

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the Auditor General.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on annual reporting as issued by National Treasury.

The Annual Financial Statements (Part B) have been prepared in accordance with the South African Generally Recognised Accounting Practice (GRAP) standards applicable to the Public Entity and the Public Finance Management Act of South Africa, 1999. (Act No. 1 of 1999) (PFMA).

The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The accounting authority is responsible for establishing and implementing a system of

internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors have been engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2015.

Yours faithfully



BONI MUVEVI
CHIEF EXECUTIVE OFFICER
28 JULY 2015

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of the annual financial statements and is unaudited:

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Project:
HLANGANANI GARDENS



OUR PHILOSOPHY

VISION

The partner of choice in affordable housing delivery in Gauteng

MISSION

As a public sector affordable housing delivery vehicle, we:

- Mobilise new and innovative funding streams for projects,
- Leverage private and public sector finance to ensure better bankability of projects,
- Facilitate collaboration between public and private sector partners,
- Promote accountability, monitoring and efficiency in the implementation of projects, thereby enabling coordinated effort by both the public and private sector in sustainable, integrated human settlements delivery.

BOARD OF TRUSTEES



P MPHAHELE
CHAIRPERSON



B MUVEVI
CHIEF EXECUTIVE OFFICER



Z FIHLANI



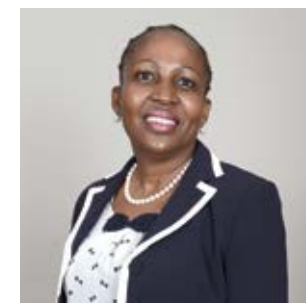
L KHANGALA



M LESHABANE



L MAKIBINYANE



D MAPHATIANE



S MBANJWA



REPORT OF THE CHAIRPERSON

DEAR VALUED STAKEHOLDERS,

Gauteng is the economic engine of the South African economy. It is home to more than 12 million people and a destiny of choice for many job seekers across the country and continent. It is by far the most urbanised province in South Africa (97% urbanised). Given these challenges, in the current global economic environment, we need to collectively devise and implement programmes that respond to their specific needs.

The Gauteng Partnership Fund (GPF) mandate seeks to provide housing finance and solutions for households that earn income between R3500 to R18000 per month (adjusted 2015). This income band remains one of the greatest social challenges for provision of housing in South Africa. In Gauteng it is particularly severe, because of the higher rate of urbanization which contributes to work and economic opportunities.

In 2014 the government strategy or response to the growing housing backlog and informal settlements has shifted to the mega projects that deliver on average 10 000 houses with the integrated infrastructure i.e. clinics, retail etc.

The role of GPF has been to facilitate or mobilise funding for affordable housing. We will support the Gauteng Human Settlements to facilitate private sector participation and mobilise appropriate funding for social housing and integrated projects.

The GPF, as an organisation, has matured. Recently it went through a smooth leadership transition to a new CEO, Mr Boni Muvevi, (appointed on the 1st of March 2014), following the resignation of the previous CEO (Mr Kutoane Kutoane). Overall, the GPF has continued to deliver on its mandate and remain in line with the organisation strategic plan. The organisation is governed by sound governance systems and structures, as evidenced by clean audits obtained from the Auditor General ('AG') since inception. We are proud that once again the GPF obtained a clean audit for the year under review. As the Board Chairperson, I give credit to management and fellow Board members.

Over the past 5 years, through our flagship Entrepreneur Empowerment Property Fund (EPPF), we have provided financial support to 40 black-owned companies and non-financial support to

about 100 companies. Our approved funding for the EEPF to date amounts to approximately R400 million, spread between 40 development projects, which, once completed, will provide approximately 1 775 rental units. During the year under review, we also saw completion of 4 EEPF projects in Pretoria, Kempton Park, Johannesburg CBD and Bronkhorstspuit.

In 2014 the following Trustees were re-appointed: Lefadi Makibinyane, Dineo Maphatiane, Zola Fihlani and myself. We look forward to working more closely with the current Gauteng Human Settlements Department under the leadership of the Honourable MEC Jacob Mamabolo. We fully support the new vision of Human Settlements, namely housing delivery through mega projects.

The pressure on the Government Treasury is tremendous given the slow economic growth and high level of social infrastructure backlog.

As the Board, we have mandated the CEO to seek alternative funding streams for grant and concessionary funding.

In 2019, we will be exploring ways for GPF to become institutionally and funding sustainable.

In the past year we have forged new strategic relationships with the Ekurhuleni Metropolitan Municipality to partner on social housing projects. We are also finalising senior debt funding agreements with Futuregrowth Asset Management and the Public Investment Corporation (PIC) to the value of R600 million. This has been a major challenge and risk for GPF as there are not many senior debt funding institutions actively lending in the affordable housing market.

To all our Stakeholders, thank you for your support - I am pleased to present our Annual Report for the year ended 31st March 2015. To the Board, Executive management and Staff, thank you for your hard work and commitment to GPF.

PAKIE MPHAHLELE
CHAIRMAN

CHIEF EXECUTIVE OFFICER'S REPORT



In 2014, the general global slowdown in economic growth has had an effect on the South African economy resulting in significant job losses. In the affordable residential rental sector this has had an impact on tenants' ability to pay for rental accommodation. According to a TPN report, "2014 ended on a positive note for landlords and rental agents, with 86% of residential tenants recorded as being in good standing" [The South African Rental Market, Rental Payment Monitor, Quarter 4 of 2014:TPN Registered Credit Bureau].

The significant in-migration of people has continued to put pressure on meeting the backlog of housing and infrastructure delivery requirements for the province. As GPF we are equal to the challenge in finding sustainable housing solutions. The GPF was established as an intervention to the housing market, through creating financial products to address market failure so as to speed up delivery of affordable housing. We have introduced new funding products - student accommodation fund, Pension Backed Loans - and we are investigating a few opportunities in Sectional Title product and funding structures to mobilize funding for the sector.

In 2014, we made good progress in implementing our business strategy and meeting our housing targets. This has created a good foundation to achieve our short term (2016) and long term targets (2019). We continue to build our business on a strong vision and a set of shared values and clear strategy. Overall GPF continues to grow and mature as an organization with many years of operational performance and positive Auditor General Reports. Our loan book is healthy and continues to perform

across all funding products and we apply robust up-front risk mitigation approaches to every investment. Our loan book bad debt ratio is 0.20% compared to our target of 5%. Supply Chain management processes are in place. During the year under review there were no unsolicited bid proposals. Approval was obtained for the rollover of funds. There are no events after the reporting date. We will continue to focus on GPF operational efficiency to ensure we meet our clients' turnaround expectations and future business sustainability requirements.

The GPF's main objective continues to be funding and facilitating of social rental housing in Gauteng province for people that earn between R3500 and R18000 per month (adjusted 2015). The leveraging of state capital is the underlining principal and key measure; our target is 70:30 (External funding: GPF funding). The GPF funding model is based on sharing financial risk with funding partners on housing projects. In 2014, we attracted a total of R320 million of non-GPF funding, in comparison to R414 million in the previous reporting period. The leveraged amount has reduced significantly due to GPF continuing to finance 100% projects that are less than R15 million, as active senior debt funders are few. The GPF has met and exceeded the 2014 completed housing targets for social and rental units (target of 600 housing units vs 662 housing units completed).

Despite capital markets' gloomy outlook, we continue to seek housing funding partners or investors in the local and international market. We prioritized capital raising and we have devised a plan and dedicated resources to manage this risk in

the medium to long term. In 2014, our efforts have resulted in securing funding commitment of R600 million from two established financial institutions as co-funding partners in affordable housing rental projects.

The Human Settlements treasury allocation has been under pressure for years, especially in 2014. In 2015 we will focus our efforts on finding ways to become institutional and fully sustainable in the future. This will be a huge task given our social objective and public sector compliance requirements.

2014 was a crucial period for Gauteng Province and GPF as new political Leadership was appointed, namely Honorable: Premier David Makhura and Honorable: MEC Jacob Mamabolo, as well as Human Settlements Head of Department (HOD) Daphney Ngoasheng. The Gauteng Leadership over the period sought to align and co-ordinate all stakeholders (Provincial & Local government, government agencies, DFI's etc.) efforts towards a new vision and delivery model of Human Settlements in Gauteng City Region. The new vision outlined by the MEC in May is aligned to National Development Plan (NDP), Gauteng City Region 2055, 10 Pillars Programme of Radical Transformation, Gauteng Spatial Development Framework, Transport and Infrastructure plans, Breaking New Ground Strategy and Johannesburg Corridors of Freedom.

This new vision and delivery model is a response to the challenges of housing delivery and intends to deliver cities where all race groups are integrated into human settlements that will create social, cultural and racial cohesion. This new housing delivery model – mega project approach is illustrated further below:

Over the past year GPF has sought to play a catalytic role in mobilising provincial and

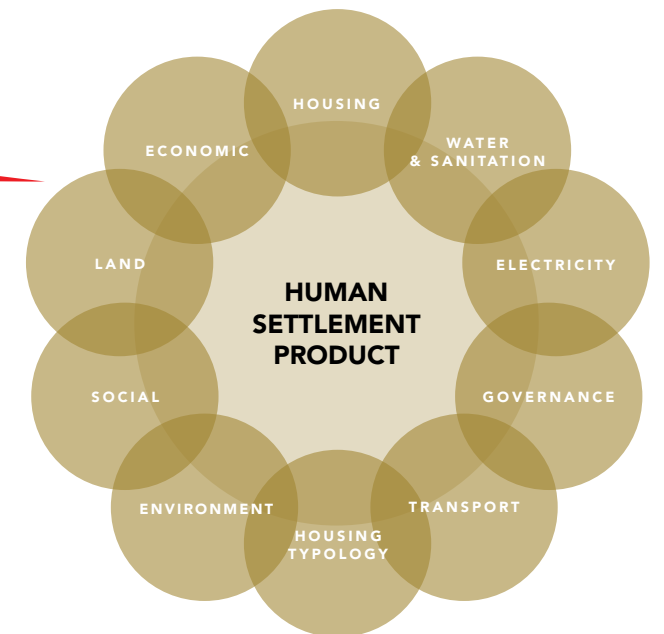


Fig A: Human Settlement Product (Mega projects)

government institutions in shaping the sustainable human settlements sector. In addition to Tshwane Metro we have signed partnership agreements with the Ekurhuleni Metropolitan Municipality and the Mogale City Local Municipality, and in Johannesburg, we have partnered with City and black property entrepreneurs to develop Bertrams precinct. We intend to proactively assist the Gauteng City Region Human Settlements delivery model of mega projects through creating opportunities for social rental housing and facilitating project funding and private sector participation.

Guided by our long term vision to become the partner of choice in affordable housing, a set of shared values, culture of excellence in execution of our housing mandate - daily work - meeting client's needs, ensuring housing service delivery, a clear strategy and ambitious METF targets up to (2019), we should be able to navigate our company through challenging, volatile local and global environment.

Lastly, I would like to take this opportunity to extend my sincere gratitude for the support of the Board Chairman, Board members, Executive Management team and Staff.

BONI MUVEVI
CHIEF EXECUTIVE OFFICER

Project:
JABULANI

OPERATIONS REPORT

Project:
186 BEN VILJOEN



01. INTRODUCTION

The demand for affordable rental stock remained under enormous pressure for the year under review. Construction and planning data from Statistics South Africa indicates that during the past year, significant building activity occurred in the segments of smaller sized houses and higher-density flats and townhouses. This has become a structural feature of the supply of new housing and is primarily driven by factors such as urbanisation, land scarcity, building costs, housing affordability, and property maintenance costs (property rates and taxes, levies, electricity, etc.) and changing life styles.

The residential property market will continue to reflect trends in economic growth, employment, household income, inflation in general, interest rates, consumers' credit-risk profiles, banks' risk appetite and lending criteria. These factors will drive the affordability of housing and mortgage finance, which will be evident in trends in property demand and supply. Having remained unchanged since July 2012, the interest rate hike in January of 2014 underpinned the demand for rental accommodation.

The outlook for the affordable housing market is positive; this is supported by the commitment by banks, property developers, mining companies and other large scale employers through a Social Contract for the Development of Sustainable Human Settlements (signed at the end of the two day National Human Settlements Indaba and Exhibition held at the Sandton Convention from 16 to 17 October 2014). The commitments made include amongst other: to increase and fast track the supply and delivery of affordable housing in well located land.

The demand for affordable rental accommodation was also evident in the number of applications received by the GPF for the year under review. Availability of senior funding partners remained a challenge, however, capital raising initiatives are showing positive signs, with two potential co-funding senior partners identified.

Project:
KLIPTOWN



02.PERFORMANCE OVERVIEW

TABLE A - SUMMARY OF PERFORMANCE

MEASURE	ACTUAL (FY '14/15)	TARGET (FY 14/15)	TARGET ACHIEVED	COMMENTS
Applications recorded	R744m	-	-	Applications received for GPF's funding increased from R370 million in the previous year to R744 million in the year under review. Aggressive marketing campaigns as well as dedicated efforts by the participants in the Entrepreneur Empowerment Property Fund ("EEPF") to secure projects were the main drivers of the increased deal flow.
Projects Expression of Interest (EOI)	R464m	-	-	As a result of the increased deal flow on projects expressed interest also increased when compared to the previous year.
Approvals Rental Housing Fund and Student Accommodation Fund (RHF & SHF)	R179m	R110m	Yes	Target has been exceeded by 63% on the back of increased deal flow.
Entrepreneur Empowerment Property Fund (EEPF) Approval (total project funding)	R319,3m	R150m	Yes	Target (funding) includes Senior funder's loan portion. The target has been exceeded by 113%.
Student Accommodation Fund (SAF)	R13,6	R30m	No	The target was not achieved due to funding constraints from the applications received for this fund; we could only fund projects with minimum GPF loan exposure.

TABLE B - LIST OF PROJECTS CANCELLED IN THE 2014/2015 FINANCIAL YEAR

NAME OF COMPANY	PROPERTY DESCRIPTION	NO. OF UNITS	LOAN AMOUNT	REASON FOR CANCELLATION
Zevoli 269 Ltd	Erf 564 & 566 Springs	80	R2 814 237	Client's inability to secure senior funding
Picropro CC	Erf 4832 Johannesburg	147	R3 886 287	Cancelled by client
Golden City Properties (Pty) Ltd	Erf 142 &143 Germiston CBD	49	R9 134 720	Cancelled by client
Kertrade 24 CC	Erf 4873 Johannesburg	22	R6 336 600	Cancelled by client
Amaveni Capital (Pty) Ltd	Erf 337 & 3368 Johannesburg	63	R5 250 000	Client's inability to secure senior funding
Ninawell (Pty) Ltd T/A Laudium Property Holdings (Pty) Ltd	Erf 303 Laudium	87	R7 500 000	Client's inability to secure senior funding
Highlands Urban Living (Pty) Ltd	Erven 5, 6 & 7 Highlands Johannesburg Phase II	210	R12 844 693	Facility availability period lapsed (client inaction)
TOTAL		658	R 47 766 537	

The GPF's strategic objective is to increase and leverage the involvement of private sector funding for affordable housing in Gauteng, with the ultimate aim of increasing the rate of delivery of sustainable human settlements in the province. The main purpose is to proactively catalyse and facilitate innovative financing solutions for the development of affordable housing within the framework of sustainable human settlements in Gauteng.

The annual targets for 2014/2015 financial year have been exceeded.

- We received and evaluated project funding applications to the value of approximately R744 million;
- Of the received funding applications, the GPF issued expressions of interest in projects to the tune of R464 million, and obtained Board approval for R192,6 million worth of projects against an annual target of R140 million for all programmes excluding the Entrepreneur Empowerment Property Fund (EEPF). The annual targets have been exceeded by 38%.
- The annual targets for the EEPF programme have been exceeded by 113%. We obtained Board approval for R319,3 million against a target of R150 million. Of the R319,3 million, R192,7 million represent GPF's funding commitment.

The approvals recorded by the GPF for all programmes excluding the EEPF represent an impressive year-on-year growth of 21% compared to 2013/14 Financial year. The EEPF has performed well when compared to the previous year; with year-on-year growth of 114%. The increase in the deal flow could partly be attributable to the following;

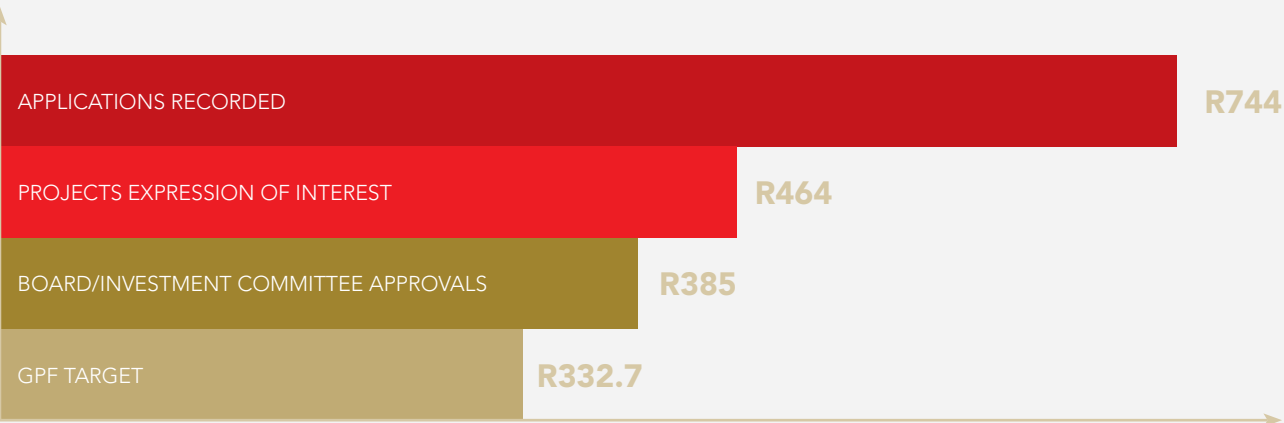
- Increased visibility in the market as a result of marketing campaigns during the previous years.
- The increase in the GPF's loan exposure from R10 million to R15 million for projects that are funded 100%.
- As an addition to our product offerings, we have successfully implemented the student accommodation fund.

The availability of private sector funding plays an important role in GPF's funding model. As a public sector affordable housing delivery vehicle, we mobilise new and innovative funding streams for projects and leverage private sector and public sector finance to ensure better bankability of projects. Since its inception, funding facilitated by the GPF has resulted in over 16000 units being completed.



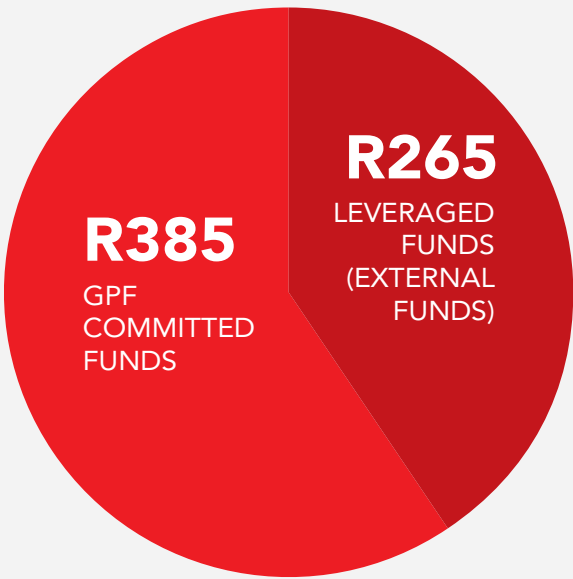
We have summarised the GPF 2014/15 funding performance below in Graphs A and B.

A. SUMMARY OF PERFORMANCE (RAND MILLIONS)



REFERENCE: PROJECT LIST 2014/2015; INVESTMENT COMMITTEE AND BOARD MINUTES; 2014/2015 STRATEGY PLAN

B. GPF COMMITTED FUNDS VS. LEVERAGED FUNDS (RAND MILLIONS)



The aforementioned challenges with the availability of a senior funding partner has resulted in a gearing ratio of 59:41 as the amount of leveraged funds decreased by 36%, from R414 million recorded in the previous year to R265 million during the year under review. GPF has taken initiatives to secure senior funding partners to ensure the delivery of affordable housing units. The process is far ahead with two potential funders being identified. These will result in an improvement in the overall gearing ratio.

PRODUCT PERFORMANCE REVIEW

The increase in the number of applications received has resulted in a significant increase in the projects approved by the Board. Annual targets have been exceeded in the rental housing fund and the EEPF portfolios. The Student Accommodation Fund ("SAF") gained momentum in the second half of the year, requiring GPF to participate in relatively larger projects. Financial constraints dictated that we limit our participation to relatively small sized projects, thereby resulting in the recorded

underperformance by the SAF. The Social Housing Fund underperformed by 14% mainly as a result of a declined offer of GPF approved funding by the Social Housing Institution.

The GPF's funding commitment under the EEPF contributed 50% to the overall funding committed to projects mainly attributed to the assistance provided by the Mentors under the programme and the increased efforts by the participants in securing projects.

TABLE C - COMMITMENT VALUE

PRODUCT	BUDGET	PERCENTAGE	ACTUAL	PERCENTAGE
Rental Housing Fund (RHF)	R60 000 000	18%	R135 715 959	35%
Social Housing Fund (SHF)	R50 000 000	15%	R43 273 626	11%
Entrepreneur Empowerment Fund (EEPF)*	R150 000 000	58%	R192 717 953	50%
Student Accommodation Fund (SAF)	R30 000 000	9%	R13 556 869	4%
TOTAL	R290 000 000	100%	R385 264 407	100%

* EEPF: As per the strategic plan for 2014/2015 financial year, the target for the EEPF includes senior funder approvals; there was no split between GPF funding commitment and leveraged funding. Of the R319,3 million total funding for EEPF, R192,7 million represented GPF's funding commitment.

TABLE D - PRODUCT PERFORMANCE 2014 - 2015

GOAL	OUTPUT	TARGET FOR 2014/2015	ACTUAL PERFORMANCE FOR 2014/2015	REASON FOR VARIANCE
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3.1 RENTAL HOUSING FUND | Focused on for-profit entities

Enhanced debt to equity ratio for companies in projects so they can raise commercial funding.	Committed Value	R60m	R135,7m	Target has been exceeded. Refer to note 1 for list of projects approved.
	Debt to Equity (External funding to GPF Loan) ratio of 70:35	35:65	49:51	Refer to note 2.

3.2 SOCIAL HOUSING FUND | Focused on non-profit entities

To reduce cost to capital on projects linked to Institutional subsidies.	Committed Value	R50m	R43,3m	Target not achieved.
	Reduced cost of rentals from going market as published from the Rode report rental survey to subsidized - 10%	Reduced cost of rentals from market rentals as published from the Rode report rental survey to subsidized -10%	The average rental for a 1 bed is R800 as compared to the Rode Report average of R3453. The average rental for a 2 bed is R2250 as compared to the Rode Report average of R4279. The percentage difference is 77% and 47% respectively.	Set target met.

3.3 EMERGING ENTREPRENEUR PROPERTY FUND

This is an incubator programme designed to promote participation of HDI owned companies in the affordable rental property market. (The programme is limited to prospective participants invited on public tender annually).	Committed Value	R150m	R319,3m	Target has been exceeded. Refer to note 4 for list of projects approved.
	Number of identified HDI companies	12	16	

GOAL	OUTPUT	TARGET FOR 2014/2015	ACTUAL PERFORMANCE FOR 2014/2015	REASON FOR VARIANCE
3.4 STUDENT ACCOMMODATION				

Leverage funding for affordable student accommodation.	Committed Value	R30M	R13,6	See note 5
	Debt to equity ratio	35:65	-	

3.5 SPECIAL PARTNERSHIP PROJECTS

To share financial risks with financial institutions for affordable housing developments.	Number of projects facilitated	1	The Board has approved a pension backed home loan facility for R50 million.	See note 6 below
	Number of projects facilitated	1	The Board has approved R15 million for pension backed loan facility to a retail financial institution.	

Sub programmes

3.5.1 INTUTHUKO FUND

Committed Value	0	R2.3m
Facilitated units	0	71
Completed units	0	0

3.5.2 BRIDGING FINANCE FACILITY

Committed Value - Revolving Fund	R0	0	See note 8 below
Potential units	0	0	

3.6 TO PLAY A CATALYTIC ROLE IN MOBILISING PROVINCIAL AND LOCAL GOVERNMENT INSTITUTIONS IN SHAPING THE SUSTAINABLE HUMAN SETTLEMENT SECTOR

Create regional platforms for coordination of projects and provide a sounding board for solutions in achieving the provincial government outcomes.	Number of MOUs signed with the municipalities	Two MOUs signed	MOU has been signed with the Mogale City Local Municipality and Ekurhuleni Metropolitan Municipality.	Target has been met
	Number of projects initiated through partnerships with municipalities	One project in progress	The MOU between Ekurhuleni Metropolitan Municipality and GPF has resulted in 2 projects requiring GPF's intervention and assistance; namely: Fire Station and Delville projects.	See note 9

GOAL	OUTPUT	TARGET FOR 2014/2015	ACTUAL PERFORMANCE FOR 2014/2015	REASON FOR VARIANCE
3.7 ASSIST THE DHS IN APPROPRIATE FUNDING ON MIXED INCOME HOUSING (HUMAN SETTLEMENTS) ON PROJECTS THAT HAVE COMPLETED TOWNSHIP ESTABLISHMENT AND ALL TECHNICAL INPUT BUT REQUIRE BANKABILITY STUDIES				

Develop optimal funding structure and raise appropriate funding for human settlements projects.	Draft MOU for mixed use projects	Draft MOU for mixed use projects	Target met	See note 10
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3.8 ENSURE DELIVERY OF AFFORDABLE HOUSING UNITS

Compliance of affordable housing units with the regulatory building standards.	Percentage of completed projects during the year under review with occupational certificate issued	All (100%)	100%	Target was met See note 11
	Percentage of projects under construction in the current financial year enrolled with NHBRC	100%	100%	

NOTE 1

TABLE E - LIST OF APPROVED PROJECTS

NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	GPF FUNDING COMMITMENT
Sunnilaws Properties (Pty) Ltd	Glen Marais - Remaining Ext of Portion 3 of Holding 274 Poma Estates	137	R19 502 023
EGC Properties CC	9 Browning Street, JHB (Erven 103, 104 & 105)	53	R9 604 938
Hoewe 15 Doreg Landbouhoewes (Pty) Ltd	Ervens 1499 & 1450, Karen Park Extension 52, Pretoria	176	R18 434 824
Sam Lubbe Investments CC	Erf 1654, Germiston	30	R10 383 750
Meilijian Construction and Development CC	Erf 3184, Pomona Ext 75	96	R13 888 588
Kertrade 24 CC	Erven 564 and 566, Springs	101	R7 574 730
Meilijian Construction and Development CC	Erf 1614 Kempton Park Ext 5	25	R8 782 249
Propertybest (Pty) Ltd	Erf 3834, Eersterus, Ext 6, Robin Villa	24	R8 801 474
Bruzar Properties (Pty) Ltd	Erf 630 5 Fortress Street Kempton Park	18	R6 650 833
Makabongwe Property Holdings (Pty) Ltd	Erf 983, Johannesburg	64	R15 457 377
Kesef Properties (Pty) Ltd	Ervens 343, 344, 345, 346, 347, 348, 387, 388 and 389, New Doornfontein, Johannesburg	374	R16 635 173
TOTAL		1098	R135 715 959

NOTE 2

Lack of senior funding as well as the increase in the GPF's funding loan exposure from R10 million to R15 million for projects that are funded 100% has

resulted in the overall increase in the GPF funding commitment relative to leveraged funding.

NOTE 3
TABLE F - LIST OF APPROVED PROJECTS

NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	GPF FUNDING COMMITMENT
Madulamoho Housing Association	Erf 2371 and Erf 2372 Fleurhof Ext 26	252	R22 834 300
Toproot Management (RF) (Pty) Ltd	Erf 1335 Pennyville Ext 1	112	R9 003 607
Toproot Management (RF) (Pty) Ltd	Erf 2665 Riverlea Ext 3	141	R11 435 719
TOTAL		505	R43 273 626

The Fund’s underperformance was mainly as a result of declined GPF funding by a Social Housing Institution.

NOTE 4
TABLE G - LIST OF APPROVED PROJECTS

NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	GPF FUNDING COMMITMENT
Castle Crest Properties 80 (Pty) Ltd	Erf 233 Kempton Park	26	R9 997 100
FV Trading Enterprises (Pty) Ltd	Portion 1 of Erf 193 Duncanville	24	R9 999 400
Bua Africa Properties (Pty) Ltd	Erf 2918 Kempton Park	168	R29 560 000
Phindile Cleaning Services (Pty) Ltd t/a Lakeside Development (Pty) Ltd	Ptn 1 of Erf 1373 Leachville	30	R11 621 100
Redformationz Holdings (Pty) Ltd	Erf 4862 Birch Acres Ext 32	84	R15 459 400
Kimovax (Pty) Ltd	Erven 419 & 420 Cresslawn, Kempton Park	48	R7 429 600
Eagle Valley Property 41 (Pty) Ltd	Ptn 1 of Erf 1908 Erasmus Ext 8, Bronkhorstspuit	40	R15 038 800
Alkara 7 (Pty) Ltd	Erf 816 & 817 Bronkhorstspuit	52	R8 956 200
Property Kalcha (Pty) Ltd	Ptn 1 and 2 of Erf 1871, Albertville Randburg	15	R7 068 440
Begin All Investments (Pty) Ltd	Erf 89,90 and 91 Bertrams	27	R11 082 300
Lavender Tree (Pty) Ltd	Erf 93,94 and 95 Bertrams	27	R11 082 300
Seco Developments (Pty) Ltd	Erf 96,121 and 122 Bertrams	27	R11 082 266
Clidet No.1024 (Pty) Ltd	Erven 2043,2044 and 5070 Joubert Park	81	R20 796 800
Urban Kraal Properties (Pty) Ltd	Erf 2243,2242,2248,2249, Wolmarans	39	R7 195 400
NBLR Properties (Pty) Ltd	Erf 2056,2057 and 2154 Fleurhof ext. 28	76	R11 489 447
Ifizo (Pty) Ltd	Erf 733 Pretoria North	30	R4 859 400
TOTAL		794	R192 717 953

NOTE 5
TABLE H - LIST OF APPROVED PROJECTS

NAME OF COMPANY	PROJECT NAME	NO. OF BEDS	GPF FUNDING COMMITMENT
Lerakara Family Trust T/A Mokgoko Consulting CC	Erf 1760 Ga-rankua	48	R2 285 555
Xylo Trading 253 CC	Portion 3 of Erf 2834 Ga-rankua	140	R11 271 314
TOTAL		188	R13 556 869

The fund gained momentum in the second half of the year, requiring GPF to participate in relatively larger projects. As a result of financial constrains we participated in relatively small sized projects with total cost below R15 million which were funded 100% by the GPF. Consequently the annual targets were not achieved.

NOTE 6
The Board has approved R50 million towards a Pension Backed Home Loan Fund. The facility will be made available to retail financial institutions to on-lent to the end-users for the purposes of home improvements. A R15 million facility has been approved to a retail financial institution to on-lent to the end users.

NOTE 7
In the 2014/2015 financial year, 8 projects were funded under the facility; GPF’s funding committed amounted to R2,3 million. Total amount disbursed for the 2014/2015 financial year amounted to R5,7 million.

NOTE 8
In 2013/14 GPF had approved a facility of R20 million to TUHF (bridging facility for projects). The bridge facility was withdrawn in the 2014/2015 financial year.

NOTE 9
The MOU between Ekurhuleni Metropolitan Municipality and GPF has resulted in 2 projects requiring GPF’s intervention and assistance. The names of the projects are: Fire Station and Delville.

NOTE 10
For the year under review, the GPF’s focus was on exploring different ways of unlocking some of the mixed-use housing projects. A draft Generic MOU wherein which the GPF would like to identify mixed-use projects with the GDHS for packaging and implementation has been concluded.

NOTE 11
As at 31 March 2015, there were 10 projects completed and all of them have occupational certificates (100%).



3.1 THE RENTAL HOUSING FUND (RHF)

The Rental Housing Fund is used to enhance the debt / equity ratio to projects. The following projects were supported during the 2014/15 financial year:

TABLE I - RENTAL HOUSING FUND COMMITMENTS

NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	GPF FUNDING COMMITMENT	OTHER FUNDING	COMPLETED UNITS
Sunnilaws Properties (Pty) Ltd	Glen Marais - Remaining Ext of Portion 3 of Holding 274 Poma Estates	137	R19 502 023	-	Project is under construction
EGC Properties CC	9 Browning Street, JHB (Erven 103, 104 & 105)	53	R9 604 938	R 800 000	None - construction is yet to start
Hoewe 15 Doreg Landbouhoewes (Pty) Ltd	Ervens 1499 & 1450, Karen Park Extension 52, Pretoria	176	R18 434 824	R 35 292 613	None - construction is yet to start
Sam Lubbe Investments CC	Erf 1654, Germiston	30	R10 383 750	R 1 743 971	None - construction is yet to start
Meilijian Construction and Development CC	Erf 3184, Pomona Ext 75	96	R13 888 588	R 24 263 938	None - construction is yet to start
Kertrade 24 CC	Erven 564 and 566, Springs	101	R7 574 730	R 12 934 620	None - construction is yet to start
Meilijian Construction and Development CC	Erf 1614, Kempton Park Ext 5	25	R8 782 249	R 3 100 000	Project is under construction
Propertybest (Pty) Ltd	Erf 3834, Eersterus, Ext 6, Robin Villa	24	R8 801 474	R 2 000 000	None - construction is yet to start
Bruzar Properties (Pty) Ltd	Erf 630, 5 Fortress Street Kempton Park	18	R6 650 833	R 850 000	None - construction is yet to start
Makabongwe Property Holdings (Pty) Ltd	Erf 983, Johannesburg	64	R15 457 377	R 1 300 000	None - construction is yet to start
Kesef Properties (Pty) Ltd	Ervens 343, 344, 345, 346, 347, 348, 387, 388 and 389, New Doornfontein, Johannesburg	374	R16 635 173	R 61 037 959	None - construction is yet to start
TOTAL		1098	R 135 715 959	R 143 323 100	

TABLE J - PROJECTS COMPLETED DURING THE 2014/2015 FINANCIAL YEAR

	NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	OCCUPATION CERTIFICATE	COMMENTS
01	Highlands Urban Living (Pty) Ltd	Erf 64, Highlands, Johannesburg	135	Yes	Temporary occupation certificate issued
02	ERF 273 Parktown Estates CC	ERF 273 Parktown Estates	72	Yes	-
03	Meilijian Construction and Development CC	Erf 27 Kempton Park	26	Yes	-
04	Meilijian Construction and Development CC	Erf 24 Kempton Park	26	Yes	-
05	KDM Properties (Pty) Ltd	Erf 564 Bertrams, JHB	19	Yes	-
06	Rainbow Beach Trading 261 (Pty) Ltd	Portion 193, Portion of 107 of Daggafontein farm 125, Daggafontein	246	Yes	
TOTAL			524		

CHALLENGES:

- Securing senior funding for projects

SOLUTIONS:

- Seek alternative funders - GPF has identified two potential funders to provide senior debt funding for affordable residential rental housing alongside the GPF and is in a process of finalising co-funding agreements.

3.2 THE SOCIAL HOUSING FUND (SHF)

The Social Housing Fund reduces the cost of capital for projects, thereby enhancing the cash flows for housing institutions that are not for profit. The following projects were supported during the 2014/15 financial year:

TABLE K - SOCIAL HOUSING FUND COMMITMENTS

NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	GPF FUNDING COMMITMENT	OTHER FUNDING	COMPLETED UNITS
Madulamoho Housing Association	Erf 2371 and Erf 2372 Fleurhof Ext 26	252	R22 834 300	R58 315 700	None - construction is yet to start
Toproot Management (RF) (Pty) Ltd	Erf 1335 Pennyville Ext 1	112	R9 003 607	R27 552 720	None - construction is yet to start
Toproot Management (RF) (Pty) Ltd	Erf 2665 Riverlea Ext 3	141	R11 435 719	R34 706 460	None - construction is yet to start
TOTAL		505	R43 254 751	R120 574 880	

There were no projects completed under the social Housing fund for the year under review.

CHALLENGES:

- Limited number of social housing institutions,
- Non-accreditation of social housing institutions by the SHRA,
- The RCG and the institutional subsidy is the catalyst for projects,
- Emerging social housing entities that must still be supported in order to receive SHRA accreditation.

