NEW AFRICAN PROPERTIES

ANNUAL REPORT 2015

CONTENTS

Cover and above - Riverwalk Shopping Centre, Gaborone

The Annual Report has been prepared in order to comply, in all material respects, with the requirements of the Botswana Companies Act (CH42:01) and requirements of the Botswana Stock Exchange. Accordingly, the Board of Directors and Management of the Company assume no responsibility for nor warrant compliance of information contained in the Annual Report with requirements of other legal frameworks or regulatory authorities of other jurisdictions.

PROFILE OF THE COMPANY

31 July 2015

New African Properties Limited ("NAP") is a public variable rate loan stock company which listed on the Botswana Stock Exchange (BSE) on 28 September 2011 and has a current market capitalisation of P1.5 billion. NAP owns a portfolio of strategically located retail properties in prime shopping nodes throughout Botswana as well as a portfolio of Namibian retail properties. The properties are held for investment purposes with the objective of investing in properties that:

- provide returns to investors through income and capital growth superior to alternative risk related investments;
- have stable and complementary tenant mixes;
- are subject to leases that provide secure covenants with staggered expiry dates thereby minimising the risk of vacancies upon expiry whilst also presenting growth potential upon early lease renewal;
- have leases which provide for the recovery of operating costs from tenants with sufficiently strong rental escalations - either in line with or ahead of inflation rates - to prevent net income yields from being eroded by inflationary pressures;
- are of adequate size, quality of construction, visibility and accessibility to attract good and reliable tenants;
- present inherent future earnings and capital growth potential;
- provide diversified spread of property investment;
- provide a balanced portfolio so that no one investment dominates the others.

With 450 leases in place, NAP offers a diversified income stream to its investors.

Shopping Centres adjacent to Gaborone Station

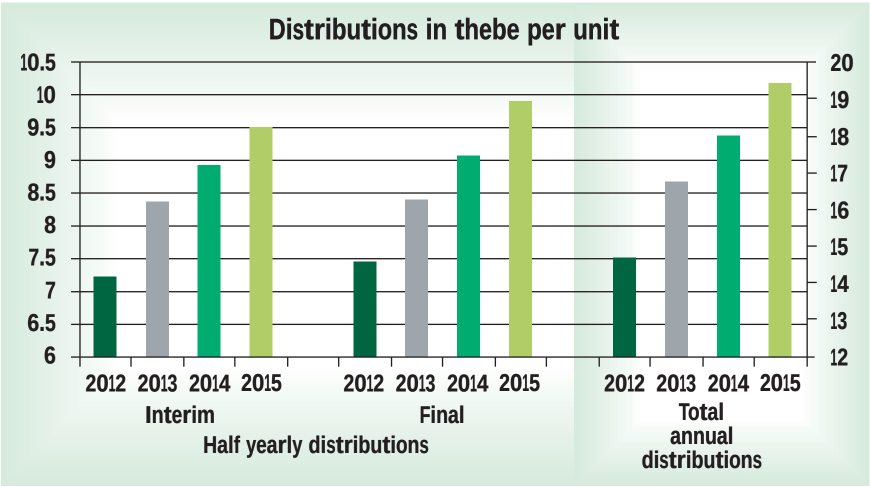
Mafenyatlala Mall, Molepolole

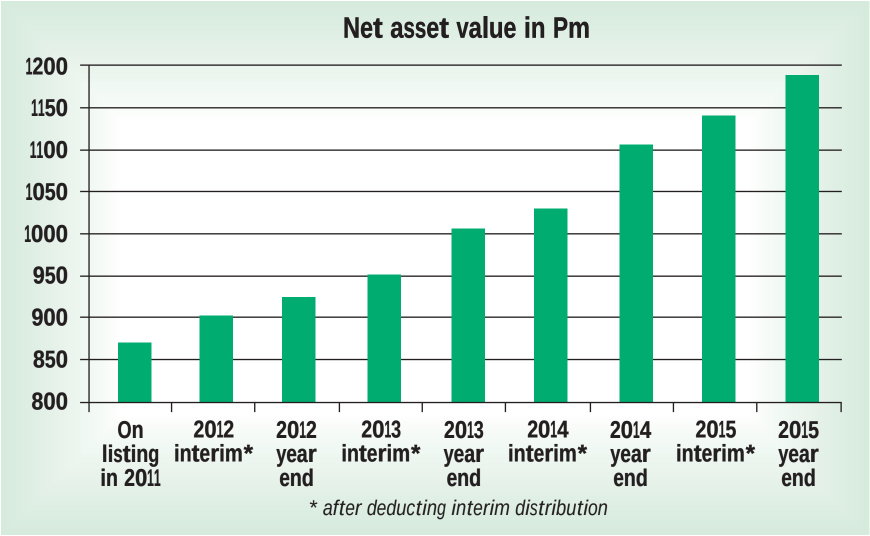
A VALUE ADDING INVESTMENT

The ownership of linked units in a variable rate loan stock company is tax efficient as profits are distributed by means of a dividend and a debenture interest payment which is larger than the dividend. The full amount of interest is deductible from income of the variable rate loan stock company as an expense incurred in the production thereof.

Dividends paid by the company are subject to withholding tax which is a final tax. Interest payable to residents which are tax paying entities is subject to 10% withholding tax, which can be credited against tax payable by the recipient. Any capital gains on disposal of linked units after one year of acquisition are exempt from taxation under the current taxation regime as the Company has offered more than 49% of its linked units to trade on the Botswana Stock Exchange. In addition to being able to vote on issues that affect them, unitholders' interests are protected through application of a code of governance and appointment of independent directors to the Board.

The listing has allowed investors to benefit from consistent increases in distributions and net asset value through the benefits of critical mass and risk diversification, all in a tax efficient entity. Since listing on 28 September 2011, NAP has generated an income return for its investors of 34% and a total return of 55% as at 31 July 2015. At a current historic yield of 8% on 31 July 2015, NAP units continue to provide an attractive income return together with the ability to benefit from capital growth.





KEY SALIENT INFORMATION

for the year ended 31 July 2015

	31 July 2015	31 July 2014	31 July 2013	31 July 2012
INCOME				
Contractual rental * (P000)	141 036	130 793	123 648	113 937
Distributable income * (P000)	117 449	109 002	101 649	89 202
Distributable income * (tpu)	19.43	18.03	16.82	14.76
Increase in distributable income (%)	8%	7%	14%	
Distributions (tpu):	19.43	17.99	16.75	14.69
- interim	9.51	8.93	8.36	7.23
- final	9.92	9.06	8.39	7.46
Distribution growth (%)	8%	7%	14%	
Profit (P000)	199 102	211 055	186 918	144 522
Increase in profit (%)	-6%	13%	29%	
ASSETS				
Investment property * (Pm)	1 225	1 135	1 016	927
Borrowings (Pm)	30	32	34	36
Net asset value (Pm)	1 188	1 107	1 007	925
Increase in net asset value (%)	7%	10%	9%	
GEARING				
Debt to property value (%)	2%	3%	3%	4%
Debt fixed (%)	0%	0%	0%	0%
Interest cover (times)	54	43	32	21
UNIT STATISTICS				
Units in issue (millions)	604	604	604	604
Closing price (tpu)	242	206	214	217
Mkt cap at end of period (Pm)	1 463	1 245	1 293	1 312
Premium to NAV (%)	23%	13%	28%	42%
Historic yield (%)	8.0%	8.7%	7.8%	6.8%
Total return per linked unit (%)	26.9%	4.7%	6.3%	15.8%
PROPERTIES				
Number of properties	65	65	65	65
Last valuation * (Pm)	1 225	1 135	1 016	927
Increase in property valuation (%)	8%	12%	10%	
GLA (000m^2)	130	130	130	130
Vacancy (by GLA)	2.8%	3.7%	3.6%	1.5%
Vacancy (by rental)	1.9%	2.2%	2.8%	1.3%

** excludes rental straight lining*

DIRECTORS
as at 31 July 2015

John Tobias Mynhardt
Non-Executive Chairman
B.Comm (UCT)
Chairman of Board and Investment Committee

After completing his Bachelor of Commerce degree at the University of Cape Town in 1968, Mr Mynhardt started work in the family trading store in Francistown. He has remained involved in the Botswana retail industry ever since. During this time he has developed extensive business interests in Botswana and he is chairman of all the companies in the CBH Group as well as and including Furnmart Limited and the companies in the group's Tourism and Hospitality Divisions. During his career he has served as a member of the Francistown Town Council and on the Boards of the Botswana Housing Corporation and First National Bank of Botswana. He is currently a member of the University of Botswana Council.

Tobias Louis John Mynhardt
Managing Director
Executive Director
B.Comm (UCT) (Hons-US), MSc Econ (LSE)
Member of Risk, Audit & Compliance Committee and Investment Committee

Mr Mynhardt is the Managing Director of the CBH Group, an investment holding company consisting of underlying investments that operate across industries which include property, retail, tourism, hospitality, building supply and financial services. He led the 2011 listing of NAP which represented the consolidation of the property interests of the CBH Group. Mr Mynhardt has assumed responsibility for various CBH Group divisions since being appointed a director in 2003. He has been Managing Director of an associate company, the BSE-listed Furnmart Limited, since 2009. Mr Mynhardt's early career encompassed a broad exposure to the investment industry through an investment advisory and Hedge Fund-of-Funds firm in London.

Lauren CaroleTapping
Chief Financial Officer
Executive Director
B.Compt (Hons), CTA (UNISA), C.A.(S.A.), ACPA
Member of the Investment Committee
Attends Risk, Audit & Compliance Committee meetings by invitation

Ms Tapping has 27 years financial experience, with a significant focus on the property industry and specifically the listed real estate sector in South Africa, Namibia and more recently in Botswana. She joined CBH Group as NAP's Chief Financial Officer in March 2012 and was appointed as a director in July 2014. She is also the CBH Group Chief Financial Officer. Prior to joining CBH Group she served as Finance Director of Marriott Property Services (Proprietary) Limited, JSE listed SA Corporate, director of Namibian listed Oryx Properties Limited and Head of Finance for the Listed Real Estate Division at Old Mutual Property Investments. In these capacities she gained experience with the various facets of property from a listed company and broad property services company perspective, was involved in a number of listings and corporate transactions and served on various listed company committees including as chairman of Oryx's Remuneration & Nomination Committee. Prior to her commercial experience she spent 6 years in the audit environment.

DIRECTORS (continued)

as at 31 July 2015

Fact Badzile Lebala

Executive Director

Mr Lebala left the Botswana Police Force after 28 years of service with the rank of Superintendent of Police and was awarded the Police Medal for Good Conduct. During this career he was Commanding Officer for many Police Districts in Botswana. He was for many years responsible for identifying sites and their owners as well as conducting negotiations for their acquisition. He also liaised with all the district councils, licensing and land boards to facilitate the development and commissioning of the various developmental properties. He has retired from the CBH Group after serving as a director in the group for over 27 years. He continues to be a board member of Furnmart Ltd and NAP and serves the Group on an ad hoc project basis.

Jerome Patrick McLoughlin

Independent, Non-Executive Director

B.Comm, Dip Acc (Natal), C.A.(S.A.)

Chairman of Risk, Audit & Compliance Committee

After completing articles with Deloittes (Durban) in 1993 and qualifying as a chartered accountant, Mr McLoughlin started a career in public audit practice and currently serves as a director of a firm of registered auditors known as Hodkinson Inc. He also serves as a non-executive director to companies and serves as trustee on a number of trusts. He has substantial experience in an advisory capacity and in property investment.

Seshadri Venkatakrishnan

Independent, Non-Executive Director

C.A. (India)

Member of the Risk, Audit & Compliance Committee

Mr Venkatakrishnan is a Chartered Accountant from India with about 32 years of wide experience in Finance, Treasury, Operations & General Management of which about 20 years was in Botswana. He has held senior roles in different capacities in varied business sectors like Retail, Manufacturing, Property Holdings and Property development, Tourism and Hospitality, Financial BPO, IT, IT Enabled Services, Healthcare sector and Education. He currently holds directorships in companies in India.

MANAGEMENT

as at 31 July 2015

Odirile Merafhe

Willie Kruger

Colin Stewart

Jaco Burger

Odirile Merafhe - CBH Group Executive, B.Sc (Embry Riddle, USA)

Mr Merafhe is a member of the Executive Management team of Cash Bazaar Holdings, responsible for business development and special projects. Prior to this he was head of Business Development for Momentum Africa responsible for the growth of Momentum Africa subsidiaries in 10 countries and new opportunities in Africa and emerging markets. Before that he was General Manager of Momentum Botswana, the administrator of Botsogo Health plan, since the inception of the company. He oversaw the growth of the Botswana business to a well-respected and successful medical aid company with over 20,000 lives under administration. Before joining Momentum he was Chief Executive Officer of the Hospitality and Tourism Association of Botswana after spending 12 years in the Airline industry in Botswana and South Africa. Mr Merafhe is former Chairman of Junior Achievement Botswana, director of Botswana Development Corporation, MRI Botswana Limited, Botswana Tourism Board, Botswana Business Coalition on HIV AIDS. He is a Board member of the Botswana Confederation of Commerce Industry & Manpower.

Colin Stewart - CBH Group Financial Manager, B.Compt (Hons), CTA (UNISA), C.A.(S.A.)

Mr Stewart joined the CBH Group in early 2014. Prior to this he served as Group Financial Controller at Celerant Consulting, a multinational management consulting firm based in London. Before that his experience includes a number of financial roles in both the UK and South Africa in the manufacturing, telecommunications and banking sectors. Mr Stewart completed his articles with Deloitte in South Africa having spent 6 years with the firm.

Riverwalk Shopping Centre, Gaborone

MANAGEMENT (continued)

as at 31 July 2015

Willie Kruger - Chief Executive Officer Nafprop

Mr Kruger's experience in property commenced in 1987 with Sanlam Properties as a Leasing Consultant and assistant Property Manager. From there he moved to Old Mutual Properties in 1998 where he was trained as Property Manager and Property Portfolio Manager. Here he gained experience in dealing with aspects such as Property Management, Marketing, Facilities Management, Lease Audits and Staff Training. He accepted a position with RMB Properties in 1995 where he was exposed to Property Asset Management. During 1995 he was appointed by Broll Property Group as Property Portfolio Manager. He was appointed as Director to their Board in 1996 and to the Board of Broll Namibia shortly thereafter. After spending 10 years with Broll he established BBA Property Group of which he was appointed Managing Director in 2007. The Property Portfolio under his direct supervision was valued at R2.3 billion in 2012. He joined Nafprop in 2012 as Chief Executive Officer which position he still holds.

Jaco Marius Burger - Nafprop General Manager: Property Management B.A. (Hons) Industrial Psychology (Armstrong State University, Savannah, Georgia, USA)

Mr Burger commenced working in the property management industry on completion of his studies in the USA .His first management position was at Old Mutual Properties - subsequent to that he furthered his career at Shoprite Checkers Properties, Murray & Roberts, The Broll Property Group and Homenet Commercial Properties. Mr Burger left the industry after roughly eight years and ventured into the restaurant industry where he was a shareholder and manager in various franchises over the next decade. He has since decided to return to the property management field and has been with Nafprop for close to two years.

Riverwalk Shopping Centre, Gaborone

Kagiso Shopping Centre, Gaborone

MANAGEMENT REPORT

for the year ended 31 July 2015

Management and the Executive have pleasure in submitting their report for the year ended 31 July 2015.

FINANCIAL REVIEW

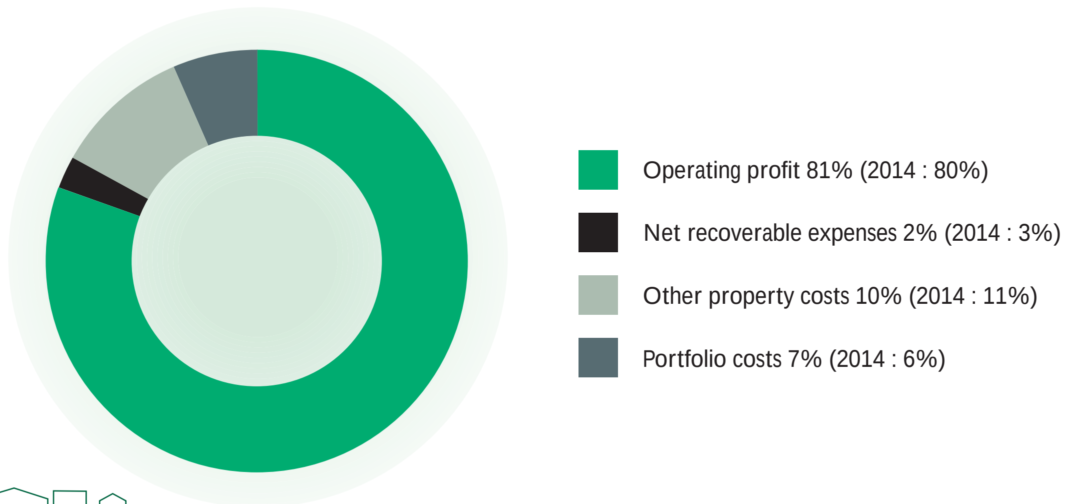
Distributable earnings for the year amounted to P117.4 million or 19.43 thebe per linked unit, a 7.7% increase on the comparable P109.0 million (18.03 thebe) for the prior year. This growth was achieved as a result of a 9.6% increase in net rental income and a corresponding 9.3% increase in operating profits, offset by lower net investment income following decreases in interest rates. The growth in net rental and operating income is indicative of the quality of earnings from the Group's asset base.

