TENSAI PROPERTY SERVICES LIMITED

SEPARATE FINANCIAL STATEMENTS

2023

The thirteen month period ended 31 March 2023

Part of the Castleview Group

General Information

Item	Description
Country of incorporation and domicile	South Africa
Nature of business and principal activities	Investment holdings
Registered office	13 Hudson Street De Waterkant Cape Town 8001
Business address	13 Hudson Street De Waterkant Cape Town 8001
Postal address	PO Box 1745 Milnerton, Cape Town, Western Cape 7435
Auditors	RSM South Africa Incorporated
Company registration number	2013/113717/06
Tax reference number	9111833183
Holding company	Castleview Property Fund (REIT)
Directors	JWA Templeton JPA Day C Van der Merwe A Padayachee
Preparer	These financial statements were internally prepared under the supervision of JPA Day
Level of assurance required	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Published date	31 July 2023

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Directors' Responsibility and Approval

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

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

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing, and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems, and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The directors are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 7 - 9.

The financial statements set out on pages 10 to 43, which have been prepared on the going concern basis, were approved by the directors on 31 July 2023 and were signed on their behalf by:

DocuSigned by:	DocuSigned by:
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JWA Templeton	JPA Day
Chief Executive Officer	Chief Financial Officer

Director's Report

The directors have pleasure in submitting their report on the financial statements of Tensai Property Services Limited for the period ended 31 March 2023.

1. NATURE OF BUSINESS

Tensai Property Services Limited was incorporated in South Africa with interests in the property holding industry. The company operates in South Africa.

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

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior period.

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

Authorised

	Number of shares	
Shares	**2023**	**2022**
Ordinary shares	10,000	10,000

Issued

	R	R	Number of shares	
Shares	**2023**	**2022**	**2023**	**2022**
Ordinary shares	1,673,103,575	100	741	100

Refer to note 11 of the financial statements for details of the movement in issued share capital.

4. DIVIDENDS

No dividend was declared during the period. (2022: -)

5. DIRECTORATE

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

Directors	Date Appointed/ Reigned	Designation	Nationality
W.H. Loubser	Resigned 23 November 2022	Executive	South African
P.P. Munday	Resigned 23 November 2022	Executive	South African
M.N. Poezyn	Resigned 23 November 2022	Executive	South African
A. Padayachee	Appointed 26 February 2020	Non-Executive	South African
JWA Templeton	Appointed 23 November 2022	Executive	South African
JPA Day	Appointed 23 November 2022	Executive	South African
C Van Der Merwe	Appointed 23 November 2022	Executive	South African

6. HOLDING COMPANY

The company's holding company is Castleview Property Fund (REIT) which holds 100% of the equity.

7. EVENTS AFTER THE REPORTING PERIOD

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

8. GOING CONCERN

The directors believe that the company has adequate financial resources to continue in operation for the next twelve months and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

9. AUDITORS

At the upcoming annual general meeting, the shareholder will be requested to reappoint RSM South Africa Incorporated as the independent external auditors of the company and to confirm Mr. Rieyaaz Rawoot, as the designated lead audit partner for the 2024 financial year.

10. SECRETARY

The company secretary is Statucor.

Information	Detail
Postal address:	6th Floor, 123 Hertzog Boulevard, Foreshore, Cape Town, 8001
Business address:	6th Floor, 123 Hertzog Boulevard, Foreshore, Cape Town, 8001

11. CHANGE IN YEAR END

The company's year end changed from 28 February to 31 March. The financial statements for the current period are for 13 months.

11. SEPARATE ANNUAL FINANCIAL

These financial statements are separate annual financial statements. A complete set of consolidated annual financial statements are available on request.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Tensai Property Services Limited

Opinion

We have audited the separate financial statements of Tensai Property Services Limited (the company) set out on pages 10 to 43, which comprise the separate statement of financial position as at 31 March 2023, and the separate statement of comprehensive income, the separate statement of changes in equity and the separate statement of cash flows for the 13 months then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of Tensai Property Services Limited as at 31 March 2023, and its separate financial performance and separate cash flows for the 13 months then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for opinion

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled " Tensai Property Services Limited separate financial statements for the 13 months ended 31 March 2023", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the separate financial statements and our auditor's report thereon.

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

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

Responsibilities of the director for the separate financial statements

The directors are responsible for the preparation and fair presentation of the separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the separate financial statements

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

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

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

DocuSigned by:

RSM South Africa Incorporated

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RSM South Africa Inc.