SOLUTIONS:

- Establishment of the Social Housing Fund and introduction of the repayable grants
- Partnerships and Joint Ventures
- Private Sector Involvement in Social Housing
- Mentoring of social housing institutions

3.3 SPECIAL PARTNERSHIPS PROJECTS

These are partnerships with financial or non-financial institutions in order to leverage resources or share financing risk for affordable housing developments. The following Funds - sub programmes of the Special Projects performed as follows:

3.3.1 INTUTHUKO FUND

This programme is offered through the Trust for Urban Housing Finance (TUHF). The purpose of the fund is to provide soft funding to emerging black entrepreneurs providing small-scale housing in the inner cities. Total amount disbursed for the 2014/2015 financial year amounted to R5,7 million.

TABLE L - LIST OF PROJECTS

PROJECT DESCRIPTION	AMOUNT
13 & 13A Liddle Street	R245 659
17 & 17A, 5th Street	R149 010
182 & 182A Fawcus Street	R200 000
Republic Hotel	R709 934
25 and 25A 2nd Street	R160 000
60 High Street	R390 136
Clover Court	R185 000
288 Jules Street	R299 430
98 Millbourne Road	R180 000
73 St Georges Street	R165 000
Ravello	R718 923
45 President Street	R210 708
Bermol Court	R733 952
Olympia Mansions	R684 557
79 Mooi Street	R700 000
TOTAL	R5 732 308

Approximately R2,3 million has been committed to 8 projects in the 2014/15 financial year resulting in 71 units being facilitated. The following projects were approved by TUHF.

TABLE M - INTUTHUKO FUND

PROJECT DESCRIPTION	GPF'S COMMITMENT AMOUNT
27A & 27B Lemoen Street	152 451
Bella Court	202 424
71 Lang Street	330 000
Rae Court	254 559
288 Jules Street	305 281
441 Fox Street	174 146
114 & 116 DeVilliers Street	200 000
79 Mooi Street	712 322
	2 331 183

TABLE N - LIST OF COMPLETED PROJECTS

	NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	OCCUPATION CERTIFICATE
01	Lisinfo 282 Property (Pty) Ltd	Erf commissioner	34	Yes
02	Eagle Valley Property	Erf 1908 Bronkhorstspuit	40	Yes
03	Zakhele Investment CC	Erf 257 Kempton Park	24	Yes
04	Multidirect Investment 8 (Pty) Ltd	Erf 1815 Pretoria North	40	Yes

3.3.2 BRIDGING FINANCE FACILITY

The bridging facility is aimed at addressing the inner city private investors' requirements and need for quick responses to property financing (purchase of property, rates clearance costs and construction loans) for the rental sector. The bridging finance facility is a partnership with TUHF established in 2006. In 2013/14, the GPF Board of Trustees had approved a facility of R20 million to TUHF (bridging facility for projects). The bridge facility was withdrawn in the 2014/2015 financial year.

3.3.3 PENSION BACKED HOME LOAN FACILITY

Other special partnerships that were formed include the approval of a R50 million fund towards a Pension Backed Home Loan facility. The facility will be made available to retail financial institutions to on-lend to the end-users for the purposes of home improvements.

3.4 ENTREPRENEUR EMPOWERMENT PROPERTY FUND (EEPF)

The EEPF is an incubator programme designed to promote participation of Historically Disadvantaged Individuals-owned companies in the rental market. The programme is limited to prospective participants invited on a public tender annually.

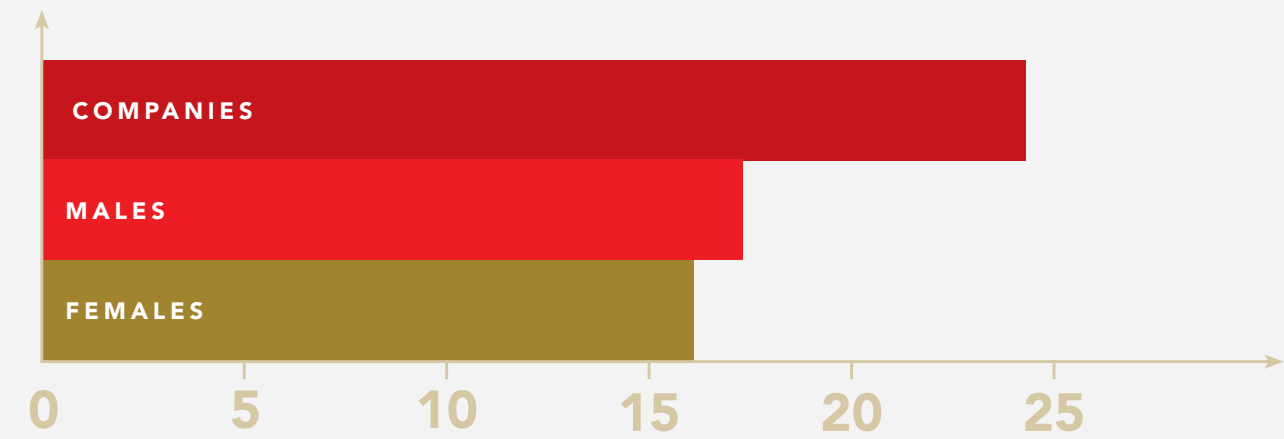
The aim of the fund is to assist emerging black owned companies to enter the affordable housing rental market. The programme is on track; to date GPF has identified 94 companies as participants in the programme. Of the 94 companies, 41 companies have approved projects. The projects are in different stages of development and some have been completed. There were 4 projects completed during the 2014/2015 financial year.

For the 2014/2015 financial year, 24 companies were selected to be part of the Programme, as listed below:

TABLE O - LIST OF EEPF PARTICIPANTS COMPANIES SELECTED

NO.	COMPANY	NO.	COMPANY
1	Phahamo Resources (Pty) Ltd	13	NBLR Properties (Pty) Ltd
2	Somandla Trading 14 CC	14	KLMS Property Consultant CC
3	MJT Consulting Engineering (Pty) Ltd	15	Thoho property and Development CC
4	Striving to Satisfy Trading Projects 37 CC	16	Makabongwe Property Holdings (Pty) Ltd
5	Southern Ambition 453 (Pty) Ltd	17	Owakhe Management Services (Pty) Ltd
6	Sbongukfika Construction Projects CC	18	Akwethu Eng and Development (Pty) Ltd
7	Sethitho Projects CC	19	Explore Consultants (Pty) Ltd
8	Hectorfield (Pty) Ltd	20	Mahlahla Advancement Dynamics CC
9	Buhle Benjabulo Trading and Projects (Pty) Ltd	21	Otlotleng Investments (Pty) Ltd
10	Luke (Mestonek) Properties (Pty) Ltd	22	DCI Holdings (Pty) Ltd
11	Phindi Projects CC	23	Bravo Enterprise and Projects (Pty) Ltd
12	Epic Wise Trading (Pty) Ltd	24	Azure Asset Company (Pty) Ltd

C. GENDER ANALYSIS FOR THE 2014/15 INTAKE



* Gender analysis is based on the shareholders of the companies. Some companies have more than one shareholder (male and female) hence the total number of shareholders is more than the total number of companies.

EEPF CHALLENGES EXPERIENCED IN 2014/2015

- Lack of senior funding approval.
- Identifying appropriate priced property for development with total project cost of R10 million.
- Delays in obtaining municipal approval in

order to commence with construction. This has resulted in delayed construction and an increase in moratoriums on other projects.

The following EEPF projects have been approved by the Board Investment Committee in the 2014/15 financial year. As shown in Table F:

TABLE P - EEPF COMMITMENTS

NAME OF COMPANY	PROJECT NAME	NO OF UNITS	GPF FUNDING COMMITMENT	OTHER FUNDING	COMPLETED UNITS
Castle Crest Properties 80 (Pty) Ltd	Erf 233 Kempton Park	26	9,997,100	480,000	None - construction is yet to start
FV Trading Enterprises (Pty) Ltd	Portion 1 of Erf 193 Duncanville	24	9,999,400	566,000	None - construction is yet to start
Bua Africa Properties (Pty) Ltd	Erf 2918 Kempton Park	168	29,560,000	41,516,491	None - construction is yet to start
Phindile Cleaning Services (Pty) Ltd T/A Lakeside Development (Pty) Ltd	Ptn 1 of Erf 1373 Leachville	30	11,621,100	450,000	None - construction is yet to start
Redformationz Holdings (Pty) Ltd	Erf 4862 Birch Acres Ext 32	84	15,459,400	22,010,400	None - construction is yet to start
Kimovax (Pty) Ltd	Erven 419 & 420 Cresslawn, Kempton Park	48	7,429,600	10,628,900	None - construction is yet to start
Eagle Valley Property 41 (Pty) Ltd	Ptn 1 of Erf 1908 Erasmus Ext 8, Bronkhorstspuit	40	15,038,800	650,000	Project is under construction
Alkara 7 (Pty) Ltd	Erf 816 & 817 Bronkhorstspuit	52	8,956,200	12,559,200	None - construction is yet to start
Property Kalcha (Pty) Ltd	Ptn 1 and 2 of Erf 1871, Albertville Randburg	15	7,068,440	450,000	None - construction is yet to start
Begin All Investments (Pty) Ltd	Erf 89,90 and 91 Bertrams	27	11,082,300	450,000	None - construction is yet to start
Lavender Tree (Pty) Ltd	Erf 93,94 and 95 Bertrams	27	11,082,300	450,000	None - construction is yet to start
Seco Developments (Pty) Ltd	Erf 96,121 and 122 Bertrams	27	11,082,266	450,000	None - construction is yet to start
Clidet No.1024 (Pty) Ltd	Erven 2043,2044 and 5070 Joubert Park	81	20,796,800	611,800	None - construction is yet to start
Urban Kraal Properties (Pty) Ltd	Erf 2243, 2242, 2248, 2249, Wolmarans	39	7,195,400	10,809,900	None - construction is yet to start
NBLR Properties Pty (Ltd)	Erf 2056,2057 and 2154 Fleurhof ext. 28	76	11,489,447	17,266,453	None - construction is yet to start
Ifizo (Pty) Ltd	291 Emily house	30	4,859,400	7,228,900	None - construction is yet to start
TOTAL		794	192,717,953	126,578,044	

3.5 STUDENT ACCOMMODATION FUND (SAF)

TABLE Q - STUDENT ACCOMMODATION FUND COMMITMENTS

NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	GPF FUNDING COMMITMENT	OTHER FUNDING	COMPLETED UNITS
Lerakara Family Trust T/A Mokgoko Consulting CC	Erf 1760 Ga-rankua	48	R2 285 555	R550 000	None - construction is yet to start
Xylo Trading 253 CC	Portion 3 of Erf 2834 Ga-rankua	140	R11 271 314	R750 000	None - construction is yet to start
TOTAL		188	R13 556 869	R1 300 000	

3.6 FACILITATION OF INTEGRATED HOUSING

- a. Play a catalytic role in mobilising provincial and local government institutions in shaping the sustainable Human Settlements sector.

The main outcome was to create platforms for co-ordination of projects and provide a sounding board for solutions in achieving the provincial government outcomes. In this regard we have entered into a memorandum of understanding (MOU) with Mogale City Local Municipality and the Ekurhuleni Metropolitan Municipality. The role of the GPF will be:

- providing second tier or part funding for a Project and where applicable bridging finance; such finance to be provided on a Project-by-Project basis and up to a maximum of 30% (thirty per cent) of the Project value;
- facilitating the procurement of senior debt funding from development finance institutions, including the NHFC and any other relevant commercial finance institutions;
- providing the municipality with assistance in the implementation of a project, to the extent reasonably possible;
- ensuring that all relevant financing information is communicated to the municipality within a reasonable time period, including whether or not a project is underwritten and on what terms;
- providing support to the HTC and other Social Housing Institutions, in order to achieve their mandates in developing and managing Social Housing developments,

which supports includes using the Social Housing Fund to assist Social Housing Institutions to procure finance on favourable terms, and where necessary, providing expertise in relation to feasibility studies for the Projects; and

- where necessary, providing expertise in relation to feasibility studies for projects.

The MOU between Ekurhuleni Metropolitan Municipality and GPF resulted in 2 projects requiring GPF's intervention and assistance. The projects names are Fire Station and Delville. The GPF has assisted with the funding model for the projects.

- b. Assist the DLGH in appropriate funding of mixed income housing (human settlements) on projects that have been completed, township establishment and all technical input but require bankability studies. For the year under review, the GPF's focus was on exploring different ways of unlocking some of the mixed-use housing projects. A draft Generic MOU wherein which we would like to identify mixed-use projects with the GDHS for packaging and implementation has been concluded.

3.7 ENSURE DELIVERY OF AFFORDABLE HOUSING UNITS

Compliance of the affordable housing units with the regulatory building standards:

NHBRC COMPLIANCE

As at 31 March 2015, there were 24 projects under construction, of which 20 are greenfield projects that require NHBRC enrolment. All 20 projects are enrolled with NHBRC (100%).

TABLE R - LIST OF PROJECTS UNDER CONSTRUCTION

NO	NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	NHBRC REGISTERED
1	Yeast City Housing	Erf 3020, Pretoria	733	Yes
2	Norvena Property Consortium (Pty) Ltd	Erf 74, 76, 78, 80, 82 & 84, Berea, Johannesburg	122	Yes
3	BM Molefi Properties (Pty) Ltd	Erf 6623, Protea Glen, Ext 1, Soweto, Johannesburg	282	Yes

NO	NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	NHBRC REGISTERED
4	Rainbow Beach Trading 261 (Pty) Ltd	Portion 193, Portion of 107 of Daggafontein farm 125, Daggafontein	246	Yes
5	Ninarich Trading 3 (Pty) Ltd	Erf 2, 3, 4, 12, 22, 105, 106, 173 & 413, New Doornfontein	255	*N/A
6	Xanado Trade or Invest 614 (Pty) Ltd	Erf 324 Princess Ext 49, Roodepoort	161	Yes
7	Obten Investment CC	Erf 564 Bertrams JHB	30	Yes
8	Sunnilaws Properties (Pty) Ltd	Portion 3 of Holding 274, Pomona Estates	137	Yes
9	KDM Properties (Pty) Ltd	Erf 564 Bertrams, JHB	19	*N/A
10	Aquarella Investments 360 (Pty) Ltd	85-87 Quartz Street	50	Yes
11	Comu Property Developers Pty Ltd	Erf 3103, Glen Marais Ext 82, Lempton Park	42	36 out of 42 units are enrolled.
12	Clare Water (Pty) Ltd	Erf 1509 Marion Road, Discovery Extension 7, Florida, Roodepoort	30	Yes
13	SOA Residential Village (Pty) Ltd	Erf 1532 Selcourt, Springs, Ekurhuleni	56	Yes
14	Indigo Kulani Properties (Pty) Ltd	Erf 1673 Benoni, Ekurhuleni Municipality	60	Yes
15	Eagle Valley Property 41 (Pty) Ltd	Portion 1 of Erf 1908 Erasmus Ext 8, Bronkhorstspuit (Phase 2)	40	Yes
16	Ikamvelihle Trading enterprise cc	Erf 953-956 Berea	38	Yes
17	Michaelson Investments (Pty) Ltd	Erf 658 Troyeville	16	Yes
18	Tumaini Properties and real Estates cc	Erf 53&52 Doornfontein	32	Yes
19	Take Shape Properties 75 CC	Erf 4510 JHB	101	*N/A
20	DNM Estate CC	Erf 517&518	55	*N/A
21	Lukataedi (Pty) Ltd	Erf 739 Pretoria North	26	Yes
22	Valotorque 199 cc	Erf 757 Pretoria North	40	Yes
23	Muma Property Investment (Pty) Ltd	Erf 978 Pretoria North	64	Yes
24	Castle Crest Properties 80 (Pty) Ltd	Erf 1815 Kempton Park	26	Yes

*N/A NHBRC project registration not required as it is a brownfield project.

CHALLENGES

1. Delays in NHBRC processes due to backlogs resulting in delays in project registration.
2. Contractor not registered with NHBRC also results in delay of project registration
3. GPF funding agreement not consistent with requirement of project registration prior to disbursements

PROPOSED SOLUTIONS

1. Liaison with NHBRC directly to further ascertain cause of delays of project registration.

2. Request quality management criteria/framework from NHBRC for incorporation into our Due Diligence process prior to funding approval.
3. Incorporation of project registration requirement prior to disbursements towards construction.

OCCUPATIONAL CERTIFICATES COMPLIANCE FOR COMPLETED PROJECTS

As at 31 March 2015, there were 10 projects completed and all of them have occupational certificates (100%) have occupational certificates.

TABLE S - LIST OF COMPLETED PROJECTS

	NAME OF COMPANY	PROJECT NAME	NO. OF UNITS	OCCUPATION CERTIFICATE
01	Highlands Urban Living (Pty) Ltd	Erf 64, Highlands, Johannesburg	135	Temporary occupation certificate issued.
02	ERF 273 Parktown Estates CC	ERF 273 Parktown Estates	72	Yes
03	Meilijian Construction and Development CC	Erf 27 Kempton Park	26	Yes
04	Meilijian Construction and Development CC	Erf 24 Kempton Park	26	Yes
05	KDM Properties (Pty) Ltd	Erf 564 Bertrams JHB	19	Yes
06	Rainbow Beach Trading 261 (Pty) Ltd	Portion 193. Portion 107 of Daggafontein Farm 125, Daggafontein	246	Yes
07	Lisinfo 282 Property (Pty)Ltd	Erf commissioner	34	Yes
08	Eagle Valley Property 41 (Pty) Ltd	Erf 1908 Bronkhorstspuit	40	Yes
09	Zakhele Investment CC	Erf 257 Kempton Park	24	Yes
10	Multidirect Investment 8 (Pty) Ltd	Erf 1815 Pretoria North	40	Yes
TOTAL UNITS COMPLETED			662	

Project:
BRICKFIELDS

CORPORATE GOVERNANCE

01. INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on public entities enabling legislation, and the Companies Act, corporate governance with regard to public entities is applied through the precepts of the Public Finance Management Act (PFMA) and run in tandem with the principles contained in the King's Report on Corporate Governance.

The GPF Board of Trustees ("the Board") is committed to the concept and principles of effective corporate governance. The executive authority, executives and management adhere to generally accepted corporate governance practice in all business activities. The GPF is committed to practising the highest levels of corporate governance and continually strives to implement policies and procedures aimed at strengthening corporate governance within the organisation.

02. EXECUTIVE AUTHORITY

The GPF reports to the executive authority on the delivery of its mandate on a quarterly basis. These reports are based on the agreed Strategic Plan and are designed to monitor delivery on the mandate.

Project:
FLEURHOF

03. THE ACCOUNTING AUTHORITY/BOARD

INTRODUCTION

The GPF is led by an efficient Board with a wide range of experience and expertise. The Board comprises of executive and non-executive trustees, the majority of whom are independent non-executive trustees. This ensures an independent perspective and judgement on issues in the decision-making process.

The Board has adopted appropriate policies to ensure a balance of power amongst the trustees to ensure that no one trustee has unfettered powers of decision-making.

The trustees are expected to act in the best interest of the GPF in all their dealings.

Although not required by law, the GPF has appointed its Legal and Compliance Executive to act as its Board Secretary and inter alia, maintain a register of the trustees' interests.

The Board endorses and accepts the responsibility of achieving the four values underpinning good governance i.e.

- Fairness
- Responsibility
- Transparency
- Accountability

THE ROLE OF THE BOARD IS AS FOLLOWS:

The Board is responsible for the strategic objectives and policies of the GPF. It takes overall accountability for its management. All material decisions are reviewed by the Board.

The role and responsibilities of the Board encompass the following:

- Act in the best interests of the GPF;
- Assist in achieving GPF's objectives as set out in the GPF's strategic plan;
- Provide strategic and ethical leadership;
- Ensure sound corporate governance;
- Monitor performance against GPF's strategic plan submitted to GDLGH
- Monitor performance against the budget as submitted to GDLGH;
- Manage the performance of the CEO;
- Ensure overall efficient functioning of GPF;
- Ensure that the GPF complies with applicable laws, rules, codes and standards;
- Promote the interests of GPF.

The Board comprises nine trustees as follows:

- seven independent non-executive trustees;
- one non-independent non-executive trustee, and
- one executive trustee.

BOARD CHARTER

The Board has adopted a charter, which sets out the practices and processes in order to discharge its responsibilities. The Board's charter specifically sets out the following:

- a description of roles, functions, responsibilities and powers of the Board;
- the terms of reference of the Board;
- matters reserved for the final decision making or pre-approval of the Board;
- policies and practices of the Board on matters such as corporate governance, declarations of conflicts, Board meeting documentation, appointment, induction, training and evaluation of the Trustees and members of the Board committees.

COMPOSITION OF THE BOARD DURING THE YEAR UNDER REVIEW AND THE ATTENDANCE AT BOARD MEETINGS:

NAME	DESIGNATION (in terms of the GPF Board structure)	DATE APPOINTED	DATE RESIGNED	QUALIFICATIONS	AREA OF EXPERTISE	BOARD DIRECTORSHIPS (List the entities)	OTHER COMMITTEES OR TASK TEAMS (e.g: Audit committee / Ministerial task team)	NO. OF MEETINGS ATTENDED
Pakie Mphahlele	Chairperson and Trustee	01/06/2012	N/A	B.A Hons. (Psychology), B.A Hons. (Economics), B. Ed, H.E.D, MSc (Financial Economics)	Micro Finance	Mafori Finance		8/10
Lefadi Makibinyane	Trustee	01/09/2011	N/A	BSc. Eng. Chemical (Hons) MBL	Engineering	Rand Water Construction Industry Development Board	Investment and Remuneration Committee	8/10
Zola Fihlani	Trustee	01/09/2011	N/A	CA (SA)	Accounting and Business development	National Empowerment Fund	Audit and Investment Committee	7/10
Dineo Maphatiane	Trustee	01/09/2011	N/A	BA Human Resource Management	Human Resources	Gauteng Enterprise Propeller	Remuneration and Audit Committee	5/10
Lavinia Khangala	Trustee	01/04/2013	N/A	LLM (Masters in Law) LLB B.Proc Higher Diploma in Financial Planning – CFP	Legal	Voith Turbo (Pty) Ltd	Audit and Remuneration Committee	9/10
Molebo Leshabane	Trustee	01/04/2013	N/A	BSc. Eng. Civil (Hons) Bus. Management GDE Civil (Proj Man. Property Law, Geotechnical Engineering, Maintenance Engineering	Engineering and Management	None	Investment Committee	7/10
Job Mnguni	Trustee	01/04/2013	N/A	B Tech (Internal Auditing)	Housing and Construction	Xhasa Accounting and Technical Centre	N/A	6/10
Siyabonga Mbanjwa	Trustee	01/04/2013	N/A	MBA, MSc (PM), BSc (CM), PrCPM	Business Construction and Property Development		Investment Committee	10/10
Boni Muvevi	CEO and Trustee	01/03/2014	N/A	MBA B Sc (QS)	Business Finance		Investment Committee	10/10

COMMITTEES

The Board has delegated certain functions to committees. In doing so, the Board has not abdicated any of its own responsibilities and the Sub-Committees are accountable to and report directly to the Board.

The members of the committees are predominantly non-executive trustees and are chaired by non-executive trustees. The Board committees operate under Board-approved Charters and terms of references.

The Board Sub-Committees are as follows:

COMMITTEE	NO. OF MEETINGS HELD	NO. OF MEMBERS	NAME OF MEMBERS
Investment Committee	10	5	Siyabonga Mbanjwa Lefadi Makibinyane Zola Fihlani Molebogeng Leshabane Boni Muvevi
Audit and Risk Committee	5	3	Zola Fihlani (Chairperson) Dineo Maphatiane Lavinia Khangala
Remuneration Committee	6	3	Dineo Maphatiane (Chairperson) Lefadi Makibinyane Lavinia Khangala

REMUNERATION OF BOARD MEMBERS

- How remuneration of Board members is determined;

- Those members that are not remunerated;
- Other expenses e.g. Travel, reimbursed by the public entity
- States the amount of remuneration paid to each board member.

NAME	REMUNERATION	OTHER ALLOWANCE	OTHER IMBURSEMENTS	TOTAL
Dineo Maphatiane ¹	172,534	2,000		174,534
Lavinia Khangala	264,088	2,000	3,427	269,514
Lefadi Makibinyane ²	343,191	4,789	20,515	20,515
Molebogeng Leshabane	134,228	2,000	20,515	156,742
Pakie Mphahlele ³	213,331	2,000	2,742	218,072
Siyabonga Mbanjwa ⁴	226,567	2,000		228,567
Zola Fihlani ⁵	290,718			290,718
Total	1,619,351	14,789	47,198	1,681,339

¹ Chairperson of Remuneration Committee
² Chairperson of Investment Committee until November 2014
³ Chairperson of the Board of Trustees
⁴ Chairperson of Investment Committee since December 2014
⁵ Chairperson of Audit and Risk Committee

04. RISK MANAGEMENT

For GPF, risk management involves achieving an appropriate balance between realising opportunities while minimising adverse impacts. For this reason GPF has a risk management policy and methodology in place, which explains its approach to risk handling. Risk management is an iterative process consisting of steps that, when undertaken in sequence, enable continuous improvement in decision-making and facilitate continuous improvement in performance.

The Board delegated to management the responsibility to design, implement and monitor the risk management plan. The Board ensures that risk assessments are performed on a continual basis. The Board ensures that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks. The Board ensures that management considers and implements appropriate risk responses. The board ensures continual risk monitoring by management. The Board receives assurance from management regarding the effectiveness of the risk management process. The Board ensures that there are processes

in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders. GPF is exposed to a number of risks which may have a material or adverse impact on its reputation or performance and financial position. The Board of Trustees considers risk management to be a key discipline to protect the GPF against risks and uncertainties that could threaten the GPF to achieve its objectives. The Board determines the levels of risk tolerance. The audit and risk committee assist the Board in carrying out its risk responsibilities. The trust’s process for identifying and managing risk is set by the Board. The day-to-day responsibility for risk management, including maintaining an appropriate loss prevention and internal control framework remains with the management of GPF. Risks are continually being identified and mitigated in terms of a process that involves allocating responsibility, developing action plans, and monitoring compliance with these action plans. Risks are monitored and reported upon at Exco meetings, and in the audit committee meetings.

RISK MANAGEMENT PROCESS



05. INTERNAL CONTROL UNIT

GPF outsources its Internal Audit function. The internal auditors have unrestricted access to the chairman and members of the audit and risk committee, however, reports administratively to the chief financial officer. To ensure the independence

of internal audit, the internal auditors report functionally to the audit and risk committee. The team comprises qualified and experienced personnel to ensure the delivery of a relevant and high-quality risk-based audit service. The responsibilities of the internal audit department are governed by a charter approved by the audit and risk committee and the Board. Internal audit has unrestricted access to all information and staff in order to discharge its responsibilities.

06. INTERNAL AUDIT AND AUDIT AND RISK COMMITTEES

Internal audit follows a risk-based approach audit methodology, which is updated annually. The annual audit plan is determined after consideration and assessment of all risks facing the group, including coverage of significant operating segments. The internal audit department reviews the ICT general and application controls of the company to ensure satisfactory ICT governance and assurance.

The key duties of the internal audit function include:

- preparing the flexible three-year rolling risk-based strategic internal audit coverage plan;

- a flexible annual risk-based internal audit coverage plan for the first year of the rolling three year strategic plan; and
- evaluating the company’s governance processes
- performing an objective assessment of the effectiveness of risk management and the internal control network
- systematically analysing and evaluating business
- processes and associated controls

The tabled below discloses relevant information on the audit committee members:

NAME	QUALIFICATIONS	INTERNAL OR EXTERNAL	IF INTERNAL, POSITION IN THE GPF	DATE APPOINTED	DATE RESIGNED	NO. OF MEETINGS ATTENDED
Zola Fihlani	CA (SA)	External	N/A	01 September 2011	N/A	3/5
Dineo Maphatiane	BA Human Resource Man. Diploma in Project Man.	External	N/A	01 September 2011	N/A	5/5
Lavinia Khangala	LLM (Masters in Law); LLB B.PROC Higher Diploma in Financial Planning –CFP	External	N/A	01 April 2013	N/A	5/5

07. COMPLIANCE WITH LAWS AND REGULATIONS

Through the able guidance of the Board of Trustees, GPF amongst others complies with the following principle laws and regulations:

- Treasury Regulations
- Trust Property Control Act 53 of 1988
- Basic Conditions of Employment Act 75 of 1997
- Labour Relations Act. 66 of 1995
- Public Service Act 103 of 1994
- Public Service Regulations of 2001
- Public Finance Management Act 1 of 1999 as amended
- Employment Equity Act 55 of 1998
- Promotion of Access to Information Act 2 of 2000
- King III Code of Good Practice

08. FRAUD AND CORRUPTION

GPF subscribes to the principles of good corporate governance, which requires the conducting of business in an honest and transparent fashion. Consequently, GPF is committed to fighting fraudulent behaviour at all levels within the organisation. The Fraud Plan is premised on

the organisations core ethical values driving the business of GPF, the development of its systems, policies and procedures, interactions with clients, the public and other stakeholders, and even decision-making by individual managers representing the organisation.

09. MINIMISING CONFLICT OF INTEREST

GPF has a Conflict of Interest policy in place that regulates what a conflict is. All GPF staff declare their conflict of interest on an annual basis. The board declares any possible conflict of interest at every meeting and once a year by completing a formal form.

All declarations are kept on file and are reviewed annually. If a staff member is aware that he/she will enter into possible conflict they have the opportunity to declare such interest to GPF. The CEO reviews and will give an approval on it.

10. CODE OF CONDUCT

The GPF has a responsibility to the people of South Africa, stakeholders, itself and to its environment. Fundamental issues such as respect, honesty, communication, teamwork and safety form the basis of this responsibility.

The GPF is committed to providing an environment that encourages and fosters open communication, forming the basis for mutual trust and respect. The

GPF and its management encourage and provide the means for employees to responsibly express their ideas, opinions, attitudes and concerns without fear of reprisal.

Each employee of the GPF must also observe their ethical obligation in such a way as to carry out business without causing harm to the environment and third parties.

11. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Gauteng Partnership Fund has, through the HR business unit ensured the development and implementation of Occupational Health and Safety programmes. GPF identified the need to empower and capacitate the employees in order to minimise

occupational injuries and reduce health and safety risks in the workplace, as a result 6 employees were trained on First aid Level One. The organisation also had a Wellness Day where all employees participated.

12. COMPANY / BOARD SECRETARY

Although not required by law to do, GPF has appointed its Legal and Compliance Executive to act as its Board Secretary.

The Board Secretary acts in a supportive capacity to the trustees and Chairman and has direct access to, and ongoing communication with the Chairman of the Board.

The Board Secretary is not a trustee and the Board is satisfied that an arm's length relationship is intact.

The Board Secretary is responsible for, inter alia:

- Acting as secretary to the Board and committees;
- Maintenance of Board and committee charters, terms of references and the compilation of Board papers;
- Maintenance of all Board and committee attendance registers, minutes and resolutions;
- Taking minutes at Board and committee meetings;
- Acting as a primary point of contact between trustees and the GPF; and
- Guiding trustees regarding their duties, matters of ethics and good governance.

MARKETING AND COMMUNICATIONS REPORT

Project:
SONDELA VILLAGE

INTRODUCTION

The GPF's marketing efforts were evident in the increased deal flow recorded in the period under review. The strong growth in demand for GPF financing may be ascribed to a number of factors, one of which was the growing visibility and strength of our brand. The brand remains reputable and has become increasingly more visible in the affordable housing market.

PERFORMANCE OVERVIEW

The major strategic objective for the 2014/15 financial year for the GPF Marketing and Communications department was to enhance the visibility and credibility of the GPF through effective marketing, communication and stakeholder management. The marketing and communications plan was successfully developed and implemented.

In meeting this strategic objective:

- More focus was placed on profiling the GPF products range through print media and conducting strategic stakeholder platforms as well as communication with our stakeholders through the quarterly newsletter.
- Through favorable media partnerships, our print media footprint was exceeded; this was evident in the increased number of applications received for funding. More aggressive marketing efforts were placed on the student accommodation fund, as the product is relatively new.
- The strategic platforms held included the Entrepreneur Empowerment Property Fund (EPPF) seminars in Johannesburg and Pretoria; Pension backed Home Loan workshop, as well as the GPF Affordable Housing Indaba, under the theme "Planning the Future of Integrated Human Settlements".
- The GPF was also represented at the following industry events: Totally Concrete Conference, 46th SAPOA Convention at CTICC, 8th Annual Green Building Conference, IQPC/GPF partnership for the 4th Affordable Housing Summit, Interbuild Africa at Nasrec, 6th Annual HIS Affordable Housing Conference, SAHF Conference in Cape Town, SAIBPP Convention, The Annual AUHF Conference, (DHS and GDHS) Human Settlements Communicators Forum.
- The GPF has successfully launched its mobi site in response to the continued growth with a website availability figure greater than 95 percent per month. Google analytics performance statistics indicated a year-on-year growth of 78,4 percent for 2014/2015 financial year: 58,668 website visits against the 32,886 website visits of the previous 2013/2014 financial year. (Average of 14667 website visits per quarter).
- In the efforts to enhance customer satisfaction, GPF conducted a customer satisfaction survey during the year under review and received a low response: 18 out of 135 companies responded. Of the limited number that responded, the majority were satisfied with GPF services and product offerings.

HUMAN RESOURCES REPORT

01. INTRODUCTION

A) OVERVIEW OF HR MATTERS AT THE GAUTENG PARTNERSHIP FUND

The Gauteng Partnership Fund (GPF) has a human resources department which ensures a strategic approach in building people, management processes, systems and policies. The GPF has embarked on the HR transformation (process) drive to enhance and optimise the HR delivery within the

organisation. Hereunder are the key HR strategic drivers for the GPF strategic imperatives:

- Remuneration Strategies: Reward System
- Performance Management System
- HR Policies: develop, review and revise
- Employee Wellness: Employee Engagement & Satisfaction Survey
- Review and re-establish corporate culture and values

B) HR PRIORITIES FOR THE 2014/15 FISCAL YEAR AND THE IMPACT OF THESE PRIORITIES

HR PRIORITIES	ACTIVITY	IMPACT
Remuneration Strategies	Review, revise and implement a reward system (short-term incentive) for the GPF	Redefine the culture of high-performance through incentives and rewards.
Performance Management System	Review, revise and implement the revised system. Areas under review: <ul style="list-style-type: none"> • Rating scale • Link it to the reward system • Develop and roll out new template 	Drive the culture of high-performance.
HR Policies	Review, revise and implement revised GPF policies.	Align the GPF policies with the broad organisational strategic objectives and direction. This will also include national legislation changes and amendments.
Employee Wellness	Conduct an employee "dipstick" survey to check the employee pulse in general.	Aligned and engaged employees to the key GPF imperatives.
Organisational Culture	Review and define the GPF values and related behaviours.	Inculcated the values-driven leadership and values-driven organisation.

Note: All these priorities are long-term based, for example "culture."

C) WORKFORCE PLANNING FRAMEWORK AND KEY STRATEGIES TO ATTRACT AND RECRUIT A SKILLED AND CAPABLE WORKFORCE

- Workforce planning is based on the organisational structure which is currently under review.
- The organisation has developed and implemented a new reward system to attract and retain talent.
- The desired organisational culture has been defined. The values have also been revised to drive the new culture.

D) EMPLOYEE PERFORMANCE MANAGEMENT FRAMEWORK

The GPF uses the Balance Score Card performance management system. The organisation has reviewed this tool linking it with the short-term incentive scheme bonus rules. Individual performance contracts and appraisals are linked to this system.

E) EMPLOYEE WELLNESS PROGRAMMES

We conducted health-related wellness checks for the entire organisation. Our human resources department arranged the following services for our staff:

- HIV counselling and testing (HCT)
- Cholesterol checks
- BMI / Dietary checks
- Sugar diabetes checks
- Blood pressure checks
- Optometrist checks

To drive this further, the organisation conducted an employee engagement and alignment survey. In the 2015/16 fiscal year, the organisation is focusing on addressing gaps which were identified by this survey exercise. This would mean the implementation of the proposed interventions, which is also a long-term activity.

