Dawn Properties Limited

Annual Report

For the nine months ended 31 December 2015

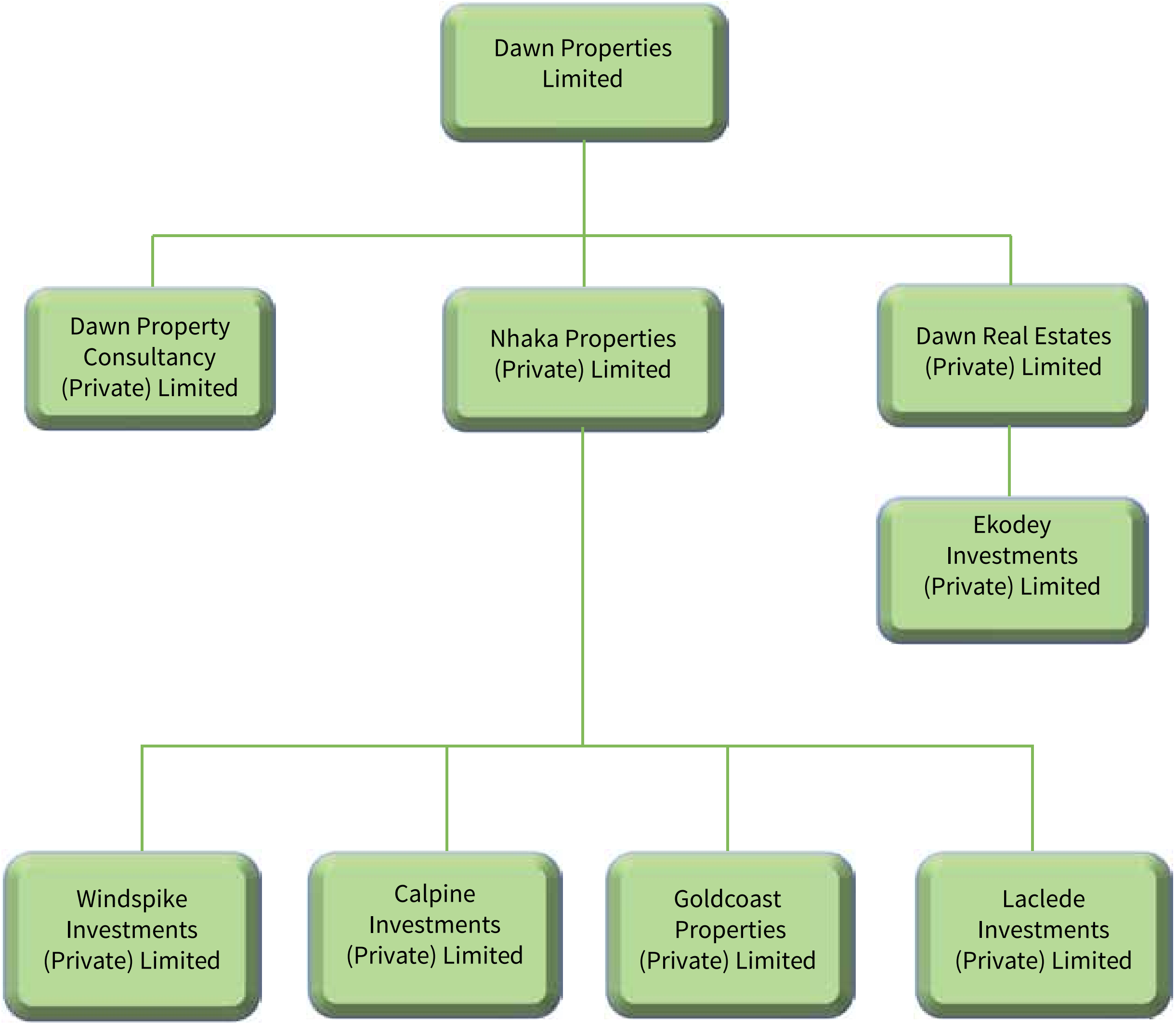
CONTENTS

The financial statements are expressed in United States of America dollar ("US$").

INTRODUCTION

Dawn Properties Limited ("the Company") is one of the industry leaders in real estate investment, development and consulting in Zimbabwe. Established in 2003, the Company has significant investments in hotel properties in all the major tourist destination in Zimbabwe, as well as a largely undeveloped residential land bank. The Company is listed on the Zimbabwe Stock Exchange. Dawn Properties Limited and its subsidiaries (together "the Group") has three integrated real estate businesses namely property holding, property development and property consulting. The Company's flat corporate structure and business model supports synergies across its businesses and contributes to the overall success of the Group.

GROUP STRUCTURE



All the subsidiaries above are wholly owned either directly or indirectly.

STRATEGIC BUSINESSES

Hotel property lease business

The Company's hotel properties, valued at US$76 million as at 31 December 2015, are operated by African Sun Limited under long term operating leases. Rental income from that particular investment portfolio is one of the main contributor to Group revenue.

The hotel and timeshare property portfolio comprises the following:

PROPERTIES	ROOMS	LOCATION
Hotels		
Carribea Bay Sun Hotel	83	Kariba
Monomotapa Hotel	245	Harare
Elephant Hills Resort and Conference Centre	276	Victoria Falls
Great Zimbabwe Hotel	56	Masvingo
Holiday Inn Mutare Hotel	96	Mutare
Hwange Safari Lodge	106	Hwange
Beitbridge Express Hotel	104	Beitbridge
Troutbeck Resort Hotel	70	Nyanga
Total available rooms	**1 036**	

Property consulting business

The Group's property consulting services are offered through a standalone entity - Dawn Property Consultancy (Private) Limited (DPC) (formerly CB Richard Ellis Zimbabwe). With a permanent staff complement of 23, DPC is one of the largest independent property consultancy firm in Zimbabwe offering mainly two services – property management and valuation.

The property management division manages over 340 000m^2 of lettable space mainly on behalf of large corporates across 125 sites in Zimbabwe. The valuation division offers property, plant and machinery, as well as furniture and fittings valuation services.

Real estate development

The Group owns about 540 hectares (ha) of land in both the residential and commercial markets which had an open market value as of US$8.4million as at 31 December 2015. The land, which is largely earmarked for residential development, is located in some of the most prestigious and sought after neighborhoods in the country. The development of the land bank listed below would be rolled out in phases, providing luxurious low to middle income residential housing solutions at competitive prices.

The land bank is as follows:

	SIZE (HA)	LOCATION
Borrowdale	0.87	Harare
Marlborough Residential Land	318	Harare
Brondesbury Park	212	Juliasdale
Glen Lorne Stand	0.51	Harare
Lake View	9	Kariba
Total	**540.38**	

MISSION

To create sustainable value for stakeholders. This is to be achieved by:

a) Investing in high yielding properties;
b) Optimising net rentals by drafting appropriate lease agreements and closely managing costs;
c) Ensuring that properties are properly maintained; and
d) Ensuring that adequate attention is given to risk management.

VISION

To be a successful investment property holding and property development Group.

CORE VALUES

Employment Equity
We are committed to ensuring that employees are offered equal opportunities and appropriate participation.

Integrity
We conduct our business in an honest, fair and transparent manner.

Passion
We believe in our products and this drives all our innovations.

Quality
We are committed to the highest standards of delivery.

Teamwork
We believe in creating a happy work environment premised on teamwork.

Environmental issues
We are committed to safeguarding the environment for this and future generations. The assessment of environmental issues is therefore critical for all projects we are involved in. We are committed to complying with environmental, health and safety standards.

DIRECTORS:

Non-executive directors
P.P Gwatidzo (Chairman)
P. Sievwright - Appointed on 21 September 2015
W.T Kambwanji
M. Mukonoweshuro
T. Chiweshe
W. Kambwanji
G. Manyere

Executive directors
P. J Matute (Managing Director) - Appointed on 1 December 2015
J. Dowa - Resigned on 30 November 2015
P. Saungweme (Finance Director) - Appointed on 21 September 2015

Audit and Risk Committee
M. Mukonoweshuro (Chairman)
P. Matute
G. Manyere

Remuneration and Nominations Committee
W. Kambwanji (Chairman)
P.P Gwatidzo

Finance and Investments Committee
T. Chiweshe (Chairman)
M. Mukonoweshuro
W.T Kambwanji
P. Sievwright

SECRETARY
P. Saungweme - Appointed on 1 July 2015
N.M. Tome - Resigned on 31 March 2015

REGISTERED OFFICE
8th Floor, Beverley Court
100 Nelson Mandela Avenues
Harare

BANKERS
Barclays Bank of Zimbabwe Limited
Kurima House
Harare

MBCA Bank Limited
Jason Moyo Avenue
Harare

CABS
Jason Moyo Avenue
Harare

LEGAL ADVISORS
Mutamangira and Associates
Clarewood Chambers
38 Clairwood Road
Alexandra Park
Harare

Mhishi Legal Practioners
9th Floor, Old Mutual Centre
Corner Jason Moyo Avenue/3rd Street
Harare

INDEPENDENT AUDITOR
PricewaterhouseCoopers
Chartered Accountants (Zimbabwe)
Building No. 4, Arundel Office Park
Norfolk Road, Mt Pleasant,
Harare

TRANSFER SECRETARIES
Corpserve Registrars (Private) Limited,
2nd Floor, ZB Centre
Corner First Street and Kwame Nkrumah Avenue
Harare

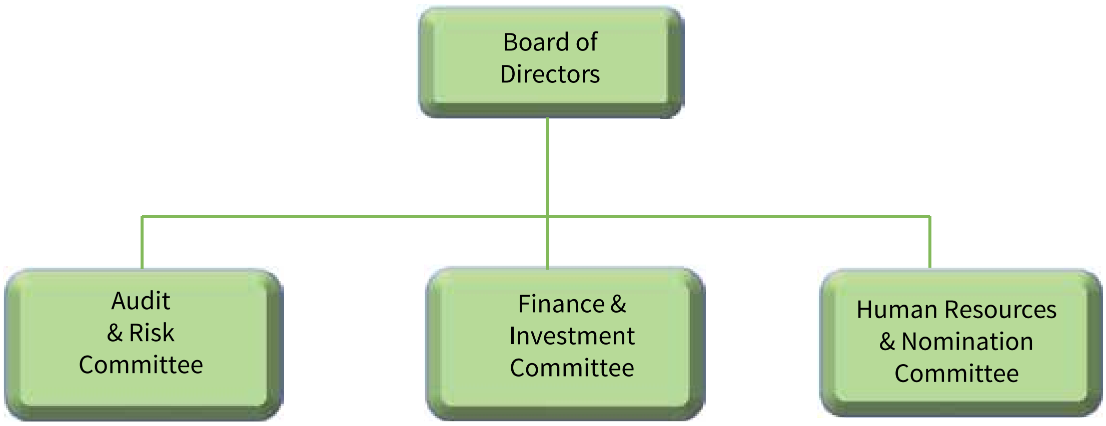
Dawn Properties Limited accepts and complies with the principles of the Code of Corporate Practices as enunciated in the King III Report. The directors are fully aware and cognisant of the importance of executing their duties in keeping with the principles of transparency, integrity, fairness and accountability and in accordance with accepted corporate practices in order to enhance the interests of its shareholders, employees and other stakeholders. This includes timely and meaningful reporting to all its stakeholders.