Distributable income was arrived at as follows:	2015 P'000	2014 P'000
Revenue before straight line adjustment	141 036	130 793
Other Income	1 726	1 588
Net property costs	(18 242)	(18 750)
Net rental income	124 520	113 631
Portfolio expenses	(9 279)	(8 222)
Operating profit before straight line adjustment	115 241	105 409
Net investment income	5 276	6 648
Profit before tax, straight line and fair value adjustments	120 517	112 057
Taxation (relating to distributable income)	(3 068)	(3 055)
Distributable income	117 449	109 002
Number of units in issue (in 000's)	604 397	604 397
Distributable income in tpu	19.43	18.03

In view of the necessity of declaring the year end distribution before the year end, that distribution was once again based on forecast before the year end. The actual distributable income was practically in line with this forecast and the surplus distributable income amounted to P15 000.

Total distributions to linked unitholders amounted to 19.43 thebe per linked unit, 8.0% above the comparative 17.99 thebe for the 2014 financial year. This equates to a 9.7% (2014: 9.0%) income yield on the initial listing price of P2.00 and 9.4% on the opening unit price of P2.06. These yields offer an attractive return on investment, especially considering the nature of the income stream which grows in line with rental escalations.

Operating profit as a percentage of operating income (contractual revenue and other income) can be analysed as follows:



MANAGEMENT REPORT (continued)

for the year ended 31 July 2015

FINANCIAL REVIEW (continued)

Contractual rentals have grown by 7.8% while operating costs have been contained and only increased by 2%. Net property expenses decreased by 2.7% while portfolio costs increased by 12.9%. As a result, contractual net rental income has increased by 9.6% and operating profit (before straight lining adjustments) by 9.3%.

The reduction in property expenses was achieved through the reduction in debtors' impairment provisions. Net impairment provisions for the year were P35 000 (2014: P2.1 million), being 0.0% and 1.6% of revenue respectively, while bad debt write-offs amounted to P0.5 million (2014: nil) and 0.4% of revenue. Unprovided tenant arrears reduced to P0.7 million (2014: P1.8 million) at year end, being 0.5% (2014: 1.2%) of contractual revenue after taking into account the VAT impact. Cumulative impairment provisions, adjusted for the VAT impact, amounted to 95% (2014: 81%) of total arrears at year end.

The increase in portfolio expenses is attributable to currency fluctuations on Namibian profits prior to transfer of the cash to Botswana, with remaining portfolio expenses growing by 4%.

The Group also generates interest on cash held pending investment in property, while incurring taxes on the Namibian generated income, and these items form part of distributable income. Net investment income reduced as a result of declining interest rates while the distributable income tax charge remained almost flat.

	2015 P'000	2014 P'000
Distributable income is reconciled to profit and total comprehensive income for the year as follows:		
Distributable income	117 449	109 002
Fair value adjustments		
- Investment property (net)	87 787	112 921
- Financial asset	1 852	(965)
Share of associate's profit	4 062	5 649
Amortisation of intangible asset	(881)	(881)
Rent straight lining adjustments	3 695	6 309
Deferred tax on		
- Investment property	(12 561)	(18 973)
- Rent straight lining	(838)	(1 444)
- Other non-distributable items	(1 463)	(563)
Net profit after tax	199 102	211 055
Foreign exchange currency difference	(1 051)	(2 522)
Comprehensive income	198 051	208 533

Property valuations gave rise to a P91.5 million fair value gain, before straight line adjustments, which amounts to an 8.1% increase on the opening value (2014: P119.2 million, 11.7%). This valuation gain was mainly attributable to increases in net rentals but also took into account a 22 basis point shift in the weighted average capitalisation rate which decreased from 10.20% to 9.98%. Due to the significant 99 basis point shift in the capitalisation rates last year as a result of the reduction in long bond rates the increase in valuations this year is lower than last year and, as a result, net profit reflects a decrease.

The revaluation adjustment, together with other fair value and accounting adjustments, and the related taxes thereon are treated as non-distributable income and have the effect of increasing the net asset value of NAP which increased by 7.2% to close at P1.2 billion at 31 July 2015 (2014: P1.1 billion).

PROPERTY PORTFOLIO

Retail is our core focus and where we are able to add most value and this is reflected in the composition of the portfolio.

The portfolio comprises 65 properties, predominantly retail and Botswana based, with a small exposure to Namibian retail (4%) and Botswana industrial (2%). Certain Botswana retail properties have an office component (approximately 5%) but properties are categorised based on primary use.

	Namibia Pm*	Botswana Pm*	Total Pm*	%
Fair value by sector:				
Retail	53	1 150	1 203	98%
Industrial	-	22	22	2%
Total	53	1 172	1 225	100%
%	4%	96%	100%	
Number of properties	7	58	65	
GLA (m^2)	12 561	117 523	130 084	

** Fair value before rent straight line adjustment.*

The properties have a wide geographical spread within the relevant countries, with 58 properties in Botswana and 7 in Namibia. The acquisition and development of the properties was driven by the demand for retail property and as a result the majority of the properties are located in urban and semi-urban areas of Gaborone, Molepolole, Tlokweng, Maun, Kasane and Selebi Phikwe. The top 10 properties by value comprise 78% of the total value of the portfolio at year end and are:

Property	Value 31/7/2015* P'000	% of portfolio	Location	Major tenants
Riverwalk	254 684	20.78%	Gaborone	Pick 'n Pay, Hi Fi Corp, Ackermans, Woolworths, Mr Price, Dunns, CB Stores, Bata Shoes, Nando's and Mugg & Bean
Kagiso Centre	147 000	12.00%	Gaborone	Payless Supermarket, Pep, Jet, CB Stores, Topline, Woolworths, Taku, Sheet Street, Options, JB Sports
Gaborone Shopping Centre	138 900	11.33%	Gaborone	Pep, Furnmart, CB Stores, Options, Dodo's Studio 88, Cell City, JB Sports
Mafenyatlala Mall	98 500	8.04%	Molepolole	Spar, FNB, Barclays Bank, Pep, Dunns, Cashbuild, Bank Gaborone, KFC, Barcelo's Chicken, Kweneng District Council
Riverwalk Plaza	86 100	7.03%	Gaborone	Homecorp, Spar, Tops, FNB, Incredible Connection
Kasane Mall	68 100	5.56%	Kasane	Spar, Furnmart, CB Stores, Pep, Dunns, BTC, Barclays Bank, Woolworths
Madirelo Centre	46 130	3.76%	Gaborone	Payless Supermarket, CB Stores, Furnmart, Topline, Cash Crusaders, Afritec
Mokoro Centre	43 280	3.53%	Maun	Spar, Ackermans, Pep, Dunns, Furnmart, Orange, Style
Plot 8, Station	42 300	3.45%	Gaborone	Knock Out Supermarket, Hungry Lion, CB Stores, Debonairs Pizza/Milky Lane, Chesa Nyama
Tlokweng Shopping Centre	31 600	2.58%	Gaborone	Choppies, Furnmart, Liquorama, Pep
Total 2015 year end	956 594	78.06%		
Total 2014 year end	885 271	78.03%		

** Fair value before rent straight line adjustment.*

MANAGEMENT REPORT (continued)

for the year ended 31 July 2015

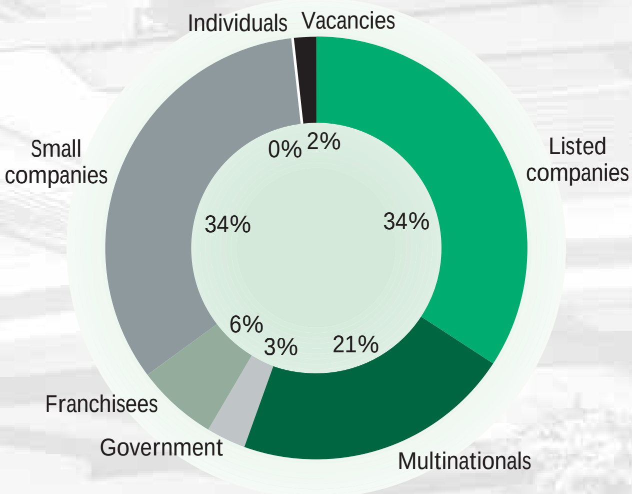
PROPERTY PORTFOLIO (continued)

There has been no change in the portfolio during the year.

Management continue to explore opportunities to add value to existing assets and the Riverwalk food court, which has undergone significant changes during the year and now offers the most diverse and exciting food court in Botswana, is an example of this.

The properties are occupied in terms of 450 leases. The top ten tenants contribute approximately 49% of total rental and occupy 51% of gross lettable area. These tenants are all well-known and established operators who are performing well in the premises occupied. They include the Pick 'n Pay, Spar, Choppies, Mr Price, Woolworths, Pepkor, Cashbuild, Furnmart, Payless and CB Stores.

The graph on the right analyses the current rental income composition at year end and reflects the relative strength of the underlying tenants that generate the rental income for NAP, with 55% of rentals being received from listed and multinational companies and a further 6% and 3% by franchisees and Government respectively.



Vacancies have ranged between 2.6%% and 3.2%% during the year and amount to 3 654m^2, being 2.81% of gross lettable area, at year end. On a rental basis the vacancy is approximately 1.86%. Of these vacancies, approximately 1 573 m^2 is transitional in nature and has been let subsequent to year end. These vacancies account for approximately half of the year end vacancy opportunity cost. The older remaining vacancies are primarily located in Selebi Phikwe, Francistown and smaller Gaborone properties.

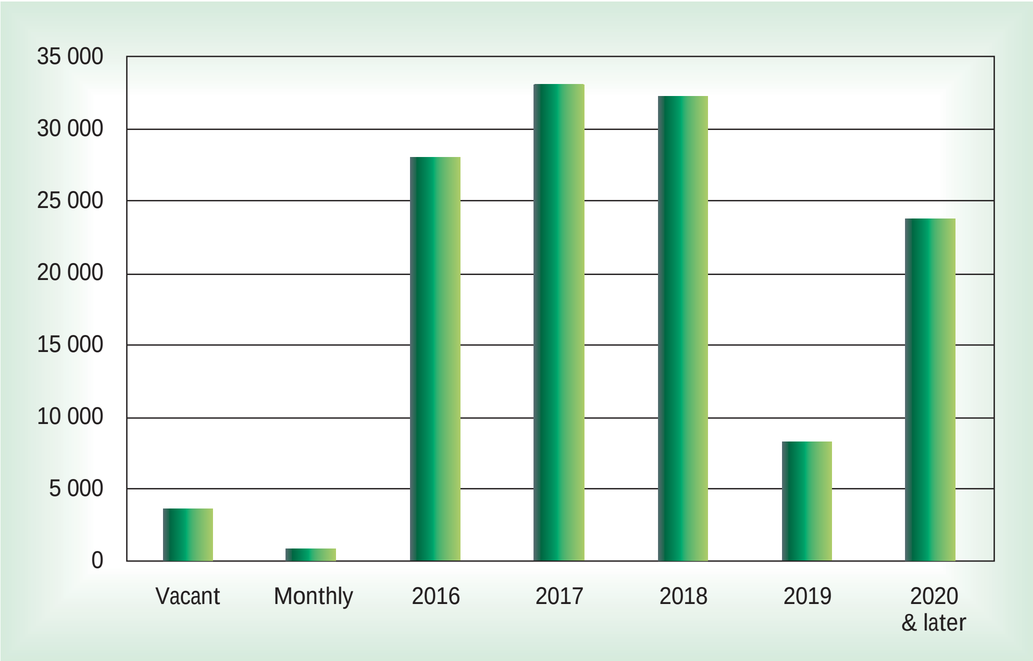
Riverwalk Shopping Centre, Gaborone

MANAGEMENT REPORT (continued)

for the year ended 31 July 2015

PROPERTY PORTFOLIO (continued)

The lease expiry profile as at 31 July 2015 based on gross lettable area and financial years comprises:



Based on current demand and interaction with tenants we are confident of retaining the majority of tenants with expiring leases over the next few years. Most of the expiries in each year are fairly evenly spread across buildings and tenants, with some weighing towards Riverwalk Plaza and Kasane Mall in 2016 and Riverwalk, Kagiso and Riverwalk Plaza Centre in 2017, with cyclical Mafenyatlala expiries in 2020. The demand for space in these centres is strong.

Monthly tenancies amount to 872m^2 and comprise recently expired leases where renewal negotiations or lease finalisation were still underway at year end.

PROSPECTS AND FUTURE GROWTH

The performance to date demonstrates that the current NAP property portfolio is capable of producing predictable, growing returns to investors in line with the primary objective of growing distributions on a sustainable basis. The board remains confident that this will be achieved in the year ahead.

The current demand for assets in Botswana has had an impact on the pricing and availability of assets. New retail development opportunities in Gaborone are considered limited at this time in view of the significant development that has taken place in recent years, while the Gaborone office market is considered to be oversupplied. There are however opportunities in other Botswana towns and management continue to look at opportunities that meet our objectives. While the fund has access to a pipeline of potential developments, the regulatory and planning environment and other related factors are all impacting on the timeframes and ability to bring these projects to fruition.

NAP is well positioned to fund developments and acquisitions in view of its virtually ungeared status and would benefit from the introduction of gearing.

UNITHOLDER ANALYSIS

as at 31 July 2015

The following summarises the unitholders:

Category	Number of unitholders 2015	Number of unitholders 2014	Number of units held 2015	Number of units held 2014	% of units held 2015	% of units held 2014
Unitholders by size of holding:						
1 - 500	683	692	165 769	168 667	-	-
500 - 1 000	105	111	84 318	89 730	-	-
1 001 - 5000	221	233	530 800	569 694	0.1%	0.1%
5 001 - 10 000	44	44	337 744	340 672	0.1%	0.1%
10 001 - 100 000	103	91	3 149 360	2 649 422	0.5%	0.4%
Over 100 000	65	60	600 129 133	600 578 939	99.3%	99.4%
Total	1 221	1 231	604 397 124	604 397 124	100.0%	100.0%
Unitholders by classification:						
Body corporates / Trusts	37	27	483 292 709	483 035 966	80.0%	79.9%
Insurance companies, pension / equity funds	51	46	82 107 598	78 972 010	13.6%	13.1%
Individuals	1 133	1 158	38 996 817	42 389 148	6.4%	7.0%
Total	1 221	1 231	604 397 124	604 397 124	100.0%	100.0%
Public	1 217	1 227	121 578 172	121 578 172	20.1%	20.1%
Non-public						
Directors' interests (including associates)*	4	4	482 818 952	482 818 952	79.9%	79.9%
Total	1 221	1 231	604 397 124	604 397 124	100.0%	100.0%

* *Some of these holdings are also non-public by virtue of the person holding 10% or more of the linked units*

Unitholders holding more than 5%:						
Cash Bazaar Holdings (Pty) Ltd	1	1	479 324 228	479 324 228	79.3%	79.3%
FNB BW Noms (Pty) Ltd Re: IAM BPOPF	-	1	-	31 366 940	-	5.2%
Total	1	2	479 324 228	510 691 168	79.3%	84.5%

Kagiso Shopping Centre, Gaborone

UNITHOLDER ANALYSIS (continued)

as at 31 July 2015

2015

Month	Closing mkt cap Pm	High P	Low P	Closing # P	Volume traded	Value traded P	Number of trades	Average trade value P
Aug-14	1 257	2.08	2.06	2.08	856 931	1 765 788	46	38 387
Sep-14	1 281	2.12	2.08	2.12	338 702	717 974	10	71 797
Oct-14	1 312	2.17	2.12	2.17	1 798 542	3 842 925	35	109 798
Nov-14	1 312	2.17	2.17	2.17	65 570	142 287	13	10 945
Dec-14	1 312	2.17	2.17	2.17	267 122	579 655	9	64 406
Jan-15	1 312	2.17	2.17	2.17	172 507	374 340	12	31 195
Feb-15	1 312	2.17	2.17	2.17	15 656	33 974	12	2 831
Mar-15	1 312	2.17	2.15	2.17	454 814	986 941	20	49 347
Apr-15	1 360	2.25	2.17	2.25	863 982	1 909 525	13	146 887
May-15	1 390	2.30	2.20	2.30	1 504 948	3 452 556	20	172 628
Jun-15	1 445	2.39	2.35	2.39	5 514 902	12 960 074	37	350 272
Jul-15	1 463	2.42	2.39	2.42	136 745	326 851	10	32 685
		2.42	2.06	2.42	11 990 421	27 092 890	237	114 316

Number of units traded as a % of total units in issue 1.98%

2014

Month	Closing mkt cap Pm	High P	Low P	Closing # P	Volume traded	Value traded P	Number of trades	Average trade value P
Aug-13	1 305	2.20	2.14	2.16	79 894	173 156	18	9 620
Sep-13	1 305	2.17	2.15	2.16	96 506	207 611	13	15 970
Oct-13	1 312	2.17	2.16	2.17	53 820	116 686	19	6 141
Nov-13	1 330	2.20	2.17	2.20	11 525 008	25 310 342	47	538 518
Dec-13	1 330	2.25	2.20	2.20	4 242	9 472	8	1 184
Jan-14	1 330	2.20	2.20	2.20	33 333	73 333	19	3 860
Feb-14	1 330	2.20	2.19	2.20	2 300	5 058	6	843
Mar-14	1 287	2.18	2.13	2.13	59 554	127 539	11	11 594
Apr-14	1 281	2.14	2.11	2.12	1 021 335	2 185 526	15	145 702
May-14	1 263	2.12	2.09	2.09	25 432	53 655	11	4 878
Jun-14	1 239	2.05	2.05	2.05	469 432	962 336	14	68 738
Jul-14	1 245	2.06	2.05	2.06	262 398	540 505	26	20 789
		2.25	2.05	2.06	13 633 254	29 765 219	207	143 793

Number of units traded as a % of total units in issue 2.26%

 # the closing value is based on the BSE report for trades that take place on the last day of the month while all other information is based on the record date per the Transfer Secretary records. At times the closing price is therefore outside the minimum to maximum range for a specific month.

