Durban Marine Theme Park (Pty) Ltd
Trading as
uShaka Marine World
Annual Report

B SUSTAINABILITY & HUMAN RESOURCES REPORT

1 THE GUESTS

uShaka's macro marketing strategy is geared towards ensuring that it develops a sustainable and incremental flow of feet to the Park which in turn leads to financial sustainability. In order to do this, the park needs to continue to get repeat visitation from its existing customer base, as well as attract new guests via targeted strategies to open up new channels and markets. There are many market channels and segments that can grow the footfall of the Park – to ensure that uShaka exceeds the 1 million footfall milestone and beyond.

The Black Market is one of the key segments where uShaka will focus its efforts in the coming years. Traditionally, the black market, for various reasons, have not adopted the Park as much as other markets – with around 10% - 20% out-of-season, and not more than 25% in-season. This market will be targeted using a "black market ambassador", events and promotions designed to attract the black market, and a focus on different attractions that appeal to this market. Media spend in this market will be increased, as well as a focus on building relationships with key stakeholders.

The Regional Markets of the North and South Coast will form another target for the current year and beyond. More funds have been allocated in order to expand the Regional market to include inland Areas of Pietermaritzburg, and its surrounds and other players within the Durban tourism sector have been invited to collaborate on this initiative. The regional market strategy will be extended to areas outside of KwaZulu Natal, including Soweto (coupling the efforts of the Black Market Strategy referred to above), the Free State and Mpumalanga.

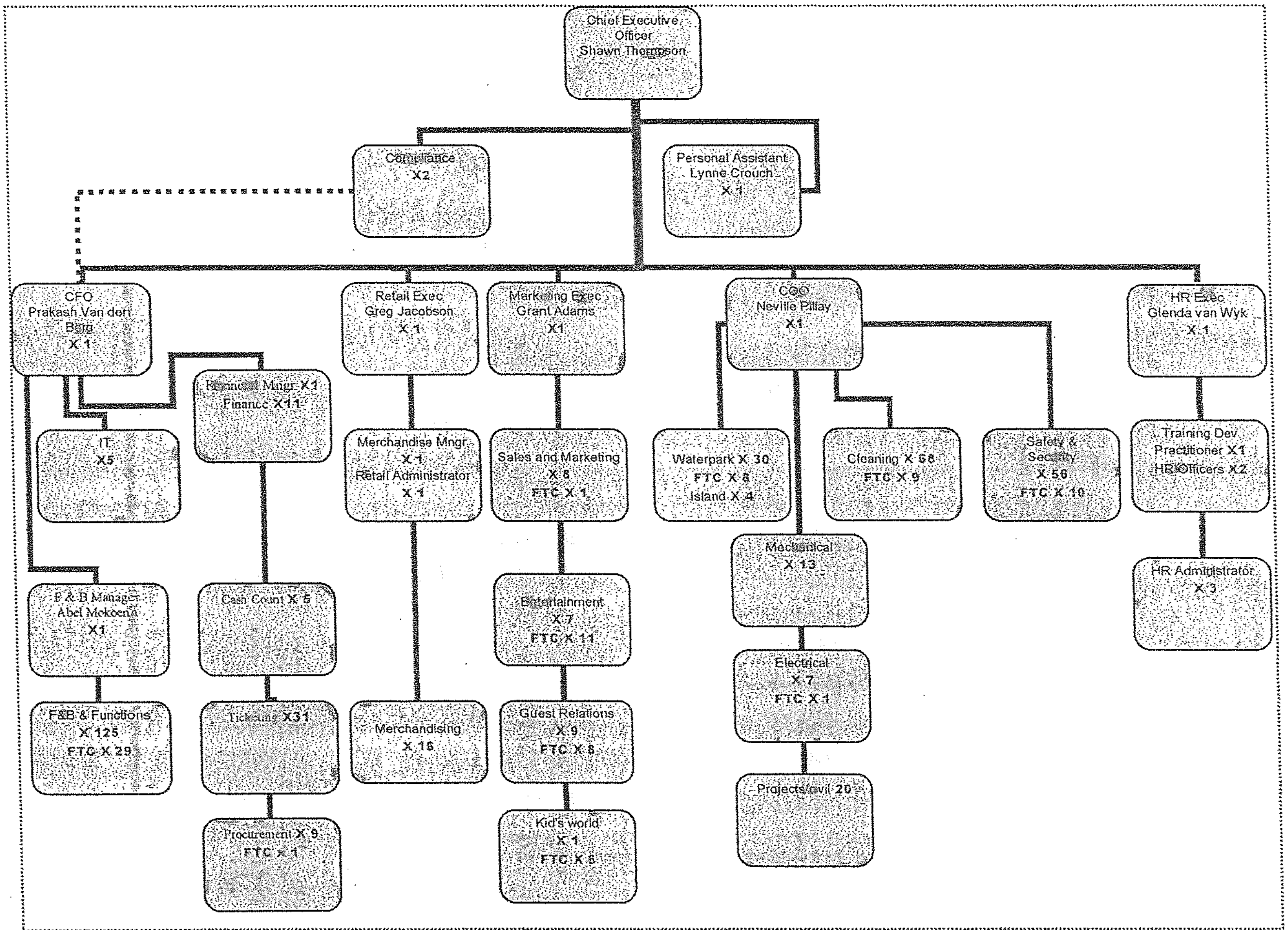
Furthermore, the SADC countries, particularly the Southern Regions, will form a drive for the Park due to the propensity of markets outside of SA to travel to SA. This will be targeted via packaged groups through packaged tours via travel agents, as well as partnering with Tourism KZN, Durban Tourism, and SA Tourism at travel expeditions.