BOARD OF DIRECTORS

The Board of Directors ("the Board") currently comprises seven non-executive directors and two executive directors. The non-executive directors bring to the Board a wide range of skills and experience that enables them to contribute independent views and to exercise objective judgment in matters requiring the directors' decisions.

The Board is responsible for the strategic direction of the Group, reviews and approves the investment policy and all significant transactions. The Board has ultimate responsibility for proper management, risk management and the general compliance and ethical behaviour of management. To achieve this, the Board has established three committees to give detailed attention to each specific area.

CORPORATE GOVERNANCE STRUCTURE



AUDIT AND RISK COMMITTEE

The Committee has two mandates:

a) Audit

To provide the Board with additional assurance regarding the efficacy and reliability of the financial information used by the directors to assist them in the discharge of their duties. The Committee is required to provide assurance to the Board that adequate and appropriate financial operating controls are in place, that significant financial, business and other risks have been identified and are being suitably managed and that satisfactory standards of governance, reporting and compliance are in operation.

Its responsibility include overseeing the financial reporting process, reviewing audit results, audit processes and risk management, the cost effectiveness, independence and objectivity of the auditors and compliance issues.

AUDIT AND RISK COMMITTEE (CONTINUED)

b) **Risk**

To identify, assess, manage and monitor the risks to which the business is exposed. The most significant risk is that of a single customer exposure. Others are single sectorial exposure and total or partial destruction of property. The tenant insures all properties at replacement values.

The Audit and Risk Committee comprises two non-executive directors. The Managing Director and Finance Director attend the meetings by invitation. The independent auditors have an unfettered access to the Committee and its Chairman. The Committee meets at least four times a year.

HUMAN RESOURCES AND NOMINATIONS COMMITTEE

The Human Resources Committee has the mandate to ensure that the Group adopts market related remuneration policies and reviews and approve remuneration for senior executives. In addition, the Committee also assesses and make recommendations to the main Board of Directors on all new director appointments.

FINANCE AND INVESTMENT COMMITTEE

The Finance and Investment Committee reviews performance of the Group's investments. In addition, the Committee also reviews and makes recommendations to the Board concerning new investments proposal as well as all financing arrangements.

BOARD COMMITTEE AND BOARD ATTENDANCE REGISTER

The table below outlines the Board and Committee members' attendance to meetings held during the period under review:

	Main Board	Audit and Risk	Finance and Investments	Human Resources and Nominations
Number of meetings held	**5**	**3**	**4**	**3**
P.P Gwatidzo	5	N/A	N/A	3
G. Manyere	5	3	N/A	N/A
W.T Kambwanji	5	N/A	N/A	3
M. Mukonoweshuro	3	3	4	N/A
P. Sievwright ^	2	N/A	1	N/A
T. Chiweshe	5	N/A	4	N/A
J. Dowa*	5	N/A	N/A	N/A
P.J Matute	5	3	4	N/A
P. Saungweme^	2	N/A	N/A	N/A

* Resigned on 30 November 2015
^ - Appointed 21 September 2015
N/A - Not a member

SHAREHOLDERS

The Board's primary role is to create value and protect the interests of the Company's shareholders. The Board is accountable to shareholders for the Company's performance and its activities. Communication with shareholders is achieved through the annual report, annual general meeting and local media where necessary. In addition, all Company announcements and corporate information is available to investors on the Company's website.

INTRODUCTION

It is with pleasure that I present the audited financial statements for Dawn Properties Limited ('the Company" or the "Group") for the nine months ended 31 December 2015.

MACRO-ECONOMIC ENVIRONMENT

The economy grew by 1.5% in 2015, which was below the projected rate of 3.5%. Among other things, the low growth was due to the continued tight liquidity constraints, subdued foreign direct investment, high cost of funding and negative inflation rates, averaging -2.4% between January and November 2015. The capital and current account deficit grew from US$40.3 million in 2014 to an estimated deficit of US$385.8 million in 2015.

Further challenges included the global decline of commodity prices and the reduced agricultural output due to the poor rains. Commodity prices are expected to continue downwards, in part due to the strengthening of the United States ("US") dollar. The direction and performance of the US dollar will continue to have a direct impact on the local economy. In particular, and directly related to the Company, the stronger US dollar would negatively impact local tourism by making it relatively more expensive than comparative regional offerings.

CHANGE IN FINANCIAL YEAR END

The Group changed its financial year end from 31 March to 31 December. The change was necessitated by the need to align the Group's financial year end to that of the Company's majority shareholder – Brainworks Capital Management (Private) Limited. As a result of the change, the current financial period covers a nine month period from the 1st of April to 31 December 2015.

FINANCIAL REVIEW

Statement of comprehensive income

The Group achieved turnover of US$3.4 million in the period under review compared to US$5.2 million for the twelve months ended 31 March 2015. Operating expenses were US$3.6 million. Included in these operating expenses are significant once off charges namely retrenchment costs of US$0.5 million and impairment allowances on the property consultancy segment debtors of US$0.36 million.

The Group recognised an income tax charge of US$3.6 million. Included in the income tax charge is an income tax expense of US$0.93 million relating to the 2009 to 2014 financial periods and deferred tax impact of US$2.3 million, which arose from the finalisation of the case between the Group and the Zimbabwe Revenue Authority which had been disclosed as part of the contingent liabilities in the prior years. As a result of the tax charge, the Group posted after tax losses for the nine months of US$3.8 million, compared to after tax profits of US$0.15 million for the twelve months ending 31 March 2015.

Statement of financial position

The carrying value of the investment property decreased marginally to US$84.4 million compared to $85.1 million as at 31 March 2015.

OPERATIONS

Hotel property portfolio

The hotel property portfolio achieved total revenue of US$1.84 million in the nine month period under review. This equates to an annualised yield of 2.9% on the combined portfolio, which is well below the Group's benchmark of 8%. To improve the yields, the Company, in conjunction with its tenants, has taken steps to improve the product offered in its properties and consequently to review the rentals from the hotels.

Property consultancy

Property consulting generated fees of US$1.63 million for the nine months under review, relative to US$2.6 million for the twelve months ended 31 March 2015. A restructuring exercise was carried out to right size the business, in terms of its costs structures relative to the income opportunities prevailing. Going forward, the property consultancy segment will focus on the provision of two key services - property management and valuation.

DIRECTORATE

Mr. J. Dowa resigned as Chief Executive Officer and director of the Company with effect from 1 December 2015. On behalf of the Board, I would like to thank Mr. Dowa for his management of the Group during a period of change, and wish him well in his future endeavours.

DIRECTORATE (CONTINUED)

The Board appointed Mr P. Matute as the Company's Managing Director with effect from 1 December 2015. Messrs P. Saungweme and P. Sievwright were also appointed to the Board on 21 September 2015.

SHAREHOLDING CHANGES

Following the acquisition by Brainworks Capital Management (Private) Limited ("Brainworks Capital"), of more than 35% of the Company's issued shares, Brainworks Capital undertook a mandatory offer ("the Offer") to minorities in Dawn Properties Limited, in compliance with the Zimbabwe Stock Exchange listing requirements. As at the close of the Offer, Brainworks Capital acquired an additional 4.44% shares and now owns 66.81% of the issued shares.

MANAGEMENT CONTRACT

The Board entered into a management contract with Brainworks Capital, with effect from 1 January 2016. Under this arrangement, Brainworks Capital will second the Managing Director and the Finance Director to manage the operations of Dawn Properties Limited and report to the Board in accordance with its corporate governance requirements. Brainworks Capital's remuneration will be performance based.

DIVIDEND

In view of the current economic challenges and the subdued performance, the Board has resolved not to declare a dividend for the period ended 31 December 2015.

OUTLOOK

After restructuring its operations and management structures, the Company is better positioned to respond to opportunities and threats in the environment. In addition, the Company's maiden property development project – the Elizabeth Windsor Gardens, is expected to deliver its first units within the 2016 financial year.

APPRECIATION

May I take this opportunity to thank all our valued clients for their continued custom and support. My appreciation also goes to Board members, management and our staff for their continued dedication and hard work.

P.P Gwatidzo
Chairman

The Director's have pleasure in presenting their report with the audited financial statements of the Group for the period ended 31 December 2015.

All figures in US$	31 December 2015	31 March 2015
Results for the year ended		
(Loss)/profit before income tax	(225 755)	657 471
Income tax expense	(3 618 171)	(508 319)
(Loss)/profit for the year	**(3 843 926)**	**149 153**

SHARE CAPITAL

As at 31 December 2015, the authorised share capital was 4 000 000 000 (31 March 2015: 4 000 000 000) ordinary shares with a nominal value of US$0.0008 each.

The issued shares as at 31 December 2015 were 2 457 172 108 (31 March 2015: 2 457 172 108) ordinary shares.

RESERVES

The movements in the reserves of the Group are shown in the consolidated statement of changes in equity, on page 17.

The Company had the following subsidiaries as at the reporting date:

Subsidiary	31 December 2015	31 March 2015
Nhaka Properties (Private) Limited	100%	100%
Laclede Investments (Private) Limited	100%	100%
Goldcoast Properties (Private) Limited	100%	100%
Calpine Investments (Private) Limited	100%	100%
Dawn Real Estate (Private) Limited	100%	100%
Dawn Properties Investment Management (Private) Limited	100%	100%
Dawn Property Consultancy (Private) Limited	100%	100%
CBRE (Proprietary) Limited	100%	100%
Ekodey (Private) Limited	100%	76%
Flemflora (Private) Limited	-	100%
Lipthong Investments (Private) Limited	-	100%
Windspike Investments (Pvt) Limited	100%	-

CHANGE IN ACCOUNTING YEAR END

The Group changed its financial year end from 31 March to 31 December. The change was necessitated by the need to align the financial year end to that of the majority shareholder - Brainworks Capital Management (Private) Limited.

PROPERTY, PLANT AND EQUIPMENT

Capital expenditure for the nine months ended 31 December 2015 was US$638 461 (31 March 2015: US$205 396). This comprised of US$483 125 on property development and US$155 336 on operating assets.

DIVIDENDS

In view of the subdued performance, the Board resolved not to declare a dividend for the nine months ended 31 December 2015.

DIRECTORS

In terms of the Articles of Association, Messrs P.P Gwatidzo and M. Mukonoweshuro retire at the forthcoming Annual General meeting by rotation and they being eligible, these directors offer themselves for re-election.

DIRECTORS' FEES

Members will be asked to approve the remuneration of the director's fees for the year ended 31 December 2015 of US$68 250.

INDEPENDENT AUDITORS

Members will be asked to approve the remuneration of the independent auditors for the financial period ended 31 December 2015 and to appoint independent auditors of the Group to hold office for the ensuing year.

P.P Gwatidzo
Chairman

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Group are required by the Zimbabwe Companies Act (Chapter 24:03) to maintain adequate accounting records and to prepare financial statements that present a true and fair view of the financial position of the Group at the end of the financial year and of its financial performance and its cash flows for the year then ended. In preparing the accompanying statements, cognisance has been taken of the current financial reporting environment and procedures followed to present information and adequately discloses the status of the Group in the United States of America dollar ("US"). Suitable accounting policies have been used and consistently applied, and reasonable and prudent judgments and estimates have been made.

