
Other income		669 297	186 949
Operating expenses		(9 558 432)	(8 913 825)
Operating profit (loss)	10	390 997	(97 584)
Investment income	11	480 975	397 838
Profit before taxation		871 972	300 254
Taxation	12	(122 585)	(87 338)
Profit for the year		749 387	212 916
Other comprehensive income		-	-
Total comprehensive income for the year		749 387	212 916

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Statement of Changes in Equity

Figures in Rand	Share capital	Retained income	Total equity
Balance at 01 January 2015	1 734	1 436 747	1 438 481
Profit for the year	-	212 916	212 916
Total comprehensive income for the year	-	212 916	212 916
Balance at 01 January 2016	1 734	1 649 663	1 651 397
Profit for the year	-	749 387	749 387
Total comprehensive income for the year	-	749 387	749 387
Balance at 31 December 2016	1 734	2 399 050	2 400 784
Note(s)	7		

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Statement of Cash Flows

Figures in Rand	Note(s)	2016	2015
Cash flows from operating activities			
Cash used in operations	13	(563 260)	387 840
Interest income		480 975	397 838
Tax paid	14	(123 760)	(120 453)
Net cash from operating activities		(206 045)	665 225
Total cash movement for the year			
Cash at the beginning of the year		6 004 462	5 339 237
Total cash at end of the year	6	5 798 417	6 004 462

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Accounting Policies

1. Significant accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act 71 of 2008 of South Africa, as amended.

These annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Rands, which is the company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

1.3 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

The company carries investment property at a nominal value as the investment property has no economical value to the company.

1.4 Financial instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:

- Loans and receivables
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis.

Initial recognition and measurement

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

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

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

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Accounting Policies

1.4 Financial instruments (continued)

Subsequent measurement

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

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

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

Impairment of financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the company, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

Impairment losses are recognised in profit or loss.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in profit or loss.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Loans to (from) shareholders

These financial assets are classified as loans and receivables.

Loans from shareholders are classified as financial liabilities measured at amortised cost.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

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

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Accounting Policies

1.4 Financial instruments (continued)

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Trade and other payables are classified as financial liabilities at amortised costs.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances. These are initially and subsequently recorded at fair value plus any transaction costs and subsequently measured at amortised cost.

1.5 Tax

Current tax assets and liabilities

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

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

Deferred tax assets and liabilities

No deferred taxation is provided.

Tax expenses

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

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

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

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

1.6 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

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

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

1.7 Inventories

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Accounting Policies

1.7 Inventories (continued)

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.8 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.

Ordinary shares are classified as equity.

1.9 Employee benefits

Short-term employee benefits

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

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.10 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable.

Revenue from levies charged in the timeshare scheme is recognised when all the following conditions have been satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- 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.

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

1.11 Borrowing costs

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

1.12 Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating the interest on that instrument over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the instrument.

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Notes to the Annual Financial Statements

Figures in Rand

2016

2015

2. Investment property

	2016			2015		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	1	-	1	1	-	1

Details of property

Bantry Court

The property consists of 36 units in the building known as Bantry Court situated at 44A Victoria Road, Bantry Bay, Cape Town

- Purchase price	3 527 869	3 527 869
- Additions since purchase	356 703	356 703
- Fair value adjustment	(3 884 571)	(3 884 571)
	1	1

The investment has no economic value to Bantry Court Share Block Limited and is therefore carried at a nominal value.

Consequently no valuation has been performed and no further disclosure regarding the fair value (in terms of IFRS 13: Fair value measurement) has been deemed necessary.

3. Loans to (from) shareholders

Loans from shareholders	(4 830 468)	(4 830 468)
The loans are unsecured and interest free, in terms of Article 10 of the Articles of Association, the loans are only repayable if authorised by a Special Resolution or if the company is wound up. The terms of the repayment are therefore not fixed.		
Loans to shareholders	4 830 468	4 830 468
The loans are unsecured and interest free.		
	-	-
Non-current assets	4 830 468	4 830 468
Non-current liabilities	(4 830 468)	(4 830 468)
	-	-

Credit quality of loans to shareholders

The loans to shareholders are effectively off-set by the loans from shareholders. The credit quality is therefore directly related to these loans being the same monetary amounts and effectively yielding a zero net balance.