The frequent visitor market is targeted via the annual Platinum Pass and following good growth over the last two years, further growth will be pursued in the years ahead. The objective is to double the current base of approximately 10 000 pass holders within two years and as part of this strategy new types of pass with be added to the annual pass offering.

uShaka Marine World
Annual Report

2 HUMAN RESOURCES

2.1 Organogram Structure and Headcount



The total number of permanent staff was 444 and contract employees were 84

- The Headcount has been carefully monitored to ensure effective workforce planning. A combination of permanent hourly paid and permanent guaranteed salaries have contributed to better utilization of human resources and allowed flexible scheduling of staff during off season.

- Various changes have been made to the organogram to ensure a lean structure. At executive level, one position has been made redundant. This resulted in job enlargements in this category and multi-skilling for succession planning purposes.

- A critical analysis of various departments was undertaken. In some instances, positions have been made redundant. Job losses were minimal as staff was offered alternative positions, where possible.

2.2 Training and Development

- The total amount spent on training was R760 865.

- A total number of training days for the period July 2010 to July was 1 825.

- Training spent as a percentage of payroll was 1.5%

- An amount of R294 645 was received from the SERVICES SETA

In October 2010 uShaka accommodated ten Interns from Service SETA for a period of six months. During May 2011, two interns were employed on a permanent basis. Six intern contracts were extended for another six months. In addition, uShaka is hosting eight interns from the Tourism Ambassador Programme, for a period of one year.

In the period of July 2010 – June 2011, uShaka offered bursaries to six staff members. Their fields of studies are as follows:
1) Office & Computer Administration;
2) Sales & Marketing;
3) Refrigeration & Air-conditioning;
4) Safety Management & Training;
5) Graphic Designing courses.

2.3 Employment Equity

A total no of 429 Historically Disadvantaged staff are employed at uShaka marine world. In terms of percentage against total staff, it results in 97 % equity.

There are challenges in the employment of people with disabilities and all efforts are made to improve on this category.

With the appointment of Chief Operating Officer on the First of July, the equity target for Historically Disadvantage Individuals will be in line with the targeted percentage.

Proposed Designated Group ("DG") Staff Profile								
Staff	Total	%	Proposed Designated Group %			Total Designated Group Work Force		
Category		Staff	Target	Actual	Var	Proposed	Actual	Var
TM	5	1.1%	43%	40%	-3%	**3**	2	-1
SM	11	2.5%	67%	55%	-12%	**9**	6	-3
MM	22	5.0%	95%	90%	-5%	**15**	19	4
T/P	83	18.7%	93%	95%	2%	**86**	79	-7
SS	214	48.2%	97%	100%	3%	**212**	214	-1
WF	109	24.5%	100%	100%	0%	**100**	109	9
Total:	444	100.0%				**425**	429	

2.4 Retention

Quarterly feedback is provided to the Remuneration Committee and statistics analyzed against agreed targets.

The company turnover percentage was 18 % - better than the previous year of 23%.

Staff	Total		Termination	
Category	HC	Target %	Actual	Ytd
TM	5	Less than 20%	0	20.00%
SM	11	Less than 20%	0	18.18%
MM	22	Less than 20%	2	24.52%
T/P	83	Less than 20%	4	35.99%
SS	214	Between 5-25%	10	23.48%
WF	109	Between 5-25%	2	9.28%
Total:	444		**18**	
Overall		Less than 25%		18%

2.5 Unionisation

uShaka has a recognition agreement with UASA. 323 staff belong to the Union.
The company has signed a collective agreement to increase overtime during the months of December and January from the 40 hours per month to 60 hours.

UNION MEMBERSHIP JUNE 2011

Departments	Headcount	Union
R&M	41	31
Guest Services	10	17
Safety	56	52
Procurement	9	4
Cleaning	68	58
HR	7	1
Finance	15	6
Cash Office	5	2
Marketing	9	0
Entertainment	7	4
Water Park	34	31
IT	5	2
Office Management	2	0
Merchandise	19	14
Food & Beverage	126	79
Ticketing	31	22
Total	**444**	**323**

2.6 Benchmarking and Salary Scale

A detailed benchmarking exercise was undertaken and all positions have been graded using the Peromnes grading system as a base. In addition to that, a salary scale was designed for uShaka to address internal inequalities and salary adjustments have been implemented taking affordability into account.

3 RISK MANAGEMENT

A comprehensive risk management framework is essential for long term survival and in this regard, uShaka has embraced the overall risk philosophy being driven by the shareholder. Under the auspices of the board, a risk culture is being pursued along three main fronts:

3.1 Operational Risk

uShaka Marine World has adopted and implemented Ethekwini Municipality's risk and management framework and policy. A risk register is in place and reviewed on an annual basis. The risk register is further categorized and managed at a departmental level and reviewed on a monthly basis. The risk assessment process includes an analysis of risks that have impact on the company by top management whereby the likelihood and impact are a basis for determining how they should be managed. Risks are assessed on an inherent and a residual basis.

3.2 Fraud Risk

A fraud prevention plan and policy exists which enables management and staff to report and react to fraud related matters. The company has outsourced the "whistle blow" hotline to Tip Off Anonymous managed by Deloittes, which in the past financial year was made accessible to staff, various stakeholders and members of the public. Any reported cases are treated with the utmost confidentiality to protect the rights of both the whistle-blower and the accused.