GOVERNANCE AND RISK

The directors recognise the need to conduct the business with integrity and in accordance with generally acceptable corporate practices. The Company, insofar as practicable, complies with the principles of the King Report and the Botswana Stock Exchange Code of Best Practice on Corporate Governance, insofar as they are applicable to the Company.

The Board has accordingly established mechanisms and policies appropriate to the operations, which include a Board Charter, Approval Framework, Public Information Policy as well as two sub-committees as detailed below.

BOARD AND ITS SUB-COMMITTEES

The Board consists of 6 directors, 50% of whom are non-executive and 33% independent non-executive. The Board members bring significant experience in the property and retail fields which are the primary business sectors relevant to the Group. Non-executive directors are chosen for their business acumen and skills pertinent to the business of the Company. The Board considers that it is adequately constituted to enable it to carry out its duties and that there is an appropriate balance of skills. 50% of the Board are Batswana. One third of directors are required to retire annually at the annual general meeting, based on those longest in office. If, at the date of any ordinary meeting, any Director has held office for three years since their last election or appointment they shall retire at such meeting, either as one of the one third normal rotation or in addition thereto. Retiring members are eligible for re-election with all motions for appointment or re-election being considered individually. During the year Messrs. J.P. Mc Loughlin and S. Venkatakrishnan retired and were re-elected at the annual general meeting held on 15 January 2015. The appointment of Ms. L.C. Tapping on 15 July 2014 was ratified at the annual general meeting held on 15 January 2015.

The Board meets at least three times per annum. While the Board strives to have full attendance at meetings, the quorum is any four directors and board papers are distributed timeously to enable members to be properly briefed prior to meetings. Directors who are unable to attend a meeting receive the relevant documents and are able to communicate with the Chairman and Company executives on any issue. During the year the Board met three times with the only absences being Mr S. Venkatakrishnan, who did not attend the meetings but provided input as required, and Mr Lebala who missed one meeting.

Decisions required to be taken between meetings are attended to by the passing of a resolution signed by all directors. These round robin resolutions are subsequently ratified at the following Board meeting.

The primary responsibilities of the Board are:

- To exercise leadership, enterprise, integrity and judgment in directing the Company as so to achieve its strategic goals and objectives;
- To approve the strategic direction and budgets of the Company and ensure that the goals and objectives are aligned to those set out in the Trust Deed and that the Company is able to continue as a going concern;
- To retain full and effective control of the Company, its management and key service providers;
- To delegate appropriate matters to its sub-committees, management and service provider in terms of written mandates and authority, and to amend the terms of reference as well as members of the sub-committees as appropriate;
- To consider the Board composition; and
- Reporting formally to linked unitholders through the annual report and announcements.

The Board has established two sub-committees, being the Risk, Audit & Compliance Committee (RACC) and the Investment Committee (IC). The terms of reference and composition of these committees are set out below.

The Company has no employees and there is therefore no need for a Remuneration Committee. The Board approves remuneration payable to independent directors, which will then be ratified by unitholders at each annual general meeting. Independent directors receive no compensation other than fees approved and disclosed in this manner.

The Board as a whole considers Board composition and has not formed a separate Nomination Committee.

GOVERNANCE AND RISK (continued)

BOARD AND ITS SUB-COMMITTEES (continued)

In as far as the Board is aware:

- The Company has not engaged in any activities which contravene laws and regulations;
- The Directors have declared all material interests in contracts involving the Company;
- The Company has made all endeavours to ensure equitable treatment of unitholders;
- The RACC has conducted a review of the key internal controls which cover financial, operational and compliance controls and risk management; and
- The Board has considered the Company's ability to continue as a going concern and concluded that it is able to.

Risk, Audit & Compliance Committee

Composition, quorum & frequency

- Chaired by an independent director.
- Comprise two independent directors (with sufficient financial literacy) and the Managing Director. The Chief Financial Officer and external auditors attend meetings by invitation.
- Meet at least twice per annum and meetings may be held by conference call for logistical reasons.
- Quorum of 2 members.

In addition, the external auditors and independent RACC directors are given the opportunity to meet without management being present if deemed appropriate. Neither the independent directors nor external auditors considered this necessary during the year under review.

Scope and Responsibilities

- Review of internal controls and systems;
- Monitoring that decisions taken by the board that affect the RACC are followed through;
- Monitoring compliance with Trust Deed, BSE Listings Requirements, Companies Act, Corporate Governance and other applicable legislation;
- Review the audit management letter;
- Recommend letters of representation and other documentation for board approval;
- Recommend approval of annual reports and interim results to board;
- Recommend approval of BSE announcements to board;
- Agree and recommend accounting policies to board;
- Reporting to board on proceedings of the committee;
- Monitor the corporate risk assessment process;
- As regards External Auditors, the RACC should:
  - recommend their appointment;
  - be satisfied with their independence especially where non-audit services are performed;
  - agree the principles for the audits which do not limit their statutory obligations;
  - decide on the extent of external verification of non-financial information;
  - decide on the external review of interim results;
- Consider problems identified in the going concern assumption;
- Consider the appropriateness and disclosure of related party transactions; and
- Recommendation regarding internal audit.

GOVERNANCE AND RISK (continued)

BOARD AND ITS SUB-COMMITTEES (continued)

The Committee met formally three times this year. The members of the Committee are J.P. McLoughlin (Chairman and Independent non-executive director), S.Venkatakrishnan (Independent non-executive director) and T.L.J. Mynhardt (Managing Director). Mr S. Venkatakrishnan did not attend the meetings but provided input as required, while all other members, the external audit partner, CFO and Financial Manager attended all meetings in person. Mr Venkatakrishnan communicated his input, as considered appropriate, to the other Committee members and CFO for the meetings not attended.

Investment Committee

Composition, quorum & frequency

- Chaired by the Chairman.
- Comprise the Chairman, Managing Director and Chief Financial Officer.
- Meet as required.
- Quorum of 2 members.

Scope and Responsibilities

- Developing and recommending an investment strategy;
- Advising on and/or effecting disposals, acquisitions and developments within the approved investment policy and authority limits;
- Recommending disposals, acquisitions and developments to the Board which exceed the authority limits;
- Approving the Company's funding facilities, debt fixes and banking arrangements.

The Committee only met informally and through rand robin discussions during the year. While no formal meetings were held, necessary communication and recommendations on relevant items under the scope of this committee were included as part of the board paper packs or communicated at board meetings. The members of the Committee are J.T. Mynhardt (Chairman), T.L.J. Mynhardt (Managing Director) and L.C. Tapping (Chief Financial Officer).

ASSET AND PROPERTY MANAGEMENT

The assets and properties of the Company are managed by Nafprop, a wholly owned subsidiary of CBH, in terms of separate property and asset management agreements. The key responsibilities and remuneration in terms of these agreements are set out below.

Asset Management

The manager is accountable to the Board of Directors of NAP, with the obligation to report regularly as required by the Board of NAP.

Key responsibilities:

- Manage the assets and securities owned by the Company, from time to time;
- Carry out all treasury and asset management services;
- Investigate and prepare recommendations of strategy for the Company including potential acquisitions to or disposals from the Company's portfolio;
- Negotiate for and conclude agreements for acquisitions and disposals to and from the portfolio;
- Manage cash surpluses and payment of distributions to linked unitholders;
- Procure valuations;
- Undertake the financial, administrative and secretarial management of the Company;
- Prepare or cause to be prepared all financial statements, reports, returns and valuations of the property portfolio;
- Ensure compliance by the Company with applicable regulatory requirements; and
- Prepare budgets of income and expenditure at the commencement of each financial year.

Remuneration:

The manager is entitled to be reimbursed any expenditure or other amounts reasonably incurred and disbursed by it in respect of the management of the Company's assets and is entitled to an annual fee equal to 0.50% (exclusive of VAT) of the value of the average market capitalisation of the Company in the month in question plus debt of the Company, paid monthly.

ASSET AND PROPERTY MANAGEMENT (continued)

Property Management

The manager is accountable to the Board of Directors of NAP, with the obligation to report regularly as required by the Board of NAP.

Key responsibilities:

- Let accommodation in the properties, prepare leases, collect rentals, enforce leases and other contractual arrangements;
- Manage the properties, paying all costs, disbursements and expenses related to and arrange and maintain insurance in respect of the properties;
- Recommend to the Board any replacement, repairs, refurbishment or maintenance necessary;
- Assist with the preparation of the half yearly and annual financial statements and reports to the Company;
- Maintain a separate bank account into which all rental income is paid and from which all expenses in respect of the properties is disbursed;
- Keep books and records in accordance with acceptable practices and standards, and report in terms of International Financial Reporting Standards (IFRS); and
- Prepare budgets for each financial year and present same for approval by the Board prior to the commencement of that year.

Remuneration:

The manager is entitled to be reimbursed all expenditure and other amounts reasonably incurred by and disbursed by it in respect of the properties, and a fee equal to 4.5% (exclusive of VAT) of the amount of total collections by it, and, in respect of letting, 100% of the first month's gross rental for leases that run up to five years and 150% of the first month's gross rental for leases that run in excess of five years, and in respect of renewals of such leases procured by the manager itself 50% of the aforesaid fees based on the period of renewal.

RISK MANAGEMENT

The primary objective of risk management is to find the balance between minimising risk to acceptable levels and the costs and practicalities in achieving this. This involves gaining an understanding of the risks the Group is exposed to, establishing acceptable tolerance levels and managing the risks to ensure they stay within the tolerable levels.

In the normal course of operations the Group is exposed to strategic and business risk, financial risk, regulatory and compliance risk.

The group's exposure to human resources risk is an indirect risk for the Group as it employs no staff in view of the asset and property management being outsourced. NAP's executives are consulted in all key employment decisions by the Asset and Property Manager and have direct access to the relevant managers as required.

The Group's exposure to technology risk is similarly outsourced and the Asset and Property Manager uses a reputable and well supported property management system, the MDA system, for managing the company and its properties. MDA is an interactive and adaptive system which allows Nafprop to generate real time reports for each of the properties and allows for the effective management of the properties. Nafprop can accurately manage and access instant data on the tenancies, leases, occupancies, rental income and expenses through this system.

The key risks that the Group is exposed to, together with the key controls, are summarised below.

Financial risk

Financial risk comprises market risk (incorporating interest, currency and other price risk), credit risk and liquidity risk. Note 30.1 to the annual financial statements deals with the major elements of financial risk which arise from financial instruments to which the Group is exposed during or at the end of the financial reporting period.

GOVERNANCE AND RISK (continued)

RISK MANAGEMENT (continued)

Strategic and business risk

This is the risk that the Company does not achieve critical objectives such as meeting stakeholder expectations, does not have access to capital as required, as well as inherent business risks in the property sector.

The annual review of investment strategy, regular budget and forecasting process, approval framework and the routine presentation of reports to Board are the Board's primary method of managing strategic and business risks. The Company has also contracted with competent asset managers who are responsible for advising the Board on strategy and individual property investments.

Portfolio growth

This is the risk that the Group is unable to grow its asset base in order to create new investment opportunities and realise its strategic objectives. The growth of the portfolio has been challenging in view of the demand for property investment opportunities and limited availability of sizeable assets. Both the Board and Management are actively pursuing potential opportunities but will only consider acquisitions or developments that contribute positively to the long term growth in returns to unitholders. The Company also has access to any development projects secured by Nafprop, including those on land banked properties.

Investment decision risk

This is the risk that inappropriate investment decisions are made. These decisions are made in terms of the approval framework, which delegates limited decisions in this regard to the Investment Committee, while retaining decision making responsibility for all significant investment decisions at a Board level. The Board also relies on input from the Asset Manager in this regard.

Capital risk management

This is the risk that the Group will have inadequate access to capital to meet its needs and its ability to continue as a going concern. The gearing level, relative cost of debt and equity as well as the yield hurdle and breakeven point forms part of the annual investment strategy review and is a key part of any investment decision contemplated. The Board also reviews cash flow projections at each meeting. This risk is more fully dealt with in notes 30.1 and 30.2 to the annual financial statements.

Property performance risk

The Asset and Property Manager is responsible for managing the properties on a day to day, and more strategic, basis. The key considerations are the market factors surrounding the property, the continued tenancy, rental levels, collection of rentals and management of operating costs to optimise spend. Nafprop has various systems, controls and committees in place to manage these issues, including property management and leasing meetings, and report to Board in summarised form on all the relevant items at each meeting.

Regulatory and compliance risk

This is the risk that the company does not comply with relevant legal requirements.

The risk is managed through the use of competent, skilled and experienced service providers who are required to provide their respective systems, controls and procedures to the RACC for review, as well as to confirm their compliance to these. The Company also uses the BSE checklists for Best Code of Corporate Governance. Further checklists will continue to be put in place to assist the Board in monitoring this risk.

Executives and management take an active role in reviewing and commenting on relevant legislative and regulatory changes where appropriate.

DIRECTORS' RESPONSIBILITY AND APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The directors are required in terms of the Companies Act (CAP 42:01) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the Group and the company as at the end of the financial year and the results of their operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the consolidated and separate annual financial statements.

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

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board 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 implemented by trained and appropriately skilled personnel and are reported to the Risk, Audit & Compliance Committee. The Board requires adherence to the highest ethical standards in ensuring that the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While risk cannot be fully eliminated, the Group 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 that, based on the information and explanations given by management, the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's cash flow forecast for the year to 31 July 2016 and, in the light of this review and the current financial position, they are satisfied that the Group has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the consolidated and separate annual financial statements. The consolidated and separate annual financial statements have been examined by the external auditors and their report is presented on page 21.

The consolidated and separate annual financial statements set out on pages 24 to 61, which have been prepared on the going concern basis, were approved by the board on 22 October 2015 and were signed on its behalf by:

JT Mynhardt
Chairman
22 October 2015

TLJ Mynhardt
Managing Director
22 October 2015

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NEW AFRICAN PROPERTIES LIMITED

Report on the Financial Statements

We have audited the Group annual financial statements of New African Properties Limited, which comprise the consolidated and separate statements of financial position as at 31 July 2015, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 24 to 61.

Directors' Responsibility for the Financial Statements

The Company's directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated and separate 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 management, as well as evaluating the overall presentation of the 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 consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of New African Properties Limited as at 31 July 2015, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers

Individual practicing member: *Rudi Binedell*
Membership number: 20040091

Gaborone
22 October 2015

DIRECTORS' REPORT

The Directors have pleasure in submitting their report for the year ended 31 July 2015.

NATURE OF BUSINESS

New African Properties Limited is a property investment company listed on the Botswana Stock Exchange and is classified as a public variable rate loan stock company. The Group derives its income from rental income from a portfolio of predominantly Botswana based retail properties.

STATED CAPITAL

As a loan stock company the equity of the company comprises linked units, where every one ordinary share is indivisibly linked to one variable rate debenture.

At 31 July 2015 there were 604 397 124 (2014: 604 397 124) linked units in issue with no changes during the year:

	2015	2014
Balance at beginning and end of year	604 397 124	604 397 124

DISTRIBUTION

Distributions to linked unitholders comprise dividends on the ordinary shares and interest on debentures. The following distributions were declared for the year:

	2015		2014	
	P'000	thebe per linked unit	P'000	thebe per linked unit
2015: Number 7 - declared 24 April 2015, paid 15 May 2015)				
(2014: Number 5 - declared 9 April 2014, paid 30 May 2014)				
Interest	52 159	8.63	52 039	8.61
Dividends	5 319	0.88	1 934	0.32
	57 478	9.51	53 973	8.93
2015: Number 8 - declared 14 July 2015, paid 28 August 2015				
(2014: Number 6 - declared 15 July 2014, paid 5 September 2014)				
Interest	54 577	9.03	49 923	8.26
Dividends	5 379	0.89	4 835	0.80
	59 956	9.92	54 758	9.06
Total for the year	117 434	19.43	108 731	17.99

HOLDING COMPANY

The company's holding company is Cash Bazaar Holdings (Proprietary) Limited.

SUBSIDIARY COMPANIES

Details of the Group's subsidiary company are set out in note 6 to the financial statements.

DIRECTORS' REPORT (continued)

DIRECTORS

The following directors served on the Board during the year:

Name	Date of appointment	Last reappointed/ ratified
JT Mynhardt (Chairman)	22/02/2008	15/01/2014
FB Lebala	22/02/2008	23/01/2013
JP McLoughlin	12/08/2011	15/01/2015
TLJ Mynhardt	22/02/2008	23/01/2013
LC Tapping	15/07/2014	15/01/2015*
S Venkatakrishnan	12/08/2011	15/01/2015

** ratified*

There have been no other changes to the board up to the date of this report.

DIRECTORS' FEES

Independent directors are paid fees for meetings attended and these fees amounted to P105 000 for the year (2014: P124 500, with an under provision for the prior year of P1 350). No other executive or non-executive directors are paid fees by the Company and the Company pays no other compensation to any director.

DIRECTORS' INTERESTS

The aggregate number of linked units held directly by directors at 31 July 2015 was 340 332 (2014: 340 332) linked units. Indirectly, 482 478 620 (2014: 482 478 620) linked units were held.

