

MJEJANE 72 (PROPRIETARY) LIMITED
(Registration number 2007/032948/07)
Annual financial statements
for the year ended 28 February 2009

Mjejane 72 (Proprietary) Limited

(Registration number 2007/032948/07)

Annual Financial Statements for the year ended 28 February 2009

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Property investment and all associated activities
Director	Klaus Herbert Borger
Registered office	1 Waterford Mews Century Boulevard Century City 7441
Postal address	Constantiavale Cellar 8 Augusta's Way Constantia 7806
Auditors	Cecil Kilpin & Co. Registered Auditors
Company registration number	2007/032948/07

Mjejane 72 (Proprietary) Limited

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

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Cecil Kilpin & Co.

CHARTERED ACCOUNTANTS (SA)

Report of the Independent Auditors

To the shareholder of Mjejane 72 (Proprietary) Limited

We have audited the accompanying annual financial statements of Mjejane 72 (Proprietary) Limited, which comprise the director's report, the balance sheet as at 28 February 2009, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 5 to 15.

Director's Responsibility for the Financial Statements

The company's director is responsible for the preparation and fair presentation of these annual financial statements in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the director, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the company as at 28 February 2009, and of its financial performance and its cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa.

Accounting and Secretarial Duties

Without qualifying our opinion, we draw your attention to the fact that with the written consent of the shareholder, we have performed certain accounting and secretarial duties.

Supplementary Information

We draw your attention to the fact that the supplementary information set out on page 16 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Cecil Kilpin & Co.
Registered Auditors
Per partner: Mr M Branders

Century City

Date: _____

17 / 11 / 2009

1 WATERFORD MEWS, CENTURY BOULEVARD, CENTURY CITY, 7441, PO BOX 74, CENTURY CITY, 7446
TEL: 021 527 4060 FAX: 021 551 0508 E-MAIL: info@cecilkilpin.co.za

A Minné (CA)SA RA, N Nyback B.Com CA(SA) RA, M Branders B.Acc (Hons) CA(SA) RA,
S Schonegevel B.Com (Hons) CA(SA) RA, M Spencer B.Com (Hons) CA(SA) RA

Mjejane 72 (Proprietary) Limited

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Director's Responsibilities and Approval

The director is required by the South African Companies Act to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is his 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 South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

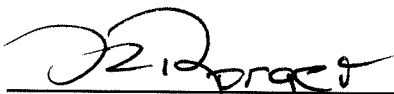
The director acknowledges that he is ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment. To enable the director to meet these responsibilities, the director sets standards for internal 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 director is 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.

Although the director is primarily responsible for the financial affairs of the company, he is supported by the company's external auditors.

The external auditors are responsible for independently reviewing 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 page 3.

The annual financial statements set out on pages 5 to 16, which have been prepared on the going concern basis, were approved and signed by:



Klaus Herbert Borger

Cape Town

Date:

17/11/2009

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Annual Financial Statements for the year ended 28 February 2009

Director's Report

The director submits his report for the year ended 28 February 2009.

1. Review of activities

Main business and operations

The company is engaged in property investment and all associated activities and operates principally in South Africa.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net loss of the company was R 26,857 (2008: profit R -), after taxation of R - (2008: R -).

2. Post balance sheet events

The director is not aware of any material matter or circumstance arising since the end of the financial year and the date of this report.

3. Authorised and issued share capital

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

4. Dividends

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

5. Director

The director of the company during the year and to the date of this report is as follows:

Name

Klaus Herbert Borger

6. Secretary

The company had no secretary during the year.

7. Auditors

Cecil Kilpin & Co. will continue in office in accordance with section 270(2) of the Companies Act.

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Annual Financial Statements for the year ended 28 February 2009

Balance Sheet

	Note(s)	2009 R
Assets		
Non-Current Assets		
Property, plant and equipment	2	876,350
Current Assets		
Trade and other receivables		3,095
Total Assets		879,445
Equity and Liabilities		
Equity		
Share capital	4	1,300
Accumulated loss		(26,857)
		(25,557)
Liabilities		
Non-Current Liabilities		
Loans from shareholders	3	821,451
Current Liabilities		
Other financial liabilities		41,882
Trade and other payables		41,669
		83,551
Total Liabilities		905,002
Total Equity and Liabilities		879,445

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Income Statement

	Note(s)	2009 R
Operating expenses		(26,857)
Operating loss		(26,857)
Loss for the year		(26,857)