3.3 Compliance Risk

The Board of Directors is accountable for ensuring that there Is compliance with laws applicable to the Company. The compliance team consists of two people reporting directly into the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) and assist management to enact their responsibilities in respect of complying with statutory, regulatory and supervisory requirements. The compliance department ensures that the Companies policies and procedures are implemented and adhered to and these are reviewed at least annually. Furthermore, the department monitors the implementation and corrective action to be taken by the Company as a result of weaknesses noted by the internal and external auditors.

All compliance matters that are relevant and of significance are reported promptly through to the CEO and to appropriate governance structures. Reports are submitted to the executive committee (Exco) and the Board of Directors in which key risks, major developments and compliance incidents are brought to their attention.

4. SUSTAINABILITY STRATEGY

At an operations level, the following focus areas have been identified:

4.1 Reduce, Reuse and Recycle: the basic philosophy of reducing consumption of new materials has been adopted, with efforts directed at extending the life of materials through re-use, recycling of materials with no further useful life, and purchasing of items made from recycled materials to foster demand for recycled products. uShaka Marine World has a designated sorting area where paper, cardboard, tin cans and plastics are sorted for recycling. Dedicated recycling bins have been introduced into the public areas to expose guests to the concept of recycling of waste, and in staff areas.

4.2 Electricity consumption: Energy audits are conducted, meters have been fitted and light fittings have been replaced and lamps retro-fitted to reduce consumption. Variable Speed Drives are being fitted to all Life Support System pumps, and are expected to yield a power saving of up to 30% per system. Load temperature optimization has improved efficiency of chillers, and load shifting off peak times is now applied. Process optimization and improvement of ozone systems continues to reduce consumption. The water park heaters are no longer in operation, and all geysers have heat blankets. An Energy exhibit displaying power-saving opportunities for households is being developed for the December visitor season.

4.3 Water consumption: Meters have been installed on certain pipelines to ensure accurate water usage data, water use audits are conducted, and process optimization measures implemented. All sea water pumped into Sea World is re-circulated through the Life Support Systems before being used to supplement the waterfront canal system. Fresh water used for cooling Life Support Systems is now circulated, saving 19Kl of water / 24 hours. Protein skimmer wash-downs now operate on a timer system which is monitored and evaluated regularly. Landscaping is directed towards the use of indigenous plantings, which require less water than exotics.

4.4 Transport: Staff address sheets are provided to encourage car-pooling.

4.5 Hazardous materials: Policies call for the minimization of use of toxic materials and require appropriate disposal of materials that are used. We are committed to buying and using the least hazardous materials available that will do the job, to practicing integrated pest management, and to using non-toxic or least-toxic materials. An electronic database is maintained for each controlled chemical used to allow for better chemical management, and the MSDS of chemicals are also easily available at various sites in the complex.

4.6 Training and Awareness: Staff training is essential to ensure that staff adopt environmentally friendly practices, and conservation-focussed training sessions are conducted regularly. Visitors to Sea World are also made aware of such practices through formal shows and presentations, as well as informative interpretive signage. A range of merchandise with a conservation theme has been developed for the Village Walk.

4.7 Seafood awareness and consumption: We are committed to making responsible decisions about seafood consumption, and base our seafood purchasing decisions on the best information available. We actively seek out new information and we change our animal's diets and our seafood buying practices when necessary. The management and staff of restaurants in the Village Walk have received training on responsible seafood acquisition and the Southern African Sustainable Seafood Initiative (SASSI).

4.8 Environmentally sensitive purchasing and operations practices: Business operations and buying decisions can have a positive environmental impact, can change public perception, and can help create markets for environmentally benign products and services. Planning for capital projects includes consideration of conservation impacts and the design of conservation features into the projects. We encourage employees to find new and better products, and operating procedures that will conserve resources more effectively.

4.9 Noise minimisation: Within the constraints of the public presentations, we endeavour to ensure that all operations are conducted with due consideration of the negative impact of loud noise in the facility. The noise level is monitored regularly and the impact of 'noise pollution' has been addressed.

4.10 Air Quality: We are committed to ensuring that the air in the park is of a good quality. Efforts are made to limit the use of air-conditioners and use natural air in offices, and the air quality in the theme park is assessed through regular monitoring. The park is largely 'smoke free'.

4.11 General societal contributions: The staff of uShaka participate in dozens of initiatives which seek to improve societal commitment to "green" activities. These include planting indigenous trees for shelter and fruit trees at rural schools, beach clean-ups, Beachwood mangrove clean-ups, and river clean-ups in Umlazi. A Green Team has been established, comprising of staff from throughout the theme park, and is responsible for making recommendations to senior management which may improve the environmental impact of our operations. The forum meets monthly to set goals, monitor progress and ensure the implementation of initiatives.

5 CHARITIES

Over the year uShaka granted in excess of 3000 discounted tickets to over 40 charitable organisations. These ranged from well-known national entities (eg Reach for a Dream, SANCA and SPCA), down to entities located within the area, such as special schools and orphanages.

Durban Marine Theme Park (Pty) Ltd
Annual Financial Statements
for the year ended 30 June 2011

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

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

Accounting officer's approval

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

I am responsible for the preparation of these annual financial statements, set out on pages 29 to 63,in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Durban Marine Theme Park (Pty) Ltd on 31 August 2011 :

G J Whiteford
Accounting officer / CEO

Report of the Auditor General

To the Provincial Legislature of Durban Marine Theme Park (Pty) Ltd

Report on the financial statements for the year ended June 2011

To be finalised in November 2011

Auditor General SA

Directors' Report

The directors submit their report for the year ended 30 June 2011.