Rieyaaz Rawoot
Director
Chartered Accountant (SA)
Registered Auditor

Date 31 July 2023

Statement of financial position as at 31 March 2023

	Note(s)	13 months ending 31 March 2023	12 months ending 28 February 2022
Non-current assets			
Investment in subsidiaries	2	75,183,513	75,183,513
Intercompany Loan Asset	3	478,711,867	-
Property plant and equipment	4	788,312	1,166,167
Investments in equity-accounted investments	5	2,681,354,058	1,472,419,118
Listed property investment	6	18,690,819	-
Loans receivable	7	-	9,654,794
Deferred tax asset	8	9,237,341	9,733,089
		3,263,965,910	1,568,156,780
Current assets			
Trade and other receivables	9	267 848	53,913
Cash and cash equivalents	10	125,583	386,682,187
Loans to group companies	3	-	507,171,600
		393,431	893,907,700
Total Assets		3,264,359,341	2,462,064,480
Equity			
Share capital	11	1,673,103,575	100
Retained Income / (Accumulated Loss)		418,915,262	(50,023,710)
Foreign currency translation reserve		444,640,750	74,049,137
		2,536,659,587	24,025,528
Non-current liabilities			
Interest-bearing debt	12	350,950,993	976,697,090
		350,950,993	976,697,090
Current liabilities			
Trade and other payables	13	380,782	517,327
Interest-bearing debt	12	9,953,649	18,111,975
Loans from group companies	14	366,414,330	1,442,712,560
		376,748,761	1,461,341,862
Total Liabilities		727,699,754	2,438,038,952
Total Liabilities and Equity		3,264,359,341	2,462,064,480

Statement of comprehensive income for the period ended 31 March 2023

	Note(s)	13 months ending 31 March 2023	12 months ending 28 February 2022
Revenue	15	1,334,110	1,286,354
Property expenses		(90,202)	(1,044,618)
Gross Profit		**1,243,908**	**241,736**
Other operating gains/ (losses)	16	454,959,675	28,255,590
Other operating expenses	16	(209,161,873)	(8,532,234)
Operating profit		**247,041,709**	**19,965,092**
Net fair value adjustments	17	(15,299,770)	-
Investment income	18	64,389,343	-
Income from equity-accounted investments	5	227,734,196	52,827,800
Profit before finance costs		**523,865,478**	**72,836,648**
Net finance costs	19	(54,430,758)	(74,156,461)
Profit / (loss) before taxation		**469,434,720**	**(1,276,055)**
Taxation	20	(495,748)	(6,854,013)
Profit/ (loss) for the period		**468,938,972**	**(8,130,070)**
Other comprehensive income:			
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		365,951,903	-
Share of comprehensive income of equity accounted investments		4,639,709	3,136,222
Total items that may be reclassified to profit or loss		**370,591,612**	**3,136,222**
Total comprehensive income/ (loss) for the period net of taxation		**839,530,584**	**(4,993,848)**

Statement of cash flow for the period ended 31 March 2023

	Note(s)	13 months ending 31 March 2023	12 months ending 28 February 2022
Cash flow from operating activities			
Cash generated from operations	21	(12,249,615)	(9,172,578)
Interest income		933,425	43,756
Finance costs		(48,808,501)	(35,208,429)
Dividends received		12,389,343	-
		(47,735,349)	(44,337,251)
Cash flow from investing activities			
Purchase of property, plant and equipment		(22,355)	(68,780)
Acquisition of joint venture		(842,989,230)	-
Disposal of associate		592,829,407	-
Cash payments on loans with group companies		(903,804,715)	(97,516,438)
Cash receipts from loans with group companies		1,557,445,902	821,449,421
		403,459,009	723,864,203
Cash flow from financing activities			
Cash payments to other financial liabilities		-	(381,711,153)
Other financial liabilities (repaid)/ raised		(742,280,263)	-
		(742,280,263)	(381,711,153)
Cash and cash equivalents			
Total cash at end of the period	10	125,583	386,682,187
Total cash movement for the period		(386,556,604)	297,815,799
Cash at the beginning of the period		386,682,187	88,866,388

Statement of Changes in Equity

Statement of Changes in Equity for the period ending 31 March 2023

	Share capital	Foreign currency translation reserve	Accumulated Profit/ loss	Total equity
Balance as at 1 March 2021	100	70,912,916	(41,893,640)	29,019,376
Loss for the year	-	-	(8,130,070)	(8,130,070)
Other comprehensive income	-	3,136,222	-	3,136,222
Balance as at 1 March 2022	**100**	**74,049,138**	**(50,023,710)**	**24,025,528**
Profit for the period	-	-	468,938,972	468,938,972
Share issue	1,673,103,475	-	-	1,673,103,475
Other comprehensive income	-	370,591,612	-	370,591,612
Balance as at 31 March 2023	**1,673,103,575**	**444,640,750**	**418,915,262**	**2,536,659,587**

Accounting Policies

Significant accounting policies

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

1. Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards (“IFRS”) and the Companies Act of South Africa.

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

Significant judgements and sources of estimation uncertainty

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

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Determining the expected credit loss allowance on financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company’s past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Intercompany loans

Loans to group companies have been classified as non-current assets, these are not expected to be repaid during the next 12 months.

2. Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one year. An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalization of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalized if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred. Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6 years
IT equipment	Straight line	3 years
Leasehold improvements	Straight line	5 years
Office equipment	Straight line	6 years
Security equipment	Straight line	6 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

3. Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment losses.