F) POLICY DEVELOPMENT

The following HR policies were reviewed and revised accordingly:

NO.	POLICY
1	Conflict of Interest
2	Code of Conduct
3	Succession Policy Framework & Retention Policy
4	Employment Equity Policy
5	Bursary Policy
6	Recruitment Policy
7	Induction Policy
8	Working Life-Balance Policy
9	Leave Policy
10	Training and Development
11	Internship & Learnerships
12	Employee Wellness
13	HIV/Aids
14	Office Etiquette Policy
15	Harassment Policy
16	Grievance Policy
17	Termination of Employment Policy
18	Disciplinary Policy
19	Short-Term Incentive Policy (Bonus Rules)
20	Remuneration Policy
21	Performance Management Policy
22	Human Resources & Remuneration Committee Charter

G) HIGHLIGHT ACHIEVEMENTS

- Developed a new Performance Management System
- Defined a GPF Culture of high-performance and "values-driven organisation"

H) CHALLENGES FACED BY THE GAUTENG PARTNERSHIP FUND

- a. The organisation is in a phase of transition with the appointment of the new Chief Executive Officer
- b. The GPF has embarked on the HR transformation (process) drive to enhance and optimise
- c. HR Architecture and/operating model for effective and efficient service delivery within the organisation

I) FUTURE HR PLANS /GOALS

- a. GPF Human Resources Business Plan 2015 /16FY
- b. Review of Remuneration Structure (cost-to-company vs base plus benefits)
- c. Introduction of Pension Fund for GPF employees

02. HUMAN RESOURCE OVERSIGHT STATISTICS

The public entity must provide the following key information on human resources. All the financial amounts must agree to the amounts disclosed in

the annual financial statements. Where considered appropriate provide reasons for variances.

PERSONNEL COST BY PROGRAMME/ ACTIVITY/ OBJECTIVE

PROGRAMME/ACTIVITY/OBJECTIVE	TOTAL EXPENDITURE FOR THE ENTITY (R'000)	PERSONNEL EXPENDITURE (R'000)	PERSONNEL EXP. AS A % OF TOTAL EXP. (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Board of Trustees	1,652 489	1,652 489	5.35%	7	236 070
Office of the CEO	4,258 258	4,258 258	13.79%	3	1,419 419
Projects unit	8,255 470	8,255 470	26.73%	8	1,031 934
Finance unit	8,635 785	8,635 785	27.96%	11	785 071
Human Resources	1,782 196	1,782 196	5.77%	5	356 439
Marketing and Communications	2,853 073	2,853 073	9.24%	3	951 024
Legal, Risk and Compliance	3, 315 556	3,315 556	10.74%	4	828 889
Internships	131 535	131 535	0.43%	4	32 884
TOTAL	30,884,363	30,884,363	100%	45	5,213,277

PERSONNEL COST BY SALARY BAND

LEVEL	PERSONNEL EXPENDITURE (R'000)	% OF PERSONNEL EXP. TO TOTAL PERSONNEL COST (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Board of Trustees	1,652 489	5.35%	7	236 070
Top Management	7,460 911	24.16%	3	2,486 970
Senior Management	4,322 442	14.00%	4	1,080 610
Professional qualified	14,535 234	47.06%	17	855 014
Skilled	2,781 753	9.01%	10	309 084
Semi-skilled	0.00	0%	0	0.00
Unskilled	131 535	0.43%	4	32 884
TOTAL	30,884,363	100.00%	45	5,000,632

PERFORMANCE REWARDS

PROGRAMME/ACTIVITY/OBJECTIVE	PERFORMANCE REWARDS	PERSONNEL EXPENDITURE (R'000)	% OF PERFORMANCE REWARDS TO TOTAL PERSONNEL COST (R'000)
Board of Trustees	0	1,652 489	0.00%
Top Management	1,372 057	7,460 911	4.44%
Senior Management	206 639	4,322 442	0.67%
Professional qualified	1,472 920	14,535 234	4.77%
Skilled	216 759	2,781 753	0.70%
Semi-skilled	0	0	0.00%
Unskilled	0	131 535	0.00%
TOTAL	3,268,375	30,884,363	10.58%

TRAINING COSTS

PROGRAMME/ACTIVITY/OBJECTIVE	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST (R'000)	NO. OF EMPLOYEES TRAINED	AVERAGE TRAINING COST PER EMPLOYEE (R'000)
Bursaries		22,479		3	7,493
NQF Aligned / Skills Programs		26,250		8	3,125
Non-NQF Courses		255,266		31	8,234
Internships		143,335		4	35,834
AET		0		1	0

EMPLOYMENT AND VACANCIES PER DEPARTMENT

PROGRAMME/ACTIVITY/OBJECTIVE	2013 / 2014 NO. OF EMPLOYEES	2014 / 15 APPROVED POSTS	2014 / 15 NO. OF EMPLOYEES	2014 / 15 VACANCIES	% OF VACANCIES
Office of the CEO	3	3	2	1	33.3%
Projects Department	8	9	8	1	11%
Finance Department	11	11	11	0	0%
Human Resources Department	5	5	5	0	0%
Marketing and Communications	3	3	3	0	0%
Legal, Risk and Compliance	4	4	4	0	0%
TOTAL	34	35	33	2	5,7%

EMPLOYMENT AND VACANCIES PER LEVEL

PROGRAMME/ACTIVITY/OBJECTIVE	2013 / 2014 NO. OF EMPLOYEES	2014 / 15 APPROVED POSTS	2014 / 15 NO. OF EMPLOYEES	2014 / 15 VACANCIES	% OF VACANCIES
Top Management	4	3	3	0	0%
Senior Management	10	4	4	0	0%
Professional qualified	14	17	17	0	0%
Skilled	0	9	9	0	0%
Semi-skilled	3	0	0	0	0%
Unskilled	0	0	0	0	0%
Interns	3	4	4	0	0%
TOTAL	34	37	37	0	0%

VACANT POSITION	ATTEMPTS MADE TO FILL THE POST(S)	WHY NOT INTERNAL APPOINTMENT	DURATION OF VACANCY	MEASURES TO ATTRACT
a. Chief Investment Officer	This position is filled	Appointed internal candidate	6 months	Market related remuneration and incentives
b. Human Resources Manager	A temporary appointment		12 months	Market related remuneration and incentives
c. Capital Raising & Special Project Finance	A temporary appointment		12 months	Market related remuneration and incentives

SALARY BAND	EMPLOYMENT AT BEGINNING OF PERIOD	APPOINTMENTS	TERMINATIONS	EMPLOYMENT AT END OF THE PERIOD
Top Management	2	1	0	3
Senior Management	2	2	0	4
Professional qualified	17	0	0	17
Skilled	9	0	0	9
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
Interns	2	2	0	4
TOTAL	32	5	0	37

REASONS FOR STAFF LEAVING

REASON	NUMBER	% OF TOTAL NO. OF STAFF LEAVING
Death	0	0%
Resignation	1	100%
Dismissal	0	0%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
TOTAL	1	100%

LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

NATURE OF DISCIPLINARY ACTION	NUMBER
Verbal Warning	0
Written Warning	0
Final Written warning	0
Dismissal	0

EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

LEVELS	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	1	1	0	0	0	0	0	0
Senior Management	2	2	0	0	1	1	0	0
Professional qualified	8	8	2	2	2	2	0	0
Skilled	0	0	0	0	0	0	0	0
Semi-skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
Interns	1	1	0	0	0	0	0	0
TOTAL	12	12	2	2	3	3	0	0

LEVELS	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top Management	1	1	0	0	1	1	0	0
Senior Management	1	1	0	0	0	0	0	0
Professional qualified	3	3	0	0	0	0	2	2
Skilled	6	6	2	2	0	0	1	1
Semi-skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
Interns	3	3	0	0	0	0	0	0
TOTAL	14	14	2	2	1	1	3	3

LEVELS	DISABLED STAFF			
	MALE		FEMALE	
	CURRENT	TARGET	CURRENT	TARGET
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
Interns	0	0	1	1
TOTAL	0	0	1	1



GAUTENG PARTNERSHIP FUND STAFF



PERFORMANCE REVIEW

STRATEGIC OBJECTIVE 01: ENHANCED VISIBILITY AND CREDIBILITY OF THE GPF THROUGH EFFECTIVE MARKETING, COMMUNICATION AND STAKEHOLDER MANAGEMENT

STRATEGIES 01 & 02: IMPLEMENTATION OF BRAND INITIATIVES OF THE GPF; RELATIONSHIPS WITH GPF STAKEHOLDERS STRENGTHENED
2017 OUTCOME / MEASURABLE OBJECTIVE
Optimal marketing campaigns and initiatives implemented.
PERFORMANCE MEASURE / INDICATOR
Implementation of approved Annual Marketing and Communications Plan and aligned budget, with sections addressing Marketing and Communications, Public Relations and Stakeholder Management
MEANS OF VERIFICATION
Approved Annual Plan
Documents informing the Quarterly Report on progress in the implementation of the Approved Annual Marketing and Communications Plan
REPORTED ON BY WHICH UNIT
Marketing & Communications
2014/15 TARGET
4 Quarterly Reports on progress in the implementation of the Approved Annual Marketing and Communications Plan
Approval of 2015/16 M&C, PR and SM Annual Plan with Budget in Q4
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014
Actual performance
GPF Brand & Product editorial and advertorial in selected print media (per quarter)
April 2014: To Build , SA Banker, Housing in SA, Government Digest
May 2014: Rode Report , Engineering News, SA Affordable Housing, Sunday Times, Housing in SA
June 2014: Engineering News, SAPOA Property Review, Government Digest, Daily Sun
Broadcast Media
GPF Featured on Ask the Property Experts during May 2014 for Business Day TV (Channel 412)
Kaya FM Bizz interview with GPF CEO on the 2nd June 2014 - GPF Property Entrepreneur Seminar
Effectively monitor all GPF print, broadcast and online media coverage through Newsclip (quarterly report)
Quarterly Newsclip reports are available for April, May and June 2014
Maintain and drive traffic to the GPF Website
April 2014: 3189 hits
May 2014: 4307 hits
June 2014: 5496 hits
TOTAL: 12992 website hits for the quarter

STRATEGIC OBJECTIVE 01 <i>Continued</i>
GPF Events
EEPF Soil Turning Ceremony to officially mark the start of the construction of Shangha Village was held on the 20th May 2014 on site Bronkhorstspuit.
EEPF 424 Commissioner Street on the 28th May 2014 - Roof Wetting.
GPF Property Entrepreneur Seminar JHB - 4th June 2014 at the JHB Country Club <ul style="list-style-type: none">Almost 400 responses received from the Sunday Times ad placed in May 2014 and close to 200 delegates attended the seminar.Key note address – Executive Mayor, Honourable Mayor, Parks TauGuest Speakers from SAIBPP, NHFC, TUHF, AFHCO and EEPF entrepreneur
Internal communications
GPF Internal Newsletter will be designed and sent to all internal staff.
External communications
Stakeholder Newsletter designed and sent to external database.
Stakeholder meeting held
Meeting held with IQPC to discuss GPF partnership for the 4th Annual Affordable Housing Summit held in August 2014
Meeting held with SAIBPP in May 2014 to discuss the Student Accommodation Forum held in August 2014.
Meeting held with SAIBPP in June 2014 to discuss collaborations- partnership with GPF in their “In Conversation” quarterly stakeholder sessions <ul style="list-style-type: none">Partnership of GPF Internships and the SAIBPP Scholarship
Attend at least 1 external conference per quarter
Totally Concrete and Africa Construction EXPO at Sandton Convention Centre, Johannesburg (26-28 May 2014) <ul style="list-style-type: none">GPF Provided with Speaker slot in Main Plenary sessionGPF stand (9SQM) provided at event at no cost
46th SAPOA Convention at CTICC, Cape Town (10-12 June 2014)
8th Annual Green Building Conference at the CSIR ICC (17 -18 June 2014) - MCE
Design and Print Annual Report:
Supplier tender briefing session was held in May 2014 to start the process for the new 2014 Annual Report.
SHERENO Printers were appointed to design and print the GPF AR 2014/15.
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014
Actual performance
GPF Brand & Product editorial and advertorial in selected print media (per quarter)
July 2014: Entrepreneur Magazine, GDHS Tshumelo, SA Banker, Housing in SA
August 2014: Rode Report, Enterprise Development Handbook, Pretoria News, Engineering News, SA Affordable Housing , Public Works, Housing in SA
September 2014: SA Banker, SAHF International Conference Programme, Engineering News, SA Affordable Housing, The Star, Pretoria News, Sunday Times, City Press, New Age
Broadcast media (TV, radio, podcast and video interviews negotiated)
Housing in SA, Editor conducted an interview with GPF CIO and client and wrote an article of a GPF success story for the EEPF project: 424 Commissioner Street.
Banker SA conducted an interview on success stories with GPF and TUHF in August 2014.
Engineering News conducted a video interview with Shiraaz Lorgat on Student accommodation
Effectively monitor all GPF print, broadcast and online media coverage through Newsclip (quarterly report):
Quarterly Newsclip reports are available for July, August and September
Maintain and drive traffic to the GPF Website
July 2014: 5322 hits
August 2014: 4799 hits

Strategic Objective 01 <i>Continued</i>	
September 2014: 5504 hits	
TOTAL: 15625 website hits for the quarter	
Brand Survey	
Brand survey to be conducted once every 3 years. Next Brand Survey to be conducted in 2016/2017 financial year.	
GPF Events	
Launch of Highlands lofts rental project on the 7th August 2014.	
Launch of Zakhele Investments KwaShenge EEPF project on the 4th September 2014	
GPF Property Entrepreneur Seminar was held at the CSIR in Pretoria on the 17th September 2014.	
Thembelihle Sod-turning, Yeast City Social Housing Project on the 18th September 2014.	
GPF hosted a Pension Backed Loan dialogue/Workshop at the Maslow Hotel, Sandton on the 22nd September 2014.	
Upcoming Events	
GPF Affordable Hosuing Indaba on the 22nd October 2014 at the Indaba Hotel and Conference Centre.	
Internal communications	
1x GPF Stakeholder Newsletter designed and sent to external database for the 2nd Quarter	
1x GPF Internal Newsletter designed and sent to external database for the 2nd Quarter.	
Attend at least 1 external conference per quarter	
IQPC/GPF partnership for the 4th Affordable Housing Summit from the 26th to the 28th August 2014	
Interbuild Africa at Nasrec, JHB from the 20th to the 23rd August 2014	
6th Annual HIS Affordable Housing Conference at Johannesburg Country Club Auckland Park on the 4th September 2014	
SAHF Conference at the Lord Charles Hotel and Conference Centre, Somerset West, Cape Town from the 28th September to the 1st October 2014.	
Design and Print Annual Report:	
750 Annual Reports and 50 CDs had been printed during August 2014.	
Quarter 03 01 October 2014 - 30 December 2014	
Actual performance	
3rd Quarter Report Completed	
2015/16 M&C, PR and SM Annual Plan with Budget	
Quarter 04 1 January - 31 March 2015	
Actual performance	
4th Quarter Report Completed	
2015/16 M&C, PR and SM Annual Plan with Budget approved	
Actual Performance	
4th Quarter Report Completed	
2015/16 M&C, PR and SM Annual Plan with Budget approved	
Reason for Variance	
Target met.	

Strategic Objective 01 <i>Continued</i>	
Strategy 03: Enhanced Customer Satisfaction	
2017 Outcome / Measurable Objective	
Improvement in annual customer satisfaction survey results.	
Performance Measure / Indicator	
Conduct Annual Customer Satisfaction Survey in Q4	
Means of Verification	
Customer Satisfaction report	
Outcome of annual customer satisfaction survey results	
Reported on by which unit	
Marketing & Communications	
2014/15 Target	
1 x 2014/15 Customer Satisfaction Survey to be implemented in Q4	
Quarter 01 - Quarter 03 2014/15	
Actual performance	
1 x 2014/15 Customer Satisfaction Survey to be implemented in Q4	
Quarter 04 1 January - 31 March 2015	
Actual performance	
Customer Satisfaction Survey conducted and report available	
Actual Performance	
Customer Satisfaction Survey conducted and report available	
Reason for Variance	
Target met.	

Strategic Objective 02:

Effectively implement programmes and expand GPF role within Sustainable Human Settlements Programme of Government

Strategy 01: Play a catalytic role in mobilising provincial and local government institutions in shaping the Sustainable Human Settlements Sector	
2017 Outcome / Measurable Objective	
Create regional platforms for co-ordination of projects and provide a sounding board for solutions in achieving the provincial government outcomes.	
Performance Measure / Indicator	
Number of signed MOUs with Municipalities	Number of projects in progress through partnership with Municipalities
Means of Verification	
Signed MOU agreements	Project progress reports
Reported on by which unit	
Chief Investment Officer	Chief Investment Officer

STRATEGIC OBJECTIVE 02 <i>Continued</i>	
2014/15 TARGET	
2 signed MOUs with Municipality	1 project in progress
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014	
Actual performance	
We are in advance discussion with Ekurhuleni Metro and Mogale City with regard to establishing platform to assist with social housing. The proposal to Ekurhuleni is expected to be submitted to the Mayoral Committee on 23rd July 2014.	There is no quarterly target, it will only be reported on an annual basis
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014	
Actual performance	
Discussions were held with Ekurhuleni Metro and Mogale City with regard to establishing platforms to assist with social housing.	There is no quarterly target, it will only be reported on an annual basis
The proposal to Ekurhuleni was approved at MAYCO in August 2014.	
The Mogale City legal department is currently reviewing the Tshwane agreement as a basis for the GPF/Mogale City agreement. The Mogale Legal department has been experiencing challenges and the agreement has been referred to the Head of Legal to process.	
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014	
Actual performance	
We are in advance discussions with Ekurhuleni Metro and Mogale City with regard to establishing platforms to assist with social housing. <ul style="list-style-type: none">The final GPF/Ekurhuleni agreement has been signed off by GPF and is awaiting signature by Ekurhuleni.The Mogale City legal department is currently reviewing the Tshwane agreement as a basis for the GPF/Mogale City agreement. The Mogale Legal department has being experiencing challenges and the agreement has been referred to the Head of Legal to process	There is no quarterly target, it will only be reported on an annual basis
QUARTER 04 1 JANUARY - 31 MARCH 2015	
Actual performance	
Received an e-mail from Petal Thring Divisional Head of Support Services at Ekurhuleni Metro that the agreement was signed. We await our copy of the MOU	1 project in progress
Mogale City agreement has been signed.	
ACTUAL PERFORMANCE	
Received an e-mail from Petal Thring Divisional Head of Support Services at Ekurhuleni Metro that the agreement was signed. Mogale City agreement and Ekurhuleni agreements has been signed.	The MOU between Ekurhuleni Metropolitan Municipality and GPF has resulted in 2 projects requiring GPF's intervention and assistance. Namely: <ul style="list-style-type: none">Fire StationDelville project
REASON FOR VARIANCE	
Target was met. Two MOUs signed.	Target exceeded. We provided assistance on the funding structure for two projects.

STRATEGIC OBJECTIVE 02 <i>Continued</i>	
STRATEGY 02: ASSIST THE GHS IN APPROPRIATE FUNDING OF MIXED INCOME HOUSING (HUMAN SETTLEMENTS) ON PROJECTS THAT HAVE COMPLETED TOWNSHIP ESTABLISHMENT AND ALL TECHNICAL INPUT BUT REQUIRE BANKABILITY STUDIES	
2017 OUTCOME / MEASURABLE OBJECTIVE	
Develop optimal funding structure and raise appropriate funding for human settlements projects.	
PERFORMANCE MEASURE / INDICATOR	
Number of priority projects for which alternative funding opportunities are investigated	
MEANS OF VERIFICATION	
Project documentation	
Investigation reports	
REPORTED ON BY WHICH UNIT	
Chief Investment Officer	
2014/15 TARGET	
Draft generic MOU with GDHS	
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014	
Actual performance	
We have assessed one priority project and formulated an action plan.	
Action plan for Mandela Heights: <ul style="list-style-type: none">MOU finalised – 31 July 2014Receipt of revised costing – 30 June 2014Financial feasibility modelling and feedback to the Department in terms of funding requirements - 31 July 2014Identification of a social housing company together with the Department – 31 August 2014Mobilisation of funding, RCG, Institutions subsidies and other fund (Housing will only be able to transfer funds for institutional subsidies in the next financial year) – 31 March 2015PRT to finalise all town planning approvals – 31 March 2015Project implementation - 2015	
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014	
Actual performance	
Mandela Heights Project is on hold due to funding constraints, therefore the action plan could not be implemented. We were unable to obtain costing from GDH's service providers. During our Mid-year review, we decided to revise the targets under mixed use projects. We are currently in a process of drafting a Generic MOU in which we would like to identify mixed-use projects with the GDHS for packaging and implementation in the next four years.	
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014	
Actual performance	
We are currently in a process of drafting a Generic MOU, in which we would like to identify mixed-use projects with the GDHS for packaging and implementation in the next four years.	
QUARTER 04 1 JANUARY - 31 MARCH 2015	
Actual performance	
MOU drafted	
ACTUAL PERFORMANCE	
Draft MOU done (the target for this objective was revised)	
REASON FOR VARIANCE	
Target met.	

STRATEGIC OBJECTIVE 02 <i>Continued</i>		
STRATEGY 03: LEVERAGED AFFORDABLE HOUSING FINANCE		
RENTAL HOUSING FUND		
2017 OUTCOME / MEASURABLE OBJECTIVE		
Enhances the viability of investment into affordable housing.		
PERFORMANCE MEASURE / INDICATOR		
Rand value of Leveraged Funding	Rand value of GPF Commitments	Number of Units facilitated
MEANS OF VERIFICATION		
Board approval minutes	Board approval minutes	Board Report
		Approved number of units
REPORTED ON BY WHICH UNIT		
Chief Investment Officer	Chief Investment Officer	Chief Investment Officer
2014/15 TARGET		
R200m	R60m	700
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014		
Actual performance		
R45m	R15m	160
There were no project approvals for Rental Housing during the 1st Quarter.	There were no project approvals for Rental Housing during the 1st Quarter.	None
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014		
Actual performance		
R105m	R32,5m	370
R122m	R81,5m (including capitalised interest)	
Project names: <ul style="list-style-type: none">Remaining Ext. Portion 3 of Holding 27, Poma Estates R42,7m9 Browning Street Erven 103,104 & 105 R800 000Erf 1654 Germiston R1,7mErf 3184, Pomona Ext 75 R24,2mErven 1499 & 1450 Karen Park Ext. 52 Pretoria R35,2mErf 564 & 566 Springs R17,1m	Project names: <ul style="list-style-type: none">Remaining Ext of Portion 3 of Holding 274 Pomona Estates – R19.5m9 Browning Street Erven 103,104 & 105 – R9.6mErf 1654 Germiston – R10.3mErf 3184, Pomona Ext 75 – R13.8mErvens 1499 & 1450, Karen Park Ext 52, Pretoria – R18.4mErf 564 & 566 Springs – R9,8m	593

STRATEGIC OBJECTIVE 02 <i>Continued</i>		
QUARTER 03 01 OCTOBER 2014 - 30 DECEMBER 2014		
Actual performance		
R165m	R50m	580
R125 012 578	R119.080 786	724
Project names: <ul style="list-style-type: none">Remaining Ext of Portion 3 of Holding 274 – R42.727 436 (Awaiting approval from Futuregrowth)9 Browning Street Erven 103,104 & 105 – R800 000Erf 1654 Germiston – R1.743 971mErf 3184, Pomona Ext 75 – R24.263 938 (Awaiting approval from Futuregrowth)Ervens 1499& 1450, Karen Park Ext 52, Pretoria – R35.292 613Erf 564 & 566 Springs – R12.934 620Erf 1614 Kempton Park Ext 5 – R3.100 000Erf 3834 Eersterus Ext 6 Robin Villa – R2 000 000Erf 630 Kempton Park – R850 000Erf 983 Johannesburg – R1.300 000	Project Names: <ul style="list-style-type: none">Remaining Ext of Portion 3 of Holding 274 Pomona Estates – R19.502 0239 Browning Street Erven 103,104 & 105 – R9.604 938Erf 1654 Germiston – R10.383 750Erf 3184, Pomona Ext 75 – R13.888 588Ervens 1499& 1450, Karen Park Ext 52, Pretoria – R18.434 824Erf 564 & 566 Springs – R7.574 730Erf 1614 Kempton Park Ext 5 – R8.782 249Erf 3834 Eersterus Ext 6 Robin Villa – R8.801 474Erf 630 Kempton Park – R6.650 833Erf 983 Johannesburg – R15.457 377	
QUARTER 04 1 JANUARY - 31 MARCH 2015		
Actual performance		
200m	R60m	700
R143 323 101	R135 715 919	1098
Project names: <ul style="list-style-type: none">9 Browning Street Erven 103,104 & 105 – R800 000Erf 1654 Germiston – R1.743 971mErf 3184, Pomona Ext 75 – R24.263 938Ervens 1499& 1450, Karen Park Ext 52, Pretoria – R35.292 613Erf 564 & 566 Springs – R12.934 620Erf 1614 Kempton Park Ext 5 – R3.100 000Erf 3834 Eersterus Ext 6 Robin Villa – R2 000 000Erf 630 Kempton Park – R850 000Erf 983 Johannesburg – R1.300 000Ervens 343,344,345,346,347,348,387,388 & 389 New Doornfontein – R61 037 959	Project names: <ul style="list-style-type: none">Remaining Ext of Portion 3 of Holding 274 Pomona Estates – R19.502 0239 Browning Street Erven 103,104 & 105 – R9.604 938Erf 1654 Germiston – R10.383 750Erf 3184, Pomona Ext 75 – R13.888 588Ervens 1499& 1450, Karen Park Ext 52, Pretoria – R18.434 824Erf 564 & 566 Springs – R7.574 730Erf 1614 Kempton Park Ext 5 – R8.782 249Erf 3834 Eersterus Ext 6 Robin Villa – R8.801 474mErf 630 Kempton Park – R6.650 833mErf 983 Johannesburg – R15.457 377mErvens 343,344,345,346,347,348,387,388 & 389 New Doornfontein – R16 635 173	
REASONS FOR VARIANCES		
Lack of senior funding as well as the increase in GPF's funding loan exposure from R10million to R15 million for projects that are 100% funded has resulted in the overall increase in the GPF funding commitment relative to leveraged funding.	The target has been exceeded.	The target has been exceeded.

STRATEGIC OBJECTIVE 02 <i>Continued</i>			
SOCIAL HOUSING FUND			
2017 OUTCOME / MEASURABLE OBJECTIVE			
Enhances the viability of investment into affordable housing.			
PERFORMANCE MEASURE / INDICATOR			
Rand value of Leveraged Funding	Rand value of GPF Commitments	Number of Units facilitated	Percentage Difference between market and rentals (Measure of Affordability)
MEANS OF VERIFICATION			
Board approval minutes	Board approval minutes	Board report	% below published Rhode Report rental survey
		Approved number of units	
REPORTED ON BY WHICH UNIT			
Chief Investment Officer	Chief Investment Officer	Chief Investment Officer	Chief Investment Officer
2014/15 TARGET			
R150m	R50m	539	10%
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014			
Actual performance			
37.5m	12.5m	147	There is no quarterly target, it will only be reported on annual basis
R58,3 million (does not include estimated capitalised interest)	R24,2 million (includes estimated capitalised interest of R1,4 million)	252 Units	
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014			
Actual performance			
75m	25m	270	There is no quarterly target, it will only be reported on annual basis
R120,5m	R45m (including capitalised interest)	505 Units	
Project Names: <ul style="list-style-type: none">Erf 2371&2372 Fleurhof Ext 26 –R58.3mPennyville – R27.5mRiverlea – R34.7m	Project Names: <ul style="list-style-type: none">Erf 2371&2372 Fleurhof Ext 26 –R24,2mPennyville – R9mRiverlea – R11.4m		
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014			
Actual performance			
93.7m	R37.5	354	There is no quarterly target, it will only be reported on annual basis
R120 574 880	R43 273 626	505	
Project Names: <ul style="list-style-type: none">Erf 2371&2372 Fleurhof Ext 26 –R58.315 700Pennyville – R27.552 720Riverlea – R34.706 460	Project Names: <ul style="list-style-type: none">Erf 2371&2372 Fleurhof Ext 26 –R22.834 300Pennyville – R9 003 607Riverlea – R11.435 719		

STRATEGIC OBJECTIVE 02 <i>Continued</i>			
QUARTER 04 1 JANUARY - 31 MARCH 2015			
Actual performance			
R150m	50m	539	10%
R120 574	R43 273 626	505	The average rental for a 1 bed is R1785 as compared to the Rode Report average of R3453. The average rental for a 2 bed is R3004 as compared to the Rode Report average of R4279. The percentage difference is 77% and 47% respectively.
Project Names: <ul style="list-style-type: none">Erf 2371&2372 Fleurhof Ext 26 –R58.315 700Pennyville – R27.552 720Riverlea – R34.706 460	Project Names: <ul style="list-style-type: none">Erf 2371&2372 Fleurhof Ext 26 –R22.834 300Pennyville – R9 003 607Riverlea – R11.435 719		
REASONS FOR VARIANCES			
The target was not achieved by 14% due to GPF Board approved funding being declined by a social housing institution.	The target was not achieved by 14% due to GPF Board approved funding being declined by a social housing institution.	The target was not achieved by 14% due to GPF Board approved funding being declined by a social housing institution.	The target has been exceeded.
SPECIAL PARTNERSHIP PROJECTS			
2017 OUTCOME / MEASURABLE OBJECTIVE			
To share financial risks with financial institutions for affordable housing developments			
PERFORMANCE MEASURE / INDICATOR			
Number of partnership agreements signed		No. of projects facilitated	
MEANS OF VERIFICATION			
Board approval minutes		Board approval minutes	
REPORTED ON BY WHICH UNIT			
Chief Investment Officer		Chief Investment Officer	
2014/15 TARGET			
1		1	
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014			
Actual performance			
Pension backed Loans facility of R50 million was approved at Board on 27th May 2014			
There were no approvals on the Intuthuko Fund by TUHF for this quarter			
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014			
Actual performance			
There were no approvals for this quarter			
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014			
Actual performance			
There were no approvals for this quarter			
QUARTER 04 1 JANUARY - 31 MARCH 2015			
Actual performance			
The Board has approved R50 million towards a pension backed loan facility			
There were no approvals on the Intuthuko Fund by TUHF for this quarter		-	
TUHF has approved R2,3 million towards projects			

STRATEGIC OBJECTIVE 02 <i>Continued</i>		
ACTUAL PERFORMANCE		
The Board has approved R50 million towards a pension backed loan facility	R15 million Pension Backed Loan facility was approved to a retail financial institution	
TUHF has approved R2,3 million towards projects under the Intuthuko Fund		
REASONS FOR VARIANCES		
There was no target set for special partnership projects, however The Board has approved a R50 million towards a pension backed home loan facility.		
TUHF has approved R2,3 million towards projects under the Intuthuko Fund.		
STUDENT ACCOMMODATION PROJECTS		
2017 OUTCOME / MEASURABLE OBJECTIVE		
Leverage funding for affordable student accommodation.		
PERFORMANCE MEASURE / INDICATOR		
Rand value of Leveraged Funding	Rand value of GPF Commitments	Number of beds facilitated
MEANS OF VERIFICATION		
Board approval minutes	Board approval minutes	Board Report
		Approved number of beds
REPORTED ON BY WHICH UNIT		
Chief Investment Officer	Chief Investment Officer	Chief Investment Officer
2014/15 TARGET		
R90m	R30m	323
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014		
Actual performance		
R22.5m	R7.5m	81
There were no project approvals for student accommodation during the first quarter	There were no project approvals for student accommodation during the first quarter	There were no project approvals for student accommodation during the first quarter
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014		
Actual performance		
R45m	15m	162
No approvals as yet. However we have received numerous enquiries on the Fund	No approvals as yet. However we have received numerous enquiries on the Fund	No approvals as yet. However we have received numerous enquiries on the Fund
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014		
Actual performance		
67.5m	22.5m	243
R1.300 000	R13.556 769	188
Project Names:	Project Names:	
<ul style="list-style-type: none">Erf 1760 Ga-Rankuwa Unit 1 R550 000Ptn 3 of Erf 2834 Ga-Rankuwa R750 000	<ul style="list-style-type: none">Erf 1760 Ga-Rankuwa Unit 1 R2.285 555Ptn 3 of Erf 2834 Ga-Rankuwa Unit 2 – R11.271 314	

STRATEGIC OBJECTIVE 02 <i>Continued</i>		
QUARTER 04 1 JANUARY - 31 MARCH 2015		
Actual performance		
R90m	30m	323
R1.300 000	R13.556 769	188
Project Names: <ul style="list-style-type: none">Erf 1760 Ga-Rankuwa Unit 1 R550 000Ptn 3 of Erf 2834 Ga-Rankuwa R750 000	Project Names: <ul style="list-style-type: none">Erf 1760 Ga-Rankuwa Unit 1 R2.285 555Ptn 3 of Erf 2834 Ga-Rankuwa Unit 2 – R11.271 314	
REASONS FOR VARIANCES		
As a result of financial constrains we participated in relatively small sized projects with total cost below R15 million which were funded 100% by the GPF. Consequently the annual targets were not achieved.	As a result of financial constrains we participated in relatively small sized projects with total cost below R15 million which were funded 100% by the GPF. Consequently the annual targets were not achieved.	As a result of financial constrains we participated in relatively small sized projects with total cost below R15 million which were funded 100% by the GPF. Consequently the annual targets were not achieved.
ENTREPRENEURIAL EMPOWERMENT PROPERTY FUND		
2017 OUTCOME / MEASURABLE OBJECTIVE		
To enable sustainable entrance of HDIs in the affordable rental housing market.		
PERFORMANCE MEASURE / INDICATOR		
Rand value of total funding of HDIs	Number of HDI companies funded	Number of Units facilitated
MEANS OF VERIFICATION		
Board approval minutes	Board approval minutes	Board Report
		Approved number of Units
REPORTED ON BY WHICH UNIT		
Chief Investment Officer	Chief Investment Officer	Chief Investment Officer
2014/15 TARGET		
R150m	12	404
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014		
Actual performance		
R25m	2	67
There were no projects approved for EEPF during the first quarter	There were no projects approved for EEPF during the first quarter	There were no projects approved for EEPF during the first quarter
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014		
Actual performance		
R75m	6	101
R92m (including capitalised interest)	3	218 Units
Project Names: <ul style="list-style-type: none">Erf 233 Kempton Park – R10.4mPortion 1 of Erf 193 Duncanville – R 10,5mErf 2918 Kempton Park – R71,1m (PIC)		
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014		
Actual performance		
R100m	8	270
R206,709 ,131 (including capitalised interest)	9	487

STRATEGIC OBJECTIVE 02 <i>Continued</i>		
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014		
Actual performance <i>continued</i>		
Project Names: <ul style="list-style-type: none">Erf 233 Kempton Park – R10.477 100Portion 1 of Erf 193 Duncanville – R 10.565 400Erf 2918 Kempton Park – R71 076 491 (PIC)Ptn 1 of Erf 1373 Leachville – R12 071 100Erf 4862 Birch Acres Ext 2 – R 37.469 800 (PIC)Erven 419 & 420 Cresslawn – R18.058 500 (PIC)Ptn 1 of Erf 1908 Erasmus Ext 8 – R15.688 800 (PIC)Erf 816 & 817 Bronkhorstspuit – R21 515 400 (PIC)Ptn 1 & 2 of Erf 1871, Albertville – R 7.518 440 (PIC)Erf 89,90 & 91 Bertrams - R11 532 300Erf 93,94 & 95 Bertrams – R 11 532 300Erf 96,121 & 122 Bertrams – R 11 532 266Ervens 2043, 2044 & 5070 Joubert Park – R 21 408 600Ervens 2243.2242,2248 & 2249 Wolmarans – R 18 005 300 (PIC)291 Emily Hobhouse – R 12 088 300 (PIC)Erven 2056, 2057 & 2154 Fleurhof ext. 28 – R 28 755 900 (PIC)		
QUARTER 04 1 JANUARY - 31 MARCH 2015		
Actual performance		
150m	12	404
R319 295 997 (including capitalised interest)	16	794
Project Names: <ul style="list-style-type: none">Erf 233 Kempton Park – R10.477 100Portion 1 of Erf 193 Duncanville – R 10.565 400Erf 2918 Kempton Park – R71 076 491 (PIC)Ptn 1 of Erf 1373 Leachville – R12 071 100Erf 4862 Birch Acres Ext 2 – R 37.469 800 (PIC)Erven 419 & 420 Cresslawn – R18.058 500 (PIC)Ptn 1 of Erf 1908 Erasmus Ext 8 – R15.688 800 (PIC)Erf 816 & 817 Bronkhorstspuit – R21 515 400 (PIC)Ptn 1 & 2 of Erf 1871, Albertville – R 7.518 440 (PIC)Erf 89,90 & 91 Bertrams - R11 532 300Erf 93,94 & 95 Bertrams – R 11 532 300Erf 96,121 & 122 Bertrams – R 11 532 266Ervens 2043, 2044 & 5070 Joubert Park – R 21 408 600Ervens 2243.2242,2248 & 2249 Wolmarans – R 18 005 300 (PIC)291 Emily Hobhouse – R 12 088 300 (PIC)Erven 2056, 2057 & 2154 Fleurhof ext. 28 – R 28 755 900 (PIC)		
REASONS FOR VARIANCES		
The target has been exceeded.	The target has been exceeded.	The target has been exceeded.