1. Statement of Directors' Responsibilities

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with the South African Statements of Generally Accepted Accounting Practice (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board, with the prescribed Standards of Generally Recognised Accounting Practice (GRAP) issued by the Accounting Standards Board replacing the equivalent GAAP Statement.

The directors are also responsible for the company's systems of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future, especially in light of the conversion of shareholder loan to equity and the financial support from the parent municipality as disclosed in note 16.

2. Nature of business

The company is defined as a Municipal Entity as it is controlled by the eThekwini Municipality. As part of an urban regeneration project for the Point Precinct in Durban, the company has developed a large marine theme park situated on the beachfront in the Point Precinct.

This marine theme park which trades as uShaka Marine World is the sole operation of the company and commenced operations on 30 April 2004 . uShaka Marine World comprises four main components, being:

- an Oceanarium, known as SeaWorld;
- a Waterpark, known as Wet 'n Wild;
- a Retail Shopping Mall known as Village Walk;
- a kids playground, known as uShaka Kids World.

3. Management agreement

The company entered into a ten year contract with High Footprint Management (Pty) Ltd (name changed during the year under review from uShaka Management (Pty) Ltd), expiring on 31 March 2013 in terms of which High Footprint Management (Pty) Ltd are responsible for the management and operations of uShaka Marine World. HFM in conjunction with their international partners have extensive expertise and experience in theme park management. In terms of this contract, all staff who work at uShaka Marine World, with the exception of those employed by The South African Association for Marine Biological Research (SAAMBR) are employed by High Footprint Management (Pty) Ltd but the entire cost of such staff is borne by the company.

The company has also entered into a long term agreement with SAAMBR, in terms of which SAAMBR are responsible for the operations of SeaWorld. Until 30 June 2007 the company reimbursed SAAMBR for all costs incurred by it in the performance of those obligations, including the costs of staff employed for that purpose. Effective 1 July 2007 the funding arrangements between the company and SAAMBR changed and notwithstanding contractual obligations the company does not fund SAAMBR expenses for the time being.

4. Financial results of the company

The financial statements from pages 32 to 64 set out fully the financial position and results of operations and cash flows of the company for the period ended 30 June 2011. Pages 65 to 69 do not form part of the audited financial's however are included as additional information.

No dividends have been declared during the period.

Directors' Report

5. **Share capital**

The authorised share capital of the company is 10,000 shares of R1,00 each.

The issued share capital increased by 124 shares via allotment of shares to eThekwini Municipality on 26 May 2011 at a premium of R96,733 share, totaling R12,000,000.

At 30 June 2011 the company had issued 9,385 shares for a total value of R872,994,927.

6. **Directors'**

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

Name	Resignations
G J Whiteford (Director - appointed 14 March 2003)	
(Accounting Officer / CEO - appointed 20 June 2008)	
H C Rudham (appointed 16 November 2004)	
J T Russell (Director - appointed 8 April 2005)	
(Chairman - appointed 28 May 2010)	
B J Mtembu (appointed 8 April 2005)	
T V Norman (appointed 8 April 2005)	Resigned 24 January 2011
S Pillay (appointed 8 April 2005)	
J H de Villiers Botha (appointed 3 December 2001)	
R E Rees (appointed 14 August 2009)	
B D Rebeck (Alternate - appointed 23 April 2002)	Resigned 17 May 2011
R Turner (Alternate - appointed 5 May 2011)	

7. **Secretary**

The secretary of the entity is DLD Marigny , whose details are:

Business address

Ground Floor The Marine
22 Dorothy Nyembe street
Durban
4000

Postal address

P.O BOX 5478
Durban
4000

8. **Non voting municipal representatives**

J Nxumalo (Mayor)

M Sutcliffe (Municipal Manager)

9. **Directors' interest in contracts**

H.C. Rudham is a director of Mbatha Walters & Simpson, which are appointed as sub-consultant to Boogertman & Partners.
R.E. Rees represents Development Bank of South Africa (DBSA) on the board. At June 2011 the following balances relate to DBSA, Debentures & interest of R 95,197,546 (Refer to note 15).

Directors' Report

10. Corporate governance

Attendance of meetings

The board has met on 4 separate occasions during the financial year. The board schedules to meet at least 4 times p annum.

Name	Finance Committee	Remuneration Committee	Policy & Strategy	Board
Total number of meetings held	3	4	3	4
G J Whiteford	2	3	3	3
H C Rudham	A	A	1-B	3
J T Russell	2	3	3	3
B J Mtembu	A	A	C	3
T V Norman	A	C&D	A	1-D
S Pillay	A	A	2	2
J H de Villiers Botha	3	4	3	4
R E Rees	3	4	2	3
B D Rebeck (Alternate to H C Rudham)	A	A	A	C

A - indicates that attendance is not applicable as the director is not a member of the committee.
B - indicates that the member is not compelled to attend.
C - indicates that the member did not attend.
D - indicates that the member resigned before this meeting.

11. Controlling entity

The entity's controlling entity is eThekwini Municipality which owns 9384 of the 9385 issued shares (99.99%).