BORROWINGS

The company's borrowing capacity is limited to 70% of the value of the assets of the Company or such other sum as the Company may, by ordinary resolution, in general meeting determine. Directors are authorised to secure the repayment of or raise any such sum by mortgage or charge upon the whole or any part of the property and assets of the Company.

Borrowings amount to P30.1million at 31 July 2015 (2014: P32.5 million).

COMPANY SECRETARY

The company secretary is DPS Consulting Services (Proprietary) Limited.

POST BALANCE SHEET EVENTS

There are no material subsequent events occurring between the year end and the date of these financial statements.

JT Mynhardt
Chairman
22 October 2015

TLJ Mynhardt
Managing Director
22 October 2015

STATEMENTS OF FINANCIAL POSITION

at 31 July 2015

		Group		Company	
	Notes	2015 P'000	2014 P'000	2015 P'000	2014 P'000
ASSETS					
Non-current assets					
Investment property	5	1 197 122	1 109 920	1 145 573	1 065 004
At fair value		1 225 449	1 134 598	1 172 684	1 088 641
Less: Rent straight line adjustment		(28 327)	(24 678)	(27 111)	(23 637)
Investment in subsidiary	6	-	-	36 650	36 650
Investment in associate	7	17 707	13 645	4 951	4 951
Financial asset	8	20 954	19 102	20 954	19 102
Intangible asset	9	9 550	10 431	9 550	10 431
Rent straight line adjustment		26 681	23 970	25 709	22 930
Total non-current assets		1 272 014	1 177 068	1 243 387	1 159 068
Current assets					
Trade and other receivables	10	85 733	87 507	92 950	98 270
Rent straight line adjustment - current portion		1 646	708	1 402	707
Tax receivable		537	2 523	319	2 273
Cash and cash equivalents	11	47 651	44 997	37 539	28 363
Total current assets		135 567	135 735	132 210	129 613
TOTAL ASSETS		1 407 581	1 312 803	1 375 597	1 288 681
EQUITY AND LIABILITIES					
Equity					
Linked units	12	871 824	871 824	871 824	871 824
Foreign currency translation reserve		(9 385)	(8 334)	-	-
Retained income		325 410	243 742	291 038	222 203
Total equity		1 187 849	1 107 232	1 162 862	1 094 027
Non-current liabilities					
Borrowings	13	27 628	30 209	27 628	30 209
Deferred tax liability	14	112 516	97 623	108 851	94 062
Total non-current liabilities		140 144	127 832	136 479	124 271
Current liabilities					
Trade and other payables	15	17 106	20 742	13 774	13 386
Distributions payable		59 964	54 758	59 964	54 758
Borrowings - current portion	13	2 518	2 239	2 518	2 239
Total current liabilities		79 588	77 739	76 256	70 383
TOTAL EQUITY AND LIABILITIES		1 407 581	1 312 803	1 375 597	1 288 681

STATEMENTS OF COMPREHENSIVE INCOME

for the year ended 31 July 2015

	Notes	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
Revenue	16	144 731	137 102	137 348	130 162
Contractual		141 036	130 793	133 874	124 362
Rent straight line adjustment		3 695	6 309	3 474	5 800
Other income	17	1 726	1 588	6 484	6 018
Net property costs	18	(18 242)	(18 750)	(17 684)	(18 470)
Net rental income		128 215	119 940	126 148	117 710
Other expenses	19	(9 279)	(8 222)	(9 217)	(8 162)
Operating profit		118 936	111 718	116 931	109 548
Net finance income		5 276	6 648	4 698	5 191
Finance income	20	7 503	9 262	6 921	7 802
Finance expense	21	(2 227)	(2 614)	(2 223)	(2 611)
		124 212	118 366	121 629	114 739
Investment property fair value adjustment	5	87 787	112 921	79 173	115 828
At fair value		91 482	119 230	82 647	121 628
Rent straight line adjustment		(3 695)	(6 309)	(3 474)	(5 800)
Financial asset fair value adjustment	8	1 852	(965)	1 852	(965)
Amortisation of intangible asset	9	(881)	(881)	(881)	(881)
		212 970	229 441	201 773	228 721
Share of associate's profit	7	4 062	5 649	-	-
Profit before taxation		217 032	235 090	201 773	228 721
Taxation	22	(17 930)	(24 035)	(15 504)	(21 472)
Profit for the year attributable to linked unitholders		199 102	211 055	186 269	207 249
Other comprehensive income					
Items that may subsequently be reclassified to profit or loss					
Currency translation differences		(1 051)	(2 522)	-	-
Comprehensive income for the year attributable to linked unitholders		198 051	208 533	186 269	207 249
Units in issue at end of year		604 397 124	604 397 124	604 397 124	604 397 124
		Thebe	Thebe	Thebe	Thebe
Basic and diluted earnings per unit attributable to linked unitholders	23	32.94	34.92	30.82	34.29
Distribution per linked unit	24	19.43	17.99	19.43	17.99

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 July 2015

	Share capital P'000	Debentures P'000	Total linked units P'000	Foreign currency translation reserve P'000	Non distributable retained income P'000	Distributable retained income P'000	Total P'000
Group							
2014							
Balance at beginning of year	8 719	863 105	871 824	(5 812)	140 589	829	1 007 430
Transactions with owners							
Distributions declared (note 24)							
Number 5 - declared 9 April 2014	-	-	-	-	-	(53 973)	(53 973)
Number 6 - declared 15 July 2014	-	-	-	-	-	(54 758)	(54 758)
Total transactions with owners	-	-	-	-	-	(108 731)	(108 731)
Comprehensive income							
Comprehensive income for the year	-	-	-	-	-	208 533	208 533
Transfer of revaluation gains net of related taxes	-	-	-	-	102 053	(102 053)	-
Transfer to foreign currency translation reserve	-	-	-	(2 522)	-	2 522	-
Total comprehensive income	-	-	-	(2 522)	102 053	109 002	208 533
Balance at end of year	8 719	863 105	871 824	(8 334)	242 642	1 100	1 107 232
2015							
Balance at beginning of year	8 719	863 105	871 824	(8 334)	242 642	1 100	1 107 232
Transactions with owners							
Distributions declared (note 24)							
Number 7 - declared 24 April 2015	-	-	-	-	-	(57 478)	(57 478)
Number 8 - declared 14 July 2015	-	-	-	-	-	(59 956)	(59 956)
Total transactions with owners	-	-	-	-	-	(117 434)	(117 434)
Comprehensive income							
Comprehensive income for the year	-	-	-	-	-	198 051	198 051
Transfer of revaluation gains net of related taxes	-	-	-	-	81 653	(81 653)	-
Transfer to foreign currency translation reserve	-	-	-	(1 051)	-	1 051	-
Total comprehensive income	-	-	-	(1 051)	81 653	117 449	198 051
Balance at end of year	8 719	863 105	871 824	(9 385)	324 295	1 115	1 187 849

STATEMENTS OF CHANGES IN EQUITY (continued)

for the year ended 31 July 2015

	Share capital P'000	Debentures P'000	Total linked units P'000	Foreign currency translation reserve P'000	Non distributable retained income P'000	Distributable retained income P'000	Total P'000
Company							
2014							
Balance at beginning of year	8 719	863 105	871 824	-	122 209	1 476	995 509
Transactions with owners							
Distributions declared (note 24)							
Number 5 - declared 9 April 2014	-	-	-	-	-	(53 973)	(53 973)
Number 6 - declared 15 July 2014	-	-	-	-	-	(54 758)	(54 758)
Total transactions with owners	-	-	-	-	-	(108 731)	(108 731)
Comprehensive income							
Comprehensive income for the year	-	-	-	-	-	207 249	207 249
Transfer of revaluation gains net of related taxes	-	-	-	-	98 871	(98 871)	-
Total comprehensive income	-	-	-	-	98 871	108 378	207 249
Balance at end of year	8 719	863 105	871 824	-	221 080	1 123	1 094 027
2015							
Balance at beginning of year	8 719	863 105	871 824	-	221 080	1 123	1 094 027
Transactions with owners							
Distributions declared (note 24)							
Number 7 - declared 24 April 2015	-	-	-	-	-	(57 478)	(57 478)
Number 8 - declared 14 July 2015	-	-	-	-	-	(59 956)	(59 956)
Total transactions with owners	-	-	-	-	-	(117 434)	(117 434)
Comprehensive income							
Comprehensive income for the year	-	-	-	-	-	186 269	186 269
Transfer of revaluation gains net of related taxes	-	-	-	-	68 829	(68 829)	-
Total comprehensive income	-	-	-	-	68 829	117 440	186 269
Balance at end of year	8 719	863 105	871 824	-	289 909	1 129	1 162 862

STATEMENTS OF CASH FLOWS

for the year ended 31 July 2015

	Notes	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
Cash flows from operating activities					
Profit before taxation		217 032	235 090	201 773	228 721
Adjustments for:					
Net finance income		(5 276)	(6 648)	(4 698)	(5 191)
Fair value and impairment adjustments		(88 758)	(111 075)	(80 144)	(113 982)
Share of associate's profit		(4 062)	(5 649)	-	-
Rent straight line adjustment		(3 695)	(6 309)	(3 474)	(5 800)
Changes in working capital					
Trade and other receivables		(4 969)	1 321	(1 433)	(3 165)
Trade and other payables		(3 636)	802	388	1 148
Currency translation difference		828	(748)	-	-
Cash generated from operations		107 464	106 784	112 412	101 731
Finance expense		(2 227)	(2 614)	(2 223)	(2 611)
Finance income		7 503	9 262	6 921	7 802
Distributions paid to linked unitholders	24	(112 228)	(104 682)	(112 228)	(104 682)
Taxation paid	25	(903)	(2 397)	1 239	(270)
Net cash flows from operating activities		(391)	6 353	6 121	1 970
Cash flows from investing activities					
Investment property acquired / improved	5	(1 396)	(841)	(1 396)	(493)
Deposit in related party receivable		6 743	8 686	6 753	8 672
Net cash flows from investing activities		5 347	7 845	5 357	8 179
Cash flows from financing activities					
Borrowings decreased		(2 302)	(2 019)	(2 302)	(2 019)
Net cash flows from financing activities		(2 302)	(2 019)	(2 302)	(2 019)
Net change in cash and cash equivalents		2 654	12 179	9 176	8 130
Cash and cash equivalents at beginning of year		44 997	32 818	28 363	20 233
Cash and cash equivalents at end of year	11	47 651	44 997	37 539	28 363

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

31 July 2015

1. GENERAL INFORMATION

New African Properties Limited and its subsidiaries (together the Group) own a portfolio of investment property located primarily in Botswana. The company is listed on the Botswana Stock Exchange.

These financial statements have been approved by the Board of Directors on 22 October 2015.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Group and Separate annual financial statements are set out below and are consistent in all material respects with those applied in the previous year.

2.1 Basis of preparation

These annual financial statements have been prepared on a going concern basis, are prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations and have been prepared under the historical cost convention as modified by the measurement of investment properties and certain financial assets and financial liabilities at fair value. Fair value adjustments do not affect the calculation of distributable income but do impact the net asset value per linked unit to the extent that adjustments are made to the carrying value of assets and liabilities.

2.2 Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group annual financial statements incorporate the results and financial position of the Company and all subsidiaries, currently only New African Properties (Namibia) (Proprietary) Limited. The results of subsidiaries are included from the effective dates of gaining control and up to the effective dates of relinquishing control.

All Group companies have a 31 July year end and apply uniform accounting policies for like transactions.

All intercompany transactions and balances between Group entities are eliminated with the exception of intercompany interest capitalised to the cost of investment property during construction.

The Company carries its investment in subsidiaries in its separate financial statements at cost less any accumulated impairment.

2.3 Common control transactions

Business combinations which result from transactions between the holding company and its subsidiaries or between subsidiaries of the Company are defined as common control transactions and are accounted for using the predecessor method of accounting.

Under the predecessor method of accounting, the results of the entities or businesses under common control are presented as if the business combination had been effected from the effective date. The assets and liabilities combined are accounted for prospectively, based on the carrying amounts applying the Company's accounting policies at the date of transfer. On consolidation, the cost of the business combination is cancelled with the values of the net assets received. Any resulting differences are classified as equity.

2.4 Business combinations

The Group may invest in subsidiaries that hold properties but do not constitute a business. These transactions are therefore treated as asset acquisitions rather than business combinations.

For acquisitions meeting the definition of a business combination the acquisition method of accounting is used. The cost of an acquisition is measured as the aggregate of the fair value of the underlying assets transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.4 Business combinations (continued)

The excess of the cost of the acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. Goodwill is not amortised but is tested for impairment on an annual basis. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, attributable goodwill is included in the determination of the profit or loss on disposal. If the cost of acquisition is less than the fair value of the net assets acquired, the difference is recognised directly in profit or loss.

2.5 Investment in associate

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Currently the only associate is Edco (Proprietary) Limited and the Group's interests are protected in terms of a shareholders agreement, which includes a pre-emptive right.

An investment in associate is accounted for using the equity method in the consolidated financial statements and at cost in the separate company financial statements, except when the investment is classified as held-for-sale in accordance with IFRS 5 Non-current assets held-for-sale and discontinued operations. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost adjusted for post acquisition changes in the Group's share of net assets of the associate, less any impairment losses.

The Group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment.

Losses in an associate in excess of the Group's interest in that associate are recognised only to the extent that the Group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Any goodwill on acquisition of an associate is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in profit or loss.

At each reporting date the group determines whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to "share of profit/(loss) of associates" in profit or loss.

Profits or losses on transactions between the Group and an associate are eliminated to the extent of the Group's interest therein. When the Group reduces its level of significant influence or loses significant influence, the Group proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

2.6 Investment properties

Investment properties are those properties, either owned by the Group or where the Group is a lessee under a finance lease, that are held either to earn rental income or for capital appreciation, or both, and that is not occupied by companies in the consolidated Group. In addition, properties held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

After initial recognition, investment property is carried at fair value which includes accrued operating lease income and other assets that are also supported by the same cash flows used in determining the value of investment property. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. These valuations are assessed at every reporting date. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value. The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.6 Investment properties (continued)

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Direct costs relating to major capital projects are capitalised and are incurred to maintain, upgrade or refurbish properties to preserve or improve capital value. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred.

Changes in fair values, as well as gains or losses on disposal are recorded in the statement of comprehensive income in the period in which they occur. Such gains, losses or fair value adjustments are excluded from the calculation of distributable income and are transferred to non-distributable retained income.

2.7 Intangible assets

Intangible assets other than goodwill are recognised where the entity has acquired or developed identifiable, non-monetary assets that are expected to generate future economic benefits for the entity and where the cost can be reliably measured. These assets are initially recognised at cost and subsequently carried at cost less accumulated impairment losses and, where the assets have a finite useful life, any accumulated amortisation.

Land lease rights have a finite useful life based on the underlying contractual agreement and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost of the lease rights over their estimated useful lives based on the underlying lease period.

2.8 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

The Group determines whether there is objective evidence that the investment in subsidiaries or associates is impaired at each reporting date. If this is the case the Group calculates the amount of any impairment and recognises the loss in profit and loss.

An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses on goodwill are not reversed.

Such impairments and reversals are excluded from the calculation of distributable income and are transferred to non-distributable retained income.

2.9 Financial instruments

Non-derivative financial instruments recognised on the statement of financial position include cash and cash equivalents, trade and other receivables, assets arising from contractual rights to receive cash, interest bearing borrowings and trade and other payables. The group currently has no derivative financial instruments.

(a) Financial assets

(i) Initial recognition

Financial assets are initially measured at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Financial assets are classified into the following specific categories: 'at fair value through profit or loss', 'held to maturity' investments, 'available for sale' and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

(ii) Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is held for trading or designated as such upon initial recognition.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.9 Financial instruments (continued)

(ii) Financial assets at fair value through profit or loss (continued)

A financial asset is classified as held for trading if:

- It has been acquired principally for the purpose of selling in the near future; or
- It is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- Such designation eliminates or substantially reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial asset forms part of a group of financial assets or liabilities or both, which is managed and its performance evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IAS39 Financial Instruments: Recognition and Measurement permits the entire combined contract to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss. Such changes are excluded from the calculation of distributable income and are transferred to non-distributable retained income.

The financial asset reflected as non-current assets has been designated as at fair value through profit or loss.

(iii) Held-to-maturity investments

Bills of exchange and other assets with fixed maturity dates that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments.

Held-to-maturity investments are recorded at amortised cost using the effective interest method less any impairment losses. The Group does not currently have any held-to-maturity assets.

(iv) Available for sale financial assets

Gains and losses arising from changes in fair value of available for sale financial assets, other than impairment losses, are recognised directly in equity. Where the investment is disposed of the cumulative gain or loss previously recognised in equity is transferred to profit or loss. Such transfers are excluded from the calculation of distributable income and are transferred to non-distributable retained income.

The Group does not currently have any available for sale financial assets.

(v) Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are measured at amortised cost using the effective interest method, less any impairment.

The Group's financial assets classified as loans and receivables, include trade and other receivables and cash and cash equivalents.

(vi) Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the asset, the Group recognises its retained interest in the asset and an associated liability for amounts it will have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.9 Financial instruments (continued)

(b) Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(i) *Financial liabilities at fair value through profit or loss*

Financial liabilities are classified as at fair value through profit or loss where the financial liability is either held for trading or it is designated as at fair value through profit or loss. Such changes in fair value are excluded from the calculation of distributable income and are transferred to non-distributable retained income.