STRATEGY 04: ENSURE DELIVERY OF AFFORDABLE HOUSING UNITS	
2017 OUTCOME / MEASURABLE OBJECTIVE	
Compliance of affordable housing units with the regulatory building standards.	
PERFORMANCE MEASURE / INDICATOR	
Percentage of completed projects with occupational certificate issued	Percentage of projects under construction in the current financial year enrolled with NHBRC
MEANS OF VERIFICATION	
Copy of certificates on file	Copy of NHBRC enrolment certificate on file
REPORTED ON BY WHICH UNIT	
Chief Investment Officer	Chief Investment Officer
2014/15 TARGET	
100% (all projects)	100% (all projects)
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014	
Actual performance	
100%	100%
There was only one project completed during the first quarter of 2014; Erf 1952 Malvern, we are still waiting for the client to submit the occupational certificate	As at the 30th June 2014, there were 12 projects under construction, of which one is enrolled with NHBRC (8%)
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014	
Actual performance	
100%	100%
66%	59%
As at 30th September 2014 three projects were completed, of which two has occupation certificates	As at 30th September there were 17 projects under construction of which 10 have been enrolled with NHBRC
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014	
Actual performance	
100%	100%
67%	94%
QUARTER 04 1 JANUARY - 31 MARCH 2015	
Actual performance	
100% (all projects)	100% (all projects)
ACTUAL PERFORMANCE	
100%	100%
REASONS FOR VARIANCES	
Target was met.	Target was met.

STRATEGIC OBJECTIVE 03:

ENHANCE THE CAPITAL POSITION, OPTIMISE FINANCIAL MANAGEMENT AND GOOD GOVERNANCE FOR THE GPF

STRATEGY 01: SECURED ADDITIONAL CAPITALISATION SO AS TO BETTER ACHIEVE OBJECTIVES
2017 OUTCOME / MEASURABLE OBJECTIVE
Additional capitalisation.
PERFORMANCE MEASURE / INDICATOR
Quantum of capital commitment from GHS
MEANS OF VERIFICATION
Attendance register of meetings
Capitalisation plan
Annual Budget
REPORTED ON BY WHICH UNIT
Finance
2014/15 TARGET
R460m commitment to capitalisation received
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014
Actual performance
No feedback received from the founder. Planned interaction to take place in August 2014 during GPF mid-term review.
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014
Actual performance
Gauteng Human Settlements has been informed of GPF financial situation.
Financial reports and project pipeline have been submitted.
We have requested funding for the project pipeline of R290m.
Capitalisation plan for period 2014-19 submitted on 30 September 2014. Funding requirement for 2015-19 is R395m. This amount to be received before or at commencement of 2015/16 financial year.
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014
Actual performance
Funding of R100,170,419 received on 24/12/2014
QUARTER 04 1 JANUARY - 31 MARCH 2015
Actual performance
Various meetings were held with GHS. GHS advised that their budget is fully utilised therefore no additional funds were received during the quarter.
ACTUAL PERFORMANCE
R100 170 419 received out of target of R460m.
REASONS FOR VARIANCES

Target not achieved. Despite approval of the 2015/15 strategic plan and engagement with the founder of funding requirements, only R100 170 419 was received out of requirement of R460m.

STRATEGIC OBJECTIVE 03 <i>Continued</i>
STRATEGY 02: AN EFFECTIVE INTERNAL CONTROL ENVIRONMENT
2017 OUTCOME / MEASURABLE OBJECTIVE
Positive outcome of Audit Reports.
PERFORMANCE MEASURE / INDICATOR
Number of significant audit queries
MEANS OF VERIFICATION
BBBEE Report
Monthly and Quarterly Treasury report
Internal and external audit report
REPORTED ON BY WHICH UNIT
Finance
2014/15 TARGET
0 significant audit queries
All procurement via quotations in excess of R100 000 to be submitted within 15 days of month end following such purchase to Treasury
BBBEE Targets <ul style="list-style-type: none">HDI 80%Black Women 30%Youth 10%PWD 5%EME's 20%
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014
Actual performance
Year-end audit currently underway – refer communication findings –one housekeeping finding relating to supply chain management.
Busy with Quarterly AFS for the period ended 30 June 2014. Due date for submission: 31 July 2014.
One contact in excess of R100 000 registered with National Treasury.
New criteria for BBBEE reporting finalised at GPG BBBEE Forum on 26 June 2014. GPF will report in Q2 for both quarters with new approved criteria.
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014
Actual performance
Finance, supply chain management, monitoring and evaluation audits completed with no findings.
Budget submitted to GDOH on 30th September 2014.
Quarterly AFS submitted on the 7th August 2014.
Adjustment budget submitted to GDOH 30/09/2014.
Quarterly compliance reports submitted and performance reports submitted on time.

Strategic Objective 03 <i>Continued</i>	
BBBEE target met.	
July Supply Chain Management stats: <ul style="list-style-type: none">BBBEE Performance: HDI: 82%, Woman: 30%, Youth: 10%, People with disabilities: 0.1%, Emerging Micro Entrepreneur: 31%No contracts in excess of R100 00030 days	
August <ul style="list-style-type: none">BBBEE Performance: HDI: 85%, Woman: 24%, Youth: 8%, People with disabilities: 0.1%, Emerging Micro Entrepreneur: 32%Two contracts in excess of R100 000	
September <ul style="list-style-type: none">BBBEE Performance: HDI: 81%, Woman: 31%, Youth: 12%, People with disabilities: 0.1%, Emerging Micro Entrepreneur: 36%	
Quarter 03 01 October 2014- 30 December 2014	
Actual performance	
Finance audit completed in August 2014 with no findings.	
3rd Quarterly reports due 12 January 2015. 2nd quarter reports submitted 14 October 2015.	
3rd Quarter financial statements process in currently underway.	
2nd quarter financial statements submitted on 7 October 2015 and had no findings.	
All Treasury and BBBEE Reports submitted within due dates (submitted by 7th of month, due 15th of month).	
BBBEE targets generally met (Targets: HDI: 80%; Black Women: 30% ; Youth : 10%; PwD's : 5%, EMEs : 20%.	
October <ul style="list-style-type: none">HDI: 80% Black Woman: 33% Youth, 7 % People with disabilities: 0.1%, Emerging Micro Entrepreneur: 37%.No contracts in excess of R100 000	
November <ul style="list-style-type: none">HDI: 84%, Black Woman: 30%, Youth, 10%, People with a disabilities: 0.1%, Emerging Micro Entrepreneur: 32%One contract in excess of R100 000	
December <ul style="list-style-type: none">HDI : 80%, Black Woman: 34% Youth, 8 % People with disabilities: 0.1%, Emerging Micro Entrepreneur: 34%	
Quarter 04 1 January - 31 March 2015	
Actual performance	
Finance internal audit still in progress	
IT internal audit report had two significant queries	
All Treasury and BBBEE Reports submitted within due dates	
BBBEE targets met:	
January <ul style="list-style-type: none">HDI: 82%, Black Woman: 35% Youth, 8% People with disabilities: 0.1%, Emerging Micro Entrepreneur: 39%.	
February <ul style="list-style-type: none">HDI: 81% Woman: 33% Youth, 9% People with disabilities: 0.1%, Emerging Micro Entrepreneur: 53%.	
March <ul style="list-style-type: none">HDI: 78,66 Woman: 31% Youth, 9 % People with disabilities: 0.1%, Emerging Micro Entrepreneur: 56%.	
Actual Performance	
IT internal audit report had two significant queries.	
BBBEE targets for PWD's and Youth not also met by GPG; revised targets in new GPG BBBEE strategy – lack of such suppliers especially in professional services category. GPF will proactively seek such targeted suppliers for new year.	
Reasons for Variances	
The two queries related to the IT strategy and monitoring and reporting over IT activities. Both queries have since been addressed.	

Strategic Objective 03 <i>Continued</i>	
Strategy 03: Maintain efficient ICT management systems and processes	
2017 Outcome / Measurable Objective	
Effective and efficient implementation of ICT systems.	
Performance Measure / Indicator	
Percentage availability of ICT systems	
Means of Verification	
Quarterly service provider report with percentage availability of systems	
Annual internal and external audit report	
Reported on by which unit	
IT	
2014/15 Target	
90%	
Quarter 01 01 April 2014 - 30 June 2014	
Actual performance	
Internet availability was 99.4%. The attached internet server report shows that the internet availability was 100% during the period. There was scheduled downtime of 1 hour on 6 June 2014 to allow server room electrical maintenance to proceed. Proof of notice of downtime attached.	
Sharepoint implementation and usage is being done. During this period, we need to rebuild the SQL server. This was done successfully, furthermore the HR leave section was updated to show correct balances. Supply Chain was linked to Pastel to collect data from the Pastel SQL dB for accurate capturing.	
Quarter 02 01 July 2014 – 30 September 2014	
Actual performance	
Internet uptime was 100% during this period.	
NOTE: a scheduled change of wireless network access was raised on 10 September 2014. The implementation only affected wireless device between 11/09/2014 and 12/09/2014 and not the normal operation of systems or the internet.	
Quarter 03 01 October 2014- 30 December 2014	
Actual performance	
October: 99.46%	
November: 99.96%	
December: 100%	
Aggregate: 99.81%	
Quarter 04 1 January - 31 March 2015	
Actual performance	
100%	
Actual Performance	
99.8%	
Reasons for Variances	
No variances.	

Strategic Objective 03 <i>Continued</i>	
Strategy 04: Good Governance and Compliance with Relevant Legislation	
2017 Outcome / Measurable Objective	
Positive outcome of governance audit.	
Performance Measure / Indicator	
Number of governance audit queries	
Means of Verification	
Internal and external audit report	
ISO SABS report	
Reported on by which unit	
Legal, Risk and Compliance	
2014/15 Target	
<3 governance audit queries.	
Quarter 01 01 April 2014 - 30 June 2014	
Actual performance	
Governance control environment good – polices in compliance with legislation ISO audit	
Quarter 02 01 July 2014 – 30 September 2014	
Actual performance	
N/A - Annual Target	
Quarter 03 01 October 2014- 30 December 2014	
Actual performance	
N/A - Annual Target	
Quarter 04 1 January - 31 March 2015	
Actual performance	
<3 governance audit queries	
Actual Performance	
One query raised for ISO. Audit reports to be made available on request.	
Reasons for Variances	
-	
Strategy 05: Effective Investment Portfolio Performance Management	
2017 Outcome / Measurable Objective	
Performance of loan book.	
Performance Measure / Indicator	
% of loans written-off as proportion of total loan book	
Means of Verification	
Quarterly financial analysis report	
Investment Advisory Committee Minutes	
Signed contract terms captured on CURA	

Strategic Objective 03 <i>Continued</i>	
Investment Portfolio and Monitoring Report	
Site visit report	
Investment Portfolio and Monitoring policy review Report.	
Socio Corporate Impact Report	
Annual Beneficiary Review Report	
Review of reporting framework	
Reported on by which unit	
Investment Portfolio and Monitoring	
2014/15 Target	
5%	
Quarter 01 01 April 2014 - 30 June 2014	
Actual performance	
No contracts were submitted by legal and compliance arising from last investment advisory committee.	
The reporting was to be reviewed. To be finalised by 30th September.	
Updated monthly.	
5 visits performed. 9 visits per quarter is impossible, the number should be revised to 3. We currently have 14 projects we can report on. We are hoping more projects will be completed during the second half of the year.	
9 reviews were done.	
Disbursement error free.	
No reporting, new reporting format still under review. To be finalised 30 September 2014.	
Quarter 02 01 July 2014 – 30 September 2014	
Actual performance	
No new contracts were signed.	
5 site visits conducted on the following projects and reported to CFO: 1. Jabilani Views (Madulammoho) 2. Salvokop (Yeast City Housing) 3. Joe’s Place (Castle Crest) 4. 117 Pritchard Street (JHC) 5. Crest Hotel (JHC).	
Representation by the entity form reviewed together with the management accounts and other documents for analysis and report- ed to CFO	
PENALTY LETTERS ISSUED to four clients. Two clients subsequently submitted. To take place in October 2014.	
Report submitted monthly and reviewed by CFO.	
Quarter 03 01 October 2014- 30 December 2014	
Actual performance	
No loans written off in Q3	
0%	
Quarter 04 1 January - 31 March 2015	
Actual performance	
0%	

STRATEGIC OBJECTIVE 04:

A HIGH PERFORMING AND OPTIMALLY CAPACITATED ORGANISATION

STRATEGY 01: ATTRACT AND RETAIN HIGHLY SKILLED AND PERFORMING INDIVIDUALS COMMITTED TO GPF VALUES						
2017 OUTCOME / MEASURABLE OBJECTIVE						
Staff retention and talent management.						
PERFORMANCE MEASURE / INDICATOR						
Percentage women in Senior Management Positions within GPF as a proportion of total SMS number		Percentage people with Disabilities in GPF employment		Percentage Vacancy Rate as a proportion of approved structure		
MEANS OF VERIFICATION						
Organisational review report		Human Resources Report	Organisational review report			
Approved strategy aligned organisation design			Approved strategy aligned organisation design			
Human Resources Report			Approved job descriptions of all staff			
			Approved job grading			
			Human Resources Report			
REPORTED ON BY WHICH UNIT						
Human Resources		Human Resources		Human Resources		
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014						
Actual performance						
1 Female was appointed in the role of Chief Investment Officer		0		There was no resignation recorded other than of interns		
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014						
Actual performance						
1 Male was appointed as the HR Manager (July 2014)		0		There was no resignation recorded other than of interns		
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014						
Actual performance						
1 male was appointed in the role of Project Finance Specialist (October 2014)		0		There was no resignation recorded other than of interns		
QUARTER 04 1 JANUARY - 31 MARCH 2015						
Actual performance						
35%		1		2%		
ACTUAL PERFORMANCE						
The organisation has 46% of women in Top and Senior Management combined.		We have recruited one (1) person living with disability as an intern placed at Finance.		All job descriptions have been approved and signed, except in areas where there was a move or change in roles. HR Team will be focusing on ensuring that all new roles have proper job description and they are graded accordingly		
Level	Male				Female	% Women
Top	1				2	67%
Senior	3	1	25%			
Average %		46%				
REASONS FOR VARIANCES						
N/A		Did not find suitable candidate during this quarter.		N/A		

STRATEGIC OBJECTIVE 04 <i>Continued</i>	
STRATEGY 02: EFFECTIVE PERFORMANCE MANAGEMENT AND DEVELOPMENT OF GPF STAFF	
2017 OUTCOME / MEASURABLE OBJECTIVE	
A high performing organisation.	
PERFORMANCE MEASURE / INDICATOR	
Annual GPF Performance rating as percentage aggregation of individual performance scores	
MEANS OF VERIFICATION	
Individual performance ratings	
Report on aggregation exercise	
Report on the performance scores and benchmark	
REPORTED ON BY WHICH UNIT	
Human Resources	
2014/15 TARGET	
There was no performance review	
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014	
Actual performance	
Performance review for the 1st semester was sitting at 75.88 averagely	
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014	
Actual performance	
Performance review for the 1st semester was sitting at 75.88 averagely	
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014	
Actual performance	
The final reviews and score for 2014/2015 FY will be finalised at the end of May 2015	
QUARTER 04 1 JANUARY - 31 MARCH 2015	
Actual performance	
>80%	
ACTUAL PERFORMANCE	
In terms of the 1st review that was conducted in October 2014. The organisational performance is sitting at 75.88%. The final re-view for 2014/2015 will be finalised at the end of April 2015.	
Departmental	Average Scores
Office of the CEO	74.40%
Finance Department	82.61%
HR Department	84.28%
Legal, Compliance	74.10%
Marketing	66.25%
Projects Department	73.64%
Company Average	75.88%
REASONS FOR VARIANCES	
N/A	

STRATEGIC OBJECTIVE 05:

PROACTIVE MANAGEMENT OF LEGAL RISK

STRATEGY 01: EFFECTIVE CONTRACT MANAGEMENT, LEGISLATIVE AND POLICY COMPLIANCE		
2017 OUTCOME / MEASURABLE OBJECTIVE		
Effective contract management	Signed Contracts compliant with Board conditions and legal requirements	Legal and policy compliance
PERFORMANCE MEASURE / INDICATOR		
Number of monthly updated central matter indices (contracts register)	% compliance with board approved contractual conditions	% compliance with identified legislation in terms of the GPF compliance framework
MEANS OF VERIFICATION		
Contract Documentation	Verified register of board conditions and compliance checklist	Verified GPF compliance framework
Verification of central matter index database		
Monthly reports		
REPORTED ON BY WHICH UNIT		
Legal and Compliance		
QUARTER 01 01 APRIL 2014 - 30 JUNE 2014		
Actual performance		
N/A - Annual Target		
QUARTER 02 01 JULY 2014 – 30 SEPTEMBER 2014		
Actual performance		
N/A - Annual Target		
QUARTER 03 01 OCTOBER 2014- 30 DECEMBER 2014		
Actual performance		
N/A - Annual Target		
QUARTER 04 1 JANUARY - 31 MARCH 2015		
Actual performance		
12	>85%	90%
ACTUAL PERFORMANCE		
Monthly Central Matter Indices populated	All signed loan agreements concluded verified to be compliant with board conditions.	Compliance verification conducted on all clients prior to signature of agreements in terms of FICA
		One PAIA request received, acknowledged and attended to

BONI MUVEVI
CHIEF EXECUTIVE OFFICER

28 JULY 2015

DATE



REPORT OF THE AUDIT & RISK COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2015.

AUDIT & RISK COMMITTEE RESPONSIBILITY

The Audit & Risk Committee reports that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit & Risk Committee also reports that it has adopted appropriate formal terms of reference as its Audit & Risk Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

THE EFFECTIVENESS OF INTERNAL CONTROL

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the public entity, revealed certain weaknesses, which were then raised with the public entity.

The following internal audit work was completed during the year under review:

- Investments
- Financial Management
- Supply Chain Management
- Project Monitoring
- Human Resources
- Contract Management
- IT General Controls Review
- Quarterly Performance Reviews
- Review of Annual Financial Statements

There were no areas of concern.

IN-YEAR MANAGEMENT AND MONTHLY/QUARTERLY REPORT

The public entity has been reporting monthly and quarterly to the Treasury as is required by the PFMA.

EVALUATION OF FINANCIAL STATEMENTS

We have reviewed the annual financial statements prepared by the public entity.

AUDITOR'S REPORT

We have reviewed the entity's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.



MR Z FIHLANI

**CHAIRPERSON OF THE AUDIT & RISK COMMITTEE
GAUTENG PARTNERSHIP FUND
23 JULY 2015**

Project:
MEILIJIAN

REPORT OF THE AUDITOR-GENERAL

TO THE GAUTENG PROVINCIAL LEGISLATURE ON THE GAUTENG PARTNERSHIP TRUST TRADING AS THE GAUTENG PARTNERSHIP FUND

REPORT ON THE FINANCIAL STATEMENTS

INTRODUCTION

1. I have audited the financial statements of the Gauteng Partnership Fund set out on pages 76 to 148, which comprise the statement of financial position as at 31 March 2015, the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

ACCOUNTING AUTHORITY'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The Board of trustees, which constitutes the accounting authority, is responsible for the preparation and fair presentation of these financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standard of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and for such internal control as the accounting authority determines is necessary to enable the preparation of statements that are free from material misstatement, whether due to fraud or error.

AUDITOR-GENERAL'S RESPONSIBILITY

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the International Standards on Auditing. Those

standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. 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 judgement, 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Gauteng Partnership Fund as at 31 March 2015 and its financial performance and cash flows for the year then ended, in accordance with the SA Standard of GRAP and the requirements of the PFMA.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

7. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

PREDETERMINED OBJECTIVES

8. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for objective 2: Effectively implement programmes and expand GPF role within sustainable human settlements programme of Government presented as performance overview in the annual performance report of the entity for the year ended 31 March 2015.
9. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
10. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information.
11. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

12. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected programme.

ADDITIONAL MATTER

13. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected objective, I draw attention to the following matter:

ACHIEVEMENT OF PLANNED TARGETS

14. Refer to the annual performance report on pages 48 to 70 for information on the achievement of the planned targets for the year.

COMPLIANCE WITH LEGISLATION

15. I performed procedures to obtain evidence that the entity had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

INTERNAL CONTROL

16. I considered internal control relevant to my audit of the financial statements, the performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

Auditor-General

Johannesburg
31 July 2015



ANNUAL FINANCIAL STATEMENTS

Annual Financial Statements for the year ended 31 March 2015.

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NOTES TO THE FINANCIAL STATEMENTS

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

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DETAILED STATEMENT OF FINANCIAL PERFORMANCE

GENERAL INFORMATION

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
CONTACT DETAILS	011 686 6600 info@gpf.org.za
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	Social Housing
REGISTERED OFFICE	82 Grayston Drive Sandton Johannesburg 2196
POSTAL ADDRESS	PO Box 652247 Benmore 2010
EXECUTIVE AUTHORITY	Gauteng Department of Human Settlements
WEBSITE ADDRESS	www.gpf.org.za
BANKERS	Absa Bank Limited 15 Troye Street Johannesburg 2001
AUDITORS	Auditor General of South Africa Registered Auditors 61 Central Street Houghton Johannesburg 2193
COMPANY REGISTRATION NUMBER	IT2422/02
ATTORNEYS	Cliffe Dekker Hoffmeyr Inc

REPORT OF THE TRUSTEES

1. REVIEW OF ACTIVITIES

MAIN BUSINESS AND OPERATIONS

The Gauteng Partnership Fund (GPF) was founded by the Gauteng Department of Human Settlements in 2002 as a mechanism for mitigating risk faced by the private sector funding institutions in financing affordable housing developments in the province.

Since inception as a public entity under the auspices of the Gauteng Department of Human Settlements, GPF has focused its programmes on mobilisation of private sector funding to address the funding constraints that are experienced by social housing providers and affordable rental housing developers for good quality and well located housing developments.

The GPF funding model introduces a public risk capital strategy that assumes a first loss position. The GPF funding instrument therefore has a character of equity but in a form of a subordination debt. The funding model is also attractive in that it provides a cushion for the senior lender and the weighted average cost of capital is lower due to GPF's discounted lending interest rate.

The GPF's focus over the next three years is to continue to proactively source viable housing projects, as well as package its affordable housing funding products more attractively for third party funding partners.

2. STATEMENTS OF RESPONSIBILITY

The Trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to

ensure that the financial statements fairly present the state of affairs of the Trust as at the end of the financial year and the results of its operations and cash flows for the year then ended. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the basis of preparation as detailed in Note 1 of the accounting policies note to the financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the GPF and place considerable importance on maintaining a strong control environment. To enable the Trustees to meet these responsibilities, the Trustees set standards for internal control aimed at reducing the risk 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.

The Trustees are of the opinion, based on information and explanations given by management that the system of internal control provides reasonable, but not absolute, assurance that the financial records may be relied on for the preparation of the financial statements. Nothing has come to the attention of the Trustees to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

3. SUBSEQUENT EVENTS

Subsequent to year ended 31 March 2015, the Trustees had raised a provision for doubtful debts due to a borrowers breach. (Refer to notes 3, 19 & 31 for further information).

4. GOING CONCERN

The financial statements have been prepared on the going concern basis, since the Trustees have every reason to believe that the Trust has adequate resources in place to continue in operation for the foreseeable future.

5. PROPERTY, PLANT, EQUIPMENT AND INTANGIBLES

During the year, the Trust purchased property, plant and equipment and intangibles assets to the value of R823,043 (2014:R1,053,799).

6. SECRETARY

The entity is not required to have a secretary in terms of the Trust Property Control Act, 1998 (Act No. 57 of 1988).

7. TRUSTEES

NAME	NATIONALITY	DATE OF APPOINTED
P Mphahlele (Chairperson)	Independent Non-Executive South African	1 June 2012
B Muvevi (Chief Executive Officer)	Executive South African	1 March 2014
Z Fihlani	Independent Non-Executive South African	1 September 2011
L Khangala	Independent Non-Executive South African	1 April 2013
M Leshabane	Independent Non-Executive South African	1 April 2013
L Makibinyane	Independent Non-Executive South African	1 September 2011
D Maphatiane	Independent Non-Executive South African	1 September 2011
S Mbanjwa	Independent Non-Executive South African	1 April 2013
J Mnguni	Independent Non-Executive South African	1 April 2013

The following are further sub-committees of the Board of Trustees:

AUDIT COMMITTEE

- Z Fihlani (Chairperson)
- L Khangala
- D Maphatiane

INVESTMENT COMMITTEE

- L Makibinyane (Chairperson)
- Z Fihlani
- S Mbanjwa
- M Leshabane

REMUNERATION COMMITTEE

- D Maphatiane (Chairperson)
- L Khangala
- L Makibinyane

At reporting date, Trust assets were sufficient to meet the Trustee's right of indemnity out of the Trust's assets for liabilities incurred on behalf of the Trust.

8. AUDITORS

Auditor General of South Africa will continue in office for the next financial period.

The annual financial statements set out on pages 82 to 148, which have been prepared on the going concern basis, were approved by the Trustees on 28 July 2015 and were signed on its behalf by:



MR BONI MUVEVI
CHIEF EXECUTIVE OFFICER



MR PAKIE MPHAHLELE
CHAIRMAN

STATEMENT OF FINANCIAL POSITION

Figures in Rand	Note(s)	2015	2014
ASSETS			
Current Assets			
Cash and cash equivalents	2	802,571,736	898,397,660
Current portion - loans and receivables from exchange transactions	3	11,573,790	8,509,294
Receivables from exchange transactions	4	11,150,641	74,643,042
		825,296,167	981,549,996
Non-Current Assets			
Financial instruments at fair value	5	2	2
Property, plant and equipment	6	2,486,402	3,585,212
Intangible assets	7	511,227	913,766
Loans and receivables from exchange transactions	3	327,899,088	219,805,848
		330,896,719	224,304,828
TOTAL ASSETS		1,156,192,886	1,205,854,824
LIABILITIES			
Current Liabilities			
Deferred income	8	264,853,602	332,581,024
Finance lease obligation	9	134,731	294,539
Operating lease liability	10	241,925	-
Payables from exchange transactions	11	156,081,301	262,870,009
Provisions	12	6,850,230	3,633,427
		428,161,789	599,378,999
Non-Current Liabilities			
Financial lease obligation	9	64,182	177,962
Operating lease liability	10	-	235,800
		64,182	413,762
TOTAL LIABILITIES		428,225,971	599,792,761
Reserves			
Accumulated surplus		727,966,915	606,062,063
TOTAL NET ASSETS		727,966,915	606,062,063
TOTAL NET ASSETS AND LIABILITIES		1,156,192,886	1,205,854,824

STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2015	2014
Revenue	13	234,459,384	156,512,428
Other income	15	5,685,464	4,203,070
Operating expenses		(82,974,209)	(46,986,428)
Operating surplus	16	157,170,639	113,729,070
Fair value adjustments	18	(32,989,118)	(25,326,964)
Impairment costs	19	(2,246,816)	(280,078)
Finance costs	20	(29,853)	(33,003)
SURPLUS FOR THE YEAR		121,904,852	88,089,025
Attributable to:			
Executive Authority - Gauteng Department of Human Settlements		121,904,852	88,089,025

STATEMENT OF CHANGES IN NET ASSETS

Figures in Rand	Fair value adjustment available-for-sale reserve	Accumulated surplus	Total net assets
Opening balance as previously reported	3,065,266	513,160,669	516,225,935
Prior year adjustments (Refer to note 32)	(3,065,266)	4,812,369	1,747,103
Balance as restated 01 April 2013 (Refer to note 32)	-	517,973,038	517,973,038
Changes in net assets			
Surplus for the year	-	88,089,025	88,089,025
Total changes	-	88,089,025	88,089,025
Balance at 01 April 2014	-	606,062,063	606,062,063
Changes in net assets			
Surplus for the year	-	121,904,852	121,904,852
Total changes	-	121,904,852	121,904,852
Balance at 31 March 2015	-	727,966,915	727,966,915

STATEMENT OF CASH FLOWS

Figures in Rand	Note(s)	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Cash receipts - from borrowers		33,268,632	58,685,460
Cash receipts - interest from banks		37,779,593	28,250,617
DTI grant received		1,426,519	-
Donation received		173,087,892	250,000,000
		245,562,636	336,936,077
Payments			
Employee costs		(30,884,363)	(26,201,837)
Suppliers		(26,260,018)	(17,951,364)
Finance costs		(15,642)	(33,003)
Gauteng Department of Human Settlements		(107,029,985)	(436,453,974)
Guarantees paid		(9,147,922)	-
Cash paid to borrowers		(167,001,314)	(104,771,420)
		(340,339,244)	(585,411,598)
Net cash flows from operating activities	27	(94,776,608)	(248,475,521)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	6	(428,192)	(269,076)
Proceeds from sale of property, plant and equipment	6	14,278	24,135
Purchase of other intangible assets	7	(394,851)	(784,723)
Net cash flows from investing activities		(808,765)	(1,029,664)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance lease payments		(240,552)	(321,166)
Net decrease in cash and cash equivalents		(95,825,925)	(249,826,351)
Cash and cash equivalents at the beginning of the year		898,397,661	1,148,224,011
Cash and cash equivalents at the end of the year	2	802,571,736	898,397,660

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Cash Basis						
	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						

STATEMENT OF FINANCIAL PERFORMANCE

Expenditure						
Personnel	(32,264,981)	1,378,636	(30,886,345)	(30,884,363)	1,982	Refer to note 29
Repairs and maintenance	(1,122,546)	173,546	(949,000)	(928,022)	20,978	Refer to note 29
General expenses	(17,293,413)	(11,080,783)	(28,374,196)	(25,331,995)	3,042,201	Refer to note 29
Total Expenditure	(50,680,940)	(9,528,601)	(60,209,541)	(57,144,380)	3,065,161	

STATEMENT OF FINANCIAL POSITION

Assets						
Non-Current Assets						
Property, plant and equipment	424,000	61,000	485,000	428,192	(56,808)	Refer to note 29
Intangible assets	122,692	311,308	434,000	394,851	(39,149)	Refer to note 29
	546,692	372,308	919,000	823,043	(95,957)	
Total Assets	546,692	372,308	919,000	823,043	(95,957)	

CASH FLOW STATEMENT

Cash flow from operating activities						
Payments						
Employee costs	(32,264,981)	1,378,636	(30,886,345)	(30,884,363)	1,982	Refer to statement of cash flows
Suppliers	(18,415,959)	(10,907,237)	(29,323,196)	(26,260,017)	3,063,179	Refer to statement of cash flows
Net cash flows from operating activities	(50,680,940)	(9,528,601)	(60,209,541)	(57,144,380)	3,065,161	
Cash flow from investing activities						
Purchase of property, plant and equipment	(424,000)	(61,000)	(485,000)	(428,192)	56,808	Refer to statement of cash flows
Purchase of other intangible assets	(122,692)	(311,308)	(434,000)	(394,851)	39,149	Refer to statement of cash flows
Net cash flows from investing activities	(546,692)	(372,308)	(919,000)	(823,043)	95,957	
Net decrease in cash and cash equivalents	(51,227,632)	(9,900,909)	(61,128,541)	(57,967,423)	3,161,118	Refer to note 29

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

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

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention unless specified otherwise. They are presented rounded off to the nearest South African Rand.

A summary of the significant accounting policies, which have been consistently applied, are disclosed below.

The following GRAP Standards have been applied in the annual financial statements:

REFERENCE	TOPIC
GRAP 1	Presentation of Financial Statements (as revised in 2010)
GRAP 2	Cash Flow Statements (as revised in 2010)
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors (as revised in 2010)
GRAP 4	The Effects of Changes in Foreign Exchange Rates (as revised in 2010) (Not applicable to GPF)
GRAP 5	Borrowing Costs (as revised in September 2013) (Not applicable to GPF)
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investments in Associates (as revised in March 2012) (Not applicable to GPF)
GRAP 8	Interests in Joint Ventures (Not applicable to GPF)
GRAP 9	Revenue from Exchange Transactions (as revised in 2010)
GRAP 10	Financial Reporting in Hyperinflationary Economies (as revised in 2010) (Not applicable to GPF)
GRAP 11	Construction Contracts (as revised in 2010) (Not applicable to GPF)
GRAP 12	Inventories (as revised in 2010) (Not applicable to GPF)
GRAP 13	Leases (as revised in 2010)
GRAP 14	Events After the Reporting Date (as revised in 2010)
GRAP 16	Investment Property (as revised in 2010) (Not applicable to GPF)
GRAP 17	Property, Plant and Equipment (as revised in 2010)
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets (as revised in 2010)
GRAP 21	Impairment of Non-cash-generating Assets (Not applicable to GPF)
GRAP 23	Revenue from Non-exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits (Not applicable to GPF)
GRAP 26	Impairment of Cash-generating Assets

GRAP 27	Agriculture (Not applicable to GPF)
GRAP 31	Intangible Assets
GRAP 100	Non-current Assets Held for Sale and Discontinued Operations (as revised in 2010) (Not applicable to GPF)
GRAP 103	Heritage Assets (Not applicable to GPF)
GRAP 104	Financial Instruments

DIRECTIVES ISSUED AND APPLIED:

REFERENCE	TOPIC
DIRECTIVE 1	Repeal of Existing Transitional Provisions in, and Consequential Amendments to, Standards of GRAP
DIRECTIVE 2	Transitional Provisions for the Adoption of Standards of GRAP by Public Entities, Municipal Entities and Constitutional Institutions
DIRECTIVE 5	Determining the GRAP Reporting Framework
DIRECTIVE 6	Transitional Provisions for Revenue Collected by the South African Revenue Service (SARS) (Not applicable to GPF)
DIRECTIVE 7	The Application of Deemed Cost on the Adoption of Standards of GRAP

INTERPRETATIONS OF THE STANDARDS OF GRAP APPROVED THAT ARE APPLIED:

REFERENCE	TOPIC
IGRAP 1	Applying the Probability Test on Initial Recognition of Exchange Revenue
IGRAP 2	Applying the Probability Test on Initial Recognition of Exchange Revenue
IGRAP 3	Determining whether an Arrangement Contains a Lease
IGRAP 4	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (Not applicable to GPF)
IGRAP 5	Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies (Not applicable to GPF)
IGRAP 6	Loyalty Programmes (Not applicable to GPF)
IGRAP 7	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (Not applicable to GPF)
IGRAP 8	Agreements for the Construction of Assets from Exchange Transactions (Not applicable to GPF)
IGRAP 9	Distributions of Non-cash Assets to Owners (Not applicable to GPF)
IGRAP 10	Assets Received from Customers (Not applicable to GPF)
IGRAP 13	Operating Leases – Incentives (Not applicable to GPF)
IGRAP 14	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
IGRAP 15	Revenue – Barter Transactions Involving Advertising Services (Not applicable to GPF)
IGRAP 16	Intangible Assets - Website Costs

APPROVED GUIDELINE OF STANDARDS OF GRAP THAT ARE APPLIED:

REFERENCE	TOPIC
GUIDE 1	Guideline on Accounting for Public Private Partnerships (Not applicable to GPF)

EFFECTIVE IFRS AND IFRICS THAT ENTITIES APPLIED:

REFERENCE	TOPIC
IFRS 4 (AC 141)	Insurance Contracts (Not applicable to GPF)
IFRS 6 (AC 143)	Exploration for and Evaluation of Mineral Resources (Not applicable to GPF)
IFRIC 12 (AC 445)	Service Concession Arrangements (Not applicable to GPF)
SIC – 25 (AC 425)	Income Taxes-Changes in the Tax Status of an Entity or its Shareholders (Not applicable to GPF)
SIC – 29 (AC 429)	Service Concession Arrangements – Disclosures (Not applicable to GPF)

STANDARDS OF GRAP APPROVED, BUT FOR WHICH THE MINISTER OF FINANCE HAS NOT YET DETERMINED AN EFFECTIVE DATE:

These accounting standards have been considered (where applicable) in the formulation of the accounting policies:

REFERENCE	TOPIC
GRAP 105	Transfers of Functions Between Entities Under Common Control (Not applicable to GPF)
GRAP 106	Transfers of Functions Between Entities Not Under Common Control (Not applicable to GPF)
GRAP 107	Mergers (Not applicable to GPF)

STANDARDS OF GRAP THAT AN ENTITY MAY USE TO DISCLOSE INFORMATION IN ITS ANNUAL FINANCIAL STATEMENTS

REFERENCE	TOPIC
GRAP 20	Related Party Disclosures

APPROVED STANDARDS OF GRAP THAT ENTITIES ARE NOT REQUIRED TO APPLY:

REFERENCE	TOPIC
GRAP 18	Segment Reporting

1.1 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

RECEIVABLES FROM EXCHANGE TRANSACTIONS

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

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

FINANCIAL INSTRUMENTS ARE FAIR VALUE

The entity follows the guidance of GRAP 104 to determine when a financial instrument at fair value is impaired. This determination requires significant judgment. In making this judgment, the entity evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and

sector performance, changes in technology and operational and financing cash flow.