The Directors have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

The Board recognises and acknowledges its responsibility for the Group's system of internal financial control. Dawn Properties Limited maintains internal controls and systems that are designed to safeguard the assets of the Group, prevent and detect fraud and ensure the completeness and accuracy of the Group's records. There were no breakdowns in the systems of internal controls resulting in material losses which were reported to the directors in respect of the period under review.

The consolidated financial statements for the year ended 31 December 2015, which appear on pages 14 to 56 were approved by the Board of Directors on 15 March 2016 and are signed on its behalf by:

P.P Gwatidzo
Chairman

P.J. Matute
Managing Director

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF DAWN PROPERTIES LIMITED

We have audited the consolidated financial statements of Dawn Properties Limited (the "Company") and its subsidiaries (together "the Group") and the statement of financial position of the Company standing alone, (together the "financial statements") which comprise the consolidated and separate statement of financial position as at 31 December 2015, the consolidated statements of comprehensive income, changes in equity and cash flows for the nine months then ended, and a summary comprising notes to the financial statements, which include a summary of significant accounting policies and explanatory information set out on pages 14 to 56.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards ("IFRS"), and in the manner required by the Zimbabwe Companies Act (Chapter 24:03) and for such internal control as directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 controls 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.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial positions of the Group and Company as at 31 December 2015, and the Group's consolidated financial performance and its consolidated cash flows for the nine months then ended in accordance with International Financial Reporting Standards and in the manner required by the Zimbabwe Companies Act (Chapter 24:03).

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants (Zimbabwe)
Harare

20 April 2016

All figures in US$	Note	31 December 2015	31 March 2015
ASSETS			
Non-current assets			
Investment property	5	84 428 712	85 135 000
Property and equipment	7	1 135 043	1 230 815
		85 563 755	**86 365 815**
Current assets			
Inventories	6	899 538	27 138
Trade and other receivables	8	1 293 220	995 933
Current income tax assets		40 392	19 027
Cash and cash equivalents	9	1 018 536	2 241 090
		3 251 686	**3 283 188**
TOTAL ASSETS		**88 815 441**	**89 649 003**
EQUITY			
Share capital	10.2	1 965 738	1 965 738
Share premium	10.2	17 530 833	17 530 833
Revaluation reserves		7 353 815	7 353 815
Retained profits		56 652 441	60 632 970
Shareholders' equity		**83 502 827**	**87 483 356**
Non-controlling interests		**-**	**369 780**
Total equity		**83 502 827**	**87 853 136**
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	11	3 787 498	1 169 301
Current liabilities			
Trade and other payables	12	769 061	626 566
Current income tax liabilities	13	756 055	-
		1 525 116	**626 566**
Total liabilities		**5 312 614**	**1 795 867**
TOTAL EQUITY AND LIABILITIES		**88 815 441**	**89 649 003**

The notes on pages 19 to 56 are an integral part of these financial statements.

Approved for issue on 15 March 2016 and signed on behalf of the Board of Directors of Dawn Properties Limited by:

P.J Matute
Managing Director

P. Saungweme
Company Secretary

P.P Gwatidzo
Chairman

All figures in US$	Note	31 December 2015	31 March 2015
ASSETS			
Non-current assets			
Investment in subsidiaries	14	20 471 606	19 503 998
Current assets			
Amounts due from related parties	24.5.3	3 298 532	-
Other recievables		1 527	-
		3 300 059	**-**
TOTAL ASSETS		**23 771 665**	**19 503 998**
EQUITY			
Capital and reserves			
Ordinary share capital	10.2	1 965 738	1 965 738
Share premium	10.2	17 530 833	17 530 833
Retained profits/(accumulated losses)		4 237 715	(959 778)
Total equity		**23 734 286**	**18 536 793**
LIABILITIES			
Current liabilities			
Balances with related parties		-	967 205
Other payables		37 379	-
		37 379	**967 205**
TOTAL EQUITY AND LIABILITIES		**23 771 665**	**19 503 998**

The notes on pages 19 to 56 are an integral part of these financial statements.

Approved for issue on 15 March 2016 and signed on behalf of the Board of Directors of Dawn Properties Limited by:

P.J Matute
Managing Director

P. Saungweme
Company Secretary

P.P Gwatidzo
Chairman

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE MONTHS ENDED 31 DECEMBER 2015

All figures in US$	Note	31 December 2015	31 March 2015
Revenue	15	3 436 892	5 174 685
Net loss from fair value adjustment on investment property	5	(200 000)	(300 000)
Other income	16	76 823	45 686
Total income		**3 313 715**	**4 920 371**
Operating expenses	17	(3 582 055)	(4 336 754)
Operating (loss)/profit		**(268 340)**	**583 617**
Finance income	18	42 585	73 855
(Loss)/profit before income tax		**(225 755)**	**657 471**
Income tax expense	19	(3 618 171)	(508 319)
(Loss)/profit for the year		**(3 843 926)**	**149 153**
Other comprehensive income		**-**	**-**
Total comprehensive (loss)/income for the year		**(3 843 926)**	**149 153**
Attributable to:			
- Owners of the parent		(3 843 926)	200 898
- Non-controlling interest		-	(51 745)
		(3 843 926)	**149 153**
Total comprehensive (loss)/income attributable to:			
- Owners of the parent		(3 843 926)	200 898
- Non-controlling interest		-	(51 745)
		(3 843 926)	**149 153**
Earnings per share from continuing and discontinued operations attributable to owners of the parent during the year			
Basic earnings per share:			
(Loss)/profit for the year	25.1	**(0.16)**	**0.01**

The notes on pages 19 to 56 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED 31 DECEMBER 2015

	ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT							
All figures in US$	Share capital	Share premium	Revaluation reserves	Linked unit debentures equity component	Retained profits	Total	Non-controlling interests	Total
YEAR ENDED 31 MARCH 2015								
Balance as at 1 April 2014, as previously stated	**18 156**	**17 680 929**	**7 353 815**	**206 790**	**60 685 406**	**85 945 096**	**495 210**	**86 440 306**
Effects of restatement	-	-	-	-	-	**-**	(73 685)	**(73 685)**
Balance as at 1 April 2015, as restated	**18 156**	**17 680 929**	**7 353 815**	**206 790**	**60 685 406**	**85 945 096**	**421 525**	**86 366 621**
Comprehensive income								
Profit for the year	-	-	-	-	200 898	**200 898**	(51 745)	**149 153**
Other comprehensive income	-	-	-	-	-	**-**	-	**-**
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**200 898**	**200 898**	**(51 745)**	**149 153**
Transactions with owners in their capacity as owners recognised directly in equity								
Conversion of linked unit debentures to ordinary shares	1 947 582	(150 096)	-	(206 790)	-	**1 590 696**	-	**1 590 696**
Dividend declared and paid	-	-	-	-	(253 334)	**(253 334)**	-	**(253 334)**
Balance as at 31 March 2015	**1 965 738**	**17 530 833**	**7 353 815**	**-**	**60 632 970**	**87 483 356**	**369 780**	**87 853 136**
NINE MONTHS ENDED 31 DECEMBER 2015								
Balance as at 1 April 2015	**1 965 738**	**17 530 833**	**7 353 815**	**-**	**60 632 970**	**87 483 356**	**369 780**	**87 853 136**
Comprehensive income								
Loss for the period	-	-	-	-	(3 843 926)	**(3 843 926)**	-	**(3 843 926)**
Disposal of subsidiary	-	-	-	-	(156 383)	**(156 383)**	-	**(156 383)**
Other comprehensive income	-	-	-	-	-	**-**	-	**-**
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**(4 000 309)**	**(4 000 309)**	**-**	**(4 000 309)**
Transactions with owners in their capacity as owners recognised directly in equity								
Acquisition of non controlling interests (note 14.5)	-	-	-	-	19 780	**19 780**	(369 780)	**(350 000)**
Balance as at 31 December 2015	**1 965 738**	**17 530 833**	**7 353 815**	**-**	**56 652 441**	**83 502 827**	**-**	**83 502 827**

The notes on pages 19 to 56 are an integral part of these financial statements.

All figures in US$	Note	31 December 2015	31 March 2015
Cash flows from operating activities			
(Loss)/profit before income tax		**(225 755)**	**657 471**
Adjustments for:			
- Net loss from fair value gains on investment property	5	200 000	300 000
- Depreciation of property and equipment	7	152 848	208 820
- Goodwill impairment charge		-	120 186
- Impairment charge for trade and other receivables	8.3	369 912	71 883
- Loss/(profit) from disposal of property and equipment	16	27 081	(4 384)
- Profit from disposal of subsidiaries	16	(100 069)	-
- Finance income	18	(42 585)	(73 855)
- Provision for tax penalties	17.2	168 198	-
- Other provisions	17.3	(14 931)	-
- Other non cash items		-	170
Operating cash before working capital changes		**534 700**	**1 280 292**
Changes in working capital:			
Increase in inventories		(472 400)	(240)
Increase in trade and other receivables		(667 199)	(244 044)
(Decrease)/increase in trade and other payables		(153 375)	137 240
Cash (used in)/generated from operations		**(758 275)**	**1 173 248**
Income tax paid	13	(64 689)	(95 233)
Interest received		42 585	-
Net cash (used in)/generated from operating activities		**(780 379)**	**1 078 015**
Cash flow from investing activities			
Purchase of property and equipment	7	(155 336)	(205 396)
Proceeds from sale of property and equipment		70 999	17 035
Proceeds from disposal of investments in subsidiaries		505 875	-
Acquisition of subsidiary		(400 000)	-
Improvements to investment property	5	(113 712)	-
Net cash used in investing activities		**(92 174)**	**(188 361)**
Cash flows from financing activities			
Dividend paid to owners of the parent		-	(253 334)
Acquisition of additional equity interest in subsidiary	14.4	(350 000)	-
Net cash used in financing activities		**(350 000)**	**(253 334)**
Net (decrease)/increase in cash and cash equivalents		**(1 222 554)**	**636 320**
Cash and cash equivalents at the beginning of the year		2 241 090	1 604 770
Cash and cash equivalents at the end of the year	9	**1 018 536**	**2 241 090**

The notes on pages 19 to 56 are an integral part of these financial statements.

1 GENERAL INFORMATION

Dawn Properties Limited ("Dawn Properties" or the "Company") and its subsidiaries, (together "the Group") own investment property and provide property valuation, management and consultancy services.

The Company is a limited liability company incorporated and domiciled in Zimbabwe that is listed on the Zimbabwe Stock Exchange. The address of its registered office is 8th Floor, Beverley Court, 100 Nelson Mandela Avenue, Harare.

The consolidated financial statements were approved for issue by the Board of Directors on 15 March 2016.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These accounting policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Going concern

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current financing.

