

**Knysnadoc Investment Holdings (Pty) Ltd  
(Registration number 2003/020630/07)**

**Abridged Financial statements  
for the year ended 28 February 2014**

The financial statements were prepared by:  
Z Liebenberg (Chartered Accountant S.A.)

The financial statements were audited by:  
MeyerOtto Incorporated  
Registered Auditors

These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Published date 21 July 2014

The complete set of annual financial statements can be obtained from the company's web site.

**Knysnadoc Investment Holdings (Pty) Ltd**  
**Financial Statements for the year ended 28 February 2014**

**Directors' Report**

---

The directors have pleasure in submitting their report on the financial statements of Knysnadoc Investment Holdings (Pty) Ltd for the year ended 28 February 2014.

**1. Nature of business**

Knysnadoc Investment Holdings (Pty) Ltd was incorporated in South Africa and is engaged in investment in property and property development projects.

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

**2. Review of financial results and activities**

The financial statements have been prepared in accordance with 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.

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

**3. Share capital**

<b>Authorised</b>			<b>2014</b>	<b>2013</b>
Ordinary shares			<b>Number of shares</b>	<b>Number of shares</b>
			1,500,000	1,500,000
<b>Issued</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
Ordinary shares	<b>R</b>	<b>R</b>	<b>Number of shares</b>	<b>Number of shares</b>
	10,151,423	10,158,923	436,817	436,308

Refer to note of the financial statements for detail of the movement in authorised and issued share capital.

**4. Authority to buy back shares**

At the last annual general meeting held on 19 October 2013, shareholders gave the directors a general approval in terms of section 48 of the Companies Act 71 of 2008, by way of special resolution, for the acquisition of its own shares. This general approval is valid only until the next annual general meeting.

1,800 shares were repurchased at an average price of R20 per share during the current year in terms of this general approval.

**5. Dividends**

The company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the board may consider a special dividend, where appropriate. The company's policy is that 33% of the profit should be declared as a dividend if the company has sufficient funds to cover its operating expenses.

Final dividend of 47 cents per share was approved by the board on 02 August 2013 of the year ended 28 February 2013. The dividends were paid to shareholders recorded in the register of the company at close of business on 30 September 2013.

The local dividends tax rate is 15%. The company has no STC credit available.

**Knysnadoc Investment Holdings (Pty) Ltd  
Financial Statements for the year ended 28 February 2014**

**Directors' Report**

---

**6. Directors**

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

<b>Directors</b>	<b>Changes</b>
Johan Olivier	
Wilco Eloff	
Jayaseelan Moodliar	Resigned 19 October 2013
Mohan Narran	
Alfred Anthony Da Costa	Appointed 19 October 2013

**7. Events after the reporting period**

The Pinnacle Point property was sold after year end for R763,000 including VAT. The proceeds was used to reduce the outstanding bond over the property and the company had to pay an additional R640,159 to ABSA to pay off the bond account.

**8. Auditors**

MeyerOtto Incorporated continued in office as auditors for the company for 2014.

**Knysnadoc Investment Holdings (Pty) Ltd**  
**Financial Statements for the year ended 28 February 2014**

**Statement of Financial Position as at 28 February 2014**

	Note(s)	2014 R	2013 R
<b>Assets</b>			
<b>Non-Current Assets</b>			
Investment property		17,400,575	17,476,890
Property, plant and equipment		3,975	6,244
Other financial assets		24,035	22,035
Deferred tax		58,811	44,380
Investment in artwork		450,000	450,000
		<b>17,937,396</b>	<b>17,999,549</b>
<b>Current Assets</b>			
Other financial assets		2,937,776	2,937,776
Trade and other receivables		204,129	180,201
Cash and cash equivalents		3,244,666	509,896
		<b>6,386,571</b>	<b>3,627,873</b>
<b>Total Assets</b>		<b>24,323,967</b>	<b>21,627,422</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital		10,151,423	10,158,923
Retained income		6,055,964	5,438,717
		<b>16,207,387</b>	<b>15,597,640</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Other financial liabilities		6,455,979	4,289,591
Deferred tax		1,012,461	951,700
		<b>7,468,440</b>	<b>5,241,291</b>
<b>Current Liabilities</b>			
Other financial liabilities		409,863	599,455
Current tax payable		149,562	53,780
Trade and other payables		64,707	135,256
Dividend payable		24,008	-
		<b>648,140</b>	<b>788,491</b>
<b>Total Liabilities</b>		<b>8,116,580</b>	<b>6,029,782</b>
<b>Total Equity and Liabilities</b>		<b>24,323,967</b>	<b>21,627,422</b>