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Annual Financial Statements for the year ended 28 February 2009

Statement of Changes in Equity

	Share capital	Accumulated loss	Total equity
	R	R	R
Balance at 01 March 2008	-	-	-
Changes in equity			
Loss for the year		(26,857)	(26,857)
Issue of shares	1,300		1,300
Total changes	1,300	(26,857)	(25,557)
Balance at 28 February 2009	1,300	(26,857)	(25,557)
Note(s)	4		

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Cash Flow Statement

	Note(s)	2009 R
Cash flows from operating activities		
Cash generated from operations	8	<u>11,717</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	2	<u>(876,350)</u>
Cash flows from financing activities		
Proceeds on share issue	4	1,300
Repayment of other financial liabilities		41,882
Repayment of shareholders loan		821,451
Net cash from financing activities		<u>864,633</u>

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Annual Financial Statements for the year ended 28 February 2009

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice ("SA GAAP"), and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

The preparation of the financial statements in conformity with SA GAAP requires the use of certain critical accounting estimates. It also requires management to exercise their judgement in the process of applying the company's accounting policies.

These accounting policies are consistent with the previous period.

1.1 Financial instruments

Initial recognition

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 assets and financial liabilities are recognised on the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Loans to shareholders

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

Subsequently these loans are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts.

On loans receivable an impairment loss is recognised in profit or loss when there is objective evidence that it is impaired. The impairment 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.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value. Trade receivables exceeding normal credit terms 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. 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.

Trade and other payables

Trade payables are initially measured at fair value. Trade payables exceeding normal credit terms are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

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Annual Financial Statements for the year ended 28 February 2009

Accounting Policies

1.2 Tax

Current tax assets and liabilities

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

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 balance sheet date.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused STC credits can be utilised.

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

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, directly in equity, or
- a business combination.

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 to equity.

1.3 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.

Finance leases – lessee

Finance leases are recognised as assets and liabilities in the balance sheet at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

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.

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Accounting Policies

1.4 Impairment of assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.5 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.

If the company reacquires its own equity instruments, those instruments are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

1.6 Provisions and contingencies

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

1.7 Revenue

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

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

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

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

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Accounting Policies

1.7 Revenue (continued)

Dividends are recognised, in profit or loss, when the company's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.8 Borrowing costs

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

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Notes to the Annual Financial Statements

2009
R

2. Property, plant and equipment

	2009	
	Cost / Valuation	Accumulated depreciation
Land	876,350	-
		876,350

Reconciliation of property, plant and equipment - 2009

	Opening Balance	Additions	Total
Land	-	876,350	876,350

Details of properties

Portion 72 of Erf 1 Luggedlane Tourism Estate

- Purchase price:	790,000
- Capitalised expenditure	86,350
	<u>876,350</u>

3. Loans to/(from) shareholders

The Burgherr Trust	(821,451)
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The loan is unsecured, bears no interest and is repayable no sooner than the next 12 months.

4. Share capital

Authorised

1,300 Ordinary shares of R1 each	1,300
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Issued

1,300 Ordinary shares of R1 each	1,300
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5. Taxation

No provision has been made for 2009 tax as the company has no taxable income. The estimated tax loss available for set off against future taxable income is R 26,857 (2008: R -).

6. Auditors' remuneration

Tax and secretarial services	4,251
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7. Future capital commitments

Further costs to be incurred in the construction and refurbishing of the game lodge	4,257,422
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These costs will be financed through shareholder's loans..

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Notes to the Annual Financial Statements

2009
R

8. Cash generated from operations

Loss before taxation	(26,857)
Changes in working capital:	
Trade and other receivables	(3,095)
Trade and other payables	41,669
	<u>11,717</u>

9. Related parties

Relationships

Shareholder The Burgherr Trust

Related party balances

Loan accounts - Owing (to) by related parties

The Burgherr Trust 821,451

10. Director's emoluments

No emoluments were paid to the director during the year.

11. Risk management

Liquidity risk

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.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

Interest rate risk

Deposits all attract interest at rate that vary with prime. The company policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on profit (loss).

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. Credit guarantee insurance is purchased when deemed appropriate.

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Detailed Income statement

	Note(s)	2009 R
Operating expenses		
Accounting fees		665
Advertising		12,540
Auditors remuneration	6	4,251
Legal expenses		9,401
		<u>26,857</u>
Loss for the year		<u>(26,857)</u>