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

2.2 Basis of preparation

The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations ("IFRS IC") and in the manner required by the Zimbabwe Companies Act (Chapter 24:03). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

2.3 Changes in accounting policies and disclosures

a) **New standards, amendments and interpretations effective for the first time for 31 December 2015 year ends that are relevant to the Group**

There were no new standards, amendments and interpretations effective for the first time in 31 December year ends that are relevant to the Group.

b) **New standards, amendments and interpretations effective for the first time for 31 December 2015 year ends that are not relevant to the Group (although they may affect accounting for future transactions)**

The following new standards, amendments and interpretations are effective for the first time for financial years ended on or after 31 December 2015 but are not currently relevant:

Standard/interpretation	Effective date	Executive summary
Amendments to IAS 19 'Employee benefits', regarding defined benefit plans	1 July 2014	These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendment is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage salary.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Changes in accounting policies and disclosures (continued)

c) New standards, amendments and interpretations issued but not effective for 31 December 2015 year ends that are relevant to the Group but have not been early adopted

The following new standards, amendments and interpretations are not effective for accounting periods ended 31 December 2015 but are relevant to the Group:

Standard/interpretation	Effective date	Executive summary
Amendments to IAS 1, 'Presentation of financial statements' disclosure initiative	1 January 2016	In December 2014 the IASB issued amendments to clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.
Amendment to IAS 7 – Cash flow statements	1 January 2017	In January 2016, the International Accounting Standards Board ("IASB") issued an amendment to IAS 7 introducing an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment responds to requests from investors for information that helps them better understand changes in an entity's debt. The amendment will affect every entity preparing IFRS financial statements. However, the information required should be readily available. Preparers should consider how best to present the additional information to explain the changes in liabilities arising from financing activities.
Amendment to IAS 12 – Income taxes	1 January 2017	The amendments were issued to clarify the requirements for recognising deferred tax assets on unrealised losses. The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain other aspects of accounting for deferred tax assets. The amendments clarify the existing guidance under IAS 12. They do not change the underlying principles for the recognition of deferred tax assets.
Amendment to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets', on depreciation and amortisation.	1 January 2016	In this amendment the IASB has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.
Amendments to IAS 27, Separate financial statements' on equity accounting	1 January 2016	In this amendment the IASB has restored the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Changes in accounting policies and disclosures (continued)

c) New standards, amendments and interpretations issued but not effective for 31 December 2015 year ends that are relevant to the Group but have not been early adopted (continued)

Standard/interpretation	Effective date	Executive summary
IFRS 9 – Financial instruments (2009 and 2010) · Financial liabilities · Derecognition of financial instruments · Financial assets · General hedge accounting	1 January 2018	This IFRS is part of the IASB's project to replace IAS 39. IFRS 9 addresses classification and measurement of financial assets and replaces the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortised cost and fair value. The IASB has updated IFRS 9, 'Financial instruments' to include guidance on financial liabilities and derecognition of financial instruments. The accounting and presentation for financial liabilities and for derecognising financial instruments has been relocated from IAS 39, 'Financial instruments: Recognition and measurement', without change, except for financial liabilities that are designated at fair value through profit or loss.
Amendments to IFRS 10, 'Consolidated financial statements' and IAS 28, 'Investments in associatesand joint ventures' on applying the consolidation exemption	1 January 2016	In December 2014 the IASB issued amendments to clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The amendments clarify the application of the consolidation exception for investment entities and their subsidiaries.
Amendments to IFRS 10, Consolidated financial statements' and IAS 28, 'Investments in associates and joint ventures' on sale or contribution of assets	Postponed (initially 1 January 2016)	The postponement applies to changes introduced by the IASB in 2014 through narrow-scope amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures'. Those changes affect how an entity should determine any gain or loss it recognises when assets are sold or contributed between the entity and an associate or joint venture in which it invests. The changes do not affect other aspects of how entities account for their investments in associates and joint ventures. The reason for making the decision to postpone the effective date is that the IASB is planning a broader review that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.
Amendments to IFRS 10, 'Consolidated financial statements and IAS 28, 'Investments in associates and joint ventures' on sale or contribution of assets	1 January 2016	The amendments clarify the application of the consolidation exception for investment entities and their subsidiaries.
IFRS 15 – Revenue from contracts with customers.	1 January 2018	The FASB and IASB issued their long awaited converged standard on revenue recognition on 29 May 2014. It is a single, comprehensive revenue recognition model for all contracts with customers to achieve greater consistency in the recognition and presentation of revenue. Revenue is recognised based on the satisfaction of performance obligations, which occurs when control of good or service transfers to a customer.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Changes in accounting policies and disclosures (continued)

c) New standards, amendments and interpretations issued but not effective for 31 December 2015 year ends that are relevant to the Group but have not been early adopted (continued)

Standard/interpretation	Effective date	Executive summary
IFRS 16 – Leases	1 January 2019	The IASB and FASB they decided that lessees should be required to recognise assets and liabilities arising from all leases (with limited exceptions) on the statement of financial position. Lessor accounting has not substantially changed in the new standard. The model reflects that, at the start of a lease, the lessee obtains the right to use an asset for a period of time and has an obligation to pay for that right. In response to concerns expressed about the cost and complexity to apply the requirements to large volumes of small assets, the IASB decided not to require a lessee to recognise assets and liabilities for short-term leases (less than 12 months), and leases for which the underlying asset is of low value (such as laptops and office furniture). A lessee measures lease liabilities at the present value of future lease payments. A lessee measures lease assets, initially at the same amount as lease liabilities, and also includes costs directly related to entering into the lease. Lease assets are amortized in a similar way to other assets such as property, plant and equipment. This approach will result in a more faithful representation of a lessee's assets and liabilities and, together with enhanced disclosures, will provide greater transparency of a lessee's financial leverage and capital employed. One of the implications of the new standard is that there will be a change to key financial ratios derived from a lessee's assets and liabilities (for example, leverage and performance ratios). IFRS 16 supersedes IAS 17, 'Leases', IFRIC 4, 'Determining whether an Arrangement contains a Lease', SIC 15, 'Operating Leases – Incentives' and SIC 27, 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'.

d) New standards, amendments and interpretations issued but not effective for 31 December 2015 year ends that are not relevant to the Group

The following new standards, amendments and interpretations are not effective for accounting periods ended 31 December 2015 and are not relevant to the Group:

Standard/interpretation	Effective date	Executive summary
Amendments to IAS 16, Property, plant and equipment' and IAS 41, Agriculture' on bearer plants	1 January 2016	In this amendment to IAS 16 the IASB has scoped in bearer plants, but not the produce on bearer plants and explained that a bearer plant not yet in the location and condition necessary to bear produce is treated as a self-constructed asset. In this amendment to IAS 41, the IASB has adjusted the definition of a bearer plant include examples of non-bearer plants and remove current examples of bearer plants from IAS 41.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Changes in accounting policies and disclosures (continued)

d) New standards, amendments and interpretations issued but not effective for 31 December 2015 year ends that are not relevant to the Group (continued)

Standard/interpretation	Effective date	Executive summary
Amendment to IFRS 9 - Financial instruments', on general hedge accounting	1 January 2018	The IASB has amended IFRS 9 to align hedge accounting more closely with an entity's risk management. The revised standard also establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. - The own credit risk requirements for financial liabilities - Classification and measurement ("C&M") requirements for financial assets - C&M requirements for financial assets and financial liabilities - The full current version of IFRS 9 (that is, C&M requirements for financial assets and financial liabilities and hedge accounting). The transitional provisions described above are likely to change once the IASB completes all phases of IFRS 9.
Amendment to IFRS 11, Joint arrangements' on acquisition of an interest in a joint operation	1 January 2016	The amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.
IFRS 14 - Regulatory deferral accounts	1 January 2016	The IASB has issued IFRS14, 'Regulatory deferral accounts' specific to first time adopters ('IFRS 14'), an interim standard on the accounting for certain balances that arise from rate-regulated activities ('regulatory deferral accounts'). Rate regulation is a framework where the price that an equity charges to its customers for goods and services is subject to oversight and/or approval by an authorised body.

e) Improvements to IFRS

Annual improvements 2012, issued December 2013
The IASB published final standard for the 2011 -2013 cycle of the annual improvements with amendments that affected four standards issued, and are effective for the first time for 31 December 2015 year ends.

Standard/interpretation	Effective date	Executive summary
Annual improvements 2012	1 July 2014	• IFRS 2, 'Share-based payment' • IFRS 3, 'Business combinations' • IFRS 8, 'Operating segments' • IFRS 13, 'Fair value measurement' • IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets' • IAS 24, 'Related party disclosures'

Annual improvements 2013, issued December 2013

The IASB published final standard for the 2011 -2013 cycle of the annual improvements with amendments that affected four standards issued, and are effective for the first time for 31 December 2015 year ends.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Changes in accounting policies and disclosures (continued)

e) Improvements to IFRS (continued)

Standard/interpretation	Effective date	Executive summary
Annual improvements 2013	1 July 2014	• IFRS 1, 'First time adoption of International Financial Reporting Standards' • IFRS 3, 'Business combinations' • IFRS 13, 'Fair value measurement' and • IAS 40, 'Investment property'

Annual improvements 2014, issued September 2014
The IASB issued annual improvements to IFRS 2012 - 2014 cycle, which contains five amendments to four standards, excluding consequential amendments. The amendments are effective for annual periods beginning on or after 1 January 2016.

Standard/interpretation	Effective date	Executive summary
Annual improvements 2014	1 January 2016	• IFRS 5, 'Non-current assets held for sale and discontinued operations' • IFRS 7, 'Financial instruments: Disclosures' • IAS 19, 'Employee benefits' • IAS 34, 'Interim financial reporting'

There are no other standards, amendments and interpretations that are not yet effective that are likely to have a material impact on the Group.

2.4 Principles of consolidation

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

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through the statement of comprehensive income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Principles of consolidation (continued)

(a) Subsidiaries (continued)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39, 'Financial instruments: recognition and measurement' either in the statement of comprehensive income or as a charge to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains or losses on transactions between group companies are eliminated.

(b) Changes in ownership interests in subsidiaries without change of control
Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries
When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. All the subsidiaries have 31 December as their year ends.

2.5 Investment in subsidiaries
Investments in subsidiaries, in the separate statement of financial position of the Company, are accounted for at cost less accumulated allowance for impairment.

2.6 Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision- maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee that makes strategic decisions.

2.7 Foreign currency translation

(a) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in the United States of America dollar ("US$"), the Company's and the Group's functional and presentation currency.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Foreign currency translation (continued)

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

(c) Group companies

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

(i) Assets and liabilities for each statement of financial position presented are translated at the closing exchange rate at the date of that financial position;

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

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

2.8 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Investment property comprises hotel properties in major cities and tourist destinations in Zimbabwe and land bank in Harare.

Land held under operating leases is classified and accounted for by the Group as investment property when the definition of investment property would otherwise be met.

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

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment property under construction for which the fair value cannot be determined reliably, but for which the Group expects that the fair value of the property will be reliably determinable when construction is completed, is measured at cost less accumulated allowance for impairment until the fair value becomes reliably determinable or construction is completed – whichever is earlier. Land is valued using the sales comparison method. Fair value is based on prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

Hotel properties are valued using the cost approach. The cost approach reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

From the perspective of a market participant seller, the price that would be received for the asset is based on the cost to a market participant buyer to acquire or construct a substitute asset of comparable utility, adjusted for obsolescence. That is because a market participant buyer would not pay more for an asset than the amount for which it could replace the service capacity of that asset. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence and is broader than depreciation for financial reporting purposes (an allocation of historical cost) or tax purposes (using specified service lives).

Valuations are performed as at the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements.