12. Directors' approval

Statement of Financial Position

Figures in Rand	Note	2011	2010
Assets			
Current Assets			
Inventories	2	3,747,891	3,827,544
Trade and other receivables	3	1,679,916	2,277,556
VAT receivable	4	-	747,030
Cash and cash equivalents	5	37,416,610	26,752,197
		42,844,417	**33,604,327**
Non-Current Assets			
Investment property	6	76,309,180	78,831,345
Property, plant and equipment	7	424,659,883	448,969,056
Intangible assets	8	670,550	1,082,523
Deferred income	9	7,515,468	5,203,838
		509,155,081	**534,086,762**
Total Assets		**551,999,498**	**567,691,089**
Liabilities			
Current Liabilities			
Trade and other payables	10	18,302,520	18,606,542
VAT payable	11	543,189	-
Tenant rental deposits	12	1,486,357	1,367,976
Current portion of long term liabilities	13	641,888	674,372
		20,973,954	**20,648,890**
Non-Current Liabilities			
Debentures	14	90,733,761	83,241,983
Long term liabilities	13	3,655,837	4,258,355
		94,389,598	**87,500,338**
Total Liabilities		**115,363,552**	**108,149,228**
Net Assets		**436,635,946**	**459,541,861**
Net Assets			
Share capital / contributed capital	15	872,994,927	860,994,927
Reserves			
Loans converted to equity	16	-	1,560,293
Convertible instruments reserve	14	4,463,785	4,463,785
Accumulated deficit		(440,822,766)	(407,477,144)
Total Net Assets		**436,635,946**	**459,541,861**

Statement of Financial Performance

Figures in Rand	Note	2011	2010
Revenue		145,744,958	124,006,923
Cost of sales		(18,215,939)	(16,234,005)
Gross surplus		**127,529,019**	**107,772,918**
Other income		2,646,767	2,697,444
Operating expenses	*	(157,338,260)	(143,710,312)
Operating deficit		**(27,162,474)**	**(33,239,950)**
Investment revenue	18	1,701,622	2,453,602
Finance costs	21	(7,884,770)	(7,374,528)
Deficit for the year		**(33,345,622)**	**(38,160,876)**

Statement of Changes in Net Assets

Figures in Rand	Share capital / contributed capital	Share premium	Total share capital	Loans to be converted into equity	Convertible instruments reserve	Total reserves	Accumulated deficit	Total net assets
Opening balance as previously reported	9,055	840,985,872	840,994,927	1,759,088	4,463,785	6,222,873	(356,801,626)	490,416,174
Adjustments								
Errors affecting net assets	-	-	-	-	-	-	(12,514,642)	(12,514,642)
Balance at 01 July 2009 as restated	**9,055**	**840,985,872**	**840,994,927**	**1,759,088**	**4,463,785**	**6,222,873**	**(369,316,268)**	**477,901,532**
Changes in net assets								
Surplus for the year	-	-	-	-	-	-	(38,160,876)	(38,160,876)
Issue of shares	206	19,999,794	20,000,000	-	-	-	-	20,000,000
Repayment	-	-	-	(198,795)	-	(198,795)	-	(198,795)
Total changes	206	19,999,794	20,000,000	(198,795)	-	(198,795)	(38,160,876)	(18,359,671)
Balance at 01 July 2010	**9,261**	**860,985,666**	**860,994,927**	**1,560,293**	**4,463,785**	**6,024,078**	**(407,477,144)**	**459,541,861**
Changes in net assets								
Surplus for the year	-	-	-	-	-	-	(33,345,622)	(33,345,622)
Issue of shares	124	11,999,876	12,000,000	-	-	-	-	12,000,000
Repayment	-	-	-	(1,560,293)	-	(1,560,293)	-	(1,560,293)
Total changes	124	11,999,876	12,000,000	(1,560,293)	-	(1,560,293)	(33,345,622)	(22,905,915)
Balance at 30 June 2011	**9,385**	**872,985,542**	**872,994,927**	**-**	**4,463,785**	**4,463,785**	**(440,822,766)**	**436,635,946**
Note	15	15	15	16	14			

Cash Flow Statement

Figures in Rand	Note	2011	2010
Cash flows from operating activities			
Receipts			
Cash receipts from customers		146,342,598	128,583,810
Payments			
Cash paid to suppliers and employees		(133,805,801)	(120,889,433)
Net cash flows from operating activities	27	**12,536,797**	**7,694,377**
Cash flows from investing activities			
Purchase of property, plant and equipment	6,7&8	(11,530,661)	(37,031,860)
Proceeds from sale of property, plant and equipment		128,183	8,750
Net cash flows from investing activities		**(11,402,478)**	**(37,023,110)**
Cash flows from financing activities			
Proceeds on share issue		12,000,000	20,000,000
Loan repaid		(635,002)	(1,446,639)
Repayment of shareholders loan		(1,560,293)	(198,795)
Increase/(decrease) in tenant deposits		118,381	(22,633)
Finance costs		(392,992)	(501,337)
Net cash flows from financing activities		**9,530,094**	**17,830,596**
Net (decrease)/ increase in cash and cash equivalents		**10,664,413**	**(11,498,137)**
Cash and cash equivalents at the beginning of the year		26,752,197	38,250,334
Cash and cash equivalents at the end of the year	5	**37,416,610**	**26,752,197**

Accounting Policies

1. Presentation of Annual Financial Statements

The principal accounting policies adopted in the preparation of the financial statements are set out below and are consistent with those of the previous year.