Fair value of loans to and from shareholders

The fair value of the loans could not be reliably ascertained as the future cash flows could not be reliably determined.

Credit risk of loans to shareholders

The credit risk is directly related to the loans receivable and loans payable being the same monetary amounts and effectively yielding a zero net balance. Credit risk is therefore negligible.

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
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4. Inventories

Consumables	295 375	295 346
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Inventories to the value of R 136 812 (2015: R125 111) have been written off during the year and included in the statement of comprehensive income.

5. Trade and other receivables

Trade receivables	62 183	142 517
Prepayments	44 611	12 533
Value Added Tax	103 722	115 051
Sundry debtors	42 814	17 094
	<u>253 330</u>	<u>287 195</u>

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired are evaluated by management on an ongoing basis. In assessing the credit quality of customers, management takes into account their financial position, past experience and other factors.

Fair value of trade and other receivables

Trade and other receivables are carried at amortised cost, with the fair value being approximated by such cost.

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 December 2016, R 47 675 (2015: R 112 373) were past due but not impaired.

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

1 month past due	843	2 287
2 months past due	822	2 502
3 months past due	<u>46 010</u>	<u>107 584</u>
	<u>47 675</u>	<u>112 373</u>

Credit risk

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The company has a lien over all owners' shares as security for the due payment of levies. Other than this the company does not hold any collateral as security.

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	5 798 417	6 004 462
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Fair value of cash and cash equivalents

Due to the short-term nature of cash and cash equivalents, the carrying amount is deemed to approximate fair value.

Credit quality of cash at bank and short term deposits, excluding cash on hand

Bank balances are held with reputable financial institutions of high credit standing.

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
7. Share capital		
Authorised		
8 670 Ordinary shares of R0.20 each	1 734	1 734
Issued		
8 670 Ordinary shares of R0.20 each	1 734	1 734
8. Trade and other payables		
Trade payables	28 537	61 236
Amounts received in advance	3 652 692	3 952 749
Other payables	81 407	335 951
Accrued expenses	125 883	531 005
Payroll accruals	78 528	74 199
	3 967 047	4 955 140
Fair value of trade and other payables		
Trade and other payables are carried at amortised cost, with the fair value being approximated by such cost.		
9. Revenue		
Levy income	9 280 132	8 629 292
10. Operating profit (loss)		
Operating profit (loss) for the year is stated after accounting for the following, amongst others:		
Auditor's remuneration - external		
Audit fees	91 684	85 474
Employee costs		
Salaries, wages, bonuses and other benefits	2 374 381	2 160 278
Leases		
Operating lease charges		
Premises	90 921	86 800
11. Investment income		
Interest income		
Bank	384 893	299 661
Levy interest	96 082	98 177
Total interest income	480 975	397 838

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
12. Taxation		
Major components of the tax expense		
Current		
Local income tax - current period	122 585	87 338
13. Cash used in operations		
Profit before taxation	871 972	300 254
Adjustments for:		
Interest income	(480 975)	(397 838)
Changes in working capital:		
Inventories	(29)	(5 744)
Trade and other receivables	33 865	(44 051)
Trade and other payables	(988 093)	535 219
	(563 260)	387 840
14. Tax paid		
Balance at beginning of the year	19 533	(13 582)
Current tax for the year recognised in profit or loss	(122 585)	(87 338)
Balance at end of the year	(20 708)	(19 533)
	(123 760)	(120 453)
15. Commitments		
Operating leases		
Minimum lease payments due		
- within one year	97 189	219 124
- in second to fifth year inclusive	33 235	137 029
	130 424	356 153

Operating lease payments represent rentals payable by the company for certain of its equipment. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Notes to the Annual Financial Statements

Figures in Rand

2016

2015

16. Related parties

Relationships

Shareholders

Other

Members of key management

As per the share register of the Shareblock

The Body Corporate of Bantry Court

I Sacker

E L Reppert

D S Cameron

E M Strickland

J W Maree

A M Andrews

Related party balances

Loan accounts - Owing (to) by related parties

Shareholders' loans

(4 830 468)