It may sometimes be difficult to determine reliably the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Investment property (continued)

- The provisions of the construction contract;
- The stage of completion;
- Whether the project/property is standard (typical for the market) or non-standard;
- The level of reliability of cash inflows after completion;
- Past experience with similar constructions;
- The development risk specific to the constructions; and
- Status of construction permits.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the investment property.

Changes in fair value are recognised in the statement of comprehensive income. Investment property is derecognised either when it has been disposed, or use of the property has changed.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the statement of comprehensive income within net gain from fair value adjustment on investment property.

If an investment property becomes owner-occupied, it is reclassified as property and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of the transfer is treated in the same way as revaluation under IAS 16, 'Property, plant and equipment'. Any resulting increase in the carrying amount of the property is recognised in the profit or loss to the extent that it reverses a previous impairment loss, with any remaining increase recognised in other comprehensive income and increases directly to revaluation surplus within equity. Any resulting decrease in the carrying amount of the property is initially charged in the comprehensive income against any previously recognised revaluation surplus, with any remaining decrease charged to statement of comprehensive income.

2.9 Property and equipment

Property and equipment is stated at historical cost less accumulated depreciation and allowance for impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation on property and equipment is calculated using the straight-line method to allocate the cost over the assets' estimated useful lives, as follows:

Land	nil
Motor vehicles	5 years
Computer and office equipment	4 years
Farm equipment and implements	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready for use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash-generating units"). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11 Financial assets

2.11.1 Classification

The Group classifies its financial assets in the loans and receivables category only. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These would be classified as non-current assets.

The Group's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' on the statement of financial position (notes 2.10 and 2.11).

2.11.2 Recognition and measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest rate method. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

2.11.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.11.4 Impairment of financial assets

Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset ("a loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or a group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of comprehensive income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the statement of comprehensive income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Inventories

The Group's inventory comprises office consumables and/or property under development with a view to sale in the ordinary course of business. Stationery and other office consumables are stated at cost, using the first-in, first out ("FIFO") method, whilst property under development would be stated at actual cost.

2.13 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less allowance for impairment.

2.14 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

2.15 Financial liabilities

Liabilities within the scope of IAS 39, 'Financial instruments: recognition and measurement' are classified as financial liabilities at fair value through profit or loss or at amortised cost as appropriate.

A financial liability is derecognised when the obligation under liability is discharged, cancelled or expires.

All loans and borrowings are classified as financial liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities included in trade and other payables are initially recognised at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

2.16 Share capital

Ordinary shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds.

Where any group company purchases the Company's equity share capital ("treasury shares"), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2.17 Current income and deferred tax

The income tax expense comprises current income and deferred tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted on the date of the statement of financial position in Zimbabwe where the Group operates and generates income. Management periodically evaluates positions taken in tax returns with respects to situations in which applicable tax regulation is subject to interpretation, and establishes liabilities where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting or taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the statement of financial position and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Current income and deferred tax (continued)

The carrying value of the Group's hotel property is assumed to be realised through use, rather than through sale. The impact of this assumption is that no deferred tax liabilities or assets are recognised on any fair value gains or losses on these hotel properties. Deferred tax liabilities are however recognised based on the effective income tax rate, on all temporary differences arising from capital allowances awarded the hotel properties in accordance with the ZIimbabwe Income Tax Act.

Deferred tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

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

2.18 Employee benefits

(a) Pensions
The Group operates a defined contribution plan. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For the defined contribution plan, the Group pays contributions to privately administered pension insurance plans on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are on a mandatory basis.

The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Short-term employee benefits and compensation absences
Wages, salaries, paid annual leave, bonuses and other monetary benefits are recognised as employee benefit expense and accrued when the associated services are rendered by the employees of the Group.

(c) National Social Security Authority Scheme
The Group and its employees contribute to the National Social Security Authority Scheme. This is a social security scheme which was promulgated under the National Social Security Act (Chapter 17:04). The Group obligations under the scheme are limited to specific contributions as legislated from time to time.

(d) Termination benefits
Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37, 'Provisions, contingent liabilities and when the entity recognises costs for a restructuring that is within the scope of IAS 37, 'Provisions, contingent liabilities and contingent assets', and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.19 Trade payables

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Provisions

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

2.21 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, from rental of investment property, property management and consultancy valuation services which is stated net of value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

Rental income

Rental income from operating leases is recognised in the accounting period in which the property is occupied by the tenant.

Rendering of services

Rendering of services is recognised in the accounting period in which the property valuation, management and consultancy services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

2.22 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

2.23 Leases

(a) Where the Group is the lessee in an operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by another party - the lessor, are classified as operating leases. Payments, including pre-payments, made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive on a straight-line basis over the period of the lease.

(b) Where the Group is the lessor in an operating lease

Properties leased out under operating leases are included in investment property in the statement of financial position.

The Group does not have any finance lease arrangements.

2.24 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are declared by the Company's directors. Dividends declared after the reporting date but before the financial statements are issued are not recognised in the financial statements but are disclosed in the notes to the financial statements.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The primary objectives of financial risk management are to identify, evaluate and manage financial risks, establish risk limits, and then ensure that exposure to risks stays within limits.

Risk management is governed by the Audit and Risk Committee under policies approved by the Board of Directors. The Audit and Risk Committee identifies and evaluates financial risks in close cooperation with the subsidiaries. The Board provides written principles for overall risk management.

Key risk management reports are produced monthly at subsidiary level and provided to the key management personnel of the Group. The reports includes both financial and non financial risks such as liquidity, credit risk, single major client, lease agreements, information technology risk, insurance cover etc. The reports spell out the rating of the identified risk, the action required and the risk monitoring process.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's market risks arise from open positions in (a) foreign currencies and (b) interest bearing assets and liabilities, to the extent that these are exposed to general and specific market movements.

(i) Currency risk

The risk that the fair value of the cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. Currency risks arise from recognised monetary financial assets and liabilities and future commercial transactions, that are not denominated in the functional currency of the Group.

The Group had a subsidiary in Botswana and is exposed to foreign exchange risk, primarily with respect to the Botswana pula. This risk is not significant as the subsidiary is in the process of being closed down.

	Pula US$ equivalent	Other US$ equivalent	Total US$ equivalent
AS AT 31 DECEMBER 2015			
Financial assets – loans and receivables			
Trade and other receivables			
– Other receivables	-	-	**-**
Cash and cash equivalents	4 900	-	**4 900**
Total financial assets	**4 900**	**-**	**4 900**
Financial liabilities measured at amortised cost			
Trade and other payables:			
– Trade payables	-	-	-
Total financial liabilities	**-**	**-**	**-**
Net foreign currency exposure	**4 900**	**-**	**4 900**

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

	Pula US$ equivalent	Other US$ equivalent	Total US$ equivalent
AS AT 31 MARCH 2015			
Financial assets – loans and receivables			
Trade and other receivables			
– Receivables from customers	12 684	-	12 684
Cash and cash equivalents	5 531	-	5 531
Total financial assets	**18 215**	**-**	**18 215**
Financial liabilities measured at amortised cost			
Trade and other payables:			
– Trade payables	-	-	-
Total financial liabilities	**-**	**-**	**-**
Net foreign currency exposure	**18 215**	**-**	**18 215**

Foreign exchange risk is managed at subsidiary level and monitored at group level. The Group's primary method of managing foreign currency risk is to match the Group's principal cash outflows to the currency in which the principal cash inflows are denominated. This is generally achieved by converting all currencies received into US$, for all entities domiciled in Zimbabwe.

The functional currency of the Group and it's principal subsidiaries is the US$. Only the Botswana incorporated subsidiary had the Botswana pula as its functional currency.

The following paragraph presents sensitivities of profit or loss to reasonably possible change in exchange rates applied at the financial position date relative to the functional currency of the respective group entities, with all other variables held constant.

As at 31 December 2015, if the Botswana pula weakened/strengthened by 10%, post-tax profit/(loss) for the nine months would have been US$375 (31 March 2015:US$141) higher/lower.

(ii) Price risk

The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk and currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all financial instruments traded in the market. The Group has no significant exposure to price risks on commodity or equity securities (31 March 2015: US$nil) because as at 31 December 2015 it had neither commodity contracts nor equity security investments.

(iii) Cash flow and fair value interest rate risk

The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group did not have either short or long term interest-bearing borrowings as at the reporting date (31 March 2015: US$nil).

Cash and bank balances are held at zero interest, short term investments were held at an average interest rate of 5% (31 March 2015: 5.5%). Trade receivables and payables are interest free and have settlement dates within one year.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk

Credit risk is the risk that one party to financial instrument will cause a financial loss to the other party by failing to discharge a contract. Credit risk arises from cash and cash equivalents held at banks and trade receivables, including rental receivables from the lessee and outstanding amounts from the property consulting business segment, as well as loans to employees. Credit risk is managed at a subsidiary level and monitored at group level. The are no independent ratings for customers locally.

To assess the credit quality of the trade receivables, management takes into account the customer's financial position and past experience.

To manage the risk associated with collection of receivables, management engages the debtors on a regular basis to ensure that rentals are received. Repayments in respect of employee loans are through monthly deductions from the employee's respective salary. Cash balances are held only with financial institutions with sound capital bases and good credit ratings.

The Group's maximum exposure to credit risk by class of financial asset is as follows:

All figures in US$	31 December 2015	31 March 2015
Trade receivables, before allowance for impairment:		
- Rent receivable from lessee	508 741	391 823
- Trade receivables from customers	556 241	493 536
- Employee loans	57 239	107 486
- Cash and cash equivalents	1 018 536	2 241 090
– Other receivables	**2 140 757**	**3 233 935**

The fair value of trade receivables and cash and cash equivalents as at 31 December 2015 approximates the carrying amount because of their short tenor.

Trade receivables, gross neither past due nor impaired		
- Receivables from large companies	316 424	601 409
- Receivables from small to medium sized companies	5 019	70 911
Total neither past due nor impaired	**321 443**	**672 320**
Trade receivables, gross past due but not impaired		
- Receivables from large companies	370 755	49 519
- Receivables from small to medium sized companies	26 553	32 327
Total past due but not impaired	**397 307**	**81 846**
Trade receivables, gross past due and impaired		
- Receivables from large companies	249 248	131 193
- Receivables from small to medium sized companies	96 984	-
Total past due and impaired	**346 232**	**131 193**
Total trade receivables, before allowance for impairment	**1 064 982**	**885 359**

Rent receivable from lessee is due from a single listed customer and as at 31 December 2015, amounts past due but not impaired stood at US$397 307 (31 March 2015: US$81 846). No impairment allowance has been recognised for these amounts as the directors are of the opinion that these would be fully recoverable as they have outstanding for a relatively short period of time and the underlying debtors have been assessed as having capacity to fully settle.

The past due and impaired trade receivables relate to the property consultancy operating segment for the periods ended 31 December 2015 and 31 March 2015.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Concerntration risk in respect of trade recievables:

	31 December 2015		31 March 2015	
	US$	%	US$	%
Trade recievables due from:				
Large companies	321 443	30%	672 320	76%
Small to meduim sized companies	743 539	70%	213 039	24%
	1 064 982	**100%**	**885 359**	**100%**

The Group holds bank accounts with large financial institutions with a credit rating of BBB+ or better using the Global Credit Rating Company ratings.