4. Investments in associates

Associates are entities over which the company has significant influence but not control or joint control. Investments in associates are accounted for under the equity method. Under the equity method, the share of profits or losses of the associate is recognised in profit or loss and the share of movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the company's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduces the carrying amount of the investment.

When the company's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The company discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

5. Financial instruments

Classification

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the transaction price of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset and a financial liability, and of allocating the interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium discounts) through the expected life of the financial asset or financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

Financial assets

The following categories of financial assets are recognised in the statement of financial position: Loans receivable, cash and cash equivalents, and trade and other receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans receivable

Loans receivable are carried at amortised cost, less provisions made for irrecoverable amounts.

Financial assets (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand 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 recorded at fair value and subsequently measured at amortised cost, using the effective interest rate method.

Trade and other receivables

Trade and other receivables are recognised at originated cost less an allowance for credit notes. The carrying amount of trade and other receivables is reduced by the impairment allowance using a lifetime expected credit loss (ECL) based on reasonable and supportable information that is available at the reporting date about past events, current conditions and a forecast of future economic conditions, taking into account an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes and the time value of money.

Changes in the carrying amount of the allowance account are written off against the allowance account, and the recovery of amounts, subsequent to being written off, are recognised in profit or loss.

Impairment of financial assets

Lifetime expected credit losses are recognised for all financial assets at every reporting period for which there have been significant increases in credit risk since initial recognition, whether assessed on an individual or collective basis.

For certain categories of financial assets, such as loans receivable and trade and other receivables, assets are assessed for impairment on a collective basis, even if they were assessed not to be impaired individually, from initial recognition of the receivables on a collective basis.

Defaulting trade receivables are "non-performing" for more than 60 days.

The company's write-off policy determines that a trade receivable and loan receivable be derecognised only if all avenues of recovery have been exhausted.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment, at the date the impairment is reversed, does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities

Financial liabilities are recognised when there is a contractual obligation to deliver cash or another financial asset, or to exchange financial instruments with another entity on potentially unfavourable terms. Financial liabilities consist of loans payable, and trade and other payables. Financial liabilities are initially recognised at cost, and subsequently measured at amortised cost using the effective interest method.

6. Tax

Current tax assets and liabilities

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

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

Taxation and deferred taxation

Income tax expense comprises current and deferred taxation. Income tax expense is recognised in profit or loss.

Current tax is the expected tax payable on taxable income, after deducting the qualifying distribution for the period of assessment, using tax rates that have been enacted or substantively enacted by the reporting date and includes adjustments for tax payable in respect of previous years. In accordance with the REIT status, dividends declared are treated as a qualifying distribution in terms of section 25BB of the Income Tax Act, No 58 of 1962 (as amended).

The distribution received is presented gross of withholding tax in the financial statements.

Deferred income tax is provided for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises:

- From the initial recognition of goodwill in a business combination;
- From the initial recognition of other assets and liabilities in a transaction which is not a business combination and affects neither accounting profit nor taxable income; or
- Differences related to investments in subsidiaries, joint ventures and associates, to the extent that it is probable that they will not reverse in the foreseeable future and the group is able to control the reversal.

Deferred tax is not recognised for temporary differences that will form part of future qualifying distributions.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability settled.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities and they relate to income tax levied by the same authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

7. Leases

The company assesses whether a contract is, or contains a lease, at the inception of the contract. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

Company as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Impairment of assets

The company assesses at each end of the reporting period 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 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. A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in profit or loss.

8. Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Ordinary shares are classified as equity.

9. Employee benefits

Short-term employee benefits

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

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

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

10. Revenue

From contracts from customers

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer. The company provides property management services which is recognised in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. If the contract includes an hourly fee, revenue is recognised in the amount to which the company has a right to invoice.

Investment income

Interest is recognised, in profit or loss, using the effective interest rate method. Dividends are recognised, in profit or loss, when the company's right to receive payment has been established.

11. Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred and are calculated using the effective interest method.

12. Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

In circumstances where the company receives or pays an amount in foreign currency in advance of a transaction, the transaction date for purposes of determining the exchange rate to use on initial recognition of the related asset, income or expense is the date on which the company initially recognised the non-monetary item arising on payment or receipt of the advance consideration. If there are multiple payments or receipts in advance, company determines a date of transaction for each payment or receipt of advance consideration.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

Investments in foreign subsidiaries and associates

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Notes to the Financial Statements

1. NEW STANDARDS AND INTERPRETATIONS

Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 April 2023 or later periods:

IAS 1 Presentation of Financial Statements

Classification of Liabilities as current or non- current: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.

Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.

Non-current liabilities with Covenants: The amendment clarifies that only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current, with additional guidance to explain how an entity should disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

The adoption of this amendment is not expected to impact on the results of the company, but may result in more disclosure than is presented in the current financial statements.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognizing the effect of change in accounting prospectively remain unchanged.

The adoption of this amendment is not expected to impact on the results of the company, but may result in more disclosure than is presented in the current financial statements.