If all of the declines in fair value below cost were considered significant or prolonged, the entity would suffer an additional deficit being a reclassification adjustment of the fair value adjustments previously recognised in other comprehensive income and accumulated in equity on the impaired financial instruments at fair value financial assets to surplus or deficit.

FAIR VALUE ESTIMATION

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The entity uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values.

The carrying amount of financial instruments at fair value would be estimated lower or higher where the discounted rate used in the discount cash flow analysis differs by 10% from management’s estimates.

OPTIONS GRANTED

Management used the Black Scholes model to determine the value of the options at issue date. Additional details regarding the estimates are included in the financial instruments at fair value and the option note.

PROVISIONS

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 12 - Provisions.

TAXATION

The Trust was granted tax exemption status by the

South African Revenue Service in terms of Section 30 of the Income Tax Act, and receipts and accruals are exempt from income tax in terms of Section 10 (1) (CN) of the Income Tax Act. The status quo was applicable for the 2015 year. The Trust is not registered for VAT.

EFFECTIVE INTEREST RATE

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

1.2 PROPERTY, PLANT AND EQUIPMENT

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

After each quarterly asset count the Trust assesses property, plant and equipment for impairment. If there are any indications of impairment, the Trust estimates the recoverable service amount of the asset. If the asset’s carrying value exceeds its recoverable amount, the asset is impaired. In assessing whether there is any indication that an asset may be impaired, the Trust considers all sources of information. The impairment loss is charged as an expense in the Statement of Financial Performance.

Depreciation is recognised in the Statement of Financial Performance and is calculated on a straight-line basis over the estimated useful life of the asset. The useful lives of items of property, plant and equipment have been assessed as follows:

ITEM	AVERAGE USEFUL LIFE
Furniture and fixtures	1 to 10 years
Motor vehicles	10 years
Office equipment	1 to 7 years
Computer equipment	1 to 6 years
Leasehold improvements	3 years

Depreciation methods, useful lives and residual values are re-assessed annually and adjusted if necessary at the end of each reporting date.

The carrying amount of an item of property, plant and equipment shall be derecognised on the disposal of the asset or when no future economic benefit or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised in the Statement of Financial Performance when the item is derecognised.

1.3 INTANGIBLE ASSETS

An asset is identified as an intangible asset when it:

- is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or

- together with a related contract, assets or liability; or
- arises from contractual rights or other legal rights, regardless whether those rights are transferable or separate from the entity or from other rights and obligations.

An intangible asset is recognised when:

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

Intangible assets are initially recognised at cost.

If an intangible asset is acquired through a non-exchange transaction, the cost shall be its fair value as at the date of acquisition.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

After each quarterly asset count, the Trust assesses intangibles assets for impairment. Intangible assets are impaired by comparing the carrying amount with the recoverable service amount of the intangible asset. If the assets carrying amount exceeds its recoverable service amount, the asset is impaired. The carrying amount of the asset is reduced to its recoverable service amount, and this reduction is the impairment loss which is charged as an expense to the Statement of Financial Performance.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

ITEM	USEFUL LIFE
Computer software	1 to 5 years

The carrying amount of an intangible asset is derecognised on the disposal or when no future economic benefits are expected from the asset from its use or disposal. The gain or loss arising from the derecognition is determined by comparing the proceeds from the disposal with the carrying amounts of the intangible asset and is recognised in the Statement of Financial Performance when the item is derecognised.

Subsequent expenditure on capitalised intangible assets is recognised and capitalised only when the costs incurred increase the future economic benefits embodied in the specific assets to which it relates.

1.4 FINANCIAL INSTRUMENTS CLASSIFICATION

The entity classifies financial assets and financial liabilities into the following categories:

- Loans and receivables at amortised cost
- Financial instruments at fair value

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through surplus or deficit, which shall not be classified out of the fair value through surplus or deficit category.

INITIAL RECOGNITION

Financial instruments are recognised initially when the entity becomes a party to the contractual provisions of the instruments.

The entity classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Loans and receivables are concessionary loans and are measured initially at fair value by comparing the loan discounted rates given to market related rates. The discount given is account for are a social benefit adjustment loss through surplus or deficit.

For financial instruments which are not at fair value through surplus or deficit, transaction costs are included in the initial measurement of the instrument.

SUBSEQUENT MEASUREMENT

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

Net gains or losses on the financial instruments are measured at fair value through surplus or deficit dividends or similar distributions and interest.

Loans and receivables are concessionary loans and are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Financial instruments at fair value are subsequently measured at fair value. This excludes equity investments for which a fair value is not

determinable, which are measured at cost less accumulated impairment losses.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

FAIR VALUE DETERMINATION

If the market for a financial asset is not active (and for unlisted securities), the entity establishes fair value by using valuation techniques. These include the use of recent arm’s length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

RECEIVABLES FROM EXCHANGE TRANSACTION

Receivables from exchange transactions are subsequently measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts.

PAYABLES FROM EXCHANGE TRANSACTION

Payables are subsequently measured at amortised cost using the effective interest rate method. Gains and losses from the amortisation process are recognised in the statement of financial performance when the trade and other payables are derecognised.

CASH AND CASH EQUIVALENTS

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

LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS

Loans and receivables are concessionary loans and are initially recognised at fair value by comparing the loan discounted rates given to market related

rates. The discount given is account for are a social benefit adjustment loss through surplus or deficit.

Loans and receivables from exchange transactions are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. Subsequently, these are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts.

FINANCIAL INSTRUMENTS AT FAIR VALUE

Financial instruments at fair value are non-derivative financial assets that are designated as financial instruments at fair value, which are neither classified in loans and receivables from exchange transactions at amortised cost or financial instruments at cost. After initial measurement, financial instruments at fair value are measured at fair value with unrealised gains or losses recognised directly in net assets until the investment is derecognised or impaired, at which time the cumulative gain or loss recorded in net assets is recognised in the statement of financial performance and removed from the net assets.

The GPF classifies all equity investments as financial instruments at fair value. For financial instruments at fair value, the Trust assesses at each statement of financial position date, whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as financial instrument at fair value, the objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. Where there is evidence of impairment, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of financial performance. Impairment losses on equity investment are not reversed through the statement of financial performance; increases in their fair value after impairment are recognised directly in net assets.

IMPAIRMENT OF FINANCIAL INSTRUMENTS

At each end of the reporting period the entity assesses all financial assets, other than those at

fair value through surplus or deficit, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the entity, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as financial assets at fair value, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for financial instruments at fair value, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in surplus or deficit - is removed from equity as a reclassification adjustment and recognised in surplus or deficit.

Impairment losses are recognised in surplus or deficit.

The Trust assesses its loans and receivables from exchange transactions at each statement of financial position date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A loan or receivable is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that loss events has an impact on the estimated future cash flows of the loan. Evidence of impairment may include indications that the debtor or group of debtors is experiencing significant financial difficulty, default or delinquency interest or principle payments, the probability that they will enter bankruptcy and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrear or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the carrying amount and the present value of estimated future cash flows discounted at the original interest rate from financial asset. For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis

of collateral type and past due status. Impairment losses are reversed in subsequent periods when an increase in the investment's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the investment at the date the impairment is reversed, shall not exceed what the amortised cost would have been had the impairment not been recognised. In determining whether an impairment allowance should be recorded in the statement of financial position, the Trust makes judgments as to whether there is objective evidence that the asset might be impaired. The impaired allowance is measured as the difference between the carrying amount and the present value of the estimated future cash flows discounted at the original effective rate from a financial asset. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of financial performance. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. Criteria used to determine the objective evidence would include financial analysis and noncompliance with the loan agreement. Objective evidence would include a significant or prolonged decline in the fair value of the loan below its cost.

When a receivables from exchange transactions is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against income in the statement of financial performance. Gains or losses from the amortisation process are recognised in the surplus or deficit. Receivables from exchange transaction are classified as loans and receivables from exchange transactions. Gains and losses are recognised in the statement of financial performance when the receivables from exchange transaction are derecognised or impaired, as well as through the amortisation process.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the

impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in surplus or deficit except for equity investments classified as financial instruments at fair value.

Impairment losses are also not subsequently reversed for financial instruments at fair value which are held at cost because fair value was not determinable.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in surplus or deficit within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

ASSETS PAST DUE OR IMPAIRED THAT HAVE BEEN RENEGOTIATED

The GPF bases this renegotiation on the results of project monitoring including financial analysis, non-compliance with the loan agreement and representations from the borrower.

FINANCIAL INSTRUMENTS AT FAIR VALUE

Derivatives embedded in other financial instruments or other non-financial host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value with unrealised gains or losses reported in surplus or deficit.

Changes in the fair value of derivative financial instruments are recognised in surplus or deficit as they arise.

A derivative is a financial instrument or other contract within the scope of the standard with all three of the following characteristics:

- Its value in response to the change in a specified interest rate, financial instruments price, commodity price, foreign exchange rate, index of prices or rates, credit rating

or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract;

- b. It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- c. it is settled at a future date.

The put/call option is considered a derivative financial instrument due to the following:

- a. the put/call option's value changes in response to the financial instruments price being the change in the fair value of the equity investments year on year;
- b. the put/call option required no initial net investment in terms of the shareholders agreement; and
- c. the call option was exercised.

1.5 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

FINANCE LEASES - LESSEE

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

The discount rate used in calculating the present value of the minimum lease payments is the prime lending rate at the inception of the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each

period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

OPERATING LEASES - LESSEE

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease liability.

1.6 SUBSEQUENT EVENTS

Events after the reporting date, are those events both favourable and unfavourable that occur between the reporting date and the date when the Financial Statements are authorised for issue, and are treated as follows:

- The entity shall adjust the amounts recognised in its Annual Financial Statements to reflect adjusting events after the reporting date for those events that provide evidence of conditions that existed at the reporting date, and
- The entity shall not adjust the amounts recognised in its annual financial statements to reflect non-adjusting events after the reporting date for those events that are incident of conditions that arose after the reporting date.

PRIOR PERIOD ERROR

Errors in the preparation of the financial statements of one or more prior periods may be discovered in the current period.

These errors may occur as a result of:

- mathematical mistakes,
- mistakes in applying accounting policies or in the interpretation of facts,
- or oversight

The correction of these errors that relate to prior periods requires the restatement of the comparative information. The financial statements, including the comparative information for prior periods, is presented as if the error had been corrected in the period in which it was made.

1.7 CONTRIBUTED CAPITAL / DEFERRED INCOME

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised. (Refer to note 1.10).

1.8 EMPLOYEE BENEFITS

SHORT-TERM EMPLOYEE BENEFITS

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

A provision is made for the estimated liability as a result of services rendered by employees up to reporting date. Provisions included in the statement of financial position are provisions for leave and bonuses (based on current salary rates).

No provision has been made for retirement benefits as the Trust does not provide for retirement benefits for its employees.

1.9 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating deficits.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of an activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

Contingent liabilities are not recognised. Contingencies are disclosed in note 28.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The entity recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be

required to settle the obligation and a reliable estimate of the obligation can be made.

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

1.10 REVENUE FROM EXCHANGE TRANSACTIONS

INTEREST RECEIVED

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Revenue from exchange transactions is recognised, in surplus or deficit, and is subsequently measured using the effective interest rate method.

1.11 REVENUE FROM NON-EXCHANGE TRANSACTIONS

GOVERNMENT GRANTS

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Revenue from non-exchange transactions are recognised as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised.

Revenue is measured at the fair value of the consideration received or receivable.

1.12 DEFERRED INCOME

Refer to the revenue accounting policy. (Refer to note 1.10).

1.13 IRREGULAR AND FRUITLESS AND WASTEFUL EXPENDITURE

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- a. this Act; or
- b. the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- c. any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the annual financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the annual financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the annual financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the annual financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded

appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the annual financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the annual financial statements and updated accordingly in the irregular expenditure register.

1.14 BUDGET INFORMATION

GPF is subject to budgetary limits in the form of budget authorisations, which is given effect through authorising body being the Board.

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

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2014/04/01 to 2015/03/31.

The annual financial statements and the budget are not on the same basis of accounting therefore a reconciliation has been included with the budgeted amounts for the reporting period having been included in the Statement of comparison of budget and actual amounts.

1.15 RELATED PARTIES

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

1.16 GOING CONCERN ASSUMPTIONS

The Trustees have every reason to believe that the Trust has adequate resources in place to continue in operation for the foreseeable future.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Figures in Rand

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	2015	2014
Call account	489,530	471,087
Capital account	639,663,838	619,397,247
Current account	7,633,819	16,714,097
Deposits held on behalf of Gauteng Department of Human Settlements	154,782,751	261,812,736
Petty cash	1,798	2,493
	802,571,736	898,397,660

CREDIT QUALITY OF CASH AT BANK AND SHORT TERM DEPOSITS, EXCLUDING CASH ON HAND.

The money held in the Call Account is ceded to Acucap Investment (Pty) Ltd as the GPF's rental deposit. This amount will only become available to the GPF in April 2016.

The Trust holds its Capital Account with the Corporation of Public Deposits at the South African Reserve Bank. This cash will be used to settle current commitments and for future investments as per the Trust's mandate.

Cash at banks earns interest at floating rates based on daily bank deposits rates. The fair value of cash equivalents approximates their carrying value as equivalents are readily convertible to cash.

The Trust holds deposits on behalf of the Gauteng Department of Human Settlement, R154,782,751 (2014:R261,812,736), that are not available for use by the GPF. (Refer to note 24).

R554,779,866 (2014:R418,173,560) of the Capital Account has been has been committed. (Refer to note 23). The Capital Account is the cash available for future investments and fulfillment of the GPF mandate.

The Current Account comprises of the salaries and operational budget.

3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS

ABSA - SUBSIDISED LOAN FACILITY

Loan amount	4,257,227	5,367,641
Prior years current term portion reversed	740,504	756,655
Interest earned	176,535	293,938
Short term payments received	(5,768,436)	(1,627,020)
Interest amortised using effective interest rate method	594,170	206,517
Current portion transferred to current assets	-	(740,504)
	-	4,257,227

Figures in Rand

2015

2014

3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

The ABSA subsidised loan facility supports developments of new sub-markets within the social housing sector which allows for blending of interest rates between banks and the GPF resulting in reduced rates to projects. The nominal value of the loan was RNil (2014: R5,591,839) as it was fully repaid this year. The loans bore interest at prime minus 4.25% and prime less 3.75%. The repayment terms are twelve years from date of disbursement.

AQUARELLA INVESTMENTS 360 (PTY) LTD - 85-87 QUARTZ STREET

Loan amount	1,284,770	748,926
Prior years current term portion reversed	622,088	-
Advance	2,047,076	1,583,730
Interest earned	144,888	43,131
Social benefit adjustment	(322,239)	(507,935)
Interest amortised using effective interest rate method	99,062	45,281
Impairment	(5,160)	(6,275)
Current portion transferred to current assets	(272,136)	(622,088)
	3,598,349	1,284,770

The loan facility to Aquarella Investments 360 (Pty) Ltd comprises of an interest free loan of R794,000 and interest bearing loan of R4,332,800. The interest free facility is for ten years and is repayable in five equal annual instalments commencing in July 2018. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate. The interest bearing facilities capital is repayable in annual instalments commencing in March 2015. The nominal value of the loan is R4,849,291 (2014: R2,657,317). The loan is secured by a mortgage bond over Erf 5176 Hillbrow. The loan has been renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

BEFORE SUNSET PROPERTIES (PTY) LTD - 11 MACLAREN STREET

Loan amount	2,080,779	2,070,298
Prior years current term portion reversed	136,661	-
Interest earned	166,590	149,051
Short term payments received	(2,612,477)	(35,957)
Interest amortised using effective interest rate method	228,447	34,048
Current portion transferred to current assets	-	(136,661)
	-	2,080,779

The fifteen year loan facility of R2,295,350 to Before Sunset Properties (Pty) Ltd bears interest at a staggered JIBAR rate and capital is repayable in annual instalments commencing in December 2014. The nominal value of the loan is RNil as the loan was fully repaid during the year (2014: R2,445,887). The loan was secured by a mortgage bond over Erf 1106 Marshalltown.

BIXOWISE CC T/A KINGDOM PROPERTIES CC - ERF 278 PRIMROSE HILL

Bixowise CC t/a Kingdom Properties CC - Erf 278 Primrose Hill		
Loan amount	1,079,664	974,631
Advance	156,746	46,379
Interest earned	70,048	58,119
Social benefit adjustment	(58,897)	(19,585)
Interest amortised using effective interest rate method	36,686	30,403
Impairment	(26,973)	(10,283)
	1,257,274	1,079,664

The fifteen year loan to Bixowise CC t/a Kingdom Properties CC comprises of an interest free loan of R1,403,545 and interest bearing loan of R4,574,300. The interest free facility is repayable in five equal instalments commencing in February 2018. The interest bearing facility bears interest at a staggered JIBAR rate and the capital is repayable in annual instalments commencing April 2016. The nominal value of the loan is R1,578,229 (2014: R1,351,471). The loan is secured by a mortgage bond over Erf 278 Primrose Hill. The loan was renegotiated in the prior year and the moratorium on payments was extended as there were delays in construction. This resulted in an impairment of the loan. (Refer to note 19).

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

BM MOLEFI PROPERTIES 241 (PTY) LTD - KGORONG ESTATE

Loan amount	8,146,555	-
Advance	12,598,778	9,706,822
Interest earned	1,403,748	158,354
Social benefit adjustment	(1,681,602)	(1,758,246)
Interest amortised using effective interest rate method	142,656	39,625
Impairment	(759,488)	-
Provision for bad debts	(19,850,646)	-
	1	8,146,555

The twenty year loan facility of R22,305,600 to BM Molefi Properties 241 (Pty) Ltd - Kgorong Estate bears interest at JIBAR plus 1% (rounded to the nearest whole number) and the capital is repayable in annual instalments commencing in December 2014. The nominal value of the loan is R23,866,875 (2014:R9,865,176). The loan is secured by a mortgage bond over Erf 6623 Soweto, Johannesburg. The loan was in arrears as the required repayments were not made that resulted in the impairment of the loan. Subsequently to year end the client was in breach of his contract resulting in a bad debt provision. (Refer to notes 19 & 31).

BRICKFIELDS HOUSING COMPANY (PTY) LTD

Loan amount	10,241,412	9,133,850
Advance	1,241,869	1,107,562
	11,483,281	10,241,412

The nominal value of the twelve year loan to Brickfield's Housing Company (Pty) Ltd of R14,300,000 consists of redeemable preference shares with a fixed redemption date in February 2017 and is interest free.

BUA AFRICA (PTY) LTD - ERF 2918 KEMPTON PARK

Advance	2,950,000	-
Interest earned	34,534	-
Social benefit adjustment	(46,948)	-
Interest amortised using effective interest rate method	26,830	-
Current term portion transferred to current assets	(2,964,416)	-
	-	-

The six month bridging finance loan of R2,950, 000 to BUA Africa (Pty) Ltd - Erf 2918 Kempton Park bears interest at JIBAR plus 1% as repayable in one amount in July 2015. The nominal value of the loan is R2,984,539 (2014:RNil). The loan is secured by a mortgage bond over Erf 2918 Kempton Park.

CAPE GANNET PROPERTIES 175 (PTY) LTD - ERF 42 KEMPTON PARK

Loan Amount	871,744	-
Advance	262,960	1,095,180
Interest earned	65,211	28,213
Short term payments received	(5,139)	-
Social benefit adjustment	(116,059)	(260,230)
Interest amortised using effective interest rate method	28,722	8,581
Impairment	(30,768)	-
	1,076,671	871,744

The twenty year loan facility to Cape Gannet Properties 175 (Pty) Ltd - Erf 42 Kempton Park comprises of an interest free loan of R1,642,075 and interest bearing loan of R1,991,730. The interest free facility is repayable in five equal instalments which commence in February 2019. The interest bearing facility bears interest at a staggered JIBAR and the capital is repayable in annual instalments commencing in June 2016. The nominal value of the loan is R1,446,425 (2014:R1,123,393). The loan is secured by a mortgage bond over Erf 42 Kempton Park. The loan has been renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

CASTLE CREST PROPERTIES 80 (PTY) LTD - ERF 504 PRETORIA

Loan amount	2,864,309	1,323,093
Advance	-	1,717,115
Interest earned	210,543	167,332
Short term payments received	(207,809)	(60,155)
Social benefit adjustment	-	(395,692)
Interest amortised using effective interest rate method	132,339	112,616
Current portion transferred to current assets	(52,838)	-
	2,946,544	2,864,309

The loan facility to Castle Crest Properties 80 (Pty) Ltd - Erf 504 Pretoria comprises of an interest free loan of R846,000 and interest bearing loan of R3,375,227. The interest free facility is for ten years and is repayable in five equal instalments commencing in November 2018. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate. The interest bearing facilities capital is repayable in annual instalments commencing December 2015. The nominal value of the loan is R4,394,424 (2014: R4,391,690). The loan is secured by a mortgage bond over Erf 504 Arcadia, Pretoria.

CASTLE CREST PROPERTIES 80 (PTY) LTD - ERF 233 KEMPTON PARK

Advance	4,537,910	-
Interest earned	71,934	-
Social benefit adjustment	(1,006,661)	-
Interest amortised using effective interest rate method	35,682	-
	3,638,865	-

The loan facility to Castle Crest Properties 80 (Pty) Ltd - Erf 233 Kempton Park comprises of an interest free loan of R1,022,700 and interest bearing loan of R9,602,800. The interest free facility is for nine years and is repayable in five equal instalments commencing in October 2019. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate. The capital is repayable in annual instalments commencing October 2015. The nominal value of the loan is R4,609, 845 (2014: R4,391,690). The loan is secured by a mortgage bond over Erf 233 Kempton Park.

CERTUM ESTATE 130 (PTY) LTD- ERF 564, BERTRAMS, JHB

Advance	6,646,118	-
Interest earned	117,644	-
Social benefit adjustment	(975,318)	-
Interest amortised using effective interest rate method	23,775	-
	5,812,219	-

The loan facility to Certum Estate 130 (Pty) Ltd - Erf 564, Bertrams, JHB comprises of an interest bearing loan of R9,097,665. The interest bearing facility is for fifteen years and bears interest at a staggered JIBAR rate. The capital is repayable monthly commencing October 2015. The nominal value of the loan is R6,763,762 (2014: R4,391,690). The loan is secured by a mortgage bond over Erf 233 Kempton Park.

CLARE WATER (PTY) LTD - ERF 1509 DISCOVERY, ROODEPOORT

Loan amount	2,821,117	1,260,211
Advance	1,319,398	1,900,694
Interest earned	209,851	78,117
Short term payments received	(56,534)	-
Social benefit adjustment	(281,039)	(484,865)
Interest amortised using effective interest rate method	145,461	79,121
Impairment	(7,447)	(12,161)
Current term portion transferred to current assets	(46,822)	-
	4,103,985	2,821,117

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

The loan facility to Clare Water (Pty) Ltd comprises of an interest free loan of R1,529,071 and interest bearing loan of R3,496,537. The interest free facility is for nine years and is repayable in five equal instalments commencing in December 2017. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate. The interest bearing facilities capital is repayable in annual instalments commencing in September 2015. The nominal value of the loan is R5,280,974 (2014: R3,808,297). The loan is secured by a mortgage bond over Erf 1509 Discovery, Roodepoort. The loan has been renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

CLIDET NO. 1024 (PTY) LTD - 44 WANDERERS

Loan amount	4,681,959	4,491,311
Prior years current term portion reversed	264,227	-
Advance	441,131	63,726
Interest earned	411,898	358,427
Social benefit adjustment	(56,357)	(8,472)
Interest amortised using effective interest rate method	93,849	57,856
Impairment	(783,483)	(16,662)
Current term portion transferred to current assets	-	(264,227)
	5,053,224	4,681,959

The fifteen year loan facility of R18,281,900 to Clidet No. 1024 (Pty) Ltd bears interest at a staggered JIBAR rate and is repayable in annual instalments commencing in April 2016. The nominal value of the loan is R6,557,826 (2014: R5,704,799). The loan is secured by a mortgage bond over Erf 2043, 2044 & 5070 Joubert Park. The loan was renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

COMU PROPERTY DEVELOPERS CC - 3103 GLEN MARIAS

Loan amount	4,242,412	5,149,035
Advance	1,034,139	-
Interest earned	298,192	136,119
Social benefit adjustment	(465,157)	(1,135,662)
Short term payments received	(150,000)	-
Impairment	(19,944)	-
Interest amortised using effective interest rate method	142,095	92,920
	5,081,737	4,242,412

The loan facility to Comu Property Developers CC comprises of an interest free loan of R1,711,897 and interest bearing loan of R4,495,127. The interest free facility is for nine years and is repayable in five equal instalments commencing in May 2019. The interest bearing facility bears interest at a staggered JIBAR rate and is repayable in annual instalments commencing June 2015. The nominal value of the loan is R6,493,220 (2014: R5,310,890). The loan is secured by a mortgage bond over Erf 3101 Glen Marias Kempton Park. The loan has been renegotiated and the moratorium on payments were extended as there was delays in construction. This resulted in an impairment of the loan. (Refer to note 19).

COMUCAP (PTY) LTD - 88 RELLY STREET

Loan amount	1,808,587	-
Advance	-	2,000,000
Interest earned	168,719	51,723
Social benefit adjustment	-	(254,326)
Interest amortised using effective interest rate method	7,461	11,190
Impairment	(11,047)	-
	1,973,720	1,808,587

The fifteen year loan facility of R2,000,000 to Comucap (Pty) Ltd - 88 Relly Street bears interest at staggered JIBAR rate plus 1% and is repayable in monthly instalments commencing in December 2015. The nominal value of the loan is R2,220,443 (2014: R2,051,723). The loan is secured by a mortgage bond over Erf 1232 Pretoria.The loan is currently in arrears which has resulted in an impairment. (Refer to note 19).

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

CRIMSON CLOVER TRADING 11 (PTY) LTD - ASCOT FASHION HOUSE

Loan amount	3,896,954	3,781,585
Interest earned	271,232	244,169
Short term payments received	(275,743)	(206,650)
Interest amortised using effective interest rate method	92,908	77,850
Current term portion transferred to current assets	(159,935)	-
	3,825,416	3,896,954

The twenty year loan facility of R4,564,500 to Crimson Clover Trading 11(Pty) Ltd bears interest at a staggered JIBAR rate and the capital is repayable in annual instalments commencing May 2015. The nominal value of the loan is R4,570,386 (2014: R4,574,898). The loan is secured by a mortgage bond over Erf 947 & 948 Johannesburg.

DNM ESTATE CC - ERF 517 & 518 CITY AND SUBURBAN

Loan amount	4,066,949	-
Advance	5,022,674	5,105,523
Interest earned	373,894	78,546
Impairment	(68,279)	-
Social benefit adjustment	(488,286)	(1,140,199)
Interest amortised using effective interest rate method	118,489	23,079
	9,025,441	4,066,949

The loan facility to DNM Estate - Erf 517 & 518 City and Suburban comprises of an interest free loan of R1,409,500, junior interest bearing loan of R4,941,500 and senior interest bearing loan of R9,626,500. The interest free facility is for nine years and is repayable in five equal instalments commencing in January 2019. The interest bearing facilities are for twenty years. The junior interest bearing loan bears interest at a staggered JIBAR rate and is repayable monthly commencing in January 2015. The senior interest bearing loan bears interest at prime and and is repayable in monthly instalments which commence in December 2015. The nominal value of the loan is R10,580,569 (2014: 5,184,069). The loan is secured by a mortgage bond over Erf 517 & 518 City and Suburban.

EAGLE VALLEY PROPERTY 41 (PTY) LTD PHASE 1 - PORTION.1 OF ERF 1908 ERASMUS

Advance	13,556,600	-
Interest earned	508,279	-
Social benefit adjustment	(1,396,609)	-
Interest amortised using effective interest rate method	87,052	-
	12,755,322	-

The loan facility to Eagle Valley Property 41 (Pty) Ltd Phase 1- Portion.1 of Erf 1908 Erasmus comprises of an interest free loan of R1,375,000, junior interest bearing loan of R4,202,000 and senior interest bearing loan of R7,829,600. The interest free facility is for nine years and is repayable in five equal instalments commencing in January 2019. The interest bearing facilities are for twenty years. The junior loan bears interest at a staggered JIBAR rate and is repayable monthly commencing in January 2015. The senior loan bears interest at prime and and is repayable monthly from October 2015. The nominal value of the loan is R14,064,879 (2014: R5,184,069). The loan is secured by a mortgage bond over Erf 517 & 518 City and Suburban.

EAGLE VALLEY PROPERTY 41 (PTY) LTD PHASE 2 - PORTION.1 OF ERF 1908 ERASMUS

Advance	6,195,505	-
Interest earned	15,545	-
Social benefit adjustment	(1,103,961)	-
Interest amortised using effective interest rate method	2,748	-
	5,109,837	-

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

The loan facility to Eagle Valley Property 41 (Pty) Ltd Phase 2- Portion.1 of Erf 1908 Erasmus comprises of an interest free loan of R625,000, junior interest bearing loan of R5,345,800 and senior interest bearing loan of R8,306,300. The interest free facility is for nine years and is repayable in five equal instalments and has not yet commenced. The interest bearing facilities are for twenty years. The junior loan bears interest at a staggered JIBAR rate and is repayable monthly commencing in August 2015. The senior loan bears interest at prime and and is repayable monthly from October 2015. The nominal value of the loan is R6,010,644.66 (2014: R5,184,069). The loan is secured by a mortgage bond over Erf 517 & 518 City and Suburban.The loan is secured by a mortgage bond over Erf 517 & 518 City and Suburban.

EGC PROPERTIES CC - BROWNING STREET

Advance	349,019	-
Interest earned	316	-
Social benefit adjustment	(37,263)	-
Interest amortised using effective interest rate method	395	-
	312,467	-

The loan facility to EGC Properties CC - Browning Street comprises of an interest bearing loan of R9,104,207. The loan bears interest at JBIR plus 0.5% and is repayable in monthly instalments commencing in April 2016. The loan is secured by a mortgage bond over Erf 103, 104 and 106 Browning Street.The nominal value of the loan is R349,335 (2014: RNil).

ERF 273 PARKTOWN ESTATE CC - PARKTOWN PLACE DEVELOPMENT

Loan amount	6,079,892	-
Advance	-	7,353,383
Interest earned	516,425	116,147
Social benefit adjustment	-	(1,414,826)
Interest amortised using effective interest rate method	75,165	25,188
	6,671,482	6,079,892

The twenty year loan facility of R7,353,384 to Erf 273 Parktown Estate CC - Parktown Place Development bears interest at a staggered JIBAR rate plus 0.5% and is repayable in annual instalments commencing June 2015. The nominal value of the loan is R7,985,955 (2014: 7,469,530). The loan is secured by a mortgage bond over Erf 56 and 57 Parktown Estate, Tshwane.

FUNDZO TRADING (PTY) LTD - PORTION 15 OF ERF 8489 PROTEA NORTH

Loan amount	714,620	-
Advance	1,725,877	923,497
Interest earned	52,148	8,845
Social benefit adjustment	(740,256)	(221,563)
Impairment	(14,560)	-
Interest amortised using effective interest rate method	68,927	3,841
	1,806,756	714,620

The loan facility to Fundzo Trading (Pty) Ltd - Portion 15 of Erf 8489 Protea North comprises of an interest free loan of R1,800,000 and interest bearing loan of R5,907,200. The interest free facility is for nine years and is repayable in five equal instalments commencing in December 2018. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate. The interest bearing facilities capital is repayable in annual instalments which have not commenced. The nominal value of the loan is R2,710,367 (2014: R932,342). The loan is secured by a mortgage bond over portion 14 of Erf 8489, Protea Glen, Ext 11.The loan was renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

HIGHLANDS URBAN LIVING (PTY) LTD - HIGHLANDS LOFTS

Loan amount	6,726,990	6,727,683
Prior years current term portion reversed	459,924	-
Interest earned	658,284	553,249
Short term payments received	(492,137)	(132,913)
Impairment	(36,120)	-
Interest amortised using effective interest rate method	16,521	38,895
Current term portion transferred to current assets	(205,744)	(459,924)
	7,127,718	6,726,990

The fifteen year loan facility of R7,015,594 to Highlands Urban Living (Pty) Ltd bears interest at a staggered JIBAR rate plus 2% and the capital is repayable in annual instalments commencing January 2015. The nominal value of the loan is R7,684,213 (2014: R7,518,065). The loan is secured by a mortgage bond over Erf 3 & 4 Highlands, Johannesburg. The loan is currently in arrears which has resulted in an impairment of the loan. (Refer to note 19).

IKAMVELIHLE TRADING ENTERPRISES CC - ERF 953-956 BEREA

Loan amount	1,431,365	-
Advance	760,799	1,992,048
Interest earned	75,592	41,346
Social benefit adjustment	(303,009)	(627,286)
Interest amortised using effective interest rate method	75,608	25,257
Impairment	(9,619)	-
	2,030,736	1,431,365

The loan facility to Ikamvelihle Trading Enterprises CC comprises of an interest free loan of R1,855,000 and interest bearing loan of R3,489,757. The interest free facility is for nine years and is repayable in five equal instalments commencing in August 2018. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate and is repayable in annual instalments commencing in May 2015. The nominal value of the loan is R2,869,786 (2014: R2,033,395). The loan is secured by a mortgage bond over Erf 953-956 Berea. The loan has been renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

INDIGO KULANI PROPERTIES (PTY) LTD - ERF 1676 BENONI

Loan amount	792,015	-
Advance	4,178,806	1,018,815
Interest earned	186,027	6,667
Social benefit adjustment	(826,516)	(234,822)
Impairment	(14,027)	-
Interest amortised using effective interest rate method	43,882	1,355
	4,360,187	792,015

The loan facility of R6,090,272 to Indigo Kulani Properties (Pty) Ltd - Erf 1676 Benoni bears interest at a staggered JIBAR rate and is repayable in monthly instalments commencing in February 2017. The nominal value of the loan is R5,390,314 (2014: R1,025,482). The loan is secured by a mortgage bond over Erf 1676 Benoni. The loan has been renegotiated andthe moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

KDM PROPERTIES (PTY) LTD - ERF 403 JOHANNESBURG

Advance	4,502,424	-
Interest earned	178,470	-
Social benefit adjustment	(707,177)	-
Interest amortised using effective interest rate method	41,463	-
	4,015,180	-

The fifteen year loan facility of R4,564,540 to KDM Properties (Pty) Ltd - Erf 403 bears interest at a staggered JIBAR rate plus 0.5% and is repayable in monthly instalments which commence in August 2015. The nominal value of the loan is R4,680,893 (2014: RNil). The loan is secured by a mortgage bond over Erf 403 Johannesburg.

JOHANNESBURG HOUSING COMPANY (PTY) LTD - 117 PRITCHARD STREET

Loan amount	9,137,352	3,089,179
Prior years current term portion reversed	315,458	3,166
Advance	-	7,565,384
Interest earned	672,608	592,310
Short term payments received	(1,451,298)	(882,578)
Social benefit adjustment	-	(1,101,758)
Interest amortised using effective interest rate method	197,341	187,107
Current term portion transferred to current assets	(324,996)	(315,458)
	8,546,465	9,137,352

The fifteen year loan facility of R11,175,110 to Johannesburg Housing Company (Pty) Ltd bears interest at a staggered JIBAR rate plus 0.5% and is repayable in monthly instalments which commenced in March 2013. The nominal value of the loan is R10,119,311 (2014: R10,898,002). The loan is secured by a mortgage bond over Erf 4453 City of Johannesburg.

JOHANNESBURG HOUSING COMPANY (PTY) LTD - CREST HOTEL

Loan amount	12,097,552	4,713,516
Prior period current term portion reversed	412,269	4,351
Advance	-	9,282,438
Interest earned	890,709	780,213
Short term payments received	(1,915,295)	(1,164,873)
Social benefit adjustment	-	(1,353,514)
Interest amortised using effective interest rate method	270,148	247,690
Current portion transferred to current assets	(423,070)	(412,269)
	11,332,313	12,097,552

The fifteen year loan facility of R14,792,032 to Johannesburg Housing Company (Pty) Ltd bears interest at a staggered JIBAR rate plus 0.5% and is repayable in monthly instalments which commenced in March 2013. The nominal value of the loan is R13,403,586 (2014: R14,428,172). The loan is secured by a mortgage bond over Erf 212, 214 & 216 City of Johannesburg.