The Group does not currently have any financial liabilities at fair value through profit or loss.

(ii) *Other financial liabilities*

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with the interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating the interest expense over the relevant period. The effective interest rate is the rate which exactly discounts the estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(iii) *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

2.10 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited as other income in the statement of comprehensive income.

2.11 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2.12 Borrowings

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.13 Trade payables

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

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.14 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. The Group recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

2.15 Revenue recognition

Revenue includes rental income from properties.

(a) Rental income

Rental income from operating leases is recognised in income on a straight-line basis over the lease term.

(b) Interest income

Interest income is recognised on a time proportion basis, taking account of the principal outstanding amount and the effective rate over the period to maturity when it is determined that such income will accrue to the Group.

2.16 Operating lease (Group is the lessor)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

When properties are leased out under an operating lease, the properties are included in the statement of financial position as investment properties. Lease income is recognised over the term of the lease on a straight-line basis and the adjustments between this and the contractual rentals are transferred to non-distributable retained income.

2.17 Interest expense

Where the Group undertakes a major development or refurbishment of its property, interest is capitalised to the cost of the property concerned during the construction period. All other interest expenses for borrowings are recognised within 'finance expense' in the statement of comprehensive income using the effective interest rate method.

2.18 Current and deferred income tax

The tax expense comprises current and deferred income tax and is recognised in the statement of comprehensive income, except where it relates to items recognised directly in other comprehensive income or equity. In those cases the tax is also recognised in other comprehensive income or equity as applicable.

Current tax is determined at current rates on the net income for the year after taking into account income and expenditure which is not subject to tax, assessed or estimated tax losses brought forward from prior years and the tax effect of credits and charges, including depreciation, attributable to periods other than the current year.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for the following temporary differences:

- If it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting or taxable profit or loss;
- Goodwill that arises on initial recognition of a business combination;
- Differences relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

Deferred income tax is determined using the tax rates that have been enacted as at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.18 Current and deferred income tax (continued)

The carrying value of the combined entity's investment property will generally be realised by capital (the consideration on the sale at the end of use). The capital gains tax rate applied is that which would apply on a direct sale of the property recorded in the statement of financial position. The deferred tax is then calculated based on the respective temporary differences and tax consequences arising from recovery through sale.

Taxation on items that are not distributable is similarly excluded from the calculation of distributable income and is transferred to non-distributable retained income.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.19 Distributions

Distributions to linked unitholders are recognised as a liability in the Group's financial statements in the period in which the distributions are approved by the Board.

2.20 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group financial statements are presented in Pula, which is the Company's functional currency and Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'. All other foreign exchange gains and losses are presented in the statement of comprehensive income.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) 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;

2. PRINCIPAL ACCOUNTING POLICIES (continued)

2.20 Foreign currency translation (continued)

(c) Group companies (continued)

(ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(iii) all resulting exchange differences are recognised in other comprehensive income.

2.21 Operating segments

As stated in note 29 no segmental results are reflected. This is consistent with the internal reporting to the Managing Director, the Group's chief operating decision-maker, who reviews the performance of the Group as a single economic entity.

3. ADOPTION OF NEW AND REVISED STANDARDS

(a) Standards and amendments to existing standards and interpretations effective on or after 1 August 2014 and adopted by the Group:

Amendment/ Standard/ interpretation	Content	Applicable for financial years beginning on/after
IAS 16 & IAS 38#	Amendment: Property, plant and equipment and intangible assets	1 July 2014
IAS 24#	Amendment: Related party disclosures on entity providing key management personnel services	1 July 2014
IAS 32	Amendment: Financial instruments: presentation on offsetting assets and liabilities	1 January 2014
IAS 36	Amendment: Impairment of assets on recoverable amount disclosures	1 January 2014
IAS 40#	Investment property on distinguishing between investment property and owner occupied property	1 July 2014
IFRS 8#	Amendment: Operating segment on disclosure	1 July 2014
IFRIC 21 ^	Levies	1 January 2014

These standards, interpretations and amendments did not have a material impact on the Group.

(b) New standards, amendments and interpretations issued, but not yet effective and not early adopted.

The following new and amended standards and interpretations have been issued and are mandatory for the Group's accounting periods beginning on or after 1 August 2015 or later periods and are expected to be relevant to the Group:

Amendment/ Standard/ interpretation	Content	Applicable for financial years beginning on/after
IAS 16 & IAS 38	Amendment: Property, plant and equipment and intangible assets on depreciation and amortisation	1 January 2016
IAS 27	Amendment: Separate financial statements on equity accounting	1 January 2016
IFRS 9	Financial instruments on financial assets and liabilities, derecognition of financial instruments and general hedge accounting	1 January 2018
IFRS 10, IAS 28	Amendment: Consolidated financial statements and Investments in associates and joint ventures on sale or contribution of assets	1 January 2016
IFRS 10, IAS 28	Amendment: Consolidated financial statements and Investments in associates and joint ventures on applying the consolidation exemption	1 January 2016
IFRS 15	Revenue from contracts with customers	1 January 2018

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

3. ADOPTION OF NEW AND REVISED STANDARDS (continued)

(b) New standards, amendments and interpretations issued, but not yet effective and not early adopted. (continued)

- IAS 16 & IAS 38 Amendment: Property, plant and equipment and intangible assets on depreciation and amortisation

  This amendment clarifies that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

- IAS 27 Amendment: Separate financial statements on equity accounting

  The option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements is restored.

- IFRS 9 Financial instruments on financial assets and liabilities derecognition of financial instruments and general hedge accounting

  This IFRS is part of the IASB's project to replace IAS 39. IFRS 9 addresses classification and measurement of financial assets and replaces the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortised cost and fair value. The IASB has updated IFRS 9, 'Financial instruments' to include guidance on financial liabilities and derecognition of financial instruments. The accounting and presentation for financial liabilities and for derecognising financial instruments has been relocated from IAS 39, 'Financial instruments: Recognition and measurement', without change, except for financial liabilities that are designated at fair value through profit or loss.

- IFRS 10, IAS 28 Amendment: Consolidated financial statements and Investments in associates and joint ventures on sale or contribution of assets

  The IASB has issued this amendment to eliminate the inconsistency between IFRS 10 and IAS 28. If the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business', then the full gain or loss will be recognised by the investor. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

- IFRS 10, IAS 28 Amendment: Consolidated financial statements and Investments in associates and joint ventures on applying the consolidation exemption

  The amendments clarify the application of the consolidation exception for investment entities and their subsidiaries.

- IFRS 15 Revenue from contracts with customers

  The FASB and IASB issued their converged standard on revenue recognition on 29 May 2014. It is a single, comprehensive revenue recognition model for all contracts with customers to achieve greater consistency in the recognition and presentation of revenue. It establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations.

  The Group is in the process of assessing the impact of these above statements, amendments and interpretations.

  There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group or Company.

  The following new and amended standards and interpretations have been issued and are mandatory for the Group's accounting periods beginning on or after 1 August 2015 or later periods but are not expected to be relevant to the Group:

3. ADOPTION OF NEW AND REVISED STANDARDS (continued)

Amendment/ Standard/ interpretation	Content	Applicable for financial years beginning on/after
IAS 1	Amendment: Presentation of financial statements disclosure initiative	1 January 2016
IAS 16 & IAS 41	Amendment: Property, plant and equipment, agriculture on bearer plants	1 January 2016
IAS 19 ^	Employee benefits on discount rate	1 January 2016
IAS 34 ^	Interim financial reporting on disclosure of information elsewhere in the report	1 January 2016
IFRS 5 ^	Non-current assets held for sale or discontinued operations	1 January 2016
IFRS 7 ^	Financial instruments: Disclosures on offsetting disclosures in condensed interim reporting	1 January 2016
IFRS 7 ^	Financial instruments: on servicing contracts and continuing involvement	1 January 2016
IFRS 9	Amendment: Financial instruments on general hedge accounting	1 January 2018
IFRS11	Amendment: Joint arrangements on acquisition of an interest in a joint operation	1 January 2016
IFRS 14	Amendment: Regulatory deferral accounts	1 January 2016

 # part of the annual improvements project issued in December 2013
^ part of the annual improvements project issued in September 2014

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In arriving at the amounts at which assets and liabilities are measured in the financial statements, the Group makes estimates and assumptions concerning the future. The resulting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and management judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Investment property

The best evidence of fair value is current prices in an active market for similar properties. In the absence of such information the Group determines the estimated fair value and has utilised an independent expert in making this assessment.

The valuation basis used is market value, which is defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In calculating the market value the investment method has been adopted. The key assumptions underlying the investment method are net cash flows and the capitalisation rate used. These are unobservable inputs and accordingly result in the valuations being classed as level 3 in terms of the fair value hierarchy.

Net cash flows were based on rentals and relevant expenditure taking cognisance of existing tenancies, operating expense budgets and specific market circumstances relative to these. A 10% change in the net cash flows would have the estimated impact of P133 million for the Group and P128 million for the Company (2014: P120 million for the Group and P116 million for the Company) on the carrying value of the investment property.

The capitalisation rate has been determined based on a relevant long bond yield adjusted for the relevant risks applicable to each property including asset class, sector, location, building, leasehold / freehold and tenancy. The weighted average capitalisation rate is 9.98% (2014: 10.20%) and a 1% upward shift in this rate would reduce the aggregate independent valuation by an estimated P121 million for Group and P118 million for Company (2014: P108 million for Group and P104 million for Company), while a 1% downward shift in capitalisation rate would increase the valuations by an estimated P148 million for Group and P145 million for Company (2014: P131 million for Group and P127 million for Company).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Investment property (continued)

There are inter-relationships between unobservable inputs. To avoid double counting or omitting the effects of risk factors, capitalisation rates reflect assumptions that are consistent with those inherent in the cash flows.

As the independent valuation assumes standard terms and conditions with respect to title, the value of one property has been reduced by the directors to take into account specific contractual arrangements. This adjustment has been calculated by recalculating the property value based on expected cash flows from operations as well as a lump sum payment at a future date, all discounted at 16.25% (2014: 16.25%). A 1% downward shift in the discount rate would increase the carrying value by approximately P27 million (2014: P26 million) and a 1% upward shift would decrease the carrying value by approximately P22 million (2014: P22 million), while a 10% change in the lump sum payment would have an estimated P5.4million (2014: P4.6 million) impact on the carrying value of investment property.

Financial asset

The financial asset arises from the right to receive 63% of the rental income from an investment property in terms of a cession. The asset has been valued by discounting the projected income streams at 15.0% (2014: 15.25%). These assumptions are unobservable inputs and therefore considered level 3 in terms of the fair value hierarchy.

A 1% downward shift in the discount rate would increase the carrying value by approximately P1.8million (2014: P1.7million) and a 1% upward shift would decrease the carrying value by approximately at P1.6 million (2014: P1.5 million), while a 10% change in the cash flows would have an estimated P2.0 million (2014: P2.0 million) impact on the carrying value.

Associate

The Associate's financial statements are prepared on the historical cost basis based on a 30 June year end. To comply with the group's accounting policies, this investment is equity accounted based on the Directors' fair value of the only underlying asset which has been determined by discounting the expected cash flows from operations at the Group's year end using a discount rate of 16.25% (2014: 16.25%) and the related deferred tax liability. These assumptions are unobservable inputs and therefore considered level 3 in terms of the fair value hierarchy.

A 1% downward shift in the discount rate would increase the carrying value of the investment in the associate by approximately P7.5 million (2014: P6.8 million) and a 1% upward shift would decrease the carrying value by approximately P5.7 million (2014 P5.1 million).

Income taxes

The Group is subject to tax in two jurisdictions, Botswana and Namibia. Certain estimates are required in determining the provision for income taxes and where the final tax is different from the amounts estimated such differences will impact the current and deferred taxation provisions.

The principal assumption that has a material effect on these financial statements is the tax that will be payable on the future disposal of investment properties. Following the adoption of IAS 12 for investment property, it is assumed that capital gains will be taxed using the applicable capital gains tax rate and calculations, and not the corporate tax rates. For Botswana properties this is based on normal company tax rates being applied to the difference between the selling price and the indexed adjusted cost, while in Namibia it means that no tax is payable. The Group has provided for tax on fair value gains on this basis. In the event that the tax regulations are amended before the disposal of properties, the actual liability that would arise could be very different.

	Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000
5 INVESTMENT PROPERTY				
Opening balances	1 109 920	998 040	1 065 004	948 683
At fair value	1 134 598	1 016 441	1 088 641	966 520
Rent straight line adjustment	(24 678)	(18 401)	(23 637)	(17 837)
Subsequent additions and improvements at cost	1 396	841	1 396	493
Fair value adjustment	87 787	112 921	79 173	115 828
At fair value	91 482	119 230	82 647	121 628
Rent straight line adjustment	(3 695)	(6 309)	(3 474)	(5 800)
Effect of translation to presentation currency	(1 981)	(1 882)	-	-
At fair value	(2 027)	(1 914)	-	-
Rent straight line adjustment	46	32	-	-
Total valuation at end of year				
At fair value	1 225 449	1 134 598	1 172 684	1 088 641
Rent straight line adjustment	(28 327)	(24 678)	(27 111)	(23 637)
Net carrying value at end of year	1 197 122	1 109 920	1 145 573	1 065 004

The investment property acquired at listing was settled primarily by the issue of linked units to the vendors.

The investment properties were independently valued at an aggregate P1 329 million for Group and P1 276 million for Company as at 31 July 2015 (2014: P1 204 million for Group and P1 158 million for Company) by Curtis Matobolo of Knight Frank (Pty) Ltd. He holds recognised relevant professional qualifications, is a member of the Royal Institute of Chartered Surveyors (RICS) and the Real Estate Institute of Botswana and has relevant experience for the investment properties valued.

The properties were valued in accordance with Statement of Asset Valuation Practice and Guidance Notes prepared by the RICS (The Red Book) on an open market basis using an adapted discounted cash flow approach at capitalisation rates ranging from 8.25% to 15.75% (2014: 8.5% to 15.25%) and a weighted average rate of 9.98% (2014: 10.20%), assuming that the properties are not subject to any adverse easements, restrictive covenants or undue provisions that would otherwise depress the values.

The independently determined fair values totalling P1 329 million (2014: P1 204 million) have been reduced by the directors to account for the impact of the restrictive lease covenants pertaining to one of the Group's properties.

Investment property valued at P98 million (2014: P91 million) is used as security for the bank borrowings referred to in note 13.

No interest was capitalised to investment property during the year (2014: nil).

Commitments are set out in note 27.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
5 INVESTMENT PROPERTY (continued)				
Operating income attributable to the investment property amounts to:				
Revenue	144 731	137 102	137 348	130 162
Rent straight line adjustment	(3 695)	(6 309)	(3 474)	(5 800)
Contractual revenue earned from investment property	141 036	130 793	133 874	124 362
Other income	1 726	1 588	6 484	6 018
Net property costs	(18 242)	(18 750)	(17 684)	(18 470)
Recoverable expenses	(11 788)	(11 497)	(11 451)	(11 279)
Operating cost recoveries	8 308	7 607	8 276	7 569
Net recoverable expenses	(3 480)	(3 890)	(3 175)	(3 710)
Other property expenses	(14 762)	(14 860)	(14 509)	(14 760)
Net rental income excluding rent straight line adjustment	124 520	113 631	122 674	111 910
And to reconcile to statement of comprehensive income:				
Add: Straight line adjustment	3 695	6 309	3 474	5 800
Net rental income per statement of comprehensive income	128 215	119 940	126 148	117 710
6 INVESTMENT IN SUBSIDIARY				
Total investment in shares and loans at cost	-	-	36 650	36 650

Comprising:

	% holding	Investment in shares P'000	Investment in loans P'000	Total investment P'000
2015				
New African Properties (Namibia) (Proprietary) Limited	100%	36 650	-	36 650
2014				
New African Properties (Namibia) (Proprietary) Limited	100%	36 650	-	36 650

This wholly owned subsidiary is carried at cost in the company financial statements and its assets, liabilities and results included in the consolidated financial statements. The subsidiary owns investment properties in Namibia.

The directors have assessed the value of the investment in subsidiary based on the net asset value of the company, including the carrying value of the respective investment properties determined as detailed in note 5 above. Based on this assessment, the value exceeds the cost of the investment in subsidiary.

The subsidiary is based in Namibia and is accordingly subject to local exchange control regulations which impose certain restrictions on transferring funds from the country. Normal dividends are however permitted.

	% holdings	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
7 INVESTMENT IN ASSOCIATE					
Acquired at cost	26%	4 951	4 951	4 951	4 951
Share of associate's profit post acquisition		12 756	8 694	-	-
		17 707	13 645	4 951	4 951

This investment was acquired on 4 June 2012.

	Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000

7 INVESTMENT IN ASSOCIATE (continued)

The Botswana based associate company holds the unencumbered lease rights to certain plots after the expiry of an existing lease, is not expected to generate cash flows until that time, has earned no revenue since acquisition and has no liabilities. No dividends have been declared or received since acquisition.

A change in the operations of the company would be considered an impairment indicator and there have been no impairment indicators since the last impairment test as at 31 July 2012 when it was tested by discounting the projected future income streams at a discount rate of 16.5%. No impairment is considered necessary at this time.

New African Properties Ltd has an option to increase its holding in the Associate to 80% between 2024 and 2029. Such option is exercisable at open market value.