IAS 12 Income Taxes

Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognizing deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognizing deferred tax would apply to the initial recognition of such items.

The adoption of this amendment is not expected to impact on the results of the company, but may result in more disclosure than is presented in the current financial statements.

2. INVESTMENTS IN SUBSIDIARIES

	% voting power 2023	% voting power 2022	% holding 2023	% holding 2022	Carrying amount 2023	Carrying amount 2022
K2017034069 (South Africa) Proprietary Limited *During the financial period 100% of the investment was sold.*	-	100%	-	100%	-	100
U Reit Collins Proprietary Limited	100%	100%	100%	100%	75,183,513	75,183,513
					75,183,513	75,183,613

The carrying amounts of subsidiaries are shown gross of impairment losses.

Reporting period

All the entities are incorporated in South Africa and have the same period end as the company.

3. LOANS TO GROUP COMPANIES

	2023	2022
K2017034069 (South Africa) Proprietary Limited	-	15,700
U REIT Collins Proprietary Limited	478,711,867	507,155,900
This loan is unsecured, interest-free and is repayable on demand.		
	478,711,867	507,171,600

The fair value of loans receivable and payable are estimated to approximate their carrying value due to the short-term nature of these loans.

The company's write-off policy determines that a loan receivable be derecognised only if all avenues of recovery have been exhausted.

The credit risk of these loans is low considering, inter alia, that the company's property value and rental yield are expected to remain at or above current levels. The net asset value of the companies is sufficient to cover the value of the loans and therefore management considers the loans recoverable. All available forward looking information, including estimates of economic growth, which indicated an immaterial expected credit loss and consequently the loans were not impaired.

Split between non-current and current portions

	2023	2022
Current assets	-	507,171,600
Non Current	478,711,867	
	478,711,867	507,171,600

4. PROPERTY PLANT AND EQUIPMENT

Carrying value for the financial period ending 31 March 2023

	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	422,948	(309,042)	113,906
Office equipment	87,426	(51,723)	35,703
IT equipment	257,971	(233,102)	24,869
Leasehold improvements	1,830,629	(1,222,923)	607,706
Security equipment	13,354	(7,225)	6,129
Total	**2,612,328**	**(1,824,015)**	**788,312**

Carrying value for the financial period ending 28 February 2022

	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	422,948	(231,617)	191,331
Office equipment	87,426	(37,495)	49,931
IT equipment	235,616	(179,425)	56,191
Leasehold improvements	1,830,628	(969,976)	860,652
Security equipment	13,354	(5,293)	8,061
Total	**2,589,972**	**(1,423,806)**	**1,166,166**

Reconciliation of property plant and equipment 2023

	Furniture and fixtures	Office equipment	IT equipment	Leasehold improvements	Security equipment	**Total**
Cost						
At 01 March 2021	422,948	87,426	87,426	1,830,628	13,354	2,521,192
Additions			68,780			68,780
At 28 February 2022	**422,948**	**87,426**	**235,616**	**1,830,628**	**13,354**	**2,589,972**
Additions			22,355			22,355
At 31 March 2023	**422,948**	**87,426**	**257,971**	**1,830,628**	**13,354**	**2,612,327**
Depreciation and impairment						

	Furniture and fixtures	Office equipment	IT equipment	Leasehold improvements	Security equipment	Total
At 01 March 2021	(156,875)	(24,381)	(107,634)	(717,616)	(3,512)	(1,010,018)
Depreciation	(74,742)	(13,114)	(71,791)	(252,360)	(1,781)	(413,788)
At 28 February 2022	(231,617)	(37,495)	(179,425)	(969,976)	(5,293)	(1,423,806)
Depreciation	(77,425)	(14,228)	(53,679)	(252,948)	(1932)	(400,212)
At 31 March 2023	**(309,042)**	**(51,723)**	**(233,102)**	**(1,222,923)**	**(7,225)**	**(1,824,015)**
Carrying amount						
Cost	422,948	87,426	235,616	1,830,628	13,354	2,589,972
Accumulated depreciation and impairment	(231,617)	(37,495)	(179,425)	(969,976)	(5,293)	(1,423,806)
At 28 February 2022	191,331	49,931	56,191	860,652	8,061	1,166,166
Cost	422,948	87,426	257,971	1,830,629	13,354	2,612,328
Accumulated depreciation and impairment	(309,042)	(51,723)	(233,102)	(1,222,923)	(7,225)	(1,824,015)
At 31 March 2023	113,906	35,703	24,869	607,706	6,129	788,312

5. Investment in associates and joint ventures

Associate

	% ownership interest 2023	% ownership interest 2022	Carrying amount 2023	Carrying amount 2022
EPP N.V.	0%	8.26%	–	1,472,419,118
EPP Community Properties JV B.V	46.93%	0%	2,681,354,058	–
			2,681,354,058	1,472,419,118

During the reporting period the company sold 100% of it’s investment in EPP N.V. In addition during the reporting period, the company acquired a 46.5% interest in EPP Community Properties JV B.V. During the period, the interest in the company was increased by 0.43%.