JOHANNESBURG HOUSING COMPANY (PTY) LTD - HLANGANANI

Loan Amount	11,728,280	12,637,657
Prior years short term portion reversed	786,209	761,838
Interest earned	346,250	277,172
Short term payments received	(1,952,283)	(1,874,062)
Interest amortised using effective interest rate method	665,576	711,884
Current term portion transferred to current assets	(827,084)	(786,209)
	10,746,948	11,728,280

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

The fifteen year loan facility of R20,000,000 to Johannesburg Housing Company (Pty) Ltd bears interest at prime less 7% and is repayable monthly. Payments commenced in November 2010. The nominal value of the loan is R15,220,873 (2014: R18,423,796). The loan is secured by a mortgage bond over Erg 15604, Cosmo City Extension 6.

KTN PROPERTIES (PTY) LTD - PARKLANE HOTEL

Loan amount	609,654	881,118
Prior period current term portion reversed	147,255	160,339
Interest earned	34,643	48,073
Short term payments received	(389,502)	(367,167)
Interest amortised using effective interest rate method	28,745	34,546
Current portion transferred to current assets	(111,839)	(147,255)
	318,956	609,654

The ten year loan facility of R1,944,000 to KTN Property Management (Pty) Ltd bears interest at a rate of prime less 3.75% and is repayable monthly. Payments commenced in October 2009. The nominal value of the loan is R478,086 (2014:R832,944). The loan is secured by a mortgage bond over Erf 4604 Johannesburg Township.

LANDOPOINT (PTY) LTD - ERF 905, 906 AND 907 KENILWORTH

Advance	2,044,889	-
Interest earned	45,598	-
Social benefit adjustment	(594,523)	-
Interest amortised using effective interest rate method	38,074	-
	1,534,038	-

The loan of R11,157,024 to Landopoint (Pty) Ltd - Erf 905, 906 and 907 Kenilworth comprises of an interest free loan of R1,516,128, junior interest bearing loan of R3,011,826 and senior interest bearing loan of R6,629,070. The interest bearing facilities are for twenty years. The junior interest bearing facility bears interest at a staggered JIBAR plus 0.5% rate and is repayable in monthly instalments commencing in October 2015. The senior interest bearing facility bears interest at prime and has not yet commenced. The loan is secured by a mortgage bon over Erf 905, 906 and 907 Kenilworth. The nominal value of the loan is R2,090,488 (2014: RNil).

LIONSHARE NEW PROP CC - LUBRACO HOUSE

Loan amount	2,087,342	2,279,576
Prior period current term portion reversed	152,866	148,921
Interest earned	59,354	50,816
Short term payments received	(3,088,472)	(347,305)
Interest amortised using effective interest rate method	781,913	133,707
Impairment	-	(25,507)
Balance transferred to current liabilities	6,997	(152,866)
	-	2,087,342

The fifteen year loan facility of R3,700,000 to Lionshare New Prop CC bears interest at a rate of prime less 7% per annum and was fully repaid during the year. The nominal value of the loan is RNil (2014:R3,022,122) as the loan is fully repaid. The loan is secured by a mortgage bond over Erf 532 and 533 Johannesburg Township. The loan was impaired in the prior year as the client was experiencing cashflow problems and was unable to settle the capital instalment due. (Refer to note 19).

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

LISINFO 282 PROPERTY (PTY) LTD - ERF 1952 MALVERN

Loan amount	3,601,033	34,966
Advance	-	4,353,000
Interest earned	218,759	214,542
Short term payments received	(148,507)	(47,649)
Social benefit adjustment	(411,471)	(1,015,447)
Interest amortised using effective interest rate method	143,691	61,621
Impairment	(21,925)	-
	3,381,580	3,601,033

The loan facility to Lisinfo 282 Property (Pty) Ltd comprises of an interest free loan of R969,000 and interest bearing loan of R3,399,161. The interest free facility is for nine years and is repayable in five equal instalments commencing in March 2018. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate. The interest bearing facilities capital is repayable in monthly instalments commencing in April 2016. The nominal value of the loan is R4,653,510 (2014: R4,582,703). The loan is secured by a mortgage bond over Erf 1952, Malvern, Johannesburg. The loan was renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19)

LUKATAEDI (PTY) LTD - ERF 1952 MALVERN

Advance	5,074,969	-
Interest earned	59,478	-
Social benefit adjustment	(1,306,437)	-
Interest amortised using effective interest rate method	34,770	-
	3,862,780	-

The loan facility to Lukataedi (Pty) Ltd - Erf 1952 Malvern comprises of an interest free loan of R1,518,800 and interest bearing loan of R8,216,000. The interest free facility is for nine years and is repayable in five equal instalments commencing in September 2019. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate. The interest bearing facility has not yet commenced. The nominal value of the loan is R5,134,447 (2014: RNil). The loan is secured by a mortgage bond over Erf 1952, Malvern, Johannesburg.

MADULAMOHO HOUSING ASSOCIATION - ALLENBY HOUSE

Loan amount	2,050,960	2,293,534
Prior period current term portion reversed	177,334	178,960
Interest earned	131,513	130,446
Short term payments received	(324,000)	(444,209)
Interest amortised using effective interest rate method	65,010	69,563
Current portion transferred to current assets	(186,301)	(177,334)
	1,914,516	2,050,960

The fifteen year loan facility of R3,270,000 to Madulamoho Housing Association bears interest at a rate of prime less 4% per annum and is repayable in fourteen equal instalments which commenced in January 2011. The nominal value of the loan is R 2,462,829 (2014: R2,969,079). The loan is secured by a mortgage bond over Erf 4880 Hillbrow, Johannesburg Township.

MADULAMOHO HOUSING ASSOCIATION - FLEURHOF VIEWS

Loan amount	18,013,956	19,276,757
Prior period current term portion reversed	1,390,867	1,365,542
Interest earned	1,235,416	1,158,238
Short term payments received	(2,382,000)	(2,685,335)
Interest amortised using effective interest rate method	272,018	289,621
Current term portion transferred to current assets	(1,448,164)	(1,390,867)
	17,082,093	18,013,956

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

MADULAMOHO HOUSING ASSOCIATION - JABULANI

Loan amount	19,884,435	20,253,500
Prior years current term portion reversed	670,478	-
Interest earned	1,408,247	1,267,400
Short term payments received	(2,554,000)	(1,465,060)
Interest amortised using effective interest rate method	504,727	499,073
Current portion transferred to current assets	(711,982)	(670,478)
	19,201,905	19,884,435

The fifteen year loan facility of R24,578,202 to Madulamoho Housing Association bears interest at a staggered JIBAR rate and is repayable in monthly instalments which commenced in September 2013. The nominal value of the loan is R23,245,153 (2014: R24,390,905). The loan is secured by a mortgage bond over Erf 2605 Jabulani, Soweto, Johannesburg.

MASELENG INVESTMENTS (PTY) LTD - MONTROSE MANSIONS

Loan amount	-	885,016
Prior years current portion reversed	882,880	539,942
Interest earned	73,568	116,229
Short term payments received	(951,150)	(653,036)
Interest amortised using effective interest rate method	(5,298)	(5,271)
Current portion transferred to current assets	-	(882,880)
	-	-

The seven year loan facility of R3,100,000 to Maseleng Investments (Pty) Ltd - Montrose Mansions was fully repaid during the year. The loan beared interest at a rate of prime and was repayable in seven annual instalments which commenced in March 2009. The nominal value of the loan is RNil (2014: R1,414,390). The loan is secured by a mortgage bond over Erf 4851 Johannesburg Township.

MEILIJIAN CONSTRUCTION AND DEVELOPMENT CC - ERF 232 KEMPTON PARK

Loan amount	1,993,950	-
Advance	-	2,450,000
Interest earned	152,736	77,862
Social benefit adjustment	-	(556,706)
Short term payments received	(125,571)	-
Interest amortised using effective interest rate method	40,806	22,794
Current portion transferred to current assets	(35,655)	-
	2,026,266	1,993,950

The fifteen year loan facility of R8,997,348 to Meilijian Construction and Development CC - Erf 232 Kempton Park bears interest at JIBAR and is repayable in monthly instalments which commenced in September 2014. The nominal value of the loan is R2,555,027 (2014: R2,527,862). The loan is secured by a mortgage bond over Erf 232 Kempton.

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

MEILIJIAN CONSTRUCTION AND DEVELOPMENT CC - ERF 24 KEMPTON PARK

Loan amount	1,855,069	-
Advance	6,737,097	2,260,251
Interest earned	501,784	12,245
Social benefit adjustment	(1,200,812)	(422,311)
Short term payments received	(73,500)	-
Interest amortised using effective interest rate method	96,911	4,884
Current portion transferred to current assets	(127,806)	-
	7,788,743	1,855,069

The twenty year loan facility of R8,997,348 to Meilijian Construction and Development CC - Erf 24 Kempton Park bears interest at a staggered JIBAR rate plus 0.5% and is repayable in monthly instalments commencing in March 2015. The nominal value of the loan is R9,437,878 (2014: R2,272,497). The loan is secured by a mortgage bond over Erf 24 Kempton Park.

MEILIJIAN CONSTRUCTION AND DEVELOPMENT CC - ERF 1614 KEMPTON PARK

Advance	2,881,488	-
Interest earned	19,295	-
Social benefit adjustment	(513,374)	-
Interest amortised using effective interest rate method	2,714	-
	2,390,123	-

The twenty year loan facility of R8,997,348 to Meilijian Construction and Development CC - Erf 24 Kempton Park bears interest at a staggered JIBAR rate plus 0.5% and is repayable in monthly instalments commencing in August 2018. The nominal value of the loan is R2,698,716 (2014: RNil). The loan is secured by a mortgage bond over Erf 1614 Kempton Park.

MEILIJIAN CONSTRUCTION AND DEVELOPMENT CC - ERF 27 KEMPTON PARK

Advance	9,047,338	-
Interest earned	355,035	-
Social benefit adjustment	(1,752,119)	-
Interest amortised using effective interest rate method	59,607	-
	7,709,861	-

The twenty year loan facility of R9,047,338 to Meilijian Construction and Development CC - Erf 27 Kempton Park bears interest at a staggered JIBAR rate plus 0.5% and is repayable in monthly instalments commencing in August 2016. The nominal value of the loan is R9,402,374 (2014: RNil). The loan is secured by a mortgage bond over Erf 27 Kempton Park.

MICHAELSON INVESTMENTS (PTY) LTD - ERF 658 TROYEVILLE

Loan amount	294,254	-
Advance	1,363,222	405,963
Interest earned	18,907	5,568
Social benefit adjustment	(380,793)	(121,532)
Interest amortised using effective interest rate method	24,184	4,255
Impairment	(7,284)	-
	1,312,490	294,254

The loan facility to Michaelson Investments (Pty) Ltd - Erf 658 Troyeville comprises of an interest free loan of R895,100 and interest bearing loan of R4,625,000. The interest free facility is for nine years and is repayable in five equal instalments commencing in October 2018. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate and is repayable in annual instalments commencing in December 2014. The nominal value of the loan is R1,793,611 (2014: R411,482). The loan is secured by a mortgage bond over Erf 658 Troyeville, Johannesburg. The loan has been renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

MULTIDIRECT INVESTMENT 8 (PTY) LTD - ERF 1815 PRETORIA NORTH

Loan amount	42,240	-
Advance	5,812,040	72,730
Social benefit adjustment	(1,428,190)	(31,894)
Interest amortised using effective interest rate method	92,872	1,404
Interest earned	150,270	-
	4,669,232	42,240

The loan facility to Multidirect Investment 8 (Pty) Ltd - Erf 1815 Pretoria North comprises of an interest free loan of R1,428,933 and interest bearing loan of R4,455,837. The interest free facility is for nine years and is repayable in five equal instalments commencing in September 2018. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate. The interest bearing facility is repayable in monthly instalments which commence is August 2015. The nominal value of the loan is R6,035,040 (2014: R72,730). The loan is secured by a mortgage bond over Erf 1815, Pretoria North.

MUMA PROPERTIES INVESTMENTS (PTY) LTD - ERF 978 PRETORIA NORTH

Loan amount	2,195,884	-
Advance	3,630,740	2,727,441
Interest earned	190,717	75,002
Social benefit adjustment	(995,034)	(629,461)
Impairment	(61,750)	-
Interest amortised using effective interest rate method	51,754	22,902
	5,012,311	2,195,884

The loan facility to Muma Properties Investments (Pty) Ltd - Erf 978 Pretoria North comprises of an interest free loan of R1,480,000, junior interest bearing loan of R6,145,400 and senior interest bearing loan of R11,546,800. The interest free facility is for nine years and is repayable in five equal instalments commencing in September 2018. The interest bearing facilities are for twenty years. The junior interest bearing facility bears interest at a staggered JIBAR rate and is repayable in annual instalments commencing in October 2014. The senior interest bearing facility bears interest at prime and has not yet commenced. The nominal value of the loan is R6,624,014 (2014: R2,802,443). The loan is secured by a mortgage bond over Erf 978 Pretoria North. The loan has been renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

NELISA PROPERTIES (PTY) LTD - ERF 388 WINDSOR

Loan amount	401,551	-
Advance	702,958	512,332
Interest earned	36,060	1,443
Social benefit adjustment	(290,308)	(112,752)
Interest amortised using effective interest rate method	33,086	528
	883,347	401,551

The loan facility to Nelisa Properties (Pty) Ltd - Erf 388 Windsor comprises of a interest free loan of R1,227,800 and interest bearing loan of R8,189,700. The interest free facility is for nine years and is repayable in five equal instalments commencing in March 2019. The interest bearing facility is for twenty years and bears interest at a JIBAR plus 0.5% and is repayable in annual instalments commencing in April 2015. The nominal value of the loan is R1,252,794 (2014: R513,775). The loan is secured by a mortgage bond over Erf 388 Windsor, Randburg.

NINARICH TRADING 3 (PTY) LTD - BETTY STREET PRECINCT

Loan amount	2,859,139	-
Advance	14,069,458	3,551,474
Interest earned	1,004,046	606
Social benefit adjustment	(2,726,767)	(693,040)
Interest amortised using effective interest rate method	194,371	99
	15,400,247	2,859,139

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

The twenty year loan facility of R17,766,740 to Ninarich Trading 3 (Pty) Ltd - Betty Street Precinct is interest bearing at JIBAR plus 0.5% and is repayable in monthly instalments commencing in April 2016. The nominal value of the loan is R18,625,585 (2014: R3,552,081). The loan is secured by a mortgage bond over Erf 2,3,4,12,105-106,413 Betty Street, Erf 22 Auret Street & Erf 173 Park Street, New Doornfontein.

NONKWELO (PTY) LTD - ERF 10 & 11 HUNTER STREET

Loan amount	1,467,939	32,577
Advance	2,125,980	1,916,502
Interest earned	116,129	57,488
Social benefit adjustment	(641,389)	(576,571)
Interest amortised using effective interest rate method	104,123	37,943
Impairment	(21,018)	-
	3,151,764	1,467,939

The twenty year loan facility of R17,766,740 to Nonkwelo (Pty) Ltd - Erf 10 & 11 Hunter Street comprises of an interest free and interest bearing facility. The interest free facility is for nine years and is repayable in five equal instalments commencing in March 2018. The interest bearing facility is for twenty years and bears interest at a staggered JBIR rate and is repayable in annual instalments commencing in July 2015. The nominal value of the loan is R4,274,618 (2014: R3,552,081). The loan is secured by a mortgage bond over Erf 10 & 11 Hunter Street.

NORVENA PROPERTY CONSORTIUM - O'REILLY STREET

Loan amount	6,682,990	-
Interest earned	55,822	-
Short term payments received	(1,211,298)	-
Interest amortised	12,741	-
	5,540,255	-

The twenty year loan facility of R9,213,700 to Norvena Property Consortium - O'Reilly Street bears interest at a staggered JIBAR rate and is repayable in monthly instalments commencing in March 2016. The nominal value of the loan is R6,738,812 (2014: RNil). The loan is secured by a mortgage bond over Erf 74,76,78,80,82,84 and 86 Berea.

RAINBOW BEACH TRADING 261 (PTY) LTD -SONDELA VILLAGE DAGGAFONTEIN

Loan amount	9,067,150	-
Advance	2,012,371	10,010,568
Interest earned	833,120	213,851
Social benefit adjustment	(194,092)	(1,206,264)
Short term payments received	(509,719)	-
Interest amortised using effective interest rate method	190,693	48,995
Current term portion transferred to current assets	(696,502)	-
	10,703,021	9,067,150

The fifteen year loan facility of R12,672,939 to Rainbow Beach Trading 261 (Pty) Ltd - Sondela Village Daggafontein and Suburban bears interest at a staggered JIBAR rate and is repayable in monthly instalments which commenced in September 2014. The nominal value of the loan is R12,560,191 (2014: R10,224,418). The loan is secured by a mortgage bond over Erf 101 and Erf 94 City and Suburban.

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

RIVAVECT INVESTMENTS (PTY) LTD - CENTRAL HOUSE

Loan amount	4,684,026	5,150,000
Interest earned	405,098	34,246
Social benefit adjustment	-	(505,424)
Interest amortised using effective interest rate method	36,159	5,204
Short term payments received	(419,499)	-
Current term portion transferred to current assets	(144,186)	-
	4,561,598	4,684,026

The fifteen year loan facility of R5,150,000 to Rivavect Investments (Pty) Ltd - Central House bears interest at a staggered JIBAR rate plus 1.25% and is repayable in monthly instalments which were to commence in March 2015 but the borrower has already started to pay. The nominal value of the loan is R5,169,844 (2014: R5,184,245). The loan is secured by a mortgage bond over Erf 2071 Roodepoort.

SABIGLO (PTY) LTD - ERF 301 WINDSOR WEST, RANDBURG

Advance	1,242,045	-
Interest earned	25,564	-
Social benefit adjustment	(345,333)	-
Interest amortised using effective interest rate method	9,400	-
	931,676	-

The loan facility to Sabiglo (Pty) Ltd - Erf 301 Windsor West comprises of an interest free loan of R860,000 and interest bearing loan of R8,552,200. The interest free facility is for nine years and is repayable in five equal instalments commencing in September 2019. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate. The interest bearing facility has not commenced. The nominal value of the loan is R1,268,223 (2014: RNil). The loan is secured by a mortgage bond over Erf 301 Windsor West, Randburg.

STANDARD BANK

Loan amount	186,438	677,392
Prior years short term portion reversed	474,096	619,165
Interest earned	23,198	52,227
Short term payments received	(491,047)	(719,561)
Interest amortised using effective interest rate method	14,693	31,311
Current term portion transferred to current assets	(207,378)	(474,096)
	-	186,438

The Standard Bank Subsidised loan facility supports developments of new sub-markets within the social housing sector which allows for blending of interest rates between banks and the Gauteng Partnership Trust resulting reduced rates to projects. The nominal value of the loan is R209,089 (2014:R676,939) and bears interest at prime less 3.75% per annum. The repayment of this amount is ten years from date of disbursement.

SIMELANI BUSINESS SOLUTIONS (PTY) LTD - ERF 2682 KEMPTON PARK

Loan amount	2,157,211	-
Advance	846,424	2,677,741
Interest earned	180,302	75,172
Social benefit adjustment	(362,945)	(618,618)
Interest amortised using effective interest rate method	62,970	22,916
Impairment	(72,300)	-
	2,811,662	2,157,211

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

The loan facility to Simelani Business Solutions (Pty) Ltd - Erf 2682 Kempton Park comprises of an interest free loan of R1,586,925, junior interest bearing loan of R5,482,763 and senior interest bearing loan of R10,555,978. The interest free facility is for nine years and is repayable in five equal instalments commencing in September 2018. The interest bearing facilities are for twenty years. The junior interest bearing facility bears interest at a staggered JIBAR rate and is repayable in annual instalments commencing in October 2014. The senior interest bearing facility bears interest at prime and has not yet commenced. The nominal value of the loan is R3,779,639 (2014: R2,752,913). The loan is secured by a mortgage bond over Erf 2682 Kempton Park. The loan has been renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

SHUKUMANI TRADING ENTERPRISES (PTY) LTD - ERF 550 BERTRAMS

Loan amount	1,030,926	-
Advance	879,735	1,406,165
Interest earned	49,307	31,150
Social benefit adjustment	(338,424)	(433,920)
Interest amortised using effective interest rate method	62,371	27,531
Impairment	(6,153)	-
	1,677,762	1,030,926

The loan facility to Shukumani Trading Enterprises (Pty) Ltd comprises of an interest free loan of R1,695,840 and interest bearing loan of R2,811,461. The interest free facility is for nine years and is repayable in five equal instalments commencing in April 2015. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate and is repayable in annual instalments. The nominal value of the loan is R2,366,356 (2014: R1,437,314). The loan is secured by a mortgage bond over Erf 550 Bertrams, Johannesburg. The loan was renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

SOA RESIDENTIAL VILLAGE (PTY) LTD - ERF 1532 SELCOURT SPRINGS

Loan amount	2,410,035	-
Advance	2,146,217	3,309,448
Interest earned	249,322	42,229
Social benefit adjustment	(491,899)	(961,268)
Interest amortised using effective interest rate method	115,285	19,626
Impairment	(23,384)	-
	4,405,576	2,410,035

The loan facility of R5,455,665 to SOA Residential Village (Pty) Ltd - Erf 1532 Selcourt Springs comprises of an interest free loan of R1,110,000 and interest bearing loan of R4,345,665. The interest free facility is for nine years and is repayable in five equal instalments commencing in September 2018. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate and is repayable in annual instalments which have not commenced. The nominal value of the loan is R5,747,217 (2014: R3,351,678). The loan is secured by a mortgage bond over Erf 1532 Selcourt, Springs. The loan was renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

TAKE OFF REAL ESTATE (PTY) LTD - JEPPESTOWN PROJECT

Loan amount	1	-
Amount provided for as a provision for doubtful debt in prior period	595,106	544,762
Interest amortised using effective interest rate method	55,000	50,345
Provision for bad debts	(650,106)	595,106
	1	1

The loan facility of R3,805,954 to Take Off Real Estate (Pty) Ltd comprises of an interest free and interest bearing facility. The interest free facility is for nine years and is repayable in five equal instalments commencing in November 2015. The interest bearing facility is for twenty years and has not been drawn down as yet but bears interest at JIBAR and is repayable in annual instalments. The nominal value of the loan is R850,627(2014:R850,627). The loan is secured by a mortgage bond over Erf 1813, 1814 & 1817 Jeppestown, Johannesburg. The loan has been provided as a doubtful debt due to a liquidation claim initiated by another creditor. (Refer to note 30).

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

TAKE SHAPE PROPERTIES 75 CC - ERF 4510, JOHANNESBURG

Advance	7,728,304	-
Interest earned	129,265	-
Social benefit adjustment	(1,772,879)	-
Interest amortised using effective interest rate method	42,241	-
	6,126,931	-

The loan facility to Take Shape Properties 75 CC - Erf 4510, Johannesburg comprises of an interest free loan of R1,500,000 and interest bearing loan of R8,497,900. The interest free facility is for nine years and is repayable in five equal instalments commencing in September 2019. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR plus 0.5% rate. The interest bearing facility has not yet commenced. The nominal value of the loan is R7,952,833 (2014: RNil). The loan is secured by a mortgage bond over Erf 4519, Johannesburg.

TENITOR PROPERTIES (PTY) LTD - THE RIDGE HOTEL

Loan amount	9,879,974	10,530,886
Prior years short term portion reversed	537,612	539,465
Interest earned	760,198	601,321
Short term payments received	(1,088,802)	(1,364,802)
Interest amortised using effective interest rate method	(46,006)	110,716
Impairment	(152,843)	-
Current term portion transferred to current assets	-	(537,612)
	9,890,133	9,879,974

The twenty year loan facility of R11,217,900 to Tenitor Properties (Pty) Ltd bears interest at JIBAR and is repayable in twelve annual instalments which in September 2012. The nominal value of the loan is R11,188,369 (2014:R11,516,974). The loan is secured by a mortgage bond over Erf 185,187,189,191 and 1411 Berea, Johannesburg. The loan has been renegotiated and the moratorium on payments was extended as the building was hijacked. This has resulted in an impairment of the loan. (Refer to note 19).

TRUST FOR URBAN HOUSING FINANCE - INTUTHUKO (PTY) LTD

Trust for Urban Housing Finance - Intuthuko (Pty) Ltd		
Loan amount	11,421,924	7,838,894
Advance	3,287,153	3,550,000
Interest earned	724,983	477,822
Short term payments received	(1,449,152)	(341,747)
Social benefit adjustment	(354,728)	(459,348)
Interest amortised using effective interest rate method	417,158	356,300
Current term portion transferred to current assets	(2,000,000)	-
	12,047,338	11,421,921

The loan facility of R20,000,000 was made available from our Emerging Entrepreneur Fund to enable the Trust for Urban Housing Finance - Intuthuko (Pty) Ltd to finance low collateral projects. The first tranche of R2,000,000 is for ten years, interest free and is repayable in one instalment in March 2015. The designated funds will not be utilised to make a surplus, but to facilitate and fund low collateral projects on the basis that the capital amount is preserved. The second tranche of R8,000,000 bears interest at prime less 4.16%. The second tranche's final repayment date is October 2018. The third tranche of R10,000,000 is available for seven years and bears interest at prime less 2% and is repayable in one instalment in August 2020. The nominal amount is R16,210,446 (2014:R7,802,389). In prior years the GPF discounted its cashflows for the loan to Trust for Urban Housing Finance - Intuthuko (Pty) Ltd Tranche second tranche being over a five year period. The contract of the loan allows for a secondary period of another five years resulting in the amounts being restated. (Refer to note 31).

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

TRUST FOR URBAN HOUSING FINANCE - BRIDGING FACILITY (PTY) LTD

Prior years current term portion reversed	-	29,084,407
Interest earned	-	953,555
Short term payments received	-	(30,593,458)
Interest amortised using effective interest rate method	-	741,880
Impairment	-	(186,384)
	-	-

The seven year loan facility of R25,000,000 was made available to Trust for Urban Housing Finance to address the requirements of the inner-cities business environment and of the property market that require quick responses to property financing. The loan bore interest at prime less 4% and was repayable in one instalment in September 2013. The repayment was finally made in December 2013 resulting in the impairment. (Refer to note 19). The nominal value of the loan is RNil (2014:RNil).

TSEBO CONSUMABLES SUPPLIES (PTY) LTD - ERF 256 KEMPTON

Loan amount	3,311,643	2,048,186
Advance	-	1,468,234
Interest earned	298,607	144,441
Social benefit adjustment	-	(420,625)
Short term payments received	(180,465)	(38,739)
Interest amortised using effective interest rate method	16,633	118,613
Impairment	-	(8,467)
Current term portion transferred to current assets	(18,243)	-
	3,428,175	3,311,643

The loan facility to Tsebo Consumable Supplies (Pty) Ltd comprises of an interest free loan of R1,594,922 and interest bearing loan of R2,840,397. The interest free facility is for ten years and is repayable in five equal instalments commencing in December 2018. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate and the capital is repayable in annual instalments which commenced in January 2014. The nominal value of the loan is R4,690,968 (2014: R4,571,030). The loan is secured by a mortgage bond over Erf 256 Kempton Park, Ekurhuleni. The loan was renegotiated in the prior year and the moratorium on payments was extended as there were delays in construction. That has resulted in an impairment of the loan. (Refer to note 19).

TUMAINI PROPERTIES AND REAL ESTATE CC - ERF 52 & 53 NEW DOORNFONTEIN

Loan amount	857,080	-
Advance	2,012,534	1,087,612
Interest earned	65,038	19,566
Social benefit adjustment	(588,042)	(256,020)
Interest amortised using effective interest rate method	44,203	5,922
Impairment	(24,290)	-
	2,366,523	857,080

The loan facility to Tumaini Properties and Real Estate CC - Erf 52 & 53 New Doornfontein comprises of an interest free loan of R1,577,136 and interest bearing loan of R2,641,418. The interest free facility is for nine years and is repayable in five equal instalments commencing in February 2019. The interest bearing facility is for twenty years and bears interest at staggered JIBAR rate and is repayable in monthly instalment commencing in December 2014. The nominal value of the loan is R3,184,749 (2014: R1,107,178). The loan is secured by a mortgage bond over Erf 52 & 53 New Doornfontein.

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

VALOTORGUE 199CC - ERF 757 PRETORIA NORTH

Loan amount	991,224	-
Advance	5,602,956	1,242,275
Interest earned	120,140	30,827
Social benefit adjustment	(1,330,804)	(291,803)
Interest amortised using effective interest rate method	67,940	9,925
Impairment	(25,462)	-
	5,425,994	991,224

The loan facility to Valotorgue 199CC - Erf 757 Pretoria North comprises of an interest free loan of R1,768,675, junior interest bearing loan of R4,172,000 and senior interest loan of R8,584,325. The interest free facility is for nine years and is repayable in five equal instalments commencing in November 2018. The interest bearing facilities are for twenty years. The junior interest bearing facility bears interest at a staggered JIBAR rate and is repayable in annual instalments commencing in November 2014. The senior interest bearing facility bears interest at prime and has not yet commenced. The nominal value of the loan is R6,091,642 (2014: R1,273,101). The loan is secured by a mortgage bond over Erf 757, Pretoria North.The loan has been renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

YEAST CITY HOUSING (PTY) LTD - SALVOKOP

Loan amount	5,974,770	-
Advance	-	7,009,612
Interest earned	432,062	257,557
Short term payments received	(874,700)	(233,908)
Social benefit adjustment	-	(1,138,537)
Interest amortised using effective interest rate method	116,838	80,046
Current term portion transferred to current assets	(227,437)	-
	5,421,533	5,974,770

The twenty year loan facility of R7,221,660 to Yeast City Housing (Pty) Ltd - Salvokop bears interest at a staggered JIBAR rate and the capital is repayable in 19 annual instalments which commenced in August 2013. The nominal value of the loan is R6,590,623 (2014: R7,033,261). The loan is secured by a mortgage bond over Erf 4 Salvokop Pretoria.

YEAST CITY HOUSING (PTY) LTD - TAU VILLAGE

Loan amount	4,715,556	5,063,941
Prior years current term portion reversed	338,566	319,188
Interest earned	155,088	123,696
Short term payments received	(840,757)	(791,766)
Interest amortised using effective interest rate method	318,490	339,063
Current term portion transferred to current assets	(355,036)	(338,566)
	4,331,907	4,715,556

The fifteen year loan facility of R9,000,000 to Yeast City Housing (Pty) Ltd - Tau Village bears interest at a rate of prime less 7% and is repayable in 14 annual instalments which commenced in April 2011. The nominal value of the loan is R6,548,496 (2014: R7,234,166). The loan is secured by a mortgage bond over Erf 112 Pretoria.

XANDO TRADE OR INVEST 614 (PTY) LTD - ERF 324 PRINCESS EXT 49, ROODEPOORT

Advance	11,593,786	-
Interest earned	403,844	-
Social benefit adjustment	(2,027,290)	-
Interest amortised using effective interest rate method	74,783	-
	10,045,123	-

Figures in Rand	2015	2014
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3. LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS *Continued*

The twenty year loan facility of R11,593,786 to Xando Trade or Invest 614 (Pty) Ltd - Erf 324 Princess Ext 49 bears interest at a staggered JIBAR rate plus 0.5% and is repayable in monthly instalments commencing in August 2015. The nominal value of the loan is R11,997,630 (2014: R7,234,166). The loan is secured by a mortgage bond over Erf 324 Princess Ext 49, Roodepoort.

ZAKHELE INVESTMENTS CC - ERF 257 KEMPTON PARK

Loan amount	3,024,832	709,777
Advance	664,727	2,861,664
Interest earned	189,159	111,194
Social benefit adjustment	(260,580)	(708,342)
Short term payments received	(97,282)	-
Interest amortised using effective interest rate method	135,907	64,878
Impairment	(10,731)	(14,339)
Current term portion transferred to current assets	(26,213)	-
	3,619,819	3,024,832

The loan facility to Zakhele Investments CC comprises of an interest free loan of R1,542,089 and interest bearing loan of R2,978,169. The interest free facility is for nine years and is repayable in five equal instalments commencing in December 2017. The interest bearing facility is for twenty years and bears interest at a staggered JIBAR rate and is repayable in annual instalments commencing in November 2015. The nominal value of the loan is R4,694,795 (2014: R3,938,191). The loan is secured by a mortgage bond over Erf 257 Ekurhuleni. The loan has been renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

ZWIDE & DEWA INVESTMENTS (PTY) LTD - ERF 424 & 425 RHODESFIELD

Loan amount	1,683,152	-
Advance	2,225,917	2,049,591
Interest earned	138,078	20,762
Social benefit adjustment	(878,176)	(392,599)
Interest amortised using effective interest rate method	95,461	5,398
Impairment	(32,761)	-
	3,231,671	1,683,152

The loan facility to Zwide & Dewa Investments (Pty) Ltd - Erf 424 & 425 Rhodesfield comprises of an interest free loan of R1,858,700, junior interest bearing loan of R7,247,600 and senior interest bearing loan of R16,071,780. The interest free facility is for nine years and is repayable in five equal instalments commencing in February 2019. The interest bearing facilities are for twenty years. The junior interest bearing facility bears interest at a staggered JIBAR rate plus 0.5% and is repayable in monthly instalments commencing in February 2015. The senior interest bearing facility bears interest at prime. The nominal value of the loan is R4,003,088 (2014: R2,070,354). The loan is secured by a mortgage bond over Erf 424 & 425 Rhodesfield. The loan has been renegotiated and the moratorium on payments was extended as there were delays in construction. This has resulted in an impairment of the loan. (Refer to note 19).

Total loan and receivables from exchange transactions as restated (Refer to note 32)	327,899,088	219,805,848
Total loans and receivables		
Non - Current portion as restated (Refer to note 32)	327,899,088	219,805,848
Current portion as restated (Refer to note 32)	11,573,790	8,509,294

Figures in Rand	2015	2014
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4. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Capital accrued	64,466	51,660
Entrepreneur Empowerment Property Fund	-	72,917,473
Guarantees with attorneys	9,147,922	-
Interest accrued	432,275	143,684
Sundry debtors	1,505,978	1,530,225
	11,150,641	74,643,042

Receivables from exchange transactions

Capital accrued - comprised of capital owed to the GPF by Standard Bank on our Risk Participation Facility. These capital amounts are non-interest bearing and are generally on 30 day terms.

Entrepreneur Empowerment Property Fund - comprised of a donation from the Gauteng Department of Human Settlement. This amount was non-interest bearing and was received in April 2014.

Guarantees with Attorneys - comprised of money held in Trust by attorneys until such time that bonds are registered and transfer has taken place. These guarantees are interest bearing and are generally between 30 and 180 day terms. (Refer to note 23).

Interest accrued - comprised of interest owed on the GPF's bank accounts by Absa Bank, Standard Bank on our Risk Participation Facility and loan overpayments. These interest amounts are non-interest bearing and are generally on 30 day terms.

Sundry debtors - consist of prepayments and contract recovery fees owed by clients. These amounts are non-interest bearing.

Credit quality of trade and other receivables

The credit quality of receivables from exchange transactions that are neither past nor due nor impaired is good. The credit quality is assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Fair value of trade and other receivables

Receivables from exchange transactions are carried at invoice amount and not discounted due to the effect of discounting not being material. Receivables from exchange transaction fair value approximate its carrying value.

5. FINANCIAL INSTRUMENTS AS FAIR VALUE

Name of entity	LISTED / UNLISTED	% HOLDING 2015	% HOLDING 2014	CARRYING AMOUNT 2015	CARRYING AMOUNT 2014
Greater Germiston Inner City Housing Company Phase 11 (Pty) Ltd	Unlisted	7.41%	7.41 %	4,000,000	4,000,000
				(3,999,999)	(3,999,999)
				1	1
Greater Germiston Inner City Housing Company Pharoe Park (Pty) Ltd	Unlisted	6.54%	6.54 %	4,000,000	4,000,000
				(3,999,999)	(3,999,999)
				1	1
Brickfields Housing Company (Pty) Ltd - Nominal amount	Unlisted		13.34%		10,000,000
Impairment					(9,999,999)
Fair value adjustment 2009					10,035,000
Fair value adjustment 2010					(7,618,593)
Fair value adjustment 2011					7,227,745
Fair value adjustment 2012					2,003,401
Fair value adjustment 2013					1,834,117
Settlement 2014				-	(13,481,671)
Non-Current Assets financial instruments at fair value				2	2

Figures in Rand	2015	2014
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Financial instruments at fair value

Financial instruments at fair value consist of investments in unquoted ordinary shares and loans. The valuation requires management to make estimates about the expected future cash flows of the shares which are discounted at current rates. Management believes that the resulting estimated fair values are reasonable and the most appropriate at the reporting date.