All figures in US$	31 December 2015	31 March 2015
Financial institution rating		
AA-	643 203	138 950
A+	366 174	140 377
A	7 852	470 548
unrated	-	1 488 741
	1 017 229	**2 238 616**

(c) Liquidity risk

The Group Finance and Investment Committee monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs at all times so that the Group does not breach borrowing limits set in the Memorandum of Association. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to short term money market investments. The Group invests surplus cash in interest bearing current accounts, time deposits, money market deposits and chooses instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above mentioned forecasts. At the reporting date, the Group had liquid investment in Old Mutual Zimbabwe Investment Group (Private) Limited, MBCA Bank Limited and cash held with the above rated financial institutions.

The Group's liquidity position is monitored on a weekly basis by the Executive Committee and reviewed quarterly by the Group Finance and Investment Committee.

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

A maturity analysis of financial instruments as at 31 December 2015 is as follows:

All figures in US$	On demand and less than 1 month	From 1 to 12 months	Later than 2 years	Total
AS AT 31 DECEMBER 2015				
Assets				
Cash and bank balances	714 629	-	-	**714 629**
Short term money market investments	303 907	-	-	**303 907**
Trade and other receivables excluding prepayments	735 253	57 239	-	**792 492**
Total assets	**1 753 789**	**57 239**	**-**	**1 811 028**
Liabilities				
Trade and other payables excluding statutory liabilities	415 120	168 198	-	**583 318**
Liquidity gap	**1 338 669**	**(110 959)**	**-**	**1 227 710**
Cumulative liquidity gap	**1 338 669**	**1 227 710**	**1 227 710**	**-**
AS AT 31 MARCH 2015				
Assets				
Cash and bank balances	752 349	-	-	**752 349**
Short term money market investments	1 488 741	-	-	**1 488 741**
Trade and other receivables excluding prepayments	547 448	398 269	-	**945 717**
Total assets	**2 788 538**	**398 269**	**-**	**3 186 807**
Liabilities				
Trade and other receivables excluding prepayments	479 002	-	-	**479 002**
Liquidity gap	**2 309 536**	**398 269**	**-**	**2 707 805**
Cumulative liquidity gap	**2 309 536**	**2 707 805**	**2 707 805**	**-**

The expected cash flows are based on contractual terms as per the requirement of IFRS 7, Financial instruments: disclosures.

At year end the Group had no bank borrowings.

The liquidity gap is covered by the available financial assets and should there be need for borrowing, facilities with the Group's bankers have been arranged. The forecasted cash flows are based on contractual credit terms as per the requirements of IFRS 7.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders; and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group did not have any debt capital as at the reporting date (31 March 2015: US$nil).

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value hierarchy

IFRS 7, 'Financial instruments: disclosures' and IFRS 13, 'Fair value measurements', specify a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources: unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities. This level includes listed equity

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This level includes non listed equity investments.

The hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

The Group had no financial assets and liabilities carried at fair value as at 31 December 2015 (31 March 2015: US$nil).

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(a) Principal assumptions underlying estimation of fair value of investment property

In determining the open market value of investment property, Dawn Property Consultancy (Private) Limited used the market comparison method for land and the cost approach for hotel properties. Refer to note 5 for assumptions.

The economic environment and market conditions experienced in 2014 continued throughout 2015 and the frequency of investment property transactions (i.e. hotels) on an arm's length basis are non-existent in Zimbabwe. For investment properties with a total carrying amount of US$84 428 712 (31 March 2015: US$85 435 000), the valuation was determined principally using the market comparison method for land and the depreciated replacement cost for the hotel properties. Lease contracts have not been taken into consideration due to the depressed revenue inflows and the lease agreements have no clause that require to provide turnover projections.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Principal assumptions underlying estimation of fair value of investment property (continued)

As there is no active market for the hotel properties in Zimbabwe, current prices were drawn from recent transactions of land in general. The prices were adjusted for contractual, location and inherent differences. The following rates have been used:

	31 December 2015 US$ Rate/sqm	31 March 2015 US$ Rate/sqm
Construction cost figures:		
Grade 'A' offices	1 300	1 300
Grade 'B' offices	950	1 100
Industrial offices	900	850
Industrial factory	600	650
Land comparables:		
Industrial areas	20.00 - 25.00	20.00 - 25.00
High density areas	40.00 - 50.00	30.00 - 40.00
Medium density areas	30.00	22.00 - 25.00
Low density areas	18.00 - 22.00	18.00 - 20.00
Commercial - avenues	300.00 - 400.00	300.00 - 400.00
Central business district	750.00	750.00

The cost approach was used to determine the fair value of the hotel properties. This method is based on the theory of substitution and is usually termed the method of last resort. The method is used in situations where it is difficult to estimate inputs to be used to calculate value due to volatile market factors. Under normal circumstances hotels are valued using the income method. With current turnover and occupancy rates of hotels in Zimbabwe a valuation based on the income method would give a figure which no property owner would accept unless in a forced sale situation. The most significant unobservable input into this valuation is replacement cost per square metre for the buildings and improvements and selling price per square metre for land.

For vacant land, the method that was used for valuing land is market comparison method. The method entailed comparing like to like thus residential must be compared with residential and industrial with industrial etc. The most significant input in this valuation method is the selling price per square metre for land.

(b) Income taxes

Significant judgement is required in determining the liability for deferred and current income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred tax liabilities in the period in which such determination is made.

(c) Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed price contracts to provide services. Use of the percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed.

4.2 Critical judgements in applying the entities accounting policies

(a) Impairment losses on trade and other receivables

The Group reviews its trade and other receivables to assess impairment on a monthly basis. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Group makes judgements as to whether there is an observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of trade and other receivables before the decrease can be identified with an individual receivable in that portfolio. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

5 INVESTMENT PROPERTY

All figures in US$	31 December 2015	31 March 2015
At the beginning of the year	**85 135 000**	**85 435 000**
Additions from acquisition of subsidiary (note 14.3)	400 000	-
Improvements to investment properties	113 712	-
Disposals	(620 000)	-
Transfer to inventory (note 6.1)	(400 000)	-
Net loss from fair value gains on investment property	(200 000)	(300 000)
At the end of the year	**84 428 712**	**85 135 000**

Rental income from investment properties recognised in the reporting period totalled US$1 841 506 (Year ended 31 March 2015: US$2 566 993). Rental income from hotel properties is based on room, food and beverages revenue generated by the lessee. There were no direct operating expenses relating to investment property because these are borne by the tenants.

Valuation processes

The investment properties were valued as at 31 December 2015 by Dawn Property Consultancy (Private) Limited in accordance with the relevant professional guidelines and statements issued under the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual (the “Red Book”) 6th Edition, International Valuations Standards Committee (“IVSC”) and the Real Estate Institute of Zimbabwe (“REIZ”) Standards. The valuation basis is a market comparison method for land and cost approach for buildings, both valuation basis conform to international valuation standards.

Dawn Property Consultancy (Private) Limited (“the valuer”) - a subsidiary of the Company, is a related party and therefore is not an independent valuer as encouraged but not required in IAS 40, ‘Investment property’. The valuer holds recognised and relevant professional qualifications and have recent experience in the relevant location and the category of properties being valued.

Valuation techniques underlying management’s estimation of fair value

The economic environment and market conditions experienced in 2014 continued throughout 2015 and the frequency of investment property transactions (i.e. hotels) on an arms length basis are non-existent in Zimbabwe. For these investment properties with a total carrying amount of US$84 428 712 (31 March 2015: US$ 85 135 000) the valuation was determined principally using market comparison method for land and the depreciated replacement cost for the hotel properties. Lease contracts have not been taken into consideration due to depressed revenue inflows. Turnover based rentals and the lease agreements do not have clauses that require the tenant to provide turnover projections.

As there is no active market for the hotel properties in Zimbabwe, current prices were drawn from recent transactions of land in general. The prices were adjusted for contractual, location and inherent differences. The following rates have been used:

	31 December 2015 US$ Rate/sqm	31 March 2015 US$ Rate/sqm
Construction cost figures:		
Grade 'A' offices	1 300	1 300
Grade 'B' offices	950	1 100
Industrial offices	900	850
Industrial factory	800	650

5 INVESTMENT PROPERTY (CONTINUED)

Valuation techniques underlying management's estimation of fair value (continued)

	31 December 2015 US$ Rate/sqm	31 March 2015 US$ Rate/sqm
Land comparable:		
Industrial areas	20 - 25	20 - 25
High density areas	40 - 50	30 - 40
Medium density areas	30	30
Low density areas	18 - 22	18 - 22
Commercials - avenues	300- 400	300- 400
Central business district	750	750

The valuers performed the valuation using the following methods: gross replacement cost, depreciated replacement cost ("DRC"), land value, land value plus depreciated replacement cost and market value of the freehold interest in the property.

The summary of the results are as follows:

All figures in US$	31 December 2015	31 March 2015
Investment property value indicators:		
Gross replacement cost	166 155 000	164 465 000
Depreciated replacement cost, buildings only	61 057 000	61 422 000
Existing use value of land	24 205 000	23 675 000
Land value plus depreciated replacement cost	85 262 000	85 097 000
Market value	84 428 712	85 135 000

The cost approach was used to determine the fair value of the hotel properties. This method is based on the theory of substitution and is usually termed the method of last resort. The method is used in situations where it is difficult to estimate inputs required to calculate fair value using the income approach to volatile market factors and inaccessible or unavailable information. Under normal circumstances hotels are valued using the income method. With current turnover and occupancy rates of hotels rates of hotels in Zimbabwe, an offer received to purchase the hotel property at a price that is equivalent to the discounted cash flow method would not be realistic. An offer more closely representative to the depreciated replacement cost would be accepted. The most significant unobservable input into this valuation is replacement cost per square meter for buildings and improvements and selling price per square meter of land.

The method that was used for valuing land is market comparison method. The method entailed comparing like to like thus residential must be compared with residential and industrial with industrial etc. The most significant input in this valuation method is the selling price per square metre.

(a)	Construction costs figures	based on architectural design/modern equivalent as well as the costs from quantity surveyors' cost on steel and other requisite building materials. To come up to the replacement cost per square metre.
(b)	Age of property	based on the use to date as well as the date from commissioning of the hotel and the current state of structures and utilities specific to it's use as investment property, as well as the financial obsolescence of the structure;
(c)	Comparable land values	based on the intrinsic value of the land on which the structure is built supplied by quantity surveyors taking into consideration the respective zoning conducted by the office of the Surveyor General.

5 INVESTMENT PROPERTY (CONTINUED)

The Group's investment property is measured at fair value. The Group holds two classes of investment property being hotel properties and land situated in Zimbabwe.

All figures in US$	Hotel property	Land	Total
Nine months ended 31 December 2015			
Fair value hierarchy	**3**	**3**	
Fair value at 1 April 2015	**76 250 000**	**8 885 000**	**85 135 000**
Acquisition	-	400 000	**400 000**
Improvements to investment properties	-	113 712	**113 712**
Disposals	-	(620 000)	**(620 000)**
Transfer to inventory (note 6)	-	(400 000)	**(400 000)**
Fair value adjustments	(200 000)	-	**(200 000)**
Fair value as at 31 December 2015	**76 050 000**	**8 378 712**	**84 428 712**
Year ended 31 March 2015			
Fair value hierarchy	3	3	
Fair value at 1 April 2014	**76 550 000**	**8 885 000**	**85 435 000**
Net fair value losses	(300 000)	-	**(300 000)**
Fair value as at 31 March 2015	**76 250 000**	**8 885 000**	**85 135 000**

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the date of the event or change in circumstances that caused the transfer.