Carrying value of investment

	31 March 2023	28 February 2022
Investment at beginning of period	1,472,419,118	1,179,111,733
Acquisitions	2,158,761,368	237,343,363
Disposal of investment in associate	(1,472,419,118)	-
Share of profit (loss)	227,734,196	52,827,800
Share of other comprehensive income (loss)	4,639,709	3,136,222
Foreign currency translation of associate	365,951,903	-
Dividends received from associate	(75,733,118)	-
Investment at end of period	**2,681,354,058**	**1,472,419,118**

Summarized financial information of material joint ventures

Summarized Statement of Profit or Loss and Other Comprehensive Income - EPP Community Properties JV B.V - 2023

	Period ended 28 February 2023 '000	Period ended 28 February 2022 '000
Revenue	497,030	-
Other income and expenses	(122,379)	-
Profit before tax	**374,651**	**-**
Tax expense	(79,389)	-
Profit (loss) for the year	**295,261**	**-**
Other comprehensive income	-	-
Total comprehensive income	**295,261**	**-**

Summarized Statement of Financial Position

Assets	2023	2022
Non-current	13,255,334	-
Current	670,593	-
Total assets	**13,925,927**	**-**

Liabilities	2023	2022
Non-current	5,403,732	-
Current	2,935,397	-
Total liabilities	**8,339,129**	**-**
	2023	2022
Total net assets	**5,586798**	**-**

Summarized financial information of material associates

Summarized Statement of Profit or Loss and Other Comprehensive Income - EPP N.V. - 2022

	Period ended 28 February 2023 '000	Period ended 28 February 2022 '000
Revenue	-	2,168,946
Other income and expenses	-	(1,363,698)
Profit before tax	**-**	**805,248**
Tax expense	-	(166,694)
Profit (loss) for the year	**-**	**638,554**
Other comprehensive income	-	45,691
Total comprehensive income	**-**	**684,245**

Summarized Statement of Financial Position

Assets	2023	2022
Non-current	-	43,637,779
Current	-	2,181,167
Total assets	**-**	**45,818,946**

Liabilities	2023	2022
Non-current	-	12,369,209
Current	-	16,457,968
Total liabilities	**-**	**28,827,177**
	2023	2022
Total net assets	**-**	**16,991,769**

The financial information provided above is for the years ending 28 Feb 2022 and 31 March 2023 respectively. The closing ZAR/EUR rate as at 31 March 2023 used was R19.62

6. LISTED INVESTMENTS

Investment

	2023	2022
Investment in Tradehold	18,690,819	-
	18,690,819	**-**

Split between non-current and current portions

	2023	2022
Non-current assets	18,690,819	-
Current assets	-	-
	18,690,819	-

The company holds 2,670,117 (2022: nil) shares in Tradehold Limited (REIT). The fair value per share as reported on the Johannesburg Stock Exchange at year end was R7.80.

7. LOANS RECEIVABLE

	2023	2022
Aapstert Proprietary Limited	-	9,654,794
	-	9,654,794

The loan bore interest at the prime overdraft interest rate and was repayable in June 2026. The loan is secured by a cession of Tradehold Limited shares held by Aapstert Proprietary Limited. This loan was repaid during the financial period.

8. DEFERRED TAX

Deferred tax asset

	2023	2022
Property, plant and equipment	-	98,937
Tax losses available for set off against future taxable income	9,237,341	9,634,152
Total deferred tax asset	9,237,341	9,733,089

	2023	2022
Total deferred tax liability	-	-
Total deferred tax asset	9,237,341	9,733,089
Total net deferred tax asset	9,237,341	9,733,089

Recognition of deferred tax asset	2023	2022
At beginning of the period	9,733,089	16,587,102
Decrease in tax loss available for set off against future taxable income	-	(6,880,461)
Movement in temporary differences on property, plant and equipment	(148,138)	26,448
Movement in temporary differences due to change in rate	(347,610)	
	9,237,341	9,733,089

Recognition of deferred tax asset

The company recognises a deferred tax asset when:

- the utilization of the deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences; and

the company has suffered a loss in either the current or preceding period in the tax jurisdiction to which the deferred tax asset relates.

9. TRADE AND OTHER RECEIVABLES

Financial instruments	2023	2022
Deposits	51,970	53,913
	51,970	53,913
Non-financial instruments	**2023**	**2022**
Prepayments	-	-
Value-added taxation	215,878	-
	215,878	-
	2023	**2022**
Financial instruments	51,970	53,913
Non-financial instruments	215,878	-
Total trade and other receivables	**267 848**	**53,913**

Exposure to credit risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions as the company's tenant base is diverse.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates. Historical impairment rates have been applied against the population of trade receivables. Specific high risk trade receivable balances have been identified and a full impairment provision has been provided on these balances.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts due to the short-term nature of these receivables.