The equity investments in Greater Germiston Inner City Housing Company Phase II (Pty) Ltd and Greater Germiston Inner City Housing Company Pharoe Park (Pty) Ltd consists of R4,000,000 each. The valuations were done using the discounted cashflow technique and has been valued at nil. The repayments of the investments have been determined by a put and call option between Gauteng Partnership Fund and the Ekurhuleni Metropolitan Municipality as is stipulated in the loan agreement entered into by the former two parties. The put option has not been recognised in the annual financial statements as it has a fair value of nil. The put and call options endure until June 2015.

The equity investment in Brickfields Housing Company (Pty) Ltd has been repaid and was valued using the discounted cash flow technique. The cost of this investment was R10,000,000. This investment consisted of 300 ordinary shares of R1 each and a loan of R9,999,700. This loan investment was unsecured, and bore interest from time to time at a rate not exceeding 25%. The repayment thereof has been determined by a put and call option between Gauteng Partnership Fund and Johannesburg Housing Company (Pty) Ltd. The put option period commenced on 1 July 2013 and terminated on 31 July 2015. The exercise of the put option was subject to the condition that all loan facility amounts and creditors are repaid in full. The Gauteng Partnership Trust had granted a call option to Johannesburg Housing Company (Pty) Ltd. The call option commenced 1 July 2003 and terminated 30 June 2013 as is stipulated in the loan agreement entered into by the former two parties. Brickfields Housing Company (Pty) Ltd exercised their call option in July 2013. Interest of R2,499,992 was received during the 2014 year.

Derivatives

A derivative is a financial instrument or other contract within the scope of financial instruments with all three of the following characteristics:

- a) Its value changes in response to the change in a specified interest rate, financial instruments price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a nonfinancial variable that the variable is not specified to a party in the contract;
- b) It requires no initial net investment or an initial net investment that is smaller than what would be required for other types of contracts that would be expected to have similar response to changes in market factors;
- c) It is settled at a future date.

The put/call option is considered a derivative financial instrument due to the following:

- a) The put/call option's value changes in response to the financial instrument's price being the change in the fair value of equity investment year on year;
- b) The put/call option required no initial net investment in terms of shareholders agreement; and
- c) The put/call option is going to be settled at a future date once the company has repaid the interest free loan to GPF and has paid the dividend to compensate GPF for capital invested. Derivatives are classified as financial assets at fair value through surplus or deficit.

Credit quality of debt in financial instruments at fair value

The credit quality of financial investments is managed internally by ensuring that investments are made only after assessing and evaluating the social housing institutions management capacity and project feasibility. Management considers the credit risk relating to the loan in Greater Germiston Inner City Housing Corporation Phase II and Greater Germiston Inner City Housing Corporation Pharoe Park as being high as the companies models are not sustainable and therefore have impaired the loans.

6. PROPERTY, PLANT AND EQUIPMENT

	2015			2014		
	COST	ACCUMULATED DEPRECIATION	CARRYING VALUE	COST	ACCUMULATED DEPRECIATION	CARRYING VALUE
Furniture and fixtures	1,257,508	(575,106)	682,402	1,229,648	(462,905)	766,743
Motor vehicles	161,076	(139,662)	21,414	161,076	(133,074)	28,002
Office equipment	1,426,992	(1,009,421)	417,571	1,615,976	(929,429)	686,547
Computer equipment	2,248,656	(1,461,053)	787,603	2,073,972	(1,033,747)	1,040,225
Leasehold improvements	2,904,861	(2,327,449)	577,412	2,837,843	(1,774,148)	1,063,695
TOTAL	7,999,093	(5,512,691)	2,486,402	7,918,515	(4,333,303)	3,585,212

Figures in Rand	2015	2014
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Reconciliation of property, plant and equipment - 2015

	OPENING BALANCE	ADDITIONS	DISPOSALS	DEPRECIATION	IMPAIRMENT LOSS	TOTAL
Furniture and fixtures	766,743	27,860	-	(112,201)	-	682,402
Motor vehicles	28,002	-	-	(6,588)	-	21,414
Office equipment	686,547	107,864	-	(329,929)	(46,911)	417,571
Computer equipment	1,040,225	255,252	(5,333)	(473,397)	(29,144)	787,603
Leasehold improvements	1,063,695	67,018	-	(553,301)	-	577,412
	3,585,212	457,994	(5,333)	(1,475,416)	(76,055)	2,486,402

Reconciliation of property, plant and equipment - 2014

	OPENING BALANCE	ADDITIONS	DISPOSALS	DEPRECIATION	IMPAIRMENT LOSS	TOTAL
Furniture and fixtures	814,092	58,683	-	(106,032)	-	766,743
Motor vehicles	34,591	-	-	(6,589)	-	28,002
Office equipment	822,823	212,646	-	(348,426)	(496)	686,547
Computer equipment	1,096,764	367,816	(26,415)	(397,462)	(478)	1,040,225
Leasehold improvements	1,595,542	-	-	(531,847)	-	1,063,695
	4,363,812	639,145	(26,415)	(1,390,356)	(974)	3,585,212

Pledged as security

No assets were pledged as security.

Assets subject to finance lease (Net carrying amount)

IT equipment	71,555	137,129
Office equipment	109,230	248,762
	180,785	385,891

Other information:

Property, plant and equipment fully depreciated and still in use (Gross carrying amount)

Furniture and fittings	19	19
Office equipment	26	24
Computer equipment	52	43
	97	86

7. INTANGIBLE ASSETS

	2015			2014		
	COST	ACCUMULATED AMORTISATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE	COST	ACCUMULATED AMORTISATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE
Computer software	2,054,827	(1,543,600)	511,227	1,669,323	(755,557)	913,766

Figures in Rand	2015	2014
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Reconciliation of intangible assets - 2015

	OPENING BALANCE	ADDITIONS	AMORTISATION	IMPAIRMENT LOSS	TOTAL
Computer software	913,766	394,851	(788,042)	(9,348)	511,227

Reconciliation of intangible assets - 2014

	OPENING BALANCE	ADDITIONS	AMORTISATION	TOTAL
Computer software	693,580	784,723	(564,537)	913,766

Pledged as security

No assets were pledged as security.

8. DEFERRED INCOME

Movement during the year

Balance at the beginning of the year	332,581,024	118,434,971
Additions during the year	100,170,419	322,917,473
Income recognition during the year	(167,897,841)	(108,771,420)
	264,853,602	332,581,024

Deferred income represents the amounts of government grants not yet disbursed. Refer to note 1.10).

9. FINANCE LEASE OBLIGATION

Minimum lease payments due

- within one year	146,359	322,895
- in second to fifth year inclusive	66,761	190,712
	213,120	513,607
less: future finance charges	(14,207)	(41,106)
Present value of minimum lease payments	198,913	472,501

Present value of minimum lease payments due

- within one year	134,732	294,539
- in second to fifth year inclusive	64,181	177,962
	198,913	472,501
Non-current liabilities	64,182	177,962
Current liabilities	134,731	294,539
	198,913	472,501

These leases are linked to prime lending rate with no escalation and for a period of two to three years. The entity's obligations under finance leases are secured by the lessor's title over the leased assets. (Refer to Note 6). The photocopiers, telephone systems and ipads under the finance leases are currently depreciated over the lease term of two to three years.

Figures in Rand	2015	2014
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10. OPERATING LEASE ACCRUAL

Non-current liabilities	-	235,800
Current liabilities	241,925	-
	241,925	235,800

Operating lease rentals represents rentals payable by the Trust to Acucap Management Services (Pty) Ltd for office premises. The three year lease has twelve months left with an escalation of 8% annually. The lease expires in March 2016.

Minimum lease payments

- within one year	3,348,672	3,100,622
- in second to fifth year	-	3,348,672
	3,348,672	6,449,294

11. PAYABLES FROM EXCHANGE TRANSACTIONS

Accruals	1,269,120	1,035,373
Gauteng Department of Human Settlements	154,782,751	261,812,736
Sundry creditors	29,430	21,900
	156,081,301	262,870,009

Accruals - mainly comprise of salary third party payments and included in this amount are accruals for shared legal fees with the Trust for Urban Housing Finance relating to Tenitor (Pty) Ltd - The Ridge Hotel. Accruals are non-interest bearing and normally settled on 30 day terms.

Gauteng Department of Human Settlements - represents deposits held and interest accrued. Deposits are held in terms of a memorandum of agreement to assist the department in expediting payments to subsidised projects. For terms and conditions relating to related parties, refer to Note 24.

Sundry creditors comprise staff creditors, credit card balances and overpayments from clients. These are non-interest bearing and are normally settled on 30 day terms.

12. PROVISIONS

Reconciliation of provisions - 2015

	OPENING BALANCE	ADDITIONS	UTILISED DURING THE YEAR	TOTAL
Provision for capital raising fee	-	2,565,000	-	2,565,000
Provision for leave pay	688,539	622,491	(688,539)	622,491
Provision for bonuses	2,727,616	3,365,337	(2,727,616)	3,365,337
Provision for salary expenses	217,272	80,130	-	297,402
	3,633,427	6,632,958	(3,416,155)	6,850,230

Reconciliation of provisions - 2014

	OPENING BALANCE	ADDITIONS	UTILISED DURING THE YEAR	TOTAL
Provision for leave pay	413,423	688,539	(413,423)	688,539
Provisions for bonuses	3,209,112	2,727,616	(3,209,112)	2,727,616
Provision for salary related expenses	103,990	113,282	-	217,272
	3,726,525	3,529,437	(3,622,535)	3,633,427

Figures in Rand	2015	2014
Provision for capital raising is based on the outstanding balance owed to capital raisers. The timing of the payment is uncertain.		
Provision for leave is based on current salary rates and included in the statement of financial position. A provision is made for the estimated liability as a result of services rendered by employees up to reporting date.		
Provision for bonus is based on management's best estimate of expenditure required to settle the present obligation at the end of the reporting period. The obligation was will be settled in July 2015.		
Provision for salary related expenses is based on management best estimate on PAYE expense owed to SARS. The amount includes possible penalties and interest amounting to R57,952.		

13. REVENUE

Deferred income transferred to revenue - Government grants	167,897,841	108,771,420
Revenue from exchange transactions - Interest received from banks	38,079,895	28,230,044
Revenue from exchange transactions - Interest received from loans and receivables	19,433,086	13,194,316
Revenue from exchange transactions - Interest calculated using the effective interest rate method from loans and receivables (Refer to note 3)	9,048,562	6,316,648
	234,459,384	156,512,428

14. INTEREST RECEIVED FROM BANKS

Current accounts	3,819,757	2,124,792
Capital account	34,235,178	26,083,160
Call accounts	24,960	22,092
	38,079,895	28,230,044

15. OTHER INCOME

Contract recovery costs	4,250,000	4,203,070
Profit on sale of assets	8,945	-
Department of Trade and Industry	1,426,519	-
	5,685,464	4,203,070

Contract recovery costs are costs charged to borrowers for the recovery of the GPF's operational expenditure.

Profit on sale of assets relates to net profit on assets disposed. (Refer to note 6).

Income received from the Department of Trade and Industry is for shared expenses for the Entrepreneur Empowerment Property Fund. (Refer to note 24).

16. OPERATING SURPLUS

Operating surplus for the year is stated after accounting for the following:

Audit fee	887,902	801,258
Internal audit fee	534,565	773,397
	1,422,467	1,574,655
Operating lease charges		
• Premises		
- Contractual amounts	3,055,701	3,054,610
- Utilities	371,049	162,958
• Equipment		
- Contractual amounts	172	4,616
	3,426,922	3,222,184

Figures in Rand	2015	2014
Gain (loss) on sale of property, plant and equipment	8,945	(2,280)
Impairment on property, plant and equipment	76,055	974
Amortisation on intangible assets	788,043	564,537
Depreciation on property, plant and equipment	1,475,417	1,390,355
Employee costs	31,798,977	26,840,833

17. GENERAL EXPENSES

Auditors remuneration	1,449,963	1,574,655
Bank charges	43,402	51,926
Consulting and professional fees	19,248,905	8,712,147
Entertainment	95,650	161,016
Insurance	296,807	273,785
Lease rentals on operating lease	3,426,922	3,222,184
Marketing	1,455,155	1,134,757
Magazines, books and subscriptions	191,062	164,747
Fuel and oil	6,187	5,225
Postage and courier	1,454	13,753
Printing and stationery	246,222	390,339
Security	9,255	9,009
Telephone and fax	708,582	740,600
Training	249,758	457,637
Travel	543,617	366,120
Offsite storage	16,255	10,384
Renovations	12,852	-
	28,002,048	17,288,284

18. FAIR VALUE ADJUSTMENTS

Provisions for bonuses	(208,668)	(12,683)
Provisions for leave pay	(1,473)	(91)
Social benefit on loans and receivables	(32,778,977)	(25,314,190)
	(32,989,118)	(25,326,964)

The fair value adjustment on the provision for bonuses relates to the timing the payment. (Refer to note 12).

The fair value adjustment on the provision for leave pay relates to the timing the payment. (Refer to note 12).

The social benefit adjustment on loans and receivables relates to the discounted rates the GPF provides to borrowers. (Refer to note 3).

Social benefit on loans and receivables has been restated in the prior year. (Refer to note 32).

19. IMPAIRMENT OF LOANS AND RECEIVABLES FROM EXCHANGE TRANSACTIONS

Impairment loss - Aquarella Investment 360 (Pty) Ltd - 85 - 87 Quartz Street Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(5,160)	(6,275)
BM Molefi Properties 241 (Pty) Ltd - Kgorong Estate Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(759,488)	-

Figures in Rand	2015	2014
Impairment loss - Bixowise CC t/a Kingdom Properties CC - Erf 278 Primrose Hill Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(26,973)	(10,283)
Cape Gannet Properties (Pty) Ltd - Erf 42 Kempton Park Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3).]	(30,768)	-
Impairment loss - Clare Water (Pty) Ltd - Erf 1509 Discovery, Roodepoort Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(7,447)	(12,161)
Impairment loss - Clidet No. 1024 (Pty) Ltd - 44 Wanderers Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3).	(783,483)	(16,662)
Impairment loss reversal - Comu Property Developers CC - 3103 Glen Marias Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(19,944)	-
Impairment loss - Comucap (Pty) Ltd - 88 Relly Street The loan is currently in arrears which has resulted in an impairment. (Refer note 3)	(11,047)	-
Impairment loss - DMN Estate CC Erf 517 & 518 City and Suburban Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(68,279)	-
Impairment loss - Fundzo Trading (Pty) Ltd - Portion 15 of Erf 8489 Protea North Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(14,560)	-
Impairment loss - Indigo Kulani Properties (Pty) Ltd - Erf 1676 Benoni Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3).	(14,027)	-
Impairment loss - Ikamvelihle Enterprises CC - Erf 953-956 Berea Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(9,619)	-
Highlands Urban Living (Pty) Ltd - Highlands Lofts The loan is currently in arrears which has resulted in an impairment. (Refer note 3)	(36,120)	-
Impairment loss - Lionshare New Prop CC - Lubraco House The loan was impaired as the client was experiencing cashflow problems and was unable to settle the capital instalment due. (Refer note 3)	-	(25,507)
Impairment loss - Lisinfo 282 Property (Pty) Ltd - Erf 1952 Malvern Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3).	(21,925)	-
Michaelson Investments (Pty) Ltd - Erf 658 Troyeville Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3).	(7,284)	-
Impairment loss - Muma Properties Investments (Pty) Ltd - Erf 978 Pretoria North Due to delays in construction the moratorium on payments was extended resulting in impairment the loan. (Refer note 3).	(61,750)	-
Impairment loss - Nonkwelo (Pty) Ltd - Erf 10 & 11 Hunter Street Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3).	(21,018)	-
Impairment loss - Shukumani Trading Enterprises (Pty) Ltd - Erf 550 Bertrams Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3).	(6,153)	-
Impairment loss - Simelani Business Solutions (Pty) Ltd - Erf 2682 Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(72,300)	-
Impairment loss - SOA Residential Village (Pty) Ltd - Erf 1532 Selcourt Springs Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(23,384)	-
Impairment loss - Tenitor Properties (Pty) Ltd - The Ridge Hotel The loan has been renegotiated and the moratoriums on payments extended as the building was hijacked.	(152,843)	-

Figures in Rand	2015	2014
Impairment loss - Tsebo Consumables Supplies (Pty) Ltd - Erf 256 Kempton Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	-	(8,467)
Impairment loss - Tumaini Properties and Real Estate CC - Erf 52 & 53 New Doornfontein Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(24,290)	-
Impairment Loss - Trust for Urban Housing Finance - Bridging Facility (Pty) Ltd The company failed to settle its obligation by September 2013. The delay in settlement resulted in an impairment. The loan was finally settled in December 2013.	-	(186,384)
Impairment loss - Valotorgue 199CC - Erf 757 Pretoria North Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3).	(25,462)	-
Impairment loss - Zakhele Investments CC - Erf 257 Kempton Park Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(10,731)	(14,339)
Zwide & Dewa Investments (Pty) Ltd - Erf 424 & 425 Rhodesfield Due to delays in construction the moratorium on payments was extended resulting in impairment of the loan. (Refer note 3)	(32,761)	-
	(2,246,816)	(280,078)

20. FINANCE COSTS

Finance lease	29,853	33,003
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Finance cost comprises of interest amortised for the finance lease.

21. EMPLOYEE RELATED COSTS

Basic	30,390,409	24,669,442
Medical aid - company contributions	625,052	779,416
Life cover	213,914	493,210
Retirement annuity	569,602	898,765

	31,798,977	26,840,833
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22. TAXATION

No provision has been made for 2015 tax as the Trust has been granted tax exemption status by the South African Revenue Service in terms of Section 30 of the Income Tax Act, and receipts and accruals are exempt from income tax in terms of Section 10 (1) (CN) of the Income Tax Act. The status quo was applicable for the 2015 year.

23. COMMITMENTS

Project Funding Commitments		
Alkara 7 (Pty) Ltd - Erf 816 & 817 Bronkhorstspruit	8,526,700	-
Amaveni Capital (Pty) Ltd - Erven 337 & 338 City of Johannesburg	-	5,250,000
Aquarella Investments 360 (Pty) Ltd - 85-87 Quartz Street	478,310	2,525,386
Begin All Investments (Pty) Ltd - Erf 89, 90 and 91 Bertrams	10,583,700	-
Bixowise CC t/a Kingdom Properties Enterprises - Erf 278 Primrose	4,559,005	3,948,752
BM Molefi Properties 241 (Pty) Ltd - Kgorong Estate	-	12,598,778
Bruzar Consulting Engineers (Pty) Ltd - Erven 484, 485 & 487 Ferndale	5,832,502	-
BUA Africa (Pty) Ltd - Erf 2918 Kempton Park	25,050,000	-
Cape Gannet Properties 175 (Pty) Ltd - Erf 42 Kempton Park	2,275,665	2,538,624
Castle Crest Properties 80 (Pty) Ltd - Erf 233 Kempton Park	5,459,190	-

Figures in Rand	2015	2014
Certum Estate 130 (Pty) Ltd Previously Obtein Investments (Pty) Ltd - Erf 564, Bertrams, JHB	2,451,547	-
Clarewater (Pty) Ltd - Erf 1509 Discovery	-	1,320,848
Clidet No. 1024 (Pty) Ltd - 44 Wanderers	14,213,506	872,737
CoMu Properties Developers CC - 3103 Glen Marais	-	1,057,989
Crimson Clover 11 (Pty) Ltd - Ascot Fashion House	-	242,106
DNM Estate CC - Erf 517 & 518 City & Suburban	5,849,304	1,245,478
Eagle Valley Property 41 (Pty) Ltd - Ptn.1 of Erf 1908 Erasmus Phase 1	5,970,800	5,577,000
Eagle Valley Property 41 (Pty) Ltd - Ptn.1 of Erf 1908 Erasmus Phase 2	8,481,595	-
Echo Canyon Trading (Pty) Ltd - 463 and 465 Hanny Street	5,605,527	5,605,527
EGC Properties CC - Browning Street	5,748,496	-
Fundzo Trading (Pty) Ltd - Portion 15 of 8489 Protea North	5,057,826	6,783,703
FV Trading Enterprises (Pty) Ltd - Erf 193 Duncanville	8,832,415	-
Golden City Properties (Pty) Ltd - Erf 142 &143 Germiston CBD	-	9,134,720
Highlands Urban Living (Pty) Ltd - Erven5,6 and 7 Highlands	-	12,844,693
Hoewe 15 Doreg Landbouhoewes (Pty) Ltd - Ervens 1499 & 1450 Karen Park Ext 52	16,608,288	-
Ifizo (Pty) Ltd - Erf 733 Pretoria North	4,634,100	-
Ikamvelihle Trading Enterprises CC - Erf 953-956 Berea	2,591,909	3,352,709
Indigo Kulani Properties (Pty) Ltd - Erf 1676 Benoni	892,652	5,696,457
Intuthuko Fund (Pty) Ltd	3,162,847	6,450,000
Johannesburg Social Housing Company (Pty) Ltd - City Deep	-	20,802,200
Johannesburg Social Housing Company (Pty) Ltd - Orlando Ekhaya	-	13,146,678
Johannesburg Social Housing Company (Pty) Ltd - Roodepoort	-	11,951,116
KDM Properties (Pty) Ltd - Erf 403	-	4,564,540
Kertrade 24 CC - Erf 4873 Johannesburg	-	6,606,600
Kertrade 24 CC - Erf 564 and 566 Springs	1,881,285	-
Kesef Properties (Pty) Ltd - Erf 343, 344, 345, 346, 347, 348, 387, 388 and 389	15,259,489	-
Kimovax (Pty) Ltd - Erf 419 and Erf 420 Cresslawn, Kempton Park	7,086,000	-
KTN Property Management Company (Pty) Ltd - Parklane Hotel	655,101	655,101
Lakeside Developments (Pty) Ltd - Erf 1373 Leachville	11,036,100	-
Landopiont (Pty) Ltd - Erf 905, 906 and 907 Kenilworth	9,112,135	4,377,954
Lavender Tree (Pty) Ltd - Erf 93, 94 and 95 Bertrams	10,583,700	-
Lerakara Family Investment Trust - Erf 1760 Ga-Rankuwa	2,102,555	-
Lukataedi (Pty) Ltd - Erf 739 Pretoria North	4,659,830	9,734,800
Lisinfo 282 Property (Pty) Ltd - Erf 1952 Malvern	-	122,351
Madulamoho Housing Association - Riverside Ridge Project	22,834,300	-
Makabongwe Property Holding (Pty) Ltd - Erf 983 Johannesburg	14,380,231	-
Meilijian Construction and Development CC - Erf 1614 Kempton Park	5,861,786	-
Meilijian Construction and Development CC - Erf 232 Kempton Park	-	54,383
Meilijian Construction and Development CC - Erf 24 Kempton Park	-	6,937,097
Meilijian Construction and Development CC - Erf 27 Kempton Park	-	9,047,338
Meilijian Construction and Development CC - Erf 3184, Pomona Ext 75	13,065,197	-
Michaelson Investments (Pty) Ltd - Erf 658 Troyeville	3,750,915	5,114,137
MUMA Properties Investments (Pty) Ltd - Erf 978 Pretoria North	12,814,017	4,897,958
NBLR Properties (Pty) Ltd - Fleurhof Manor	10,931,447	-
Nelisa Properties (Pty) Ltd - Erf 388 Windsor	8,202,210	8,905,168
Ninarich Trading 3 (Pty) Ltd - Betty Street Precinct	145,807	14,515,266
Ninawell - Erf 303 Laudium	-	7,500,000

Figures in Rand	2015	2014
Nonkwelo (Pty) Ltd - Erf 10 & 11 Hunter Street	1,478,630	3,604,611
Norvena Property Consortium - O'Reilly Street	13,655,488	21,375,900
Obten Investments (Pty) Ltd - Erf 564, Bertrams	-	9,097,665
Oricode (Pty) Ltd - Erf 2242, 2243, 2248 and 2249 Johannesburg	6,862,900	-
Property Best Investments (Pty) Ltd - Erf 3834 Eerterus Ext 6	8,192,414	-
Picroprop CC - Cape York Building	-	3,886,287
Property Kalcha (Pty) Ltd - Portion 1&2 of Erf 1871 Albertville, Randburg	6,745,540	-
Rainbow Beach Trading 261 (Pty) Ltd - Sondela Village Daggafontein	650,000	2,662,371
Reatha Acquisition & Management (Pty) Ltd - Erf 185 Pretoria North	-	5,885,040
Redformationz Holdings (Pty) Ltd - Erf 4862 Birch Acres Ext 32	14,673,600	-
Sabiglo (Pty) Ltd - Erf 301 Windsor West, Randburg	8,170,155	9,115,000
Sakhazonke Investment (Pty) Ltd - Erf 252, Kempton Park	7,415,792	7,415,792
Sam Lubbe Investments CC - Erf 1654, Germiston	9,750,000	-
Seco Developments (Pty) Ltd - Erf 96, 121 and 122 Bertrams	10,583,666	-
Shelfrank Four (Pty) Ltd - Phola Heights	-	18,410,684
Shukumani Trading Enterprises (Pty) Ltd - Erf 550 Bertrams	2,071,401	2,951,137
Simelani Business Solutions (Pty) Ltd - Erf 2682 Kempton Park	14,101,410	4,391,857
Sunnilaw Properties (Pty) Ltd - Glen Marias Ext 166 Township	18,311,758	-
SOA Residential Village (Pty) Ltd - Erf 1532 Springs	-	2,148,717
Somnitron (Pty) Ltd	15,000,000	-
Take Off Real Estate (Pty) Ltd - Jeppestown Project	-	2,955,327
Take Shape Properties 75 CC - Erf 4510, JHB	2,269,596	9,997,900
Toproot Management (Pty) Ltd - Erf 1335 Pennyville	8,603,607	-
Toproot Management (Pty) Ltd - Erf 2665 Riverlea	10,858,719	-
Tumaini Properties and Real Estate CC - Erf 52&53 New Doornfontein	1,118,408	3,130,942
Trust for Urban Housing Finance	-	20,000,000
Valotorgue 199 CC - Erf 757 Pretoria north	7,829,770	4,698,400
Xando Trade or Invest 614 (Pty) Ltd - Erf 324 Princess Ext 49, Roodepoort	-	11,593,786
Xylo Trading 253 CC - Portion 3 of Erf 2834 Ga-Rankuwa unit 2	10,221,314	-
Yeast City Housing (Pty) Ltd - Salvokop	-	212,048
Yeast City Housing (Pty) Ltd - Thembelihle Village	48,085,150	48,085,150
Zakhele Investments CC - Erf 257 Kempton Park	-	705,806
Zevoli 269 (Pty) Ltd - Madison Lofts	-	2,814,237
Zwide & Dewa Investments (Pty) Ltd - Erf 424 & 425 Rhodesfield	20,902,559	7,056,709
	554,779,866	418,173,560

The obligation to Alkara 7 (Pty) Ltd - Erf 816 & 817 Bronkhorstspruit was approved by the Trustees.

The obligation to Amaveni Capital (Pty) Ltd - Erven 337 & 338 City of Johannesburg was cancelled during the year.

The obligation to Aquarella Investment 360 (Pty) Ltd - 85 -87 Quartz Street was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).

The obligation to Begin All Investments (Pty) Ltd - Erf 89,90 and 91 Bertrams was approved by the Trustees.

The obligation to Bixowize CC t/a Kingdom Property Enterprises - Erf 278 Primrose Hill was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).

The obligation to BM Molefi Properties 241 (Pty) Ltd- Kgorong Estate was approved by the Trustees. The borrower has fully drawn down. (Refer to note 3).

The obligation to Bruzar Consulting Engineers (Pty) Ltd - Erven 484, 485 & 487 Ferndale was approved by the Trustees. R200,000 was paid out to the transferring attorneys as a guarantee. (Refer to note 4.)

Figures in Rand	2015	2014
The obligation to BUA Africa (Pty) Ltd - Erf 2918 Kempton Park was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Cape Gannet Properties 175 (Pty) Ltd - Erf 42 Kempton Park was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Castle Crest Properties 80 (Pty) Ltd - Erf 233 Kempton Park was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Certum Estate 130 (Pty) Ltd Previously Obten Investments (Pty) Ltd was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Clarewater (Pty) Ltd - Erf 1509 Discovery was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Clidet no 1024 (Pty) - 44 Wanderers was approved by the Trustees. The borrower has started drawing down. (Refer to note 3). The obligation has increased as the loan has been restructured.		
The obligation to CoMu Property Developers CC -3103 Glen Marais was approved by the Trustees. The borrower has fully drawn down. (Refer to note 3).		
The obligation to Crimson Clover (Pty) Ltd - Ascot Fashion House was approved by the Trustees. The borrower has fully drawn down. (Refer to note 3).		
The obligation to DNM Estate CC - Erf 517 & 518 City & Suburban was approved by the Trustees.The borrower has started drawing down. (Refer to note 3). The obligation has increased as the GPF is now funding the project 100%.		
The obligation to Eagle Valley Property 41 (Pty) Ltd - Ptn.1 of Erf 1908 Erasmus Phase 1 was approved by the Trustees. The obligation has increased as the GPF is now funding the project 100%. The borrower has started drawing down. (Refer to note 3).		
The obligation to Eagle Valley Property 41 (Pty) Ltd - Ptn.1 of Erf 1908 Erasmus Phase 2 was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Echo Canyon Trading (Pty) Ltd - 463 and 465 Hanny Street was approved by the Trustees.		
The obligation to EGC Properties CC - Browning Street was approved by the Trustees. The borrower has started drawing down. (Refer to note 3). R3,006,692.27 was paid out to the transferring attorneys as a guarantee. (Refer to note 4.)		
The obligation to Fundzo Trading (Pty) Ltd - Portion 15 of Erf 8489 Protea North was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to FV Trading Enterprises (Pty) Ltd - Erf 193 Duncanville was approved by the Trustees. R923,385 was paid out to the transferring attorneys as a guarantee. (Refer to note 4.)		
The obligation to Golden City Properties (Pty) Ltd Erf 142 & 143 Germiston CBD was cancelled during the year.		
The obligation to Highlands Urban Living (Pty) Ltd - Erven 5,6 and & Highlands was approved by the Trustees.The borrower has fully drawn down. (Refer to note 3).		
The obligation to Hoewe 15 Doreg Landbouhoewes (Pty) Ltd - Ervens 1499 & 1450 Karen Park Ext 52 was approved by the Trustees.		
The obligation to Ifizo (Pty) Ltd - Erf 733 Pretoria North was approved by the Trustees		
The obligation to Ikamvelihle Trading Enterprises CC - Erf 953-956 Berea was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Indigo Kulani Properties(Pty) Ltd - Erf 1676 Benoni was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Intuthuko Fund (Pty) Ltd was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Johannesburg Social Housing Company (Pty) Ltd - City Deep was cancelled during the year.		
The obligation to Johannesburg Social Housing Company (Pty) Ltd - Orlando Ekhaya was cancelled during the year.		
The obligation to Johannesburg Housing Company (Pty) Ltd - Crest Hotel was cancelled during the year.		
The obligation to Johannesburg Social Housing Company (Pty) Ltd - Roodepoort was cancelled during the year.		
The obligation to KDM Properties (Pty) Ltd - Erf 403 was approved by the Trustees.The borrower has fully drawn down. (Refer to note 3).		

Figures in Rand	2015	2014
The obligation to Kertrade 24 CC - Erf 4873 Johannesburg was cancelled during the year.		
The obligation to Kertrade 24 CC - Erf 564 and 566 Springs was approved by the Trustees. The obligation has increased as loan has been restructured. R5,107,845 was paid out to the transferring attorneys as a guarantee. (Refer to note 4)		
The obligation to Kesef Properties (Pty) Ltd - Erf 343, 344, 345, 346, 347, 348, 387, 388 and 389 was approved by the Trustees.		
The obligation to Kimovax (Pty) Ltd - Erf 419 and Erf 420 Cresslawn Kempton Park was approved by the Trustees.		
The obligation to KTN Property Management (Pty) Ltd - Parklane Hotel was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Lakeside Developments (Pty) Ltd - Erf 1373 Leachville was approved by the Trustees.		
The obligation to Landopiont (Pty) Ltd - Erf 905,906 and 907 Kenilworth was approved by the Trustees. The borrower has started drawing down. The obligation has increased as the GPF is now funding the project 100%.		
The obligation to Lavender Tree (Pty) Ltd - Erf 93, 94 and 95 Bertrams was approved by the Trustees.		
The obligation to Lerakara Family Investments Trust - Erf 1760 Ga-Rankuwa was approved by the Board.		
The obligation to Lukataedi (Pty) Ltd - Erf 739 Pretoria North was approved by the Trustees. The borrower has started drawing down. (Refer to note 3)		
The obligation to Lisinfo 282 Property (Pty) Ltd - Erf 1952 Malvern was approved by the Trustees. The borrower has fully drawn down. (Refer to note 3).		
The obligation to Madulamoho Housing Association - Riverside Ridge Project was approved by the Trustees.		
The obligation to Makabongwe Property Holding (Pty) Ltd - Erf 983 Johannesburg was approved by the Trustees.		
The obligation to Meilijian Construction and Development CC - Erf 1614 Kempton Park was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Meilijian Construction and Development CC - Erf 232 Kempton Park was approved by the Trustees. The borrower fully drawn down. (Refer to note 3).		
The obligation to Meilijian Construction and Development CC - Erf 24 Kempton Park was approved by the Trustees. The borrower has fully drawn down. (Refer to note 3).		
The obligation to Meilijian Construction and Development CC - Erf 27 Kempton Park was approved by the Trustees. The borrower has fully drawn down. (Refer to note 3).		
The obligation to Meilijian Construction and Development CC - Erf 3184, Pomona Ext 75 was approved by the Trustees.		
The obligation to Michaelson Investments (Pty) Ltd - Erf 658 Troyeville was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to MUMA Property Investments (Pty) Ltd - Erf 978 Pretoria North was approved by the Trustees. The borrower has started drawing down. (Refer to note 3). The obligation has increased as the GPF is now funding the project 100%.		
The obligation to NBLR Properties (Pty) Ltd - Fleurhof Manor was approved by the Trustees.		
The obligation to Nelisa Properties (Pty) Ltd - Erf 388 Windsor was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Ninarich Trading 3 (Pty) Ltd - Betty Street Precinct was approved by the Trustees.The borrower has started drawing down. (Refer to note 3).		
The obligation to Ninawell (Pty) Ltd - Erf 303 Laudium was cancelled during the year.		
The obligation to Nonkwelo (Pty) Ltd - Erf 10 & 11 Hunter Street was approved by the Trustees.The borrower has started drawing down. (Refer to note 3).		
The obligation to Norvena Property Consortium - O’ Reilly Street was approved by the Trustees.		
The obligation to Obten Investments (Pty) Ltd - Erf 564, Bertrams was cancelled during the year. This project is now under Certum Estate 130 (Pty) Ltd .		
The obligation to Oricode (Pty) Ltd Erf 2242, 2243, 2248 and 2249 Johannesburg was approved by the Trustees.		
The obligation to Property Best Investments (Pty) Ltd - Erf 3834 Eerterus Ext 6 was approved by the Trustees.		