8 FINANCIAL ASSET

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
Receivable				
Opening balance	19 102	20 067	19 102	20 067
Fair value adjustment	1 852	(965)	1 852	(965)
Carrying value	20 954	19 102	20 954	19 102

This asset comprises the right to receive 63% of the rental income from an investment property comprising a shopping mall in Gaborone until 2037 in terms of a cession agreement with Mynco (Pty) Ltd and is effectively secured over the underlying asset.

The asset is carried at fair value as determined by directors based on the estimated future cash flows to the company discounted at 15.0% (2014: 15.25%) and is within level 3 of the fair value hierarchy.

Riverwalk Shopping Centre, Gaborone

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

	Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000
9 INTANGIBLE ASSET				
Land lease rights				
Opening balance	10 431	11 312	10 431	11 312
Amortisation	(881)	(881)	(881)	(881)
	9 550	10 431	9 550	10 431

The land lease right arises from contractual rights acquired by the Group which allow future cost and operational efficiencies.

There have been no impairment indicators since the last impairment test as at 31 July 2012 when it was tested by discounting the projected future income streams at a discount rate of 16.5%. No impairment is considered necessary at this time.

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
10 TRADE AND OTHER RECEIVABLES				
Trade receivables net of impairment	721	1 769	714	1 753
Trade receivables	4 793	6 334	4 650	6 165
Less: impairment	(4 072)	(4 565)	(3 936)	(4 412)
Prepayments	2 240	2 067	2 240	2 067
Related party receivables	80 611	82 767	80 611	82 777
Dividends receivable	-	-	7 235	10 787
Other receivables	2 161	904	2 150	886
	85 733	87 507	92 950	98 270

The carrying values of receivables approximate their estimated fair values.

Age analysis of trade receivables past due and not impaired:				
30 days	621	1 456	617	1 440
60 days	100	313	97	313
	721	1 769	714	1 753

Age analysis of impaired trade receivables:				
30 days	483	739	475	739
60 days	73	142	64	114
90 days	154	281	136	279
> 90 days	3 362	3 403	3 261	3 280
	4 072	4 565	3 936	4 412

The impaired receivables are mainly 90 days and over and relate to a number of individual tenants in various properties. Movements in accumulated impairment losses are accounted for in the statement of comprehensive income under net property costs and are summarised as follows:

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
10 TRADE AND OTHER RECEIVABLES (continued)				
Trade receivable impairment:				
Opening balance	4 565	2 476	4 412	2 221
Additional impairment during the year	1 443	2 784	1 405	2 763
Reversal of previous impairments	(1 408)	(685)	(1 363)	(572)
Amounts written off during the year	(518)	-	(518)	-
Effect of translation to presentation currency	(10)	(10)	-	-
Balance at end of year	4 072	4 565	3 936	4 412

The provision for impairment as a percentage of arrear rentals is reflected in the table below. The impairment provision has been grossed up for the VAT effect that is included in the arrears amount but not the impairment amount.

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
Impairment	4 072	4 565	3 936	4 412
Add: VAT	489	548	472	529
Impairment including VAT	4 561	5 113	4 408	4 941
Trade receivables	4 793	6 334	4 650	6 165
Impairment as a % of trade receivables	95%	81%	95%	80%

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
Related party receivables comprise:				
Cash Bazaar Holdings (Proprietary) Limited	76 024	82 767	76 024	82 777
Nafprop (Proprietary) Limited	4 587	-	4 587	-
	80 611	82 767	80 611	82 777

The Cash Bazaar Holdings (Proprietary) Limited related party receivable is secured by 75 million NAP linked units and certain warranties, is repayable on demand with 3 months' notice and bears interest at 1.5% below prime lending rate. The Group also has the right to offset amounts due to the related party against this loan. The fair value of these receivables approximates their carrying values which are within level 2 in the fair value hierarchy.

The Board considers that material credit risk exposure has been adequately provided for on all trade and other receivables.

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
11 CASH AND CASH EQUIVALENTS				
Current account - Barclays Bank	624	196	624	196
- First National Bank	54	(8)		-
Call account - Bank Gaborone	9 655	27 690	9 655	27 690
- Barclays	8 641	477	8 641	477
- First National Bank	10 058	16 642	-	-
Fixed deposit - Bank Gaborone	18 619	-	18 619	-
Total	47 651	44 997	37 539	28 363

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

	Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000
12 LINKED UNITS				
604 397 124 Linked units in issue	871 824	871 824	871 824	871 824

Each linked unit comprises one ordinary share indivisibly linked to one unsecured variable rate debenture.

Stated share capital comprises 604 397 124 linked units, each comprising one ordinary share of no par value indivisibly linked to one variable rate unsecured debenture.

Linked units equivalent to 15% of the number of linked units in issue at any time are under the control of the Directors for allotment and issue for cash or for the acquisition of immovable property until the next annual general meeting, at which meeting the authority will sought to be renewed until the following annual general meeting.

In terms of the Trust Deed governing the Debentures:

- The debentures are only redeemable at the instance of the Company, after approval by resolution of the Board, and with the written consent of the creditors of the Company or at the discretion of the Trustee following certain events specified in the Trust Deed. In the event that they are to be redeemed, the amount payable for every debenture shall be the higher of 99/100 of the three month average weighted traded price of a linked unit on the BSE or the issue price of P1.98.
- The interest payable on debentures shall be determined by and in the sole discretion of the Company's Directors. Notwithstanding this, the Company is obliged to distribute at least 80% of monies available after the payment of approved capital expenditure, repayment of capital and interest due on third party debt, provision for replacement repair and refurbishment of assets and operating costs, as interest on the debentures.

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
13 BORROWINGS				
Bank Gaborone Limited, comprising:				
Non-current portion	27 628	30 209	27 628	30 209
Current portion	2 518	2 239	2 518	2 239
	30 146	32 448	30 146	32 448

This loan is secured by a mortgage bond for P40 million registered over Tribal Lot 39, Molepolole in the Bakwena Tribal Territory, which is classified as investment property in note 5 and valued at P98 million at the date of this report (2014: P91million).

The loan is repayable in monthly instalments, currently amounting to P366 000, until August 2024 and incurs interest at 1.5% below prime lending rate, currently 6.5% (2014: 7.5%). The capital portion repayable over the next 12 months has been reflected as a current liability.

	Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000
13 BORROWINGS (continued)				
The fair value of borrowings approximates the carrying value at the reporting date, falls within level 2 of the fair value hierarchy and is based on a borrowing rate of 6.5% (2014: 7.5%).				
The Group is exposed to floating interest rates on this liability.				
The interest on this facility for the next 12 months at the current rate amounts to	1 885	2 358	1 885	2 358
A 1% increase in the prime lending rate would have the impact of increasing this by	293	318	293	318
The Group has no other debt facilities in place at this time.				
The company's borrowing capacity is limited to 70% of the value of the assets of the Company or such other sum as the Company may, by ordinary resolution, in general meeting determine. Directors are authorised to secure the repayment of or raise any such sum by mortgage or charge upon the whole or any part of the property and assets of the Company.				
14 DEFERRED TAX LIABILITY				
Fair value gains on investment property (after indexed cost adjustment)	87 105	74 544	87 105	74 544
Building allowances claimed	23 737	23 692	20 339	20 339
Rent straight line adjustment	6 365	5 544	5 964	5 200
Prepaid expenses/ income received in advance	(100)	(98)	-	-
Impairment of receivables	(34)	(38)	-	-
Tax loss utilised	(4 557)	(6 021)	(4 557)	(6 021)
Total deferred tax liability	112 516	97 623	108 851	94 062
And the movement for the year comprises:				
Opening balances	97 623	76 643	94 062	73 252
Current year charge	15 041	21 119	14 789	20 810
Effect of translation to presentation currency	(148)	(139)	-	-
Balance at end of year	112 516	97 623	108 851	94 062

Estimated tax losses of P20.7 million for Group and P20.7 million for Company (2014: P27.3 million for Group and P27.3 million for Company) have been utilised to reduce deferred tax liabilities. There are no other tax losses in the Group.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

		Group		Company	
		2015	2014	2015	2014
		P'000	P'000	P'000	P'000
15	TRADE AND OTHER PAYABLES				
	Tenant deposits	5 891	4 936	5 586	4 717
	Trade payables	2 012	3 326	1 060	2 021
	Rent received in advance	3 622	3 178	3 500	2 741
	Accruals and provisions	3 737	2 460	3 408	2 421
	Related party payable	1 844	6 842	220	1 486
		17 106	20 742	13 774	13 386

The fair value of trade and other payables approximates the carrying value at the reporting date and is within level 2 of the fair value hierarchy.

16	REVENUE				
	Rent received excluding turnover rentals				
	- Contractual	139 875	129 988	132 832	123 632
	- Rent straight line adjustment	3 695	6 309	3 474	5 800
		143 570	136 297	136 306	129 432
	Turnover rental	1 161	805	1 042	730
		144 731	137 102	137 348	130 162

The period of leases under which the Group leases out its investment property generally ranges from three to five years.

The future minimum contractual rentals receivable under non-cancellable operating leases are as follows:

Within next year	133 128	125 528	126 208	118 547
Between 1 and 5 years	250 109	268 284	240 695	252 421
Later than 5 years	18 979	20 575	18 979	20 575
	402 216	414 387	385 882	391 543

Of this P28.3 million for Group and P27.1 million for Company (2014: P24.7 million for Group and P23.7 million for Company) has been recognised as a receivable in view of the adjustment to straight line rentals over the period of leases.

17	OTHER INCOME				
	Dividends from subsidiary companies	-	-	4 766	4 411
	Promotion and advertising income	730	757	730	757
	Tenant contribution to marketing	444	421	444	421
	Gift voucher sales	244	283	244	283
	Sundry income	308	127	300	146
		1 726	1 588	6 484	6 018

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
18 NET PROPERTY COSTS				
Recoverable costs:				
Cleaning & refuse	(3 940)	(3 872)	(3 904)	(3 838)
Rates	(1 490)	(1 536)	(1 205)	(1 363)
Security	(2 367)	(2 473)	(2 367)	(2 473)
Utilities	(3 991)	(3 616)	(3 975)	(3 605)
Recoverable expenses	(11 788)	(11 497)	(11 451)	(11 279)
Operating cost recoveries	8 308	7 607	8 276	7 569
Balance of recoverable cost	(3 480)	(3 890)	(3 175)	(3 710)
Other property costs:				
Impairment of trade receivables	(35)	(2 099)	(42)	(2 191)
Letting commission	(1 296)	(1 038)	(1 296)	(1 038)
Property management fee	(7 190)	(6 570)	(7 190)	(6 570)
Repairs and maintenance	(2 756)	(1 935)	(2 671)	(1 865)
Other property expenses	(3 485)	(3 218)	(3 310)	(3 096)
Total property costs	(18 242)	(18 750)	(17 684)	(18 470)
19 OTHER EXPENSES				
Asset management fee	(6 817)	(6 659)	(6 817)	(6 659)
Fees paid to auditors	(447)	(462)	(414)	(429)
Audit fee current year	(418)	(425)	(418)	(425)
Other services	(29)	(37)	4	(4)
Directors' fees	(105)	(125)	(105)	(125)
Other portfolio expenses	(1 910)	(976)	(1 881)	(949)
	(9 279)	(8 222)	(9 217)	(8 162)
20 FINANCE INCOME				
Banks	1 863	1 396	1 274	823
Tenants	273	864	280	860
Related party	5 367	7 002	5 367	6 119
	7 503	9 262	6 921	7 802
21 FINANCE EXPENSE				
Bank borrowings	(2 223)	(2 611)	(2 223)	(2 611)
Other	(4)	(3)	-	-
	(2 227)	(2 614)	(2 223)	(2 611)
22 TAXATION				
Botswana current taxation				
Current year	(715)	(662)	(715)	(662)
Namibian current taxation				
Current year	(2 174)	(2 254)	-	-
Total current taxation	(2 889)	(2 916)	(715)	(662)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
22 TAXATION (continued)				
Botswana deferred taxation				
Current year	(14 789)	(20 810)	(14 789)	(20 810)
Namibia deferred taxation				
Current year	(252)	(309)	-	-
Total deferred taxation	(15 041)	(21 119)	(14 789)	(20 810)
Total taxation	(17 930)	(24 035)	(15 504)	(21 472)
Attributable to:				
Distributable income	(3 068)	(3 055)	(715)	(561)
Fair value adjustments	(12 561)	(18 973)	(12 561)	(18 974)
Other capital deductions	(1 464)	(661)	(1 464)	(661)
Rental straight line adjustments	(837)	(1 444)	(764)	(1 276)
Effect of rate change	-	98	-	-
	(17 930)	(24 035)	(15 504)	(21 472)

	Group 2015	Group 2014	Company 2015	Company 2014
Reconciliation of the effective and statutory tax rate:				
Effective tax rate	8.3%	10.2%	7.7%	9.4%
Adjusted for:				
Fair value and other adjustments - net difference	4.0%	2.7%	2.5%	2.7%
Dividend income	-	-	0.6%	0.4%
Tax on dividends	(0.3%)	(0.3%)	(0.3%)	(0.3%)
Interest on debentures allowed for tax purposes	10.8%	9.6%	11.6%	9.8%
Effect of difference in country tax rates	(0.8%)	(0.2%)	-	-
Statutory tax rate in Botswana	22.0%	22.0%	22.0%	22.0%

23 BASIC AND DILUTED EARNINGS PER UNIT ATTRIBUTABLE TO LINKED UNITHOLDERS

The basic earnings per share is calculated by dividing the net profit by the weighted number of linked units in issue during the year.

	Group 2015	Group 2014	Company 2015	Company 2014
Profit for the year attributable to linked unitholders (P'000)	199 102	211 055	186 269	207 249
Weighted average number of linked units	604 397 124	604 397 124	604 397 124	604 397 124
Earnings per linked unit in thebe	32.94	34.92	30.82	34.29

There are no dilutive ordinary shares and the diluted earnings per linked unit are therefore the same as the earnings per linked units.

	Group 2015 P'000	Group 2014 P'000	Company 2015 thebe per linked unit	Company 2014 thebe per linked unit
24 DISTRIBUTIONS PAID TO LINKED UNITHOLDERS				
Distributions per linked unit are based on the linked units in issue on the respective declaration date.				
Group and Company				
2015: Number 7 - declared 24 April 2015, paid 15 May 2015)				
(2014: Number 5 - declared 9 April 2014, paid 30 May 2014)				
Interest	52 159	52 039	8.63	8.61
Dividends	5 319	1 934	0.88	0.32
	57 478	53 973	9.51	8.93
2015: Number 8 - declared 14 July 2015, paid 28 August 2015				
(2014: Number 6 - declared 15 July 2014, paid 5 September 2014)				
Interest	54 577	49 923	9.03	8.26
Dividends	5 379	4 835	0.89	0.80
	59 956	54 758	9.92	9.06
Total distribution declared	117 434	108 731	19.43	17.99
Amounts unpaid at beginning of year	54 758	50 709	9.06	8.39
Amounts unpaid at end of year	(59 964)	(54 758)	(9.92)	(9.06)
Distributions paid to linked unitholders	112 228	104 682	18.57	17.32

	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
25 TAXATION PAID				
Receivable at beginning of year	2 523	3 042	2 273	2 665
Charged during the year	(2 889)	(2 916)	(715)	(662)
Receivable at year end	(537)	(2 523)	(319)	(2 273)
	(903)	(2 397)	1 239	(270)

26 RELATED PARTY TRANSACTIONS

The Group's holding company is Cash Bazaar Holdings (Proprietary) Limited. Other related parties with whom transactions have occurred, and their relationships with the Group, are:

Afritec (Proprietary) Limited	Fellow subsidiary
Cash Bazaar (Proprietary) Limited	Fellow subsidiary
Furnmart Limited	Associate of Mynco (Proprietary) Limited
Hunters Africa (Proprietary) Limited	Subsidiary of Mynco (Proprietary) Limited
Mynco (Proprietary) Limited	Related through common ownership and directors
Nafprop (Proprietary) Limited	Fellow subsidiary
New African Properties (Namibia) (Proprietary) Limited	NAP subsidiary
Directors	Company officers
Linked unitholders	Linked unitholders

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		Notes	Group 2015 P'000	Group 2014 P'000	Company 2015 P'000	Company 2014 P'000
26 RELATED PARTY TRANSACTIONS (continued)						
The following related party transactions took place during the year:						
Nature of transaction and party	**Terms**					
Rental (contractual)			31 732	29 453	29 488	27 246
Afritec (Proprietary) Limited	Lease		445	266	445	266
Cash Bazaar (Proprietary) Limited	Lease		10 744	10 045	10 744	10 045
Furnmart Limited	Lease		18 409	16 982	16 165	14 775
Hunters Africa (Proprietary) Limited	Lease		307	281	307	281
Mynco (Proprietary) Limited	Cession		1 827	1 879	1 827	1 879
Interest received - Cash Bazaar Holdings (Proprietary) Limited	Linked to prime		5 367	7 002	5 367	6 119
Asset management fee - Nafprop (Proprietary) Limited	Contract		(6 817)	(6 659)	(6 817)	(6 659)
Property management fee - Nafprop (Proprietary) Limited	Contract		(7 190)	(6 570)	(7 190)	(6 570)
Leasing fees - Nafprop (Proprietary) Limited	Contract		(1 296)	(1 038)	(1 296)	(1 038)
Directors fees to independent directors	Board approved		(105)	(125)	(105)	(125)
Distributions - Linked unitholders	Board approved		(117 434)	(108 731)	(117 434)	(108 731)
Dividends received						
New African Properties (Namibia) (Proprietary) Limited	Board approved		-	-	4 766	4 411
And the following balances exist at the balance sheet date:						
Nature of transaction and party						
Related party receivables			80 611	82 767	80 611	82 777
Cash Bazaar Holdings (Proprietary) Limited		10	76 024	82 767	76 024	82 777
Nafprop (Proprietary) Limited		10	4 587	-	4 587	-
Dividends receivable		10				
New African Properties (Namibia) (Proprietary) Limited			-	-	7 235	10 787
Trade receivables			1	30	1	29
Afritec (Proprietary) Limited			-	19	-	19
Cash Bazaar (Proprietary) Limited			-	2	-	2
Furnmart Limited			1	9	1	8

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		Group		Company	
		2015	2014	2015	2014
		P'000	P'000	P'000	P'000
26	RELATED PARTY TRANSACTIONS (continued)				
	Related party payables	(1 844)	(6 842)	(220)	(1 486)
	Cash Bazaar Holdings (Proprietary) Limited	(1 624)	(5 356)	-	-
	Nafprop (Proprietary) Limited	(220)	(1 486)	(220)	(1 486)
	Trade payables	(16)	(59)	(16)	(59)
	Cash Bazaar (Proprietary) Limited	(15)	(15)	(15)	(15)
	Furnmart Limited	(1)	(44)	(1)	(44)
	Distribution payable - Linked unitholders	(59 964)	(54 758)	(59 964)	(54 758)

27 CONTINGENCIES AND COMMITMENTS

There are no material contingent liabilities or commitments at the date of the statement of financial position.