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	2023	2022
Bank balances	125,583	386,682,187
	125,583	386,682,187

The carrying value of cash and cash equivalents approximates its fair value, due to the short-term nature of these balances. All cash at bank are held by major, reputable financial institutions that management believes are of high credit quality and accordingly minimal credit risk exists. The carrying amounts of cash and cash equivalents represent the maximum credit exposure.

11. SHARE CAPITAL

Authorised

	2023	2022
10,000 Ordinary shares	10,000	10,000
	10,000	10,000

Reconciliation of number of shares issued:

	2023	2022
Reported as at 01 March 2022	100	100
Issue of ordinary shares	641	-
	741	100

The unissued ordinary shares are under the control of the directors in terms of a resolution of the shareholders passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

Rand value of issued shares

	2023	2022
Ordinary shares	1,673,103,575	100
	1,673,103,575	100

12. INTEREST BEARING DEBT

Held at amortised cost

	2023	2022
Investec Bank Limited (Mauritius)	-	231,061,616
The loan bore interest at a fixed rate of 2.98% per annum. The balance was a converted balance of €13,410,054 at a rate of 17.25. The loan was repayable bi-annually at an amount of €525,000 every 6 months until 2024, at which point the balance would be repayable in full. This mortgage bond was repaid during the period.		
Medium term note program - series 1	-	317,318,389
This medium term note was listed on the Stock Exchange of Mauritius, and consisted of US$21,000,000 floating rate notes, maturing on 2 October 2026. Interest was payable bi annually on 15 April and 15 October at a rate of 160 basis points above the US prime lending rate. This note was repaid during the period.		
Medium term note program - series 2	360,904,642	446,429,060
This medium term note is listed on the Stock Exchange of Mauritius, and consists of US$20,000,000 floating rate notes, maturing on 20 November 2026. Interest is payable bi-annually on 20 May and 20 November at a rate 135 basis points above the US prime lending rate. This series is subordinated in favor of the other creditors of the company.		
	360,904,642	**994,809,065**

Split between non-current and current portions

	2023	2022
Non-current liabilities	350,950,993	976,697,090
Current liabilities	9,953,649	18,111,975
	360,904,642	**994,809,065**

13. TRADE AND OTHER PAYABLES

Financial instruments	2023	2022
Trade payables	227,279	475,287
Other payables	-	39,155
	227,279	514,442
Non-financial instruments	**2023**	**2022**
Value-added taxation	-	2,855
PAYE and UIF	153,503	-
Supplier control	-	-
	153,503	2,855
Total trade and other payables	380,782	517,297

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts due to the short-term nature of these payables.

14. LOANS FROM GROUP COMPANIES

	2023	2022
I Group Financial Holdings Proprietary Limited *This loan was repaid during the financial period*	-	776,377,137
I Group Financial Holdings Proprietary Limited *This loan was repaid during the financial period*	-	609,776,993
U Reit Holdings Proprietary Limited *The loan bears interest at fluctuating rates and has no fixed repayment term*	366,414,330	56,558,430
	366,414,330	1,442,712,560

Split between non-current and current portions	2023	2022
Current	366,414,330	1,442,712,560
Non- current		-
	366,414,330	1,442,712,560

15. REVENUE

	2023	2022
Revenue from contracts with customers		
Rendering of services	1,334,110	1,286,354
	1,334,110	**1,286,354**

16. OPERATING PROFIT (LOSS)

Operating profit for the period is stated after charging (crediting) the following, amongst others:

Other operating expenses	2023	2022
Salaries for the period	(2,330,364)	(2,736,154)
Loss on foreign exchange differences	(195,895,814)	
Operating lease rentals	-	(496,195)
Depreciation	(400,210)	
Other	(10,535,485)	(5,299,885)
	(209,161,873)	**(8,532,234)**
Other operating gains		
Gain on bargain purchase	457,352,634	-
Profit/ loss on sale of non current assets	80,882	-
Loss on disposal of investment in associate	2,312,077	-
Profit on foreign exchange differences	-	28,255,590
	454,959,675	**28,255,590**

17. FAIR VALUE MOVEMENT

	2023	2022
Fair value movement for the year on listed property investment	**15,299,770**	-
	15,299,770	-

18. INVESTMENT INCOME

Dividend Income		
Investments in financial assets	2023	2022
Dividends received from listed investments	12,389,343	-
Dividends received from group companies	52,000,000	-
	64,389,343	-

19. NET FINANCE COSTS

Interest expense	2023	2022
Borrowings	(50,773,977)	74,112,705
Amortized borrowing costs	(4,590,206)	
Total finance costs	(55,364,183)	74,112,705

Interest Income		
Investments in financial assets	2023	2022
Bank	73,453	43,756
Loans receivable at amortised cost	859,972	
Total finance income	933,425	43,756
Net finance costs	(54,430,758)	(74,156,461)

20. TAXATION

Reconciliation of the tax expense

Major components of the tax expense

	2023	2022
Originating and reversing temporary differences	495,748	6,854,013

Reconciliation between accounting profit and tax expense.