(4 830 468)

Shareholders' loans

4 830 468

4 830 468

The Body Corporate of Bantry Court

9 919

(14 389)

Compensation to directors and other key management

Short-term employee benefits

246 800

254 358

17. Directors' emoluments

Executive

2016

I Sacker

Emoluments

49 932

Total

49 932

E L Reppert

40 732

40 732

D S Cameron

40 732

40 732

E M Strickland

49 932

49 932

J W Maree

65 472

65 472

246 800

246 800

2015

I Sacker

Emoluments

58 254

Total

58 254

E L Reppert

30 732

30 732

D S Cameron

30 732

30 732

E M Strickland

58 254

58 254

J W Maree

76 386

76 386

254 358

254 358

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Notes to the Annual Financial Statements

Figures in Rand

2016

2015

18. Risk management

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the company consists of debt, which includes the borrowings (excluding derivative financial liabilities) disclosed in notes 3 cash and cash equivalents disclosed in note 6, and equity as disclosed in the statement of financial position.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Interest rate risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors.

All cash reserves are held with First National Bank Limited, resulting in a concentration of credit risk. This is mitigated by the high credit standing of First National Bank Limited.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

19. Events after the reporting period

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

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Detailed Income Statement

Figures in Rand	Note(s)	2016	2015
Revenue			
Levy income		9 280 132	8 629 292
Other operating income			
Recoveries		194 261	181 938
Other income		2 413	2 198
Reversal of accrued expenses		470 873	-
		667 547	184 136
Other operating gains (losses)			
Profit on sale of property, plant and equipment		1 750	2 813
Expenses (Refer to page 25)		(9 558 432)	(8 913 825)
Operating profit (loss)	10	390 997	(97 584)
Investment income	11	480 975	397 838
Profit before taxation		871 972	300 254
Taxation	12	(122 585)	(87 338)
Profit for the year		749 387	212 916

Bantry Court Share Block Limited

(Registration number 1926/002856/06)

Annual Financial Statements for the year ended 31 December 2016

Detailed Income Statement

Figures in Rand	Note(s)	2016	2015
Other operating expenses			
Administration and management fees		(405 888)	(378 663)
Auditors remuneration - external auditors	10	(91 684)	(85 474)
Bad debts		(40 083)	(11 525)
Bank charges		(25 466)	(22 167)
Body corporate levies		(4 440)	(4 380)
Cleaning		(1 440 415)	(1 304 711)
Commission paid		(86 590)	(78 089)
Consulting and professional fees - legal fees		(7 024)	-
Derecognition of property, plant and equipment		(763 901)	(923 446)
Employee costs		(2 374 381)	(2 160 278)
Fire and evacuation equipment		(60 822)	(65 000)
General expenses		(100)	(100)
Guest supplies		(214 922)	(182 744)
Insurance		(109 663)	(105 155)
Laundry		(323 713)	(285 712)
Lease rentals on operating lease		(90 921)	(86 800)
Motor vehicle expenses		(42 935)	(33 522)
Municipal expenses		(959 693)	(753 667)
Parking		(21 731)	(153 172)
Postage		(2 489)	(3 305)
Printing and stationery		(70 407)	(73 994)
Refreshments		(59 091)	(54 935)
Repairs and maintenance		(1 595 134)	(1 419 388)
Replacement costs		(36 547)	(45 693)
Security		(399 159)	(366 050)
Staff awards		(3 712)	(4 088)
Subscriptions		(23 548)	(23 729)
Telephone and fax		(82 079)	(81 448)
Television licence		(7 657)	(7 729)
Television subscriptions		(127 068)	(108 209)
Towels and linen		(46 470)	(41 293)
Training		(11 283)	(17 561)
Travel - local		(21 245)	(22 632)
Uniforms		(8 171)	(9 166)
		(9 558 432)	(8 913 825)

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2016

The following information does not form part of the audited Annual Financial Statements and is unaudited