The financial statements have been prepared in accordance with the South African Statements of Generally Accepted Accounting Practices (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board, with the effective Standards of Generally Recognized Accounting Practices (GRAP) issued by the Accounting Standards Board replacing the equivalent GAAP Statement as follows:

Standard of GRAP	Replaced Statement of IAS.
GRAP 1: Presentation of financial statements	IAS1: Presentation of financial statements
GRAP 2: Cash flow statements	IAS7: Cash flow statements
GRAP 3: Accounting policies, changes in accounting estimates and errors	IAS8: Accounting policies, changes in accounting estimates and errors
GRAP 17: Property,plant and equipment	IAS16: Property, plant and equipment
GRAP 21: Impairment of Non-Cash Generating Assets	IAS36: Impairment of assets
GRAP 26: Impairment of Cash-Generating Assets	IAS36: Impairment of assets
GRAP 25: Employee benefits	IAS19: Employee benefits
GRAP 104: Financial Instruments	IAS32: Financial instruments

Currently the recognition and measurement principles in the above GRAP and GAAP Statements do not differ or result in material differences in items presented and disclosed in the financial statements. The implementation of GRAP has resulted in the following changes in the presentation of the financial statements:

a) Terminology differences:

Standard of GRAP	Replaced Statement of GAAP
Statement of financial performance	Income Statement
Statement of financial position	Balance sheet
Statement of changes in net assets	Statement of changes in equity
Net assets	Equity
Surplus / deficit	Profit / loss
Accumulated surplus / deficit	Retained earnings
Contributions from owners	Share capital
Distribution to owners	Dividends

b) The cash flow statement can only be prepared in accordance with the direct method.

c) Specific information has been presented separately on the statement of financial position such as:
- Receivables from non-exchange transactions, including taxes and transfers;
- Taxes and transfers payable;
- Trade and other payables from non-exchange transactions;

d) Amount and nature of any restrictions on cash balances is required.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Accounting Policies

1.1 Significant judgements and sources of estimation uncertainty (continued)

Trade receivables / Held to maturity investments and/or loans and receivables

The entity assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the entity is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the entity for similar financial instruments.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the [name a key assumption] assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including [list entity specific variables, i.e. production estimates, supply demand, together with economic factors such as exchange rates and inflation interest.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note - Provisions.

Effective interest rate

The entity used the prime interest rate to discount future cash flows.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.2 Presentation of currency

These annual financial statements are presented in South African Rand and rounded to the nearest Rand..

1.3 Going concern

These annual financial statements have been prepared on a going concern basis.

Accounting Policies

1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

Initial recognition
The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at date of acquisition.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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

Property, plant and equipment comprises: - land and buildings; furniture, fittings and equipment; plant and machinery and vehicles and are included at historical cost. Cost includes all costs that are directly attributable to bringing the assets to working condition for their intended use.

Subsequent recognition
Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised during the period required to prepare and complete the asset for its intended use. Other borrowing costs are expensed.

Repairs and maintenance are expensed as and when incurred.

Motor vehicles are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

All assets, other than land and motor vehicles, are depreciated on a straight line basis over their estimated useful lives and the rates range between:

Item	**Average useful life**
Buildings and Building Structures	10-45 years
Plant and machinery	10 years
Furniture and Fittings and Equipment	2-10 years
Motor vehicles	5-7 years
Biological assets	50-85 years

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

Accounting Policies

1.4 Property, plant and equipment (continued)

Useful life and residual value is reviewed annually and the prospective depreciation is adjusted accordingly.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in income or expenditure.

Property, plant and equipment that meet the recognition criteria are stated in the statement of financial position at amortised cost, being the initial cost price less any amortisation and impairment. The entity assesses at each reporting date whether there is any indication that an asset may be impaired.

Land is not depreciated as it is deemed to have an indefinite life.

Derecognition:
Items of Property, Plant and Equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.
The entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date.

1.5 Intangible assets

An asset is identified as an intangible asset when it:
- is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, assets or liability; or
- arises from contractual rights or other legal rights, regardless whether those rights are transferable or separate from the entity or from other rights and obligations.

Initial recognition
An intangible asset is recognised when:
- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

An intangible asset acquired at no or nominal cost, the cost shall be its fair value as at the date of acquisition.

Subsequent recognition
Intangible assets that meet the recognition criteria are stated in the statement of financial position at amortised cost, being the initial cost price less any amortisation and impairment.

Amortisation is charged so as to write off the cost of intangible assets over their estimated useful lives, using the straight-line method as follows:

Item	**Useful life**
Computer software	2-7 years

Intangible assets are derecognised:
- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount. It is recognised in surplus or deficit when the asset is derecognised.

The useful lives of intangible assets are reassessed at the end of each financial year.
The entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date.

Accounting Policies

1.6 Leased assets

Leases of property, plant and equipment where the company assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalised at the estimated present value of the underlying lease payment.

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the year of the lease. When an operating lease is terminated before the lease year has expired, any payment required to be made to the lessor by ways of penalty is recognised as an expense in the year in which termination takes place.

Lease income received

Lease revenue is recognised as revenue on a straight-line basis over the lease term.

Income for leases is disclosed under revenue in statement of financial performance.

1.7 Financial instruments

Initial recognition and measurement

Recognition
Financial assets and financial liabilities are recognized on the company's statement of financial position when the company becomes a party to the contractual provision of the instrument.

Financial instruments carried on the statement of financial position include a loan, prepayments and advances, non-exchange transfers receivable, trade and other receivables from exchange transactions, cash and cash equivalents, non-exchange transfers payable, trade and other payables from exchange transactions and VAT payable. Where relevant, the particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Measurement
Financial instruments are initially measured at fair value plus any transaction costs directly attributable to the acquisition or issue of financial asset / liability. Subsequent to initial recognition, these instruments are measured as set out below.

Financial assets
The company's financial assets are cash and bank balances trade and other receivables.

Cash and cash equivalents
Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalent comprise cash on hand, deposits held with banks, and bank overdrafts.