Figures in Rand	2015	2014
The obligation to Picroprop CC - Cape York Building was cancelled during the year.		
The obligation to Property Kalcha (Pty) Ltd - Portion 1&2 of Erf 1871 Albertville, Randburg was cancelled during the year.		
The obligation to Rainbow Beach Trading 261 (Pty) Ltd - Sondela Village Daggafontein was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Reatha Acquisition & Management (Pty) Ltd - Erf 1815 Pretoria North was cancelled during the year.		
The obligation to Redformationz Holdings (Pty) Ltd - Erf 4862 Birch Acres Ext 32 was cancelled during the year.		
The obligation to Sabiglo (Pty) Ltd - Erf 301 Windsor West, Randburg was approved by the Trustees.The borrower has started drawing down. (Refer to note 3).		
The obligation to Sakhazonke Investments (Pty) Ltd - Erf 252, Kempton Park was approved by the Trustees.		
The obligation to Sam Lubbe Investments CC - Erf 1654 Germiston was approved by the Trustees.		
The obligation to Seco Developments (Pty) Ltd - Erf 96 , 121 and 122 Bertrams was approved by the Trustees.		
The obligation to Shelfrank Four (Pty) Ltd - Phola Heights was cancelled during the year.		
The obligation to Shukumani Trading Enterprises (Pty) Ltd - Erf 550 Bertrams was approved by the Trustees.The borrower has started drawing down. (Refer to note 3).		
The obligation to Simelani Business Solutions (Pty) Ltd - Erf 2682 Kempton Park approved by the Trustees. The borrower has started drawing down. (Refer to note 3). The obligation has increased as the GPF is now funding the project 100%.		
The obligation to Sunnilaw Property (Pty) Ltd - Glen Marias Ext 166 Township was approved by the Trustees		
The obligation to SOA Residential Village (Pty) Ltd - Erf 1532 Springs was approved by the Trustees. The borrower has fully drawn down. (Refer to note 3).		
The obligation to Somnitron (Pty) Ltd for pension backed loans was approved by the Trustees.		
The obligation to Take Off Real Estate (Pty) Ltd - Jeppestown Project was approved by the Trustees. The borrower has started drawing down. (Refer to note 3). This loan has been provided for as a doubtful debt and the project is on hold.		
The obligation to Take Shape Properties 75 CC - Erf 4510, JHB was approved by the Trustees. The borrower has started drawing down. (Refer to note 3).		
The obligation to Toproot Management (Pty) Ltd - Erf 1335 Pennyville was approved by the Trustees.		
The obligation to Toproot Management (Pty) Ltd - Erf 2665 Riverlea was approved by the Trustees.		
The obligation to Tumaini Properties and Real Estate CC - Erf 52 & 53 New Doornfontein was approved by the Trustees.The borrower has started drawing down. (Refer to note 3).		
The obligation to Trust for Urban Housing Finance (Pty) Ltd was cancelled during the year.		
The obligation to Valotorgue 199 CC - Erf 757 Pretoria North was approved by the Trustees. The borrower has started drawing down. (Refer to note 3). The obligation has increased as the GPF is now funding the project 100%.		
The obligation to Xando Trading or Invest 614 (Pty) Ltd - Erf 324 Princess Ext 49, Roodepoort was approved by the Trustees.The borrower has started drawing down. (Refer to note 3).		
The obligation to Xylo Trading 253 CC - Portion 3 of Erf 2834 Ga-Rankuwa Unit 2 was approved by the Trustees.		
The obligation to Yeast City Housing (Pty) Ltd - Salvokop was approved by the Trustees. The borrower has fully drawn down. (Refer to note 3).		
The obligation to Yeast City Housing (Pty) Ltd - Thembelihle Village was approved by the Trustees.		
The obligation to Zakhele Investments CC was approved by the Trustees. The borrower has fully drawn down. (Refer to note 3).		
The obligation to Zevoli 269 (Pty) Ltd - Madison Lofts was cancelled during the year.		
The obligation to Zwide & Dewa Investments (Pty) Ltd - Erf 424 & 425 Rhodesfield was approved by the Trustees. The borrower has started drawing down. (Refer to note 3). The obligation has increased as the GPF is now funding the project 100%.		
24. RELATED PARTIES		
Relationships		
Executive authority	Gauteng Department of Human Settlements	
Partner for entrepreneurs Empowerment Property Fund	Department of Trade and Industry	
Related party balances		
The Trust was founded by the Gauteng Department of Human Settlements as an independent entity in the form of a nonprofit Trust. The Trust was established and registered in terms of the Trust Property Control Act.		

Figures in Rand	2015	2014
Gauteng Department of Human Settlements		
Grants received	100,170,419	322,917,473
During the year the Trust received government grants amounting to R100,170,419. (Refer to note 8)		
Gauteng Department of Human Settlements		
Kliptown Project	3,750,573	8,735,985
Hostels Project and other programmes	1,113,538	88,462,641
Subsidies Program	149,918,640	164,614,110
	154,782,751	261,812,736
A service level agreement has been entered into between the Trust and the Founder where the Trust expedites payments to contractors and consultants for various projects (Refer to note 11).		
Related party transactions		
Non-Executive Trustees fees		
Z Fihlani	290,718	92,785
L Khangala	264,088	136,950
L Makibinyane	317,887	97,405
D Maphatiane	172,534	67,320
P Mphahlele (Chairperson Fees)	213,331	166,485
M Leshabane	134,228	89,100
S Mbanjwa	226,567	81,400
	1,619,353	731,445
Executive Management - Chief Executive Officer		
Basic	2,288,550	1,679,949
Acting Allowance	-	156,766
Performance Bonus	602,317	413,970
Retirement annuity contribution, medical aid and life cover	139,847	109,037
	3,030,714	2,359,722
Executive Management - Chief Financial Officer		
Basic	1,738,326	1,577,053
Acting Allowance	39,657	-
Performance Bonus	436,262	434,943
Retirement annuity contribution, medical aid and life cover	115,159	105,248
	2,329,404	2,117,244
Executive Management - Chief Investment Officer		
Basic	1,508,512	-
Acting Allowance	177,020	248,478
Performance bonus	333,478	-
Retirement annuity contribution, medical aid and life cover	101,927	-
	2,120,937	248,478
Management considers the Trustees and Executive Management to be key management. Trustees do not receive pension entitlement from the Trust. During the year the rate of Trustees remuneration was increased to SAICA prescribed rates. The Chief Executive Officer and Chief Investment Officer were appointed during the year.		

Figures in Rand	2015	2014
Department of Trade and Industry		
Entrepreneur Empowerment Property Fund	1,426,519	-
The GPF has entered into an agreement with the Department of Trade and Industry (DTI) whereby 50% of the consulting for the Entrepreneur Empowerment Property Fund's expenses paid by the Trust are reimbursed by the DTI. (Refer to note 15).		

25. FINANCIAL RISK MANAGEMENT AND OBJECTIVES

Objective

The Trust's principal financial instruments comprise of financial instruments at fair value, loans and receivables from exchange transactions, cash and cash equivalents, and receivables from exchange transactions. The non-financial liabilities are finance lease and provisions. The main purpose of the financial instruments at fair value, loans and receivables from exchange transactions and cash and cash equivalents is to assist Social Housing Institutions to leverage funding from private financial institutions, in line with one of the objectives of the Trust. The receivables from exchange transactions, payables from exchange transactions, finance lease and obligations arise directly from the Trust's operations.

The risks arising from the Trust's financial instruments are credit risk, interest rate risk and liquidity risk. The Board of Trustees reviews and agrees policies for managing these risks.

The objective of managing financial instrument risk is to safeguard the Trust's assets whilst still enabling fulfillment of the Trust's mandate. The Trust's method of measuring the risks mentioned below involves detailed project feasibility, regular project monitoring and management.

Liquidity risk

The Trust manages liquidity risk by granting of loans to borrowers for affordable housing through proper management of working capital, capital expenditure and actual vs forecasted cash flows and its cash management policy. Liquidity risk is the risk arising from default of the counterparty. The objective of managing liquidity risk is to safeguard the Trust's assets whilst still enabling fulfillment of the Trust's mandate. The Trust manages liquidity risk through regular monitoring of financial assets. The forecasted cash flows considers the maturity of its financial assets and project cash flows from operations. Adequate reserves and liquid resources are also maintained. The following table sets forth details of the remaining contractual maturities of financial assets and liabilities as at 31 March 2015. Liquidity risk is currently 48% (2014:50%). Liquidity risk is calculated by dividing the financial and non-financial liabilities by the financial assets as per the table shown below:

Financial Assets 2015	Due or due not later than one month	Due later than one month but not later than three months	Due later than three months but not later than one year	Due later than one year but not later than five years	Due later than five years	Total
Financial instruments at fair value	-	-	8,000,000	-	-	8,000,000
Loans and receivables from exchange transactions	3,336,914	3,180,748	24,493,876	204,947,012	453,969,875	689,928,425
Cash and cash equivalents	802,121,736	-	450,000	-	-	802,571,736
Receivables from exchange transactions	11,150,641	-	-	-	-	11,150,641
	816,609,291	3,180,748	32,943,876	204,947,012	453,969,875	1,511,650,802

Figures in Rand					2015	2014
Financial and non-financial liabilities 2015	Due or due not later than one month	Due later than one month but not later than three months	Due later than three months but not later than one year	Due later than one year but not later than five year	Due later than five years	Total
Payables from exchange transactions	(1,298,550)	-	-	-	-	(1,298,549)
Non-financial liabilities						
Operating lease	(279,056)	(558,112)	(2,511,504)	-	-	(3,348,672)
Finance lease	(23,169)	(32,340)	(118,060)	(95,059)	-	(268,628)
Gauteng Department of Human Settlements	(154,782,751)	-	-	-	-	(154,782,751)
Provisions	-	-	(6,850,230)	-	-	(6,850,230)
Commitments	-	-	-	-	-	(554,779,866)
	(156,383,526)	(590,452)	(9,479,794)	(95,059)	-	(721,328,697)
	660,225,765	2,590,296	23,464,082	204,851,953	453,969,875	790,322,105

Financial Assets 2014	Due or due not later than one month	Due later than one month but not later than three months	Due later than three months but not later than one year	Due later than one year but not later than five years	Due later than five years	Total
Financial instruments at fair value	-	-	-	8,000,000	-	8,000,000
Loans and receivables from exchange transactions	1,073,935	3,260,850	24,611,668	132,722,098	252,951,861	414,620,412
Cash and cash equivalents	897,947,660	-	-	450,000	-	898,397,660
Receivables from exchange transactions	74,643,042	-	-	-	-	74,643,042
	973,664,637	3,260,850	24,611,668	141,172,098	252,951,861	1,395,661,114

Financial and non-financial liabilities 2014	Due or due not later than one month	Due later than one month but not later than three months	Due later than three months but not later than one year	Due later than one year but not later than five year	Due later than five years	Total
Payables from exchange transactions	(1,057,273)	-	-	-	-	(1,057,273)
Provisions			(3,633,427)			(3,633,427)
Finance lease	(32,552)	(65,106)	(225,236)	(190,712)	-	(513,607)
Operating lease	(258,385)	(516,770)	(2,325,467)	(3,348,672)	-	(6,449,294)
Deposits held on behalf of Gauteng Department of Human Settlements	(261,812,736)	-		-	-	(261,812,736)
Commitments	-	-	-	-	-	(418,173,560)
	(263,160,946)	(581,876)	(6,184,130)	(3,539,384)	-	(691,639,897)
	710,503,691	(2,678,974)	18,427,538	137,632,714	252,951,861	704,021,217

Figures in Rand	2015	2014
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Interest rate risk

The Trust’s exposure to the risk of changes in the market interest rate relates primarily to the Trust’s loans and receivables from exchange transactions with floating interest rates. The objective of interest rate risk management is to consider the effect of fluctuations in interest rates that might affect the fair value or future cash flows of a financial instrument. The method for measuring interest rate risk is the sensitivity analysis for fluctuations in the interest rate. Interest rate risk is managed internally by ensuring that allowances for increased interest rates are provided for in the project assessment. The Trust’s exposure to interest rate risk arises from increases in the rate that could give rise to unexpected changes in cash flows.

Interest rate risk table

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant of the Trust’s surplus (through the impact of floating rate loans). The effect on surplus has been determined by calculating an increase or decrease of 25 basis points on the current interest rates of the receivables from exchange transaction and interest received from banks. Management considers a range of 25 basis points increase or decrease to be reasonable for the analysis. There is no impact on the Trust’s net assets.

	Increase / decrease in basis points	Effect on surplus (R’000)
2015		
Effect of an increase in basis points on surplus	25	144
Effect of a decrease in basis points on surplus	(25)	(144)
2014		
Effect of an increase in basis points on surplus	50	207
Effect of a decrease in basis points on surplus	(50)	(207)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument. The objective of credit risk is to ensure that the counterparty will meet its obligation under a financial instrument. The Trust is exposed to credit risk in respect of its financial instruments at fair value debt instruments, receivables from exchange transaction, cash and cash equivalents and loans and receivables from exchange transactions. Credit risk is managed internally by ensuring that investments are made only after assessing and evaluating the social housing institutions management capacity and project feasibility. The method for measuring credit risk is the ongoing monitoring of financial assets. The Gauteng Partnership Fund’s credit risk exposure arises from default of the counterparty, with a maximum exposure of R1,153,195,255 (2014: R1,201,355,844) equal to the carrying amount of loans and receivables from exchange transactions, cash and cash equivalents and receivables from exchange transaction.

Financial assets exposed to credit risk at year end were as follows:

Credit Exposure

Class of financial instrument	Credit risk exposure	Collateral	Repayment terms	Credit quality of financial assets that are neither past due or impaired
Aquarella Investment 360 (Pty) Ltd - 85-87 Quartz	3,870,485	Mortgage bond held by Gauteng Partnership Fund for the total loan	Two years from disbursement date with a final repayment on 30/11/2033	Impaired
BM Molefi Properties 241 (Pty) Ltd - Kgorong Estate	1	Mortgage bond held by Gauteng Partnership Fund for the total loan	Three years from disbursement date with a final repayment on 31/01/2028	Provision for bad debts
Bixowise CC t/a Kingdom Properties CC - Erf 278 Primrose Hill	1,257,274	Mortgage bond held by Gauteng Partnership Fund for the total loan	Two years from disbursement date with a final repayment on 30/09/2027	Impaired
Brickfields Housing Company (Pty) Ltd	11,483,281	Redeemable Preference Shares	Redemption date in on 01/04/2016	Redemption date is on 28/02/2017
BUA Africa (Pty) Ltd - Erf 2918 Kempton Park	2,964,416	Mortgage bond held by Gauteng Partnership Fund for the total loan	Six months from disbursement date with a final repayment on 31/07/2015	Performing
Cape Gannet Properties 175 (Pty) Ltd - Erf 42 Kempton Park	1,076,671	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/05/2033	Impaired

Figures in Rand	2015	2014
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Class of financial instrument	Credit risk exposure	Collateral	Repayment terms	Credit quality of financial assets that are neither past due or impaired
Castle Crest Properties 80 (Pty) Ltd - Erf 504 Pretoria	2,999,382	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/12/2032	Performing
Castle Crest Properties 80 (Pty) Ltd - Erf 233 Kempton Park	3,638,865	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/09/2034	Performing
Certum Estate 130 (Pty) Ltd - Erf 564, Bertrams, JHB	5,812,219	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/10/2039	Performing
Clare Water (Pty) Ltd - Erf 1509 Discovery, Roodepoort	4,150,807	Mortgage bond held by Gauteng Partnership Fund for the total loan	Two years from disbursement date with a final repayment on 31/12/2032	Impaired
Clidet No. 1024 (Pty) Ltd - 44 Wanderers	5,053,224	Mortgage bond held by Gauteng Partnership Fund for the total loan	Two years from disbursement date with a final repayment on 30/06/2027	Impaired
Comu Property Developers CC - 3103 Glen Marias	5,081,737	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/07/2028	Impaired
Comucap (Pty) Ltd - 88 Relly Street	1,973,720	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/12/2028	Impaired
Crimson Clover Trading 11 (Pty) Ltd - Ascot Fashion House	3,985,351	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/05/2032	Performing
DNM Estate CC - Erf 517 & 518 City and Suburban	9,025,441	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/12/2033	Impaired
Eagle Valley Property 41 (Pty) Ltd Phase 1 - Portion1 of Erf 1908, Erasmus	12,755,322	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/07/2034	Performing
Eagle Valley Property 41 (Pty) Ltd Phase 2 - Portion1 of Erf 1908, Erasmus	5,109,837	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/07/2034	Performing
EGC Properties CC - Browning Street	312,467	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/04/2030	Performing
Erf 273 Parktown Estate CC - Parktown Place Development	6,671,482	Mortgage bond held by Gauteng Partnership Fund for the total loan	Nineteen months from disbursement date with a final repayment in 31/12/2033	Performing
Fundzo Trading (Pty) Ltd - Portion 15 of Erf 8489 Protea North	1,806,756	Mortgage bond held by Gauteng Partnership Fund for the total loan	Five years from disbursement date with a final repayment on 31/12/2018	Impaired
Highlands Urban Living (Pty) Ltd - Highlands Lofts	7,333,462	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/09/2024	Impaired
Ikamvelihle Trading Enterprises CC - Erf 953- 956 Berea	2,030,736	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/08/2033	Impaired
Indigo Kulani Properties (Pty) Ltd - Erf 1676 Benoni	4,360,187	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/08/2033	Impaired
KDM Properties (Pty) Ltd - Erf 403	4,015,180	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/07/2029	Performing

Figures in Rand				2015	2014
Class of financial instrument	Credit risk exposure	Collateral	Repayment terms	Credit quality of financial assets that are neither past due or impaired	
Johannesburg Housing Company (Pty) Ltd - 117 Pritchard Street	8,871,461	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/08/2033	Performing	
Johannesburg Housing Company (Pty) Ltd - Crest Hotel	11,755,383	Mortgage bond held by Gauteng Partnership Fund for the total loan	Immediate from disbursement date with a final repayment on 31/03/2028	Performing	
Johannesburg Housing Company (PTY)Ltd - Hlanganani	11,574,032	Mortgage bond held by Gauteng Partnership Fund for the total loan	Immediate from disbursement date with a final repayment in 30/09/2024	Performing	
KTN Properties (PTY) Ltd - Parklane	430,795	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/07/2018	Performing	
Landopiont (Pty) Ltd - Erf 905, 906 and 907 Kenilworth	1,534,038	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/06/2034	Performing	
Lisinfo 282 Property (Pty) Ltd - Erf 1952 Malvern	3,381,580	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/07/2024	Impaired	
Lukataedi (Pty) Ltd - Erf 1952 Malvern	3,862,780	Mortgage bond held by Gauteng Partnership Fund for the total loan	Five years from disbursement date with a final repayment on 31/09/2022	Performing	
Madulamoho Housing Association - Allenby House	2,100,817	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/10/2024	Performing	
Madulamoho Housing Association- Fleurhof Views	18,530,257	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/01/2027	Performing	
Madulamoho Housing Association- Jabulani	19,913,887	Mortgage bond held by Gauteng Partnership Fund for the total loan	Six months from disbursement date with a final repayment on 31/03/2028	Performing	
Meilijian Construction and Development CC - Erf 232 Kempton Park	2,061,921	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/09/2027	Performing	
Meilijian Construction and Development CC - Erf 24 Kempton Park	7,916,549	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/03/2034	Performing	
Meilijian Construction and Development CC - Erf 1614 Kempton Park	2,390,123	Mortgage bond held by Gauteng Partnership Fund for the total loan	18 months from disbursement date with a final repayment on 31/03/2035	Performing	
Meilijian Construction and Development CC - Erf 27 Kempton Park	7,709,861	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/04/2034	Performing	
Michaelson Investments (Pty) Ltd - Erf 658 Troyeville	1,312,490	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/11/2033	Impaired	
Multidirect Investments 8 (Pty) Ltd - Erf 978 Pretoria North	4,669,232	Mortgage bond held by Gauteng Partnership Fund for the total loan	5 years from disbursement date with a final repayment on 31/12/2022	Performing	
Muma Properties Investments (Pty) Ltd - Erf 978 Pretoria North	5,012,311	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/05/2033	Impaired	
Nelisa Properties (Pty) Ltd - Erf 388 Windsor	883,347	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/05/2033	Performing	
Ninarich Trading 3 (Pty) Ltd - Betty Street Precinct	15,400,247	Mortgage bond held by Gauteng Partnership Fund for the total loan	Two years from disbursement date with a final repayment on 31/03/2034	Performing	

Figures in Rand				2015	2014
Class of financial instrument	Credit risk exposure	Collateral	Repayment terms	Credit quality of financial assets that are neither past due or impaired	
Nonkwelo (Pty) Ltd - Erf 10 & 11 Hunter Street	3,151,764	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/05/2033	Impaired	
Norvena Property Consortium - O'Reilly Street	5,540,255	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/03/2030	Performing	
Rainbow Beach Trading 261 (Pty) Ltd - Sondela Village Daggafontein	11,399,523	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/09/2027	Performing	
Rivavect Investments (Pty) Ltd - Central House	4,705,784	Mortgage bond held by Gauteng Partnership Fund for the total loan	Five years from disbursement date with a final repayment on 31/03/2029	Performing	
Sabiglo (Pty) Ltd - Erf 301 Windsor West, Randburg	931,676	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/09/2030	Performing	
Standard Bank - Subsidised Loan Facility	207,378	Mortgage bond held by Gauteng Partnership Fund for the total loan	Immediate from date of disbursement date with a final repayment on 30/11/2015	Performing	
Simelani Business Solutions (Pty) Ltd - Erf 2682 Kempton Park	2,811,662	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 31/05/2033	Impaired	
Shukumani Trading Enterprises (Pty) Ltd Erf 550 Bertrams	1,677,762	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/06/2033	Impaired	
SOA Residential Village (Pty) Ltd - Erf 1532 Selcourt Springs	4,405,576	Mortgage bond held by Gauteng Partnership Fund for the total loan	Five years from disbursement date with a final repayment on 30/09/2022	Impaired	
Take Off Real Estate (Pty) Ltd - Jeppestown Project	1	Mortgage bond held by Gauteng Partnership Fund for the total loan	Four years from disbursement date with a final repayment in 30/11/2019	Provision for bad debts	
Take Shape Properties 75 CC - Erf 4510, Johannesburg	6,126,931	Mortgage bond held by Gauteng Partnership Fund for the total loan	Five years from disbursement date with a final repayment on 30/09/2022	Performing	
Tenitor Properties (Pty) Ltd - The Ridge Hotel	9,890,133	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/04/2031	Impaired	
Trust for Urban Housing Finance Intuthuko (Pty) Ltd	14,047,338	Mortgage bond held by Gauteng Partnership Fund for the total loan	Seven years with a final repayment date on 31/08/2020	Impaired	
Tsebo Consumable Supplies (Pty) Ltd - Erf 256 Kempton	3,446,418	Mortgage bond held by Gauteng Partnership Fund for the total loan	Fifteen months from disbursement with a final repayment date on 31/10/2032	Performing	
Tumaini Properties and Real Estate CC - Erf 52 & 53 New Doornfontein	2,366,523	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/11/2033	Impaired	
Valotorgue 199CC - Erf 757	5,425,994	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/10/2033	Impaired	
Yeast City Housing (Pty) Ltd - Tau Village	4,686,943	Mortgage bond held by Gauteng Partnership Fund for the total loan	Two years from disbursement with a final repayment date on 31/10/2032	Performing	
Yeast City Housing (Pty) Ltd - Salvokop	5,648,970	Mortgage bond held by Gauteng Partnership Fund for the total loan	Two years from disbursement with a final repayment date on 31/10/2032	Performing	
Xando Trade or Invest 614 (Pty) Ltd - Erf 324 Princess Ext 49, Roodepoort	10,045,123	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement date with a final repayment on 30/08/2034	Performing	

Figures in Rand				2015	2014
Class of financial instrument	Credit risk exposure	Collateral	Repayment terms	Credit quality of financial assets that are neither past due or impaired	
Zakhele Investments CC - Erf 257 Kempton Park	3,646,032	Mortgage bond held by Gauteng Partnership Fund for the total loan	Eighteen months years from disbursement with a final repayment date on 31/10/2032	Impaired	
Zwide & Dewa Investments (Pty) Ltd - Erf 424 & 425 Rhodesfield	3,231,678	Mortgage bond held by Gauteng Partnership Fund for the total loan	One year from disbursement with a final repayment date 31/01/2034	Impaired	
Receivables from exchange transaction	11,150,641				
Cash and cash equivalents	802,571,736				
1,153,195,255					

Concentration risk

The Gauteng Partnership Fund's risk are concentrated in the Gauteng social housing sector (for households earning less than R15 000) through structured funding instruments to Social Housing Institutions and Financial Institutions with the goal to attract fair priced private sector funding. Concentration risk is quantified at an amount of R439,047,539 (2014: R277,205,124) which is nominal balance of all loans at year end.

26. FINANCIAL AND NON-FINANCIAL INSTRUMENTS

2015	Loans and receivables	Financial instruments at fair value	Other assets	Other liabilities	Non-financial instruments at amortised cost	Total
Financial Assets						
Financial Instruments at fair value	-	2	-	-	-	2
Loans and Receivables from exchange transactions	339,472,878	-	-	-	-	339,472,878
Receivables from exchange transactions	-	-	11,150,641	-	-	11,150,641
Cash and cash equivalents	-	-	802,571,736	-	-	802,571,736
Non-Financial Assets						
Intangible assets	-	-	-	-	511,227	511,227
Property, plant and equipment	-	-	-	-	2,486,402	2,486,402
Financial Liabilities						
Payables from exchange transactions	-	-	-	(156,081,301)	-	(156,081,301)
Non-Financial Liabilities						
Finance lease	-	-	-	-	(198,913)	(198,913)
Deferred Income	-	-	-	-	(264,853,602)	(264,853,602)
Operating lease	-	-	-	-	(241,925)	(241,925)
Provisions	-	-	-	-	(6,850,230)	(6,850,230)
339,472,878	2	813,722,377	(156,081,301)	(269,147,041)	727,966,915	

The above table illustrates the categorisation of financial instruments.

Figures in Rand					2015	2014
2014	Loans and receivables	Financial instruments at fair value	Other assets	Other liabilities	Non-financial instruments at amortised cost	Total
Financial Assets						
Financial Instruments at fair value	-	2	-	-	-	2
Loans and Receivables from exchange transactions	228,315,142	-	-	-	-	228,315,142
Receivables from exchange transactions	-	-	74,643,042	-	-	74,643,042
Cash and cash equivalents	-	-	898,397,660	-	-	898,397,660
Non-Financial Assets						
Intangible assets	-	-	-	-	913,766	913,766
Property, plant and equipment	-	-	-	-	3,585,212	3,585,212
Financial Liabilities						
Payables from exchange transactions	-	-	-	(262,870,009)	-	(262,870,009)
Non-Financial Liabilities						
Operating lease	-	-	-	-	(235,800)	(235,800)
Finance lease	-	-	-	-	(472,501)	(472,501)
Deferred income	-	-	-	-	(332,581,024)	(332,581,024)
Provisions	-	-	-	-	(3,633,427)	(3,633,427)
	228,315,142	2	973,040,702	(262,870,009)	(332,423,774)	606,062,063

The above table illustrates the categorisation of financial instruments.

Set out below is a comparison by class of carrying amounts and fair values of all the Gauteng Partnership Fund's financial instruments:

Financial assets	Carrying amount 2015	Carrying amount 2014	Fair value 2015	Fair value 2014
Financial instruments at fair value	2	2	2	2
Loans and receivables from exchange transactions	339,472,878	228,315,142	339,472,878	228,315,142
Receivables from exchange transactions	11,150,641	74,643,042	11,150,641	74,643,042
Cash and cash equivalents	802,571,736	898,397,660	802,571,736	898,397,660
1,153,195,257	1,201,355,846	1,153,195,257	1,201,355,846	
Financial liabilities	Carrying amount 2015	Carrying amount 2014	Fair value 2015	Fair value 2014
Non-financial liabilities - Finance lease obligation	198,913	472,501	198,913	472,501
Non-financial liabilities - Operating lease	241,925	235,800	241,925	235,800
Financial liabilities - Payables from exchange transactions	156,081,301	262,875,009	156,081,301	262,875,009
156,522,139	263,583,310	156,522,139	263,583,310	

Figures in Rand			2015	2014
Fair Value of Financial Instruments	Valuation technique - market observable inputs	Valuation technique combination for market and non-market observable inputs	Total 2015	Total 2014
Financial Assets				
Financial instruments at fair value	-	2	2	2
Loans and Receivables from exchange transactions	-	339,472,878	339,472,878	228,315,142
	-	339,472,880	339,472,880	228,315,144
Non-Financial Liabilities				
Finance lease	198,913	-	198,913	472,501
	198,913	-	198,913	472,501

The fair value of shares which are not listed are estimated using the discounted cash flow valuation model based assumptions that are supported by a combination of market and non-market observable inputs. The valuation is based on projected sustainable cash flows taking into account views of future performance as at 31 March 2015. The discounted rates used to present value these cash flows taking both systematic and unsystematic risks into account. Systematic risk is market risk or the risk that cannot be diversified away. Unsystematic risk is asset specific risk.

The fair value of loans and receivables from exchange transaction has been determined by discounting future cash flows over the period of the loan at the prime rate at date of inception thereof.

The fair value of the derivative was/has been determined by using the Black Scholes model and discounting future cash flow of the difference between the fair value of the option price and the equity fair value.

Finance leases are capitalised at the lower of present value of minimum lease payments or fair value. The discounted rate used in calculating the present value of minimum lease payments is 9% (which is the prime rate at date of inception).

Fair Value Hierarchy

The fair value hierarchy shall have the following levels:

a) Quoted (unadjusted) prices in active markets for identical assets or liabilities (Level 1);

b) Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

As at 31 March 2015, the GPF held the following financial instruments measured at fair value:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

27. NET CASH OUTFLOW FROM OPERATING ACTIVITIES

Surplus	121,904,852	88,089,025
Adjustments for:		
Depreciation and amortisation	2,263,460	1,954,892
Loss/(Gain) on sale of assets and liabilities	(8,945)	2,280
Impairment loss	2,246,816	280,078

Figures in Rand			2015	2014
Fair value adjustments	32,989,118	25,326,964		
Impairment of property, plant and equipment	76,055	974		
Increase in operating movements in operating lease assets and accruals	6,125	235,800		
Movements in provisions	3,216,803	(206,381)		
Contract recovery fee transferred	(2,300,000)	(4,203,070)		
Changes in working capital:				
Receivables from exchange transactions	63,492,401	(65,611,824)		
Provision for bad debts	(19,905,647)	(595,105)		
Derivative	-	(3,779,691)		
Payables from exchange transactions	(106,788,719)	(435,849,815)		
Deferred income	(167,987,841)	(108,771,420)		
Donations	72,917,473	322,917,473		
Loans and receivable	(91,252,089)	(62,353,465)		
Difference in interest calculated and interest capitalised	(5,646,470)	(5,912,236)		
	(94,776,608)	(248,475,521)		

Fair value adustments and the difference in interest and capitalised interest have been restated. (Refer to note 32).

28. CONTINGENCIES

There is no reimbursement from any third parties for potential obligations of the entity.

29. BUDGET COMPARISON

Comparison between budget and actual amounts

The budget was approved by the Trustees and submitted to the Executive Authority in terms of section 53(1) of the PFMA.

The GPF operated within its approved budget. The year to date actual expenditure was under by 5%.

This was mainly due to:

a) timing of the payment of capital raising fee.

Refer to Statement of Comparison of Budget and Actual amounts.

30. PROVISION FOR DOUBTFUL DEBTS

Loans and receivables from exchange transactions		
Take Off Real Estate (Pty) Ltd - Jeppestown Project	650,106	595,106
BM Molefi Properties 241 (Pty) Ltd - Kgorong Estate	19,850,646	-
	20,500,752	595,106

The loan to Take Off Real Estate (Pty) Ltd - Jeppestown Project has been provided as a doubtful debt due to a liquidation claim initiated by another creditor. (Refer to note 3).

The loan to BM Molefi Properties 241 (Pty) Ltd - Kgorong Estate has been provided as a doubtful debt as the client in in breach of his contract. (Refer to note 3).

31. PRIOR PERIOD ERRORS

In prior years, the Trust discounted its cashflows for the loan to Trust for Urban Housing Finance - Intuthuko (Pty) Ltd second tranche over over a five year period. The contract of the loan allows for a secondary period of another five years resulting in an error.

The correction of the error(s) results in adjustments as follows:

Figures in Rand	2015	2014
Statement of changes in net assets		
Opening balance as at 1 April 2013 previously reported	-	516,225,935
Less: adjustment	-	(1,214,174)
Add: Fair value available for sale adjustment	-	3,065,266
Less: Employee related expenses	-	(103,989)
Balance restated		517,973,038
Statement of Financial Performance		
Loans and receivables from exchange transactions as previously reported	-	213,454,484
Less: Adjustment	-	(1,214,174)
Current term portion reversed	-	7,690,470
Interest amortised	-	(124,932)
Balance restated (Refer to note 3)	-	219,805,848
Current portion - Loans and receivables from exchange transaction as previously stated	-	16,199,764
Less: adjusted	-	(7,690,470)
Balance restated (Refer to note 3)	-	8,509,294
Statement of Financial Performance		
Surplus for the year previously stated	-	91,392,506
Less: Trust for Urban Housing Intuthuko (Pty) Ltd adjustment	-	(124,932)
Less: Fair value available for sale adjustment	-	(3,065,266)
Less: Employee related expenses	-	(113,283)
Balance restated	-	88,089,025
Trust for Urban Housing Finance - Intuthuko (Pty) Ltd		
Amount as previously reported	-	5,070,556
Plus: adjustment	-	6,351,365
Balance restated (Refer to note 13)	-	11,421,921
Revenue from exchange transactions - Interest calculated using effective interest rate method		
Amount as previously reported	-	6,441,580
Less: adjustment	-	(124,932)
Balance restated (Refer to note 13)	-	6,316,648
The Trust incorrectly accounted for the revaluation of Brickfields Housing Company (Pty) Ltd by creating a reserve account. Subsequently with the implementation of GRAP 104, the reserve account amount should have been eliminated.		
The correction of the error(s) results in adjustments as follows:		
Statement of changes in net assets		
Accumulated surplus balance as at 1 April 2013		
Previously stated	-	516,225,935
Add: Fair value available for sale adjustment	-	3,065,266
Less: Trust for Urban Housing Intuthuko (Pty) Ltd adjustment	-	(1,214,174)
Less: Employee related expenses	-	(103,989)
Balance restated	-	517,973,038
Fair value adjustments assets-available-for-sale reserve balance as at 1 April 2014		
Previously stated	-	3,065,266
Adjustment	-	(3,065,266)
Balance restated	-	NIL

Figures in Rand	2015	2014
Statement of Financial performance		
Previously stated	-	91,392,506
Add: Fair value available for sale adjustment	-	(3,065,266)
Less: Trust for Urban Housing Intuthuko (Pty) Ltd adjustment	-	(124,932)
Less: Employee related expenses	-	(113,283)
Balance restated	-	88,089,025
Social benefit adjustment		
Previously stated	-	22,261,698
Adjustment	-	3,065,266
Balance restated (Refer to note 18)	-	25,285,093
Note 25. Interest rate risk		
In the prior year the Trust used the interest from loans and receivables to calculate interest rate risk. The amount has been changed to include interest from banks.		
Previously stated	-	660
Adjustment	-	(453)
Balance restated	-	207
The Trust incorrectly calculated PAYE on fringe benefits for employee related expenses as a tax law changed.		
The correction of the error(s) results in adjustments as follows:		
Statement of changes in net assets		
Accumulated surplus balance as at 1 April 2013	-	516,225,935
Add: Fair value available for sale adjustment	-	3,065,266
Less: Trust for Urban Housing Intuthuko (Pty) Ltd adjustment	-	(1,214,174)
Less: Employee related expenses	-	(103,989)
Balance restated	-	517,973,038
Statement of financial performance		
Previously stated	-	91,392,506
Add: Fair value available for sale adjustment	-	(3,065,266)
Less: Trust for Urban Housing Intuthuko (Pty) Ltd adjustment	-	(124,932)
Less: Employee related expenses	-	(113,283)
Balance restated	-	88,089,025
Statement of financial position		
Provisions and previously stated	-	3,416,155
Add: Salary related expenses	-	217,272
Balance restated (Refer to note 12)	-	3,633,427
33. GAIN/(LOSS) ON DISPOSAL OF ASSETS		
Disposals		
Property, plant and equipment	8,945	(2,280)
Gain/(Loss) on disposal of assets relates to assets disposed of during the year.		

DETAILED STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2015	2014
Revenue			
Deferred income	8	167,897,841	108,771,420
Interest received from banks	14	38,079,895	28,230,044
Other income	15	5,676,519	4,203,070
Interest received from investments	13	28,481,648	19,510,964
TOTAL REVENUE		240,135,903	160,715,498
Expenditure			
Personnel	21	(31,798,977)	(26,840,833)
Depreciation and amortisation	6&7	(2,263,460)	(1,954,892)
Impairment loss on fixed assets	6	(76,055)	(974)
Finance costs	20	(29,853)	(33,003)
Provision for doubtful debts	31	(19,905,647)	(595,105)
Repairs and maintenance		(928,022)	(304,060)
General Expenses	17	(28,002,048)	(17,288,284)
TOTAL EXPENDITURE	27	(83,004,062)	(47,017,151)
Operating surplus	16	157,131,841	113,698,347
Gain/(loss) on disposal of assets	15&32	8,945	(2,280)
Fair value adjustments	18	(32,989,118)	(25,326,964)
Impairment (loss) of loan and receivables from exchange transactions	19	(2,246,816)	(280,078)
		(35,226,989)	(25,609,322)
SURPLUS FOR THE YEAR		121,904,852	88,089,025
Attributable to:			
Executive Authority - Gauteng Department of Human Settlements		121,904,852	88,089,025