TRADITIONAL BALANCE SHEET

	2016	2015
ASSETS		
Non-Current Assets		
Investment property	94 030 000	94 030 000
Property, plant and equipment	2 074 210	2 225 354
	96 104 210	96 255 354
Current Assets		
Inventories	295 375	295 346
Current tax receivable	20 708	19 533
Trade and other receivables	253 330	286 895
Cash and cash equivalents	5 978 417	6 004 462
	6 547 830	6 606 236
TOTAL ASSETS	102 652 040	102 861 590
EQUITY AND LIABILITIES		
Equity		
Share capital	1 734	1 734
Retained income	93 852 791	93 074 547
	93 854 525	93 076 281
Liabilities		
Non-Current Liability		
Loans from shareholders	4 830 468	4 830 468
Current Liabilities		
Current tax payable	–	–
Trade and other payables	3 967 047	4 954 840
	3 967 047	4 954 840
TOTAL LIABILITIES	8 797 515	9 785 308
TOTAL EQUITY AND LIABILITIES	102 652 040	102 861 590

TRADITIONAL INCOME STATEMENT

	2016	2015
Revenue		
Levy Income	9 280 132	8 629 292
Other Income		
Gains on disposal of assets	1 750	2 813
Interest received	480 975	397 838
Recoveries	194 261	181 557
Revelal of accrued expenses	470 873	-
Other income	2 413	2 579
	1 150 272	584 788
Operating expenses		
Administration and management fees	405 888	378 663
Assessment rates	550 845	344 582
Auditors remuneration	91 684	85 484
Bad debts	40 083	11 525
Bank charges	25 466	22 167
Cleaning	1 440 415	1 304 711
Credit card commission	86 590	78 089
Depreciation	727 565	776 585
Employee costs	2 370 053	2 160 278
Guest supplies	214 922	182 744
Insurance	109 663	105 155
Laundry	323 713	285 712
Lease rentals on operating lease	90 921	86 800
Legal expenses	7 024	-
Motor vehicle expenses	42 935	54 919
Parking	21 731	153 172
Postage	2 489	3 305
Printing and stationery	70 407	73 994
Recycling costs	20 250	19 800
Repairs and maintenance	1 595 134	1 397 992
Replacement costs	36 547	45 693
Security	399 159	366 050
Staff welfare	23 166	30 814
Subscriptions	31 205	31 458
Sundry expenses	136 261	137 439
Telephone and fax	82 079	68 416
Television subscription	127 068	108 209
Towels and linen	46 470	41 293
Travel	21 245	22 632
Utilities	388 597	389 285
	9 529 576	8 766 964
Profit before taxation	900 828	447 115
Taxation	122 585	87 338
Profit for the year	778 243	359 778
Accumulated profit brought forward	93 074 548	92 714 770
Accumulated profit carried forward	93 852 791	93 074 548

The above supplementary information is unaudited

SUPPLEMENTARY INFORMATION

	2016	2015
Employee costs	2 370 053	2 160 278
Staff salaries	2 089 643	1 855 654
Directors' remuneration	229 300	253 358
Medical aid	43 524	39 966
Workmen's compensation	7 585	11 300
Printing & stationery	70 407	73 994
Printing	60 154	32 622
Stationery	10 253	41 372
Repairs & maintenance	1 590 683	1 397 992
Building maintenance	1 448 274	1 161 985
Computer maintenance	23 336	24 398
Elevator maintenance	22 000	22 627
Office equipment maintenance	828	-
Other		78 613
Pest control	11 357	10 629
Pool maintenance	9 254	8 500
Telephone maintenance	1 340	500
Television & satellite maintenance	74 293	90 739
Staff welfare	23 166	30 814
Staff training	11 283	17 561
Staff awards	3 712	4 088
Uniforms	8 171	9 166
Sundry expenses	136 261	137 439
Autopagers	11 809	13 031
Body corporate levies	4 440	4 380
Fire and evacuation equipment	60 822	65 000
Refreshments & AGM costs	59 091	54 935
Sundry	100	92
Utilities	388 597	389 285
Electricity	336 000	312 000
Refuse removal	14 597	13 385
Sewerage	20 000	33 000
Water	18 000	30 900

The above supplementary information is unaudited



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