	2023	2022
Accounting profit	469,434,720	(1,276,057)
Tax at the applicable tax rate of 27% (2022: 28%)	126,747,374	(357,296)
Tax effect of adjustments on taxable income	-	-
- Non taxable interest	-	14,577,897
- Share of (profit) loss from equity accounted investments	(61,488,232)	(14,791,784)
- Impact of use of CGT rate at 80% application	5,276,214	
- s25BB deduction	(52,734)	
- Items not giving rise to temporary differences	51,919,074	
- Change in rate	(347,610)	
- Exempt income	(9,187,391)	
- Non reversing accounting entries	(113,362,443)	
- Other non-deductible expenses	-	7,425,196
	495,748	6,854,013

No provision has been made for 2023 tax as the company has no taxable income. The estimated tax loss available for set off against future taxable income is R34,212,374 (2022: R34,407,685)

21. CASH GENERATED FROM OPERATIONS

	2023	2022
Profit before taxation	469,434,720	(1,276,057)
Adjustments for:	-	-
Interest income	(933,424)	(43,756)
Depreciation and amortisation	4,990,416	413,788
Gains or losses on foreign exchange differences	195,618,620	(28,255,590)
Finance costs	50,773,979	74,112,705
Income from equity accounted investments	(227,734,196)	(52,827,800)
Fair value (gains) losses	15,299,771	-
Trade and other receivables	(213,935)	4,354
Trade and other payables	(136,545)	(1,300,222)
Dividends received	(64,389,343)	-
Loss on disposal of investment in associate	2,312,077	-
Loss on sale of non-current assets	80,882	-
Gain on bargain purchase	(457,352,634)	-
	(12,249,614)	(9,172,578)

22. RELATED PARTIES

Relationships	Party
Holding company	Castleview Property Fund (REIT)
Subsidiaries	U REIT Collins (Pty) Ltd
Members of key management	JWA Templeton
	JPA Day
	C Van Der Merwe
Former subsidiaries	K2017034069 (South Africa) Proprietary Limited
Former members of key management	W.H. Loubser
	P.P. Munday
	M.N. Poezyn
Fellow subsidiaries	U REIT Holdings Proprietary Limited
	Emira Property Fund Limited Group
	FEC Prop Proprietary Limited
	Interurban Willowbridge (RF) Proprietary Limited
	Tensai Property Services Limited
	U Reit Collins Proprietary Limited
	K2019141346 (SA) Proprietary Limited
	I Res Fund Proprietary Limited
	Sonstraal Investments Proprietary Limited
Former fellow subsidiaries	Interurban WIllowbridge Proprietary Limited
	Interurban Klerksdorp Proprietary Limited
	Interurban Bougainville Proprietary Limited
	Interurban Makhaza Proprietary Limited
	Interurban Mitchells Plain Proprietary Limited
	I Group Financial Holdings Proprietary Limited
Former holding company	U Big Investments Proprietary Limited

Related party balances

Amounts included in Trade and other payables

	2023	2022
Interurban Willowbridge Proprietary Limited	-	(126,500)
	-	(126,500)

Loan accounts owing from (to) group companies

	2023	2022
K2017034069 (South Africa) Proprietary Limited	-	157,010
U Reit Collins Proprietary Limited	478,711,867	507,155,900
I Group Financial Holdings Proprietary Limited	-	(1,386,154,130)
U Reit Holdings Proprietary Limited	(366,414,330)	(56,558,430)
	112,297,537	(935,399,650)

Related party transactions

Compensation paid to directors and other key management	2023	2022
WH Loubser	35,000	35,000
PP Munday	-	372,000
	35,000	407,000

Amounts included in revenue	2023	2022
Interurban Bougainville Proprietary Limited	-	(1,261,435)
	-	(1,261,435)

Amounts included in consulting fee expense	2023	2022
Interurban WIllowbridge Proprietary Limited	-	50,000
PP Munday	-	156,000
	-	-

Dividends received from related parties	2023	2022
Dividends received from group companies	52,000,000	-
	52,000,000	-

23. DIRECTORS' EMOLUMENTS

Executive			
2023			
Directors emoluments	Basic Salary	Bonuses	Total
JPA Day	150,000	-	150,000
WH Loubser	143,000	-	143,000
PP Munday	65,270	-	65,270
MN Poezyn	20,000	-	20,000
	378,270	-	378,270

Executive			
2022			
Directors emoluments	Basic Salary	Bonuses	Total
WH Loubser	192,000	-	192,000
PP Munday	192,000	-	192,000
MN Poezyn	374,100	31,175	405,275
	758,100	31,175	789,275

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial assets

2023

	Amortised cost	Total
Loans to group companies	478,711,867	478,711,867
Trade and other receivables	51,970	51,970
Cash and cash equivalents	125,583	125,583
	At Fair Value	
Listed Investment	18,690,819	18,690,819
	497,580,239	497,580,239