**Knysnadoc Investment Holdings (Pty) Ltd**  
**Financial Statements for the year ended 28 February 2014**

**Statement of Comprehensive Income**

	Note(s)	2014 R	2013 R
Revenue		2,183,429	1,565,717
Other income		55,481	-
Operating expenses		(625,211)	(584,181)
<b>Operating profit</b>		<b>1,613,699</b>	<b>981,536</b>
Investment revenue		3,442	1,857
Fair value adjustments		(74,316)	2,000
Finance costs		(307,872)	(212,732)
<b>Profit before taxation</b>		<b>1,234,953</b>	<b>772,661</b>
Taxation		(413,001)	(211,330)
<b>Profit for the year</b>		<b>821,952</b>	<b>561,331</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>821,952</b>	<b>561,331</b>

**Knysnadoc Investment Holdings (Pty) Ltd**  
**Financial Statements for the year ended 28 February 2014**

**Statement of Changes in Equity**

	Share capital	Share premium	Total share capital	Retained income	Total equity
	R	R	R	R	R
<b>Balance at 01 March 2012</b>	<b>436,308</b>	<b>9,722,615</b>	<b>10,158,923</b>	<b>4,877,386</b>	<b>15,036,309</b>
Profit for the year	-	-	-	561,331	561,331
Other comprehensive income	-	-	-	-	-
<b>Movement in deferred tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>561,331</b>	<b>561,331</b>
<b>Balance at 01 March 2013</b>	<b>436,308</b>	<b>9,722,615</b>	<b>10,158,923</b>	<b>5,438,717</b>	<b>15,597,640</b>
Profit for the year	-	-	-	821,952	821,952
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>821,952</b>	<b>821,952</b>
Purchase of own shares	(1,491)	(34,009)	(35,500)	-	(35,500)
Issue of shares	2,000	26,000	28,000	-	28,000
Dividends	-	-	-	(204,705)	(204,705)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>509</b>	<b>(8,009)</b>	<b>(7,500)</b>	<b>(204,705)</b>	<b>(212,205)</b>
<b>Balance at 28 February 2014</b>	<b>436,817</b>	<b>9,714,606</b>	<b>10,151,423</b>	<b>6,055,964</b>	<b>16,207,387</b>

Note(s)

**Knysnadoc Investment Holdings (Pty) Ltd**  
**Financial Statements for the year ended 28 February 2014**

**Statement of Cash Flows**

	Note(s)	2014 R	2013 R
<b>Cash flows from operating activities</b>			
Cash receipts from customers		2,214,982	1,973,106
Cash paid to suppliers and employees		(693,491)	(565,719)
Cash generated from operations		1,521,491	1,407,387
Interest income		3,442	1,857
Tax paid		(270,888)	(174,285)
<b>Net cash from operating activities</b>		<b>1,254,045</b>	<b>1,234,959</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		-	(6,807)
Purchase of investment property		-	(1,915,485)
Sale of financial assets		-	37,189
<b>Net cash from investing activities</b>		<b>-</b>	<b>(1,885,103)</b>
<b>Cash flows from financing activities</b>			
Reduction of share capital or buy back of shares		(7,500)	-
Proceeds from financial liabilities		1,976,794	1,191,629
Dividends paid		(180,697)	-
Finance costs		(307,872)	(212,732)
<b>Net cash from financing activities</b>		<b>1,480,725</b>	<b>978,897</b>
<b>Total cash movement for the year</b>		<b>2,734,770</b>	<b>328,753</b>
Cash at the beginning of the year		509,896	181,143
<b>Total cash at end of the year</b>		<b>3,244,666</b>	<b>509,896</b>