28 SUBSEQUENT EVENTS

There are no material subsequent events occurring between the year end and the date of these financial statements.

29 SEGMENT RESULTS

The portfolio comprises 65 properties, predominantly retail and Botswana based, with a small exposure to Namibian retail (4%) and Botswana industrial (2%). Certain Botswana retail properties have an office component (approximately 5%) but properties are categorised based on primary use.

No segmental results are reflected as the Group's business activities are concentrated in the retail property segment, primarily carried out within Botswana and the Board considers results on an aggregate basis. The Management report elsewhere in this document reflects the geographic and sectoral allocation of the portfolio which supports the immaterial nature of the other segments.

Gaborone Shopping Centre, Gaborone

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30 FINANCIAL RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND FAIR VALUE HIERARCHY

In the normal course of operations the Group is exposed to strategic and business risk, financial risk, regulatory and compliance risk. This note deals with the major elements of financial risk which arise from financial instruments to which the Group is exposed during or at the end of the financial reporting period. Financial risk comprises market risk (incorporating interest, currency and other price risk), credit risk and liquidity risk. The primary objectives of risk management is to gain an understanding of the risk the Group is exposed to, establish acceptable tolerance levels and manage the risks to ensure they stay within the tolerable levels.

30.1 Financials Risks

Market risk

This is the risk that the fair value or future cash flows will fluctuate because of changes in market prices. The Group's market risk on financial instruments arises primarily from interest bearing assets and liabilities and foreign exchange movements with respect to the Namibian subsidiary company.

All sensitivities in these financial statements are based on the change of one factor with all others remaining constant which is unlikely to occur in practice.

(a) Interest rate

In view of the Group's limited interest-bearing assets and liabilities, the operating cash flows are substantially independent of changes in market interest rates.

The Board considers that the current debt level is sufficiently low to allow all debt to be at floating rates and that this would be reconsidered when the external borrowings exceed 10% of the value of investment property. The impact, on Group and Company, of a 1% increase in the interest rate applicable to external borrowings for the next 12 months is P0.3 million (2014: P0.3 million).

Assets on which interest is earned include trade receivables, related party receivables and cash and cash equivalents. The balance of trade receivables is low and the impact of interest rate changes on these amounts is negligible. The balances on related party receivables and cash and cash equivalents at the year end and the impact of a 1% change in interest rate on these balances is set out below:

					Impact of 1% change			
	Group		**Company**		**Group**		**Company**	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000	2015 P'000	2014 P'000	2015 P'000	2014 P'000
Related party receivables	80 611	82 767	80 611	82 777	806	828	806	828
Cash and cash equivalents	47 651	44 997	37 539	28 363	477	450	375	283

The Group currently has no exposure to fixed rate financial instruments, other than a fixed deposit maturing in August 2015, and therefore has no significant exposure to fair value interest rate risk.

(b) Foreign exchange risk

The Group owns a Namibian subsidiary company which holds investment property in Namibia and is accordingly exposed to foreign exchange risk in respect of financial assets and liabilities that are not in the Group's functional currency which is the Botswana Pula. The relevant exchange rate is the South African Rand and Botswana Pula rate in view of the Namibian Dollar being linked to the Rand. In view of the size of these assets relative to the overall portfolio the Board does not consider it necessary to enter into foreign exchange hedges.

The net assets subject to foreign exchange risk, converted at a rate of 1.2545 (2014: 1.2042) Rand to the Pula, at the reporting date comprise:

	Group		Company		Impact of a 10% increase Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000	2015 P'000	2014 P'000	2015 P'000	2014 P'000
30.1 Financials Risks (continued)								
Market risk (continued)								
Investment property	51 547	44 916	-	-	(4 686)	(4 083)	-	-
Cash and cash equivalents	10 112	16 636	-	-	(919)	(1 512)	-	-
All other receivables	1 450	1 312	-	-	(132)	(119)	-	-
Trade and other payables	(10 566)	(18 143)	-	-	961	1 649	-	-
Deferred taxation	(3 665)	(3 561)	-	-	333	324	-	-
	48 878	41 160	-	-	(4 443)	(3 741)	-	-
Reconciled to Investment in subsidiary:								
Net assets per above	48 878	41 160						
Less: post acquisition reserves	(21 613)	(12 844)						
Add: cumulative foreign exchange translation difference	9 385	8 334						
	36 650	36 650						

(c) Price risk

The group's exposure to price risk is primarily related to non-financial assets, namely its investment in investment property. Refer to note 4 in this regard.

Credit risk

Credit risk is the risk that a counterparty may cause financial loss to the Group by failing to discharge an obligation. The Group's financial assets that are subject to credit risk are primarily cash and cash equivalents and trade and other receivables. The Group's maximum exposure to credit risk at the year end was:

	Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000
Trade and other receivables	85 733	87 507	92 950	98 270
Cash and cash equivalents	47 651	44 997	37 539	28 363
	133 384	132 504	130 489	126 633
Trade and other receivables includes primarily related party receivables and comprises:				
Related party receivables	80 611	82 767	80 611	82 777
Prepayments	2 240	2 067	2 240	2 067
Dividends receivable	-	-	7 235	10 787
Trade receivables net of impairment	721	1 769	714	1 753
Other receivables	2 161	904	2 150	886
	85 733	87 507	92 950	98 270

The Cash Bazaar Holdings (Proprietary) Limited related party receivable is payable on 3 months' notice by the Group's holding company and is secured by 75 million NAP linked units. The Group also has the right to offset amounts due to its holding company against the loan and the creditor has provided certain warranties to the Group. The remaining related party receivable is settled at least monthly and comprises the net rentals collected by the property manager before disbursing to NAP as owner.

Credit risk with respect to trade receivables is minimised by the diverse tenant base. Credit checks are performed prior to concluding leases and arrear rentals are actively managed.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

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30.1 Financials Risks (continued)

Credit risk (continued)

A detailed analysis of these receivables is set out in note 10.

Credit risk attached to the Group's cash and cash equivalents is minimised by only investing cash resources with reputable financial institutions. The balances at the various institutions is detailed in note 11.

Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its obligations as they become due in the ordinary course of business at a reasonable cost. The Group's liquidity risk is managed by the Group's asset managers on a daily basis with formal cash flow reporting to the Board at each meeting.

The maturity profile of financial instruments is set out in the table below based on the earliest likely settlement:

	Less than 3 months P'000	Between 3 months and 1 year P'000	Between 1 and 5 years P'000	After 5 years P'000	Total P'000
Group					
2015					
Assets					
Financial asset - Receivable[1]	471	1 515	9 740	95 817	107 543
Trade and other receivables[2]	55 020	28 473	-	-	83 493
Cash and cash equivalents	47 651	-	-	-	47 651
Liabilities					
Borrowings[3]	614	1 904	11 874	15 754	30 146
Interest on borrowings[3]	487	1 399	5 738	2 225	9 849
Trade and other payables[2]	13 484	-	-	-	13 484
Distributions payable	59 964	-	-	-	59 964
2014					
Assets					
Financial asset - Receivable[1]	432	1 385	8 900	97 236	107 953
Trade and other receivables[2]	2 673	82 767	-	-	85 440
Cash and cash equivalents	44 997	-	-	-	44 997
Liabilities					
Borrowings[3]	544	1 695	10 832	19 377	32 448
Interest on borrowings[3]	605	1 753	7 553	3 987	13 898
Trade and other payables[2]	17 564	-	-	-	17 564
Distributions payable	54 758	-	-	-	54 758
Company					
2015					
Assets					
Financial asset - Receivable[1]	471	1 515	9 740	95 817	107 543
Trade and other receivables[2]	55 002	28 473	-	-	83 475
Cash and cash equivalents	37 539	-	-	-	37 539

30.1 Financials Risks (continued)

Liquidity risk (continued)

	Less than 3 months P'000	Between 3 months and 1 year P'000	Between 1 and 5 years P'000	After 5 years P'000	Total P'000
Company					
2015					
Liabilities					
Borrowings[3]	614	1 904	11 874	15 754	30 146
Interest on borrowings[3]	487	1 399	5 738	2 225	9 849
Trade and other payables[2]	10 366	-	-	-	10 366
Distributions payable	59 964	-	-	-	59 964
2014					
Assets					
Financial asset - Receivable[1]	432	1 385	8 900	97 236	107 953
Trade and other receivables[2]	2 639	82 777	-	-	85 416
Cash and cash equivalents	28 363	-	-	-	28 363
Liabilities					
Borrowings[3]	544	1 695	10 832	19 377	32 448
Interest on borrowings[3]	605	1 753	7 553	3 987	13 898
Trade and other payables[2]	10 645	-	-	-	10 645
Distributions payable	54 758	-	-	-	54 758

[1] based on expected cash flows and not carrying value

[2] excludes prepayments and income received in advance which will not impact future cash flows

[3] based on expected cash flows which are split between capital and interest

30.2 Capital risk management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for linked unitholders and benefits for other stakeholders while maintaining an optimal capital structure which reduces the cost of capital.

The capital structure of the Group comprises linked units, being an ordinary share linked to a debenture, external long term borrowings, related party receivables and cash and cash equivalents as set out in notes 12, 13, 10 and 11 respectively.

The company is a variable loan stock company and as such its distributions are governed by the Trust Deed, details of which are set out in note 12. Loan stock companies are typically funded through a combination of linked units and long term debt.

The Group has a business planning cycle that runs on an annual basis with updates as appropriate. The planning process identifies the funding opportunities available to the Group and the expected cost of each as part of this process. Any specific transaction is also considered together with the relative funding considerations. The Group monitors capital on the basis of the gearing ratio, both in absolute terms and based on net debt, at a Group level. This ratio is calculated as the debt or net debt over the total investment property value. Net debt is calculated as total borrowings less cash and cash equivalents as well as related party receivables from the Group's holding company and management company, and the total property value is the investment property at fair value plus any assets designated as Property, Plant & Equipment or Held for sale.

The group's borrowings are currently low and the Board anticipates increasing this when suitable investment opportunities arise.

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	Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000
30.2 Capital risk management (continued)				
The gearing ratios as at the year end were as follows:				
Net debt	(98 116)	(95 316)		
Borrowings	30 146	32 448		
Cash and cash equivalents	(47 651)	(44 997)		
Related party receivables	(80 611)	(82 767)		
Investment property at fair value	1 225 449	1 134 598		
Gearing ratios:				
Debt to property value	2%	3%		
Net debt to property value	n/a	n/a		

The company's borrowing capacity is limited to 70% of the value of the assets of the Company, or such other sum as the Company may by ordinary resolution in general meeting determine, in terms its Constitution.

	Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000
At the year end the gearing ratio on this basis was:				
Borrowings	30 146	32 448	30 146	32 448
Total assets	1 407 581	1 312 803	1 375 597	1 288 681
Gearing ratio	2%	2%	2%	3%

30.3 Categories of financial instruments

	At fair value through profit & loss P'000	Loans & receivables P'000	Financial liabilities at amortised cost P'000	Non-financial assets & liabilities P'000	Total P'000
Group					
2015					
Assets					
Investment property	-	-	-	1 197 122	1 197 122
Investment in associate	-	-	-	17 707	17 707
Financial asset	20 954	-	-	-	20 954
Intangible asset	-	-	-	9 550	9 550
Rent straight line adjustment	-	-	-	28 327	28 327
Trade and other receivables	-	85 733	-	-	85 733
Tax receivable	-	-	-	537	537
Cash and cash equivalents	-	47 651	-	-	47 651
Total assets	20 954	133 384	-	1 253 243	1 407 581
Liabilities					
Borrowings	-	-	30 146	-	30 146
Deferred tax liability	-	-	-	112 516	112 516
Trade and other payables	-	-	17 106	-	17 106
Distributions payable	-	-	59 964	-	59 964
Total liabilities	-	-	107 216	112 516	219 732

30.3 Categories of financial instruments (continued)

	At fair value through profit & loss P'000	Loans & receivables P'000	Financial liabilities at amortised cost P'000	Non-financial assets & liabilities P'000	Total P'000
Group					
2014					
Assets					
Investment property	-	-	-	1 109 920	1 109 920
Investment in associate	-	-	-	13 645	13 645
Financial asset	19 102	-	-	-	19 102
Intangible asset	-	-	-	10 431	10 431
Rent straight line adjustment	-	-	-	24 678	24 678
Trade and other receivables	-	87 507	-	-	87 507
Tax receivable	-	-	-	2 523	2 523
Cash and cash equivalents	-	44 997	-	-	44 997
Total assets	19 102	132 504	-	1 161 197	1 312 803
Liabilities					
Borrowings	-	-	32 448	-	32 448
Deferred tax liability	-	-	-	97 623	97 623
Trade and other payables	-	-	20 742	-	20 742
Distributions payable	-	-	54 758	-	54 758
Total liabilities	-	-	107 948	97 623	205 571
Company					
2015					
Assets					
Investment property	-	-	-	1 145 573	1 145 573
Investment in subsidiary	-	-	-	36 650	36 650
Investment in associate	-	-	-	4 951	4 951
Financial asset	20 954	-	-	-	20 954
Intangible asset	-	-	-	9 550	9 550
Rent straight line adjustment	-	-	-	27 111	27 111
Trade and other receivables	-	92 950	-	-	92 950
Tax receivable	-	-	-	319	319
Cash and cash equivalents	-	37 539	-	-	37 539
Total assets	20 954	130 489	-	1 224 154	1 375 597
Liabilities					
Borrowings	-	-	30 146	-	30 146
Deferred tax liability	-	-	-	108 851	108 851
Trade and other payables	-	-	13 774	-	13 774
Distributions payable	-	-	59 964	-	59 964
Total liabilities	-	-	103 884	108 851	212 735

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

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30.3 Categories of financial instruments (continued)

	At fair value through profit & loss P'000	Loans & receivables P'000	Financial liabilities at amortised cost P'000	Non-financial assets & liabilities P'000	Total P'000
Company					
2014					
Assets					
Investment property	-	-	-	1 065 004	1 065 004
Investment in subsidiaries	-	-	-	36 650	36 650
Investment in associate	-	-	-	4 951	4 951
Financial asset	19 102	-	-	-	19 102
Intangible asset	-	-	-	10 431	10 431
Rent straight line adjustment	-	-	-	23 637	23 637
Trade and other receivables	-	98 270	-	-	98 270
Tax receivable	-	-	-	2 273	2 273
Cash and cash equivalents	-	28 363	-	-	28 363
Total assets	19 102	126 633	-	1 142 946	1 288 681
Liabilities					
Borrowings	-	-	32 448	-	32 448
Deferred tax liability	-	-	-	94 062	94 062
Trade and other payables	-	-	13 386	-	13 386
Distributions payable	-	-	54 758	-	54 758
Total liabilities	-	-	100 592	94 062	194 654

30.4 Financial instruments - fair value hierarchy

This analysis categorises the financial instruments carried at fair value into different levels based on the level of subjectivity applied in determining the inputs used in the determination of fair value. This assessment is determined based on the lowest level of input that is significant to the fair value measurement in its entirety. Assessing the significance of a particular input into the fair value measurement in its entirety requires judgment, considering the factors specific to the asset or liability. If a fair value uses observable inputs that require significant adjustment based on unobservable inputs or any other significant unobservable inputs, that measurement is a Level 3 measurement.

The fair value hierarchy is measured as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
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: inputs for the asset or liability that are not based on observable market data, that is unobservable inputs.

The Group's financial assets and liabilities carried at fair value as at the year end were classified as follows:

	Group			Company		
	Level 1 P'000	Level 2 P'000	Level 3 P'000	Level 1 P'000	Level 2 P'000	Level 3 P'000
2015						
Financial asset	-	-	20 954	-	-	20 954
Cash and cash equivalents	47 641	-	-	37 539	-	-
2014						
Financial asset	-	-	19 102	-	-	19 102
Cash and cash equivalents	44 997	-	-	28 363	-	-

30.4 Financial instruments - fair value hierarchy (continued)

There have been no transfers between any of the hierarchy levels during the year (2014: Nil).

Level 1 financial assets include only cash and cash equivalents that are based on actual values invested at the relevant financial institutions.