2022

	Amortised cost	Total
Loans to group companies	507,171,600	507,171,600
Loans receivable	9,654,794	9,654,794
Trade and other receivables	53,913	53,913
Cash and cash equivalents	386,682,187	386,682,187
	903,562,494	903,562,494

Categories of financial liabilities

2023

	Amortised cost	Total
Trade and other payables	227,279	227,279
Loans from group companies	366,414,330	366,414,330
Borrowings	360,904,642	360,904,642
	727,546,251	727,546,251

2022

	Amortised cost	Total
Trade and other payables	514,444	514,444
Loans from group companies	1,442,712,560	1,442,712,560
Borrowings	994,809,065	994,809,065
	2,438,036,069	2,438,036,069

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Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for the shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the company consists of debt, which includes the borrowings disclosed in notes 3 and 7, cash and cash equivalents disclosed in note 10, and equity as disclosed in the statement of financial position. Consistent with others in the industry, the company monitors capital on the basis of the loan-to-value ratio.

Financial risk management

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk consists mainly of cash and cash equivalents, group loans and other trade debtors. The company only deposits cash with major banks with high quality credit standing.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The company only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is assessed individually for creditworthiness before terms and conditions are offered, which involves making use of information submitted by the counterparties as well as external bureau data (where available). The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Liquidity risk

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

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

The company mitigates its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. Committed borrowing facilities are available for meeting liquidity requirements and the company manages the liquidity risk through an ongoing review of commitments and credit facilities.

The table below analyses the company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

2023	Less than 1 year	1 to 2 years	2 to 5 years	Total
Non-current liabilities				
Borrowings	32,813,919	32,813,919	438,454,783	504,082,621
Current liabilities				
Trade and other payables	227,279	-	-	227,279
Loans from group companies	366,414,330	-	-	366,414,330
	399,455,528	32,813,919	438,454,783	870,724,230

2022	Less than 1 year	1 to 2 years	2 to 5 years	Total
Non current liabilities				
Borrowings	35,541,349	53,653,849	1,068,380,796	1,157,575,994
Current liabilities				
Trade and other payables	514,444	-	-	514,444
Loans from group companies	1,442,712,560	-	-	1,442,712,560
Borrowings	18,112,500	-	-	18,112,500
	1,496,880,853	53,653,849	1,068,380,796	2,618,915,498

Interest rate risk

The company's interest rate risk arises from various borrowings. Borrowings issued at variable rates expose the company to cash flow interest rate risk. Management continues to monitor the local and global interest rate environment on an ongoing basis. At 31 March 2023, if interest rates on Rand-denominated borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the period would have been R3,609,046 (2022: R13,425,834) lower/higher for the company, mainly as a result of higher/lower interest expense on floating rate borrowings.

Exposure to interest rate risk

The company is exposed to interest rate risk on its financial liabilities. Interest rates on all financial liabilities compare favorably with those rates available in the market. When necessary, interest rate swaps are entered into. Risk exposure as a result of interest rates is moderate and is mitigated by a surplus of cash in the company. There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Foreign currency risk

The company is exposed to foreign currency risk as a result of certain transactions and borrowings which are denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters utilizing foreign forward exchange contracts where necessary. The foreign currencies in which the company deals primarily are US Dollars and Euros. The company has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the company's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies. There have been no significant changes in the foreign currency risk management policies and processes since the prior reporting period.

Exposure in Rand

The net carrying amounts, in Rand, of the various exposures, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amounts at the closing rate at the reporting date:

US Dollar Exposure	2023	2022
Non-current liabilities:		
Borrowings	350,950,993	763,747,449
current liabilities:		
Borrowings	9,953,649	-
Net US Dollar Exposure:	360,904,642	763,747,449
Euro Exposure:		
Non-current liabilities:		
Borrowings	-	212,949,641
current liabilities:		
Borrowings	-	18,111,975
Net Euro Exposure:	-	231,061,616
Net Exposure to foreign currency in Rand	-	13,410,054

Exposure in foreign currency amounts

The net carrying amounts, in foreign currency of the above exposure was as follows:

US Dollar Exposure	2023	2022
Non-current liabilities:		
Borrowings	19,532,001	50,399,059
Non-current liabilities:		
Borrowings	553,965	
Net USD Exposure:	20,085,966	
Euro Exposure:		
Non-current liabilities:		
Borrowings	-	12,360,054
current liabilities:		
Borrowings	-	1,050,000
Net Euro Exposure:	-	13,410,054

The exchange rates used to convert amounts from Euro and USD to ZAR was R19.62 and 17.97 respectively.

25. FAIR VALUE INFORMATION

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the company can access at measurement date.
Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 1

Assets

	2023	2022
Listed Investments	18,690,819	-

The fair value of trade and other receivables, loans receivable, cash and cash equivalents and trade and other payables approximate their carrying value and are not included in the hierarchy analysis as their settlement terms are short-term.

26. GOING CONCERN

The directors believe that the company have adequate financial resources to continue in operation for the next twelve months and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non- compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

27. EVENTS AFTER THE REPORTING PERIOD

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