Trade receivables
Trade receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

Financial liabilities
Trade and other payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables relate to VAT payable and accruals.
Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

Accounting Policies

1.7 Financial instruments (continued)

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Compound financial instruments
Compound financial instruments issued by the group comprise convertible debentures that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Derecognition
A financial asset or a portion thereof is derecognised when the company realises that the contractual rights to the benefits specified in the contract expire; the company surrenders those rights or otherwise loses control of the contractual rights that comprise the financial asset. On derecognition, the difference between the carrying amount of the financial asset and the sum of the proceeds receivable and any prior adjustment to reflect the fair value of the asset that had been reported in net assets is included in net surplus or deficit for the period.

Fair value considerations
The fair values at which financial instruments are carried at the reporting date have been determined using available market values. Where market values are not available, fair values have been calculated by discounting expected future cash flows at prevailing interest rates. The fair values have been estimated using available market information and appropriate valuation methodologies, but are not necessarily indicative of the amounts that could be realised in the normal course of business. The carrying amounts of financial assets and financial liabilities with a maturity of less than one year are assumed to approximate their fair value due to the short-term trading cycle of these items.

Subsequent measurement

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

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

Available-for-sale financial assets are subsequently measured at fair value. This excludes equity investments for which a fair value is not determinable, which are measured at cost less accumulated impairment losses.

Gains and losses arising from changes in fair value are recognised in equity until the asset is disposed of or determined to be impaired. Interest on available-for-sale financial assets calculated using the effective interest method is recognised in surplus or deficit as part of other income. Dividends received on available-for-sale equity instruments are recognised in surplus or deficit as part of other income when the entity's right to receive payment is established.

Accounting Policies

1.7 Financial instruments (continued)

Changes in fair value of available-for-sale financial assets denominated in a foreign currency are analysed between translation differences resulting from changes in amortised cost and other changes in the carrying amount. Translation differences on monetary items are recognised in surplus or deficit, while translation differences on non-monetary items are recognised in equity.

Loans and receivables are measured initially and subsequently at fair value, gains and losses arising from changes in fair value are included in profit or loss for the period.
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and with no intention of trading. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position.

Held to maturity

These financial assets are initially measured at fair value plus direct transaction costs.

At subsequent reporting dates these are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts. An impairment loss is recognised in surplus or deficit when there is objective evidence that the asset is impaired, and is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Impairment losses are reversed in subsequent periods when an increase in the investment'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 investment at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Financial assets that the entity has the positive intention and ability to hold to maturity are classified as held to maturity.

1.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The entity's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used to determine deferred income tax.
Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

1.9 Revenue recognition

Revenue comprises rental income, entrance and parking fees, sales of merchandise, food and beverage, sponsorship income, eventing income and interest net of Value Added Tax and discounts.
Rental income is recognised on the straight-line basis over the lease term and accordingly deferred income is raised.
Entrance and parking fees and sales of merchandise, food and beverage are recognised immediately upon receipt.
Interest, sponsorship and eventing income is recognised as it accrues (taking into account in respect of interest income, the effective yield on the asset) unless collectability is in doubt.

Accounting Policies

1.10 Provisions and contingencies

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

1.11 Inventories

Initial recognition
Inventories are initially measured at cost except where inventories are acquired at no cost, or for nominal consideration, then their costs are their fair value as at the date of acquisition.

Subsequent recognition
Subsequently inventories are measured at the lower of cost and net realisable value.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered.

Derecognition
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.

Inventories are valued at the lower of cost or net realizable value. Provision is made for slow moving goods and obsolete materials are written off. Cost is determined at invoice cost on a weighted average basis.

1.12 Foreign currency transactions

Transactions in foreign currencies are converted to South African Rand at the rate of exchange ruling at the date of the transaction.

1.13 Retirement obligations

The company reimburses High Footprint Management (Pty) Ltd for the cost of the Provident Fund maintained by it for staff who work at uShaka Marine World. All such staff are obliged to be members of the Provident Fund which is governed by the Pension Funds Act of 1956. Contributions are based on a percentage of the payroll and charged to the income statement in the year to which they relate.

1.14 Investment property

Investment property is the uShaka Village Walk Shopping Mall and comprises: - Building and Structures, Furniture, fittings and equipment. Investment property is valued at cost less accumulated depreciation. Cost includes all costs that are directly attributable to bringing the assets to working condition for their intended use.
Where items of investment property have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.
Interest costs on borrowings to finance the construction of investment property are capitalised during the period required to prepare and complete the asset for its intended use. Other borrowing costs are expensed.

All assets within investment property are depreciated on a straight line basis over their estimated useful lives and the rates range between:

• Buildings and Building Structures	10 - 40 years
• Furniture and Fittings and Equipment	3 - 10 years

1.15 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Accounting Policies

1.16 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

1.17 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.18 Share capital / contributed capital

The entity discloses agreements to perform in the future.
Disclosure of commitments should include the nature, amounts and any unusual terms and uncertainties of the commitment.

1.19 Prior period error

The entity discloses the nature of the prior period error for each prior period presented, to the extent practicable, the amount of the correction for each financial statement line item affected. The amount of the correction at the beginning of the earliest prior period presented. If retrospective restatement is impracticable, an explanation and description of how the error has been corrected.
Financial statements of subsequent periods need not repeat these disclosures.

1.20 Offsetting

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP

1.21 Share Capital

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities (note 15).
Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.
Where any group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

1.22 Budget information

Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the annual financial statements.