There are no level 2 financial assets carried at fair value.

Level 3 financial assets comprise the receivable more fully described in note 8. The significant inputs used in determining this value are set out in note 4.

Movements in level 3 financial instruments carried at fair value comprise:

	Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000
Opening balance	19 102	20 067	19 102	20 067
Fair value adjustment recognised in profit and loss	1 852	(965)	1 852	(965)
Closing balance	20 954	19 102	20 954	19 102

While not carried at fair value, the fair values of the following financial instruments were disclosed, and the analysis below reflects the fair value hierarchy relative to these instruments:

	Group			Company		
	Level 1 P'000	Level 2 P'000	Level 3 P'000	Level 1 P'000	Level 2 P'000	Level 3 P'000
2015						
Assets						
Trade and other receivables	-	85 733	-	-	92 950	-
Liabilities						
Borrowings	-	30 146	-	-	30 146	-
Trade and other payables	-	17 106	-	-	13 774	-
2014						
Assets						
Trade and other receivables	-	87 507	-	-	98 270	-
Liabilities						
Borrowings	-	32 448	-	-	32 448	-
Trade and other payables	-	20 742	-	-	13 386	-

The carrying value of trade and other receivables, net of impairment provisions, and financial liabilities approximates their respective fair values. The trade and other receivables and payables include amounts due from and to related companies.

30.5 Non-financial instruments - fair value hierarchy

This analysis categorises the non-financial instruments carried at fair value into different levels based on the level of subjectivity applied in determining the inputs used in the determination of fair value. This assessment is determined based on the lowest level of input that is significant to the fair value measurement in its entirety. Assessing the significance of a particular input into the fair value measurement in its entirety requires judgment, considering the factors specific to the asset or liability. If a fair value uses observable inputs that require significant adjustment based on unobservable inputs or any other significant unobservable inputs, that measurement is a Level 3 measurement.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

31 July 2015

30.5 Non-financial instruments - fair value hierarchy (continued)

The fair value hierarchy is measured as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

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: inputs for the asset or liability that are not based on observable market date, that is unobservable inputs.

The Group's non-financial assets and liabilities carried at fair value as at the year end were classified as follows:

	Group			Company		
	Level 1 P'000	Level 2 P'000	Level 3 P'000	Level 1 P'000	Level 2 P'000	Level 3 P'000
2015						
Investment property	-	-	1 197 122	-	-	1 145 573
2014						
Investment property	-	-	1 109 920	-	-	1 065 004

There have been no transfers between any of the hierarchy levels during the year (2014: Nil).

No non-financial assets carried at fair value are classified as level 1 or 2.

Level 3 non-financial assets comprise the investment property portfolio more fully described in note 5. The significant inputs used in determining this value are set out in that note and note 4.

Movements in level 3 non-financial instruments carried at fair value comprise:

	Group		Company	
	2015 P'000	2014 P'000	2015 P'000	2014 P'000
Investment property				
Opening balance	1 109 920	998 040	1 065 004	948 683
Fair value adjustment recognised in profit and loss	87 787	112 921	79 173	115 828
Capital expenditure	1 396	841	1 396	493
Foreign currency gains / (losses) reflected under other comprehensive income	(1 981)	(1 882)	-	-
Closing balance	1 197 122	1 109 920	1 145 573	1 065 004

In addition to the investment property disclosed as such in these financial statements, the group equity accounts for its associate which owns an investment property accounted for at fair value. This property asset is also classified as a level 3 hierarchy and is valued based on a 16.25% (2014: 16.25%) discount rate.

The value of the investment in the associate is based on the Group's share of the net asset value of the company, comprising investment property with a value of P152 million (2014: P131 million) less deferred taxation of P33 million (2014: P29 million). The movement in this net asset value comprises the profit and total comprehensive income of the associate for the year and has been equity accounted.

TERMS AND DEFINITIONS

Amalgamations, acquisitions, assignment, purchase and receivable
The method of acquisition of the portfolio and related assets on listing, which included the short and long form amalgamation of companies, acquisition of properties, purchase of shares, assignment of rights and obligations and cession of the right to receive the income, all with effect from the effective date of 1 August 2011, and subsequently the amalgamation of wholly owned subsidiary Riverwalk (Proprietary) Limited and NAP on 1 August 2012.

Bps
Basis points expressed as a hundredth of a percentage.

BSE
The Botswana Stock Exchange as established by the Botswana Stock Exchange Act Cap 56:08.

Capitalisation (cap) rates
The rate at which the annual net income from an investment is capitalised to ascertain its capital value at a given date.

Capital return
The movement in unit price as a percentage of the opening unit price.

CBH
Cash Bazaar Holdings (Proprietary) Limited, the Group's holding company, and a company registered in the Republic of Botswana.

Company, Holding Company or NAP
New African Properties Limited.

CSDB
Central Securities Depository Company of Botswana Limited.

Debentures
Variable rate unsecured debentures in the debenture capital of the Company, each of which is indivisibly linked to an ordinary share, together making up a Linked Unit.

Discount / Premium to NAV
The difference between the price at which units are trading on the BSE and the NAV, divided by the NAV.

Distributable income
Net income from rentals, after portfolio expenses and net interest, but excluding items of a capital nature (being primarily fair value adjustments and gains / losses on disposal), other accounting entries such as rent straight line adjustments, and taxes on those excluded amounts.

Distribution
Payments to linked unitholders twice per annum based on the distributable income and determined by the Board. These distributions comprise dividends on shares and interest on debentures. It is the income return on linked units.

Financial asset receivable
The right to receive a portion of the income derived by Mynco (Pty) Ltd, for a period of 25 years, by way of cession granted by Mynco (Pty) Ltd to the Company.

TERMS AND DEFINITIONS (continued)

Financial year
The financial year ending 31 July annually.

Forward yield
Expected income for the following 12 months divided by the current price / value, expressed as a percentage.

Furnmart
Furnmart Limited, a company incorporated in Botswana and listed on the BSE, and a company related to CBH.

Group
NAP and its subsidiary companies, currently New African Properties (Namibia) (Pty) Ltd.

GLA
Gross Lettable Area.

Historic yield
Distributions for the previous 12 months divided by the current trading price on any given day, expressed as a percentage.

IFRS
International Financial Reporting Standards

Income / distribution yield
Distributions for a 12 month period divided by the unit price at the start of the 12 month period, expressed as a percentage.

Interest cover
The number of times that distributable earnings before interest and distributions covers the interest expense.

Linked unit
One Ordinary share indivisibly linked to one Debenture of the Company, being the equity structure of the Company.

Linked unitholders
Holders, from time to time, of Linked Units.

m^2
A unit of measure, the area of a square the sides of which measure exactly one metre.

Nafprop
Nafprop (Proprietary) Limited, a company incorporated in Botswana, a subsidiary of CBH. NAP's asset and property manager.

Net asset value (NAV)
The value of all assets less all liabilities, also equal to total unitholders' funds. Also expressed as NAV per linked unit by dividing NAV by the number of linked units.

Net property expenses
Property operating expenses less recoveries against those expenses from tenants.

N$
Namibian Dollars, the legal tender of Namibia.

TERMS AND DEFINITIONS (continued)

Ordinary share
Ordinary share of no par value in the share capital of the Company, which together with one indivisibly linked debenture make up a Linked Unit in the Company.

PLS / VLS / VRLS
Property loan stock / variable rate loan stock company, being a company registered as such and having a linked unit equity structure and investing in immovable property.

Property portfolio
The properties owned by the Company, either directly or indirectly through subsidiary companies.

Pula or P
The legal tender of Botswana, the reporting currency for the Group.

Shares
Ordinary shares of no par value in the stated share capital of the Company, each of which is indivisibly linked to one Debenture.

Straight line adjustment
The accounting adjustment required to smooth escalating income streams from leases over the period of each lease. This adjustment is required in terms of IFRS and is included in profit but not in the calculation of distributable income which is based on the cash flows inherent in the leases.

Tenant retention
The square metres (m^2) renewed on expiry expressed as a percentage of the total m^2 that expired during the period.

Thebe or t
The legal tender of Botswana, representing one hundredth of a Pula.

Total return/s
The income distribution plus the movement in the linked unit price as a percentage of the opening unit price, ignoring any reinvestment of income.

tpu
Thebe per linked unit.

Trust Deed
The trust deed relating to the Debentures entered into between the Company and J Y Stevens, as trustee for Linked Unitholders.

Trustee
Party to the Debenture Trust Deed, and acts on behalf of debenture holders in terms of the Deed.

Vacancy factor
Unoccupied space (excluding where vacant due to development) relative to total space, either calculated using GLA or rental income.

WHT
Withholding tax, being a tax deducted at the source of an income stream for direct payment to the revenue authority.

NOTICE OF ANNUAL GENERAL MEETING

NEW AFRICAN PROPERTIES LTD
"the Company" or "New African Properties" or "NAP"
Incorporated in the Republic of Botswana, Company No. Co 2008/545
BSE share code: NAP
ISIN code: BW 000 000 1049

NOTICE TO ALL LINKED UNITHOLDERS

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Company for the 2015 financial year will be held in the Nafprop Boardroom, Cash Bazaar Holdings, Plot 20573/4, Block 3, Gaborone, at 08h00 on Wednesday, the 13th day of January 2016

AGENDA

1. Notice convening the meeting

2. Ordinary resolutions:

2.1 Resolution number 1 :
To consider and adopt the annual financial statements and annual report, including the report of the auditors, for the year ended 31 July 2015.

2.2 Resolution number 2:
To consider and ratify the distributions declared for the year, comprising:
- Number 7 - declared 24 April 2015, paid 15 May 2015 — 9.51 thebe per linked unit
- Number 8 - declared 14 July 2015, paid 28 August 2015 — 9.92 thebe per linked unit

2.3 Resolution number 3:
To re-elect retiring directors and confirm new directors in accordance with the Company's Constitution. Motions for re-election will be moved individually.

In terms of the Constitution all directors shall retire at the first annual general meeting, thereafter at least one-third of the directors shall retire at each meeting, with all directors who have held office for three years since last election or appointment being required to retire. Accordingly, Messrs. T.L.J. Mynhardt and F.B. Lebala retire by rotation but being eligible, offer themselves for re-election. Abridged Curriculum Vitae's of these directors are set out on pages 4 and 5 of this annual report.

2.4 Resolution number 4:
To consider and ratify the directors' fees payable to independent directors for the year ended 31 July 2015 as set out in the directors' report on pages 22 and 23 of the annual report.

2.5 Resolution number 5:
(a) To reappoint PricewaterhouseCoopers as auditors of the Company for the ensuing year; and
(b) to approve their remuneration for the year ended 31 July 2015.
These motions will be moved individually.

2.6 Resolution number 6:
To place linked units equal to an aggregate of 15% of the number of linked units in issue at any time under the control of the directors for allotment and issue for cash or for the acquisition of immovable property until the next annual general meeting, at which meeting such authority will be sought to be renewed until the next annual general meeting, subject to the following limitations in terms of the BSE Listings Requirements in respect of each of the three resolutions below. It is specifically recorded that this preamble is applicable to each of the resolutions under 2.6 (a), (b) and (c) and that the 15% limit referred to above is the aggregate limit for all issues under these three subsections of resolution 6 which will be voted on individually.

2.6 Resolution number 6: (continued)

(a) General issues for cash:

- i Any such issue shall be made to "public shareholders" as defined by the BSE Listings Requirements; and
- ii Such issues may not exceed 10% of the Company's issued linked units in any one financial year and 15% in any thirty six month period. This calculation to be based on the number of linked units in issue at the date of such application less any linked units issued during the current financial year or current and preceding two financial years (as applicable), provided that any linked units issued pursuant to an announced, irrevocable and underwritten rights issue or concluded acquisition may be included as though they were in issue at the date of the application; and
- iii. The maximum discount at which linked units may be issued is 10% of the weighted average traded price over the 30 days prior to the date the price is determined or agreed. The Committee to be consulted for a ruling if the linked units have not traded during this period; and
- iv. A 90% majority of votes cast by linked unitholders present in person or by proxy at the annual general meeting is required to approve the resolution; and
- v. The Committee may, under certain circumstances, waive some or all of the above requirements; and
- vi. After issuing, on a cumulative basis within the financial year, 5% or more of linked units in issue prior to that issue, an announcement containing full details as required in terms of section 5.87 of the Listings Requirements will be published.

(b) Issue for the acquisition of immovable property:

- i. Listing Committee to be consulted and determines that the issue is for the bona fide purchase of assets.

(c) Issue for the acquisition of immovable property by way of a vendor consideration placing:

- i. All vendors must have an equal opportunity of participating in the placing;
- ii. The minimum placing price, unless unitholders specific approval is obtained, is the lower of: a 10% discount to the 30 day weighted average price prior to the directors' authorising the placing or the date of the placing. The Committee to be consulted for a ruling if the linked units have not traded during this period.

3. To transact any other business which may be transacted at an annual general meeting.

4. To respond to any questions from unitholders.

5. Close the meeting.

NOTE:
Any member who is entitled to attend and vote at a general meeting is entitled to appoint one or more persons as a proxy to attend, speak and vote in his / her stead and the proxy so appointed need not be a member of the Company. Proxy forms must be deposited at the registered office of the Company not less than 48 (forty-eight) hours before the time fixed for the meeting.

By order of the Board Dated this 22 October 2015

DPS Consulting Services (Pty) Ltd
Company secretary
Registered office:
Plot 50371, Fairground Office Park, Gaborone
Fax +267 397 3901

PROXY FORM

NEW AFRICAN PROPERTIES LIMITED
"the Company" or "New African Properties" or "NAP"

I/ We ____

Of ____

Being the registered holder/s of ____________________ linked units in the Company, at the close of business on Friday, 8 January 2016, hereby appoint:

____________________ of ____________________;
Or failing him / her

____________________ of ____________________;
Or failing him / her
the Chairman of the meeting
as my / our proxy to attend, speak and vote for me / us on my / our behalf at the annual general meeting of the company to be held at 08h00 on Wednesday, 13th January 2016, and at any adjournment thereof and to vote for or against the resolutions or to abstain from voting in respect of the units registered in my / our name/s, in accordance with the following instructions:

Resolution number	Detail	In favour	Against	Abstain
1	Consider and adopt the annual financial statements			
2	Consider and ratify the distributions declared for the year			
3	To re-elect retiring directors and confirm new directors (a) T.L.J. Mynhardt			
	(b) F.B. Lebala			
4	Consider and ratify the directors' fees payable to independent directors			
5	(a) Reappoint PricewaterhouseCoopers as auditors of the Company for the ensuing year, and			
	(b) Approve their remuneration			
6	Place linked units equal to an aggregate of 15% of the number of linked units in issue at any time under the control of the directors - all subject to the full wording in the notice: (a) General issues for cash (requires 90% approval)			
	(b) Issue for the acquisition of immovable property			
	(c) Issue for the acquisition of immovable property by way of a vendor consideration placing			

PROXY FORM

Signed this ______________________________ day of ______________________________

Full name: ______________________________

Signature: ______________________________

Assisted by (Guardian): ______________________________

A member who is entitled to attend and vote at a general meeting is entitled to appoint one or more persons as a proxy to attend, speak and vote in his / her stead and the proxy so appointed need not be a member of the Company.

Registered office:
Plot 50371 Fairground Office Park, Gaborone
Fax +267 397 3901

INSTRUCTIONS ON SIGNING AND LODGING THIS PROXY FORM

1. This must be deposited at the Registered Office of the Company not less than 48 (forty eight) hours before the time of the scheduled meeting.
2. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled. Any alteration or correction made on this form must be signed, not initialled, by the signatory / signatories.
3. The Chairman of the meeting shall be entitled to decline to accept the authority of the signatory:
   a. Under a power of attorney; or
   b. On behalf of a company or any other entity;

   Unless such power of attorney or authority is deposited at the registered office of the company not less than 48 (forty eight) hours before the scheduled time for the meeting.
4. The authority of a person signing a Proxy in a representative capacity must be attached to the Proxy form unless the authority has previously been recorded by the Secretary.
5. The signatory may insert the name of any person(s) whom the signatory wishes to appoint as his proxy in the blank space(s) provided for that purpose.
6. When there are joint holders of units and if more than one such joint holder is present in person or represented by proxy, then the person whose name stands first in the register in respect of such units, or his / her Proxy, as the case may be, shall alone be entitled to vote in respect thereof.
7. The completion and lodging of this Proxy shall not preclude the signatory from attending the meeting and speaking and voting in person thereat to the exclusion of any Proxy appointed in terms hereof should such signatory wish to do so.
8. The Chairman of the meeting may reject or accept any Proxy form which is completed and/ or submitted other than in accordance with these instructions, provided that he is satisfied as to the manner in which a member wishes to vote.
9. If the unitholding is not indicated on the Proxy form, the Proxy will be deemed to be authorised to vote the total unitholding.
10. A minor or any other person under legal incapacity must be assisted by his / her parent or guardian, as applicable, unless relevant documents establishing his / her capacity are produced or have previously been registered.

CORPORATE INFORMATION AND ADMINISTRATION

NEW AFRICAN PROPERTIES LTD

"the Company" or "New African Properties" or "NAP"
Incorporated in the Republic of Botswana, Company No. Co 2008/545
BSE share code: NAP
ISIN code: BW 000 000 1049
www.newafricanproperties.co.bw

Managing Director
Tobias Mynhardt
Cash Bazaar Holdings
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Fax: +267 397 4734

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Fax: +267 397 3901

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NEW AFRICAN PROPERTIES

ANNUAL REPORT 2015

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