Information about fair value measurements using significant unobservable inputs (level 3):

All figures in US$	Cost approach	Sales comparison	Total
Nine months ended 31 December 2015			
Valuation	76 050 000	8 378 712	**84 428 712**
Rental income	1 805 798	35 708	**1 841 506**
Year ended 31 March 2015			
Valuation	76 250 000	8 885 000	**85 135 000**
Rental income	2 543 993	23 000	**2 566 993**

Fair value estimation

Assets and liabilities are categorised in terms of the fair value hierarchy as follows:

All figures in US$	Significant unobservable inputs (level 3)	Total
Recurring fair value measurement		
Nine months ended 31 December 2015		
Non-financial assets		
Investment property	84 428 712	**84 428 712**
Year ended 31 March 2015		
Non-financial assets		
Investment property	85 135 000	**85 135 000**

5 INVESTMENT PROPERTY (CONTINUED)

Valuation techniques underlying management's estimation of fair value (continued)

Sensitivity analysis
Sensitivity analysis is performed on valuation of assets and liabilities with significant unobservable inputs (level 3) to generate a range of reasonable alternative valuations. The sensitivity methodologies applied take account of the nature of valuation techniques used, as well as the availability and reliability of observable proxy and historical data and the impact of using alternative methods.

The valuation techniques and sensitivity analysis for the assets classified in level 3 are described below.

Observability
Since each property is unique in nature and the hotel real estate is illiquid, valuation inputs are largely unobservable.

There are inter-relationships between unobservable inputs. Increases in construction costs that enhance the property's features may result in an increase in future rental values and/or replacement costs.

All figures in US$	Cost approach	Sales comparison
Sensitivity on managements estimates:		
Change in depreciated replacement cost/square metre (cost/sqm):		
Nine months ended 31 December 2015		
5% decrease in the replacement cost/sqm	3 052 850	-
5% decrease in the replacement cost/sqm	(3 052 850)	-
Change in land value per square metre:		
5% increase in the replacement cost/sqm	-	1 210 250
5% decrease in the replacement cost/sqm	-	(1 210 250)
Year ended 31 March 2015		
5% decrease in the replacement cost/sqm	3 072 100	-
5% decrease in the replacement cost/sqm	(3 072 100)	-
Change in land value per square metre:		
5% increase in the replacement cost/sqm	-	1 183 750
5% decrease in the replacement cost/sqm	-	(1 183 750)

Significant portion of the revenue from investment property are derived from African Sun Limited which contributes over 90% of rental income.

6 INVENTORY

All figures in US$	31 December 2015	31 March 2015
Property under construction (note 6.1)	883 125	-
Stationery and other office consumables	16 413	27 138
	899 538	**27 138**

6 INVENTORY (CONTINUED)

All figures in US$	31 December 2015	31 March 2015
6.1 Analysis of property under construction costs		
Land value (transferred from investment property - note 5)	400 000	-
Construction expenses incurred to date	483 125	-
	883 125	**-**

The property under construction comprises block of flats that are currently being developed with a view to sale in Marlborough, Harare, Zimbabwe. The units are expected to be completed within the next financial reporting year.

7 PROPERTY AND EQUIPMENT

All figures in US$	Motor vehicle	Computer equipment	Office equipment	Farm equipment	Total
Year ended 31 March 2015					
Opening net book amount	604 614	65 175	67 691	509 410	**1 246 890**
Additions	16 623	70 996	55 223	62 554	**205 396**
Disposals	(276)	(5 891)	(6 484)	-	**(12 651)**
Depreciation charge	(144 784)	(35 454)	(10 798)	(17 784)	**(208 820)**
Closing net book amount	**476 177**	**94 826**	**105 632**	**554 180**	**1 230 815**
As at 31 March 2015					
Cost	740 704	232 673	139 767	612 202	**1 725 346**
Accumulated depreciation and impairment	(264 527)	(137 847)	(34 135)	(58 022)	**(494 531)**
Net book amount	**476 177**	**94 826**	**105 632**	**554 180**	**1 230 815**
Nine months ended 31 December 2015					
Opening net book amount	**476 177**	**94 826**	**105 632**	**554 180**	**1 230 815**
Additions	137 265	2 557	7 624	7 890	**155 336**
Disposals at cost	(134 705)	(16 494)	(9 316)	-	**(160 515)**
Accumulated depreciation on disposals	47 728	11 024	3 503		**62 255**
Depreciation charge	(101 493)	(26 996)	(10 710)	(13 649)	**(152 848)**
Closing net book amount	**424 972**	**64 917**	**96 733**	**548 421**	**1 135 043**
As at 31 December 2015					
Cost	743 263	218 736	138 075	620 092	**1 720 167**
Accumulated depreciation and impairment	(318 292)	(153 819)	(41 342)	(71 671)	**(585 124)**
Net book amount	**424 972**	**64 917**	**96 733**	**548 421**	**1 135 043**

8 TRADE AND OTHER RECEIVABLES

All figures in US$	31 December 2015	31 March 2015
Trade receivables:		
- Rent receivable	508 741	391 823
- Trade receivables from customers	556 241	493 536
Gross trade receivables	**1 064 982**	**885 359**
Allowance for impairment on trade receivables	(346 232)	(94 002)
Trade receivables - net	**718 750**	**791 357**
Prepayments	500 728	50 216
Loans to employees	57 239	107 486
Other receivables	16 503	46 874
	1 293 220	**995 933**

8.1 The fair values of trade and other receivables are as follows:

Trade receivables	718 750	791 357
Loans to employees	57 239	107 486
Other receivables	16 503	46 874
	792 492	**945 717**

The carrying amount of trade and other receivables approximates fair values as the effect of discounting is not material.

The estimated fair values of receivables are the discounted amounts of the estimated future cash flows expected to be received and approximate value of their carrying amounts. Expected cash flows are discounted at current market rates to determine fair values.

All figures in US$	Gross	Impairment	Net
8.2 Ageing of trade receivables as at 31 December 2015			
Fully performing	714 662	-	**714 662**
Past due 31-60 days	33 378	(29 290)	**4 088**
Past due 61-90 days	34 972	(34 972)	**-**
More than 90 days	281 970	(281 970)	**-**
	1 064 982	**(346 232)**	**718 750**
Ageing of trade receivables as at 31 March 2015			
Fully performing	526 507	-	**526 507**
Past due 31-60 days	59 920	-	**59 920**
Past due 61-90 days	21 421	-	**21 421**
More than 90 days	277 511	(94 002)	**183 509**
	885 359	**(94 002)**	**791 357**

All figures in US$	31 December 2015	31 March 2015
8.3 Movements on the Group's allowance for impairment of trade receivables are as follows:		
As at the beginning of the year	**(94 002)**	**(22 119)**
Recognition of additional impairment allowances	(252 230)	(71 883)
As at the end of the year	**(346 232)**	**(94 002)**
The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:		
United States of America dollar	792 492	933 033
Botswana pula	-	12 684
	792 492	**945 717**

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral as security.

9 CASH AND CASH EQUIVALENTS

All figures in US$	31 December 2015	31 March 2015
Cash and bank balances	714 629	752 349
Short term money market investments	303 907	1 488 741
Cash and cash equivalents	**1 018 536**	**2 241 090**

	31 December 2015 Number	31 March 2015 Number
10 SHARE CAPITAL		
10.1 Authorised		
Ordinary shares with of a nominal value of US$0.0008 (31 March 2015: US$0.0008)	4 000 000 000	4 000 000 000

10.2 Issued and fully paid

	Number of shares	Ordinary shares US$	Share premium US$	Total US$
Nine months ended 31 December 2015				
As at the beginning of the year	**2 457 172 108**	**1 965 738**	**17 530 833**	**19 496 571**
Issued during the period	-	-	-	-
At the end of the year	**2 457 172 108**	**1 965 738**	**17 530 833**	**19 496 571**
Year ended 31 March 2015				
At the beginning of the year	**2 457 172 108**	**18 156**	**17 680 929**	**17 699 085**
Conversion of unit linked debentures	-	1 947 582	**(150 096)**	**1 797 486**
Issued during the year	-	-	-	-
At the end of the year	**2 457 172 108**	**1 965 738**	**17 530 833**	**19 496 571**

The unissued shares are under the control of the directors. The directors are authorised to allot or dispose of unissued shares under their control at their discretion in accordance with the provisions of the Articles of Association and Memorandum of the Company, the Zimbabwe Companies Act (Chapter 24:03) and the Zimbabwe Stock Exchange Listing Requirements.

11 DEFERRED TAX

The movement in deferred tax assets and liabilities during the nine months ended 31 December 2015, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

All figures in US$	Property and equipment	Investment property	Assessed losses	Other	Total
Year ended 31 December 2015					
As at 1 April 2015	**74 999**	**3 047 293**	**(1 965 559)**	**12 568**	**1 169 301**
Charge/(credit) to the statement of comprehensive income	48 759	773 373	1 886 851	(90 786)	**2 618 197**
As at 31 December 2015	**123 757**	**3 820 666**	**(78 708)**	**(78 218)**	**3 787 498**
Year ended 31 March 2015					
As at 1 April 2014	**153 796**	**2 986 766**	**(2 463 343)**	**26 458**	**703 677**
Charge/(credit) to the statement of comprehensive income	(78 797)	60 527	497 784	(13 890)	**465 624**
As at 31 March 2015	**74 999**	**3 047 293**	**(1 965 559)**	**12 568**	**1 169 301**

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future profits is probable. The Group did not recognise deferred income tax assets of US$161 976 (31 March 2015: US$219 828) in respect of assessable tax losses amounting to US$629 034 (31 March 2015: US$853 702) that can be carried forward against future taxable income.

All figures in US$	31 December 2015	31 March 2015
11.1 Analysis of deferred tax assets and liabilities		
The analysis of deferred tax assets and liabilities is as follows:		
Deferred tax assets:	156 925	1 941 353
- Deferred tax asset to be recovered after more than 12 months	-	24 206
- Deferred tax asset to be recovered within 12 months	156 925	1 965 559
Deferred income tax liabilities:		
- Deferred tax liability to be recovered after more than 12 months	3 944 423	3 107 170
- Deferred tax liability to be recovered within 12 months	-	27 690
	3 944 423	**3 134 860**
Net deferred tax liabilities	**3 787 498**	**1 169 301**
The gross movement on deferred tax account is as follows:		
At the beginning of year	**1 169 301**	**703 677**
Statement of comprehensive income charge	2 618 197	465 624
At the end of the year	**3 787 498**	**1 169 301**

12 TRADE AND OTHER PAYABLES

	31 December 2015	31 March 2015
Trade payables	226 070	351 509
Provisions (note 12.1)	91 047	59 238
Other payables	451 944	215 819
	769 061	**626 566**

12 TRADE AND OTHER PAYABLES (CONTINUED)

12.1 Analysis of movement in provisions:

All figures in US$	Leave pay	Bonus	Total
As at 1 April 2015	**44 354**	**14 884**	**59 238**
Current provision	46 693	-	**46 693**
Utilisation of provision	-	(14 884)	**(14 884)**
As at 31 December 2015	**91 047**	**-**	**91 047**
As at 1 April 2014	**43 456**	**200 604**	**244 060**
Current provision	79 865	63 960	**143 825**
Utilisation of provision	(78 967)	(249 680)	**(328 647)**
As at 31 March 2015	**44 354**	**14 884**	**59 238**

The fair value of trade and other payables approximates the carrying amounts presented.