Notes to the Annual Financial Statements

Figures in Rand	2011	2010

2. Inventories

Merchandise	1,858,416	1,938,736
Food and Beverage	939,863	1,145,345
Consumable stores	949,612	743,463
	3,747,891	**3,827,544**

3. Trade and other receivables

Trade debtors	1,000,208	2,547,427
Deposits - Electricity eThekwini municipality	492,245	-
Debt impairment provision	(153,735)	(777,034)
Sundry debtors	80,038	92,126
Prepayments	95,691	78,124
eThekwini Municipality	165,469	336,913
	1,679,916	**2,277,556**

Trade Debtors		
Current (0 - 30 days)	728,994	734,214
31 - 60 days	76,536	226,997
61 - 90 days	14,673	559,144
Greater than 90 days	180,005	1,027,072
	1,000,208	**2,547,427**

Reconciliation of debt impairment provision		
Opening balance	(777,034)	(659,099)
Income statement movement	623,299	(117,935)
	(153,735)	**(777,034)**

Sundry debtors		
Current (0 - 30 days)	46,902	49,777
31-60 days	33,136	42,349
	80,038	**92,126**

Prepayments: will be released into the income statement over the following periods		
Current (0 - 30 days)	13,392	9,494
31 - 60 days	13,392	9,494
61 - 90 days	13,392	9,494
Greater than 90 days	55,515	49,642
	95,691	**78,124**

eThekwini Municipality		
Current	150,469	336,913
31 - 60 days	15,000	-
	165,469	**336,913**

4. VAT receivable

VAT	-	747,030

Notes to the Annual Financial Statements

Figures in Rand	2011	2010

5. Cash and cash equivalents

Cash and cash equivalents consist of:

	2011	2010
Bank balances	36,584,238	26,040,736
Cash on hand	832,372	711,461
	37,416,610	**26,752,197**

The entity had the following bank accounts

Account number/description	Bank statement balances 30 June 2011	30 June 2010	30 June 2009	Cash book balances 30 June 2011	30 June 2010	30 June 2009
FNB Durban Branch - Current bank account - 62205707732	-	1,567,516	37,434,024	-	1,567,516	37,434,024
FNB Bank Durban Branch - Retail Bank Account - 62205752282	-	359,939	129,431	-	359,939	129,431
FNB Bank Durban Branch - Schools Bank Account - 62205757068	-	191	5,425	-	191	5,425
FNB Bank Durban Branch - Overdraft Bank Account - 62205737309	-	(18)	255	-	(18)	255
Investec Bank - Business Top 5 - 50003801489	21,223,891	13,082,270	-	21,223,891	13,082,270	-
Investec Bank - Fixed deposit - 50003530849	-	3,030,838	-	-	3,030,838	-
RMB Bank Account - Call account - 100027-X021905914	2,337,821	8,000,000	-	2,337,821	8,000,000	-
Standard Bank Kingsmead Retail Bank Account A/C 050139452	201,529	-	-	201,529	-	-
Standard Bank Kingsmead School School Account A/C 050139495	8,724	-	-	8,724	-	-
Standard Bank Kingsmead Main Deposit Account A/C 050139509	2,537,097	-	-	2,537,097	-	-
Investec -Fixed Deposit 21 Day Account A/C 443362	10,275,176	-	-	10,275,176	-	-
Total	**36,584,238**	**26,040,736**	**37,569,135**	**36,584,238**	**26,040,736**	**37,569,135**

6. Investment property

	2011 Cost / Valuation	2011 Accumulated depreciation and accumulated impairment	2011 Carrying value	2010 Cost / Valuation	2010 Accumulated depreciation and accumulated impairment	2010 Carrying value
Investment property	91,240,786	(14,931,606)	76,309,180	91,270,263	(12,438,918)	78,831,345

Notes to the Annual Financial Statements

Figures in Rand	2011	2010

6. Investment property (continued)

Reconciliation of investment property - 2011

	Opening balance	Disposals	Depreciation	Total
Investment property	78,831,345	(2,268)	(2,519,897)	76,309,180

Reconciliation of investment property - 2010

	Opening balance	Additions	Depreciation	Total
Investment property	74,877,809	6,056,344	(2,102,808)	78,831,345

Details of valuation

Investment Property comprises the Village Walk retail shopping mall from which rental income is derived. The original cost of this property including land was approximately R69,000,000. The directors fair value thereof is R122,000,000 based on a valuation method of net rental return, capitalised at a fair market rate of return of 12%.

7. Property, plant and equipment

	2011			2010		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land and buildings	495,185,143	(120,336,593)	374,848,550	489,465,577	(102,434,404)	387,031,173
Plant and machinery	99,586,990	(70,377,271)	29,209,719	101,100,025	(61,475,592)	39,624,433
Furniture and fixtures	41,544,124	(21,982,651)	19,561,473	38,793,520	(17,191,806)	21,601,714
Motor vehicles	1,603,183	(598,641)	1,004,542	1,314,426	(602,690)	711,736
Biological assets	35,600	(1)	35,599	-	-	-
Total	**637,955,040**	**(213,295,157)**	**424,659,883**	**630,673,548**	**(181,704,492)**	**448,969,056**

Reconciliation of property, plant and equipment - 2011

	Opening balance	Additions	Disposals	Depreciation	Total
Land and buildings	387,031,173	5,719,565	-	(17,902,188)	374,848,550
Plant and machinery	39,624,433	63,840	(472,585)	(10,005,969)	29,209,719
Furniture and fixtures	21,601,714	4,695,005	(114,280)	(6,620,966)	19,561,473
Motor vehicles	711,736	540,700	(86,744)	(161,150)	1,004,542
Biological assets	-	35,600	-	(1)	35,599
	448,969,056	**11,054,710**	**(673,609)**	**(34,690,274)**	**424,659,883**