13 CURRENT TAX LIABILITIES

All figures in US$	31 December 2015	31 March 2015
Current income tax (asset)/liability at the beginning of the year	**(19 027)**	**33 511**
Income tax on profits for the year (note 19.1)	999 974	42 695
Witholding taxes offset against income tax liabilities	(187 844)	-
Quarterly provisional payments (QPDs)	27 641	
	820 744	**76 206**
Current income tax liability/(asset) at the end of the year	756 055	(19 027)
Income tax paid during the year	**64 689**	**95 233**

14 INVESTMENT IN SUBSIDIARIES

At the beginning of the year	**19 503 998**	**19 503 998**
Capital injection into subsidiaries	1 167 608	-
Disposal of a subsidiary (note 14.4)	(200 000)	-
At the end of the year	**20 471 606**	**19 503 998**

14.1 The carrying amount for each of directly held subsidiary as at the reporting date was as follows:

Nhaka Properties (Private) Limited	18 291 793	17 531 886
Dawn Property Consultancy (Private) Limited	242 872	242 872
Dawn Real Estates (Private) Limited	1 936 941	1 529 240
Lipthong Investments (Private) Limited	-	200 000
	20 471 606	**19 503 998**

14. INVESTMENT IN SUBSIDIARIES (CONTINUED)

14.2 List of all subsidiaries as at the reporting date

Dawn Properties Limited's subsidiaries, held directly and indirectly as at the reporting date, were as follows:

Name of subsidiary	Country of incorporation	Held	% of equity interest 31 December 2015	% of equity interest 31 March 2015
Dawn Real Estate (Private) Limited	Zimbabwe	Directly	100%	100%
Nhaka Properties (Private) Limited	Zimbabwe	Directly	100%	100%
Dawn Property Consultancy (Private) Limited	Zimbabwe	Directly	100%	100%
Lipthong Investments (Private) Limited	Zimbabwe	Directly	Sold	100%
Calpine Investments (Private) Limited	Zimbabwe	Indirectly	100%	100%
Gold Coast Properties (Private) Limited	Zimbabwe	Indirectly	100%	100%
Laclede Investments (Private) Limited	Zimbabwe	Indirectly	100%	100%
Dawn Properties Investments Management (Private) Limited	Zimbabwe	Indirectly	100%	100%
CBRE (Proprietary) Limited	Botswana	Indirectly	100%	100%
Windspike Investments (Private) Limited	Zimbabwe	Indirectly	100%	-
Ekodey (Private) Limited	Zimbabwe	Indirectly	100%	76%
Flemflora (Private) Limited	Zimbabwe	Indirectly	Sold	100%

14.3 Acquisition of new subsidiary

On 31 July 2015, the Group through Nhaka Properties (Private) Limited, acquired 100% of the share capital of Windspike Investments (Private) Limited for US$400 000. Windspike Investments (Private) Limited is a non-trading company that owns undeveloped land in Harare.

The following table summarises the consideration paid for the acquisition of the Company and the fair value of the assets acquired. The Company did not have any liabilities at the acquisition date.

All figures in US$	
Cash consideration	400 000
Recognised amounts of identifiable assets:	
- Land	(400 000)
Goodwill	**-**

14.4 Disposal of subsidiaries

The Group disposed of its entire equity interests in two non-trading subsidiaries during the period - Flemflora (Private) Limited and Lipthong Investments (Private) Limited. Both subsidiaries' only assets comprised undeveloped pieces of land in Harare.

Lipthong (Private) Limited was disposed of as settlement of the ownership dispute that had been disclosed as part of the contingent liabilities in the prior years.

Gain recognised on disposal of subsidiaries:

All figures in US$	31 December 2015	31 March 2015
Consideration received	505 875	-
Fair value of assets disposed of	(405 806)	-
Gain recognised on disposal	**100 069**	**-**

14.5 Acquisition of additional interest in subsidiary

On 1 April 2015, Dawn Real Estates (Private) Limited acquired the remaining 24% of the issued shares of Ekodey (Private) Limited ("Ekodey") for a purchase consideration of US$350 000. The Group now holds 100% of the equity share capital of Ekodey. The carrying amount of the non-controlling interests in Ekodey on the date of acquisition was US$369 780.

14. INVESTMENT IN SUBSIDIARIES (CONTINUED)

14.5 Acquisition of additional interest in subsidiary (continued)

The Group derecognised non-controlling interests of US$369 780 and recorded an increase in the equity attributable to owners of the parent of US$19 780. The effect of changes in the ownership interest of Ekodey on the equity attributable to owners of the Group during the year is summarised as follows:

All figures in US$	**31 December 2015**	**31 March 2015**
Consideration paid to non-controlling interests	350 000	-
Carrying amount of non-controlling interests acquired	369 780	-
Gain recognised in parent's equity	**19 780**	**-**

15 REVENUE

Operating lease rentals	1 841 506	2 566 993
Valuations of property, plant and equipment	398 646	556 789
Property management fees	1 022 394	1 513 072
Property sales commissions	67 262	293 795
Project consultancy and management fees	61 794	127 762
Travel and other recoveries	45 290	116 274
	3 436 892	**5 174 685**

16 OTHER INCOME

(Loss)/profit from disposal of motor vehicles and equipment	(27 081)	4 384
Profit from disposal of subsidiaries	100 069	-
Other	3 835	41 302
	76 823	**45 686**

17 OPERATING EXPENSES

17.1 Administration expenses

Employee benefit expenses (note 17.3)	1 661 970	1 732 282
Depreciation (note 7)	152 848	208 820
Impairment charges	369 912	-
Audit fees:		
- Internal audit services	24 875	32 329
- External audit services	110 167	97 386
Directors fees	68 250	82 000
Travelling expenses	28 984	77 561
Telephone and fax	60 076	110 840
Staff training and security	13 702	62 165
Advertising	41 597	276 607
Commissions	53 139	-
Motor vehicle expenses	77 757	119 675
Rent, repairs and maintenance	163 886	188 502
Consultancy	100 256	263 800
Electricity and water	-	241 537
Insurance	35 332	112 367
Legal expenses	24 701	-
Statutory expenses	96 992	291 575
Printing and stationery	34 350	53 287
	3 118 794	**3 950 733**

17 OPERATING EXPENSES (CONTINUED)

	All figures in US$	31 December 2015	31 March 2015
17.2	**Other expenses**		
	Fines and penalties	168 198	-
	Bad debts	-	60 358
	Impairment of goodwill	-	120 186
	Subscriptions	9 203	13 566
	Teas and cleaning	2 407	16 545
	Staff welfare	21 982	70 193
	Sundry expenses	261 471	105 173
		463 261	**386 021**
	Total expenses	**3 582 055**	**4 336 754**
17.3	**Employee benefits expenses**		
	Salaries and wages	869 593	1 180 214
	Social security costs	75 173	93 745
	Medical aid	65 572	83 420
	Education allowances	68 036	147 277
	Bonus provision	(14 931)	124 562
	Cash in lieu of leave	21 817	80 791
	Retrenchment costs	514 109	-
	Other	62 601	22 273
	Total	**1 661 970**	**1 732 282**
	Number of employees at reporting date	**27**	**68**

A number of employees' contracts were terminated during the period ended 31 December 2015.

18 FINANCE INCOME

	Interest income on short term deposits	42 585	73 855
	Interest expense on bank borrowings	-	-
	Net finance income	**42 585**	**73 855**

19 INCOME TAX EXPENSE

19.1 Income tax expense

Current income tax on profits		
- Current year charge	71 166	42 695
- Prior year under-provision	928 808	-
	999 974	42 695
Deferred tax charge (note 11.1)	2 618 197	465 624
Income tax expense	**3 618 171**	**508 319**

The prior year income tax underprovision of U$928 808 arose mainly from the change in the estimate of capital allowances on the hotel properties. Where the Group had previously claimed US$2 609 850 per annum, application of the principles established by the High Court ruling on the tax dispute which was reported as part of the contingent liabilities in the prior year effectively reduced the previous annual estimate of the capital allowances to US$801 405 with effect from the 2009 financial year end.

The change in the annual capital allowances has been accounted for as a change in an accounting estimate. All other factors held constant, the reduction in the annual capital allowances will result in an increase taxable income by US$1 808 445 in future years.

19 INCOME TAX EXPENSE (CONTINUED)

19.2 Income tax expense reconciliation

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the income tax rate of 25.75% (31 March 2015: 25.75%) on the applicable consolidated profits of the Group as follows:

All figures in US$	31 December 2015	31 March 2015
(Loss)/profit before income tax	**(225 755)**	**657 471**
Tax calculated at domestic rates applicable to profits	(58 132)	169 299
Tax effects of :		
- Expenses not deductible for tax purposes	223 545	129 706
- Income not subject to income tax	(1 467 093)	-
- Settlement of prior years' tax dispute	928 808	-
- Reversal of previously recognised tax loss asset	2 056 799	-
- Recognition of previously unrecognised deferred tax liabilities	984 930	-
- Expenses taxed at different rates (Botswana)	-	(2 778)
- Tax losses for which no deferred income tax asset was recognised	161 976	168 328
- Effect of changes in capital allowances	465 675	-
- Other	111 381	43 765
Income tax charge	**3 618 171**	**508 320**

20 SEGMENT INFORMATION

The operating profit and profit or loss of the Group's reportable segments reported to the Chief Operating Decision Maker - the Executive Committee, are measured in a manner consistent with that in the statement of comprehensive income. A reconciliation of operating profit to profit before tax is therefore not presented separately.

The amounts provided to the Chief Operating Decision Maker in respect of total assets and total liabilities are measured in a manner consistent with that of the consolidated financial statements. The assets and liabilities are allocated based on operations of the segment and the physical location of the asset. As all assets and liabilities have been allocated to the reportable segments, reconciliations of reportable segments' assets to total assets, and of reportable segments' liabilities to total liabilities, are not presented.

The breakdown of revenue from all services is as follows:

All figures in US$	31 December 2015	31 March 2015
Analysis of revenue by category		
Rental income	1 841 506	2 566 993
Professional valuations	398 646	556 789
Property management	1 022 394	1 513 072
Project consultancy	67 262	127 762
Agency fees	61 794	293 795
Travel and other recoveries	45 290	116 274
Total revenue	**3 436 892**	**5 174 685**

The Group's revenue is generated from investment property assets which are held by the Group companies domiciled in the same country as the relevant asset is located. The breakdown of the major components of revenue from external customers by segment is disclosed above.

Revenue of approximately US$1 841 506 (31 March 2015: US$2 566 993) are derived from a single external customer. These revenues are attributable to the investment property segment.

There were no inter-segment revenues as all sales are to external customers except for valuations conducted by Dawn Property Consultancy (Private) Limited for financial reporting purposes.

20 SEGMENT INFORMATION (CONTINUED)

Management has determined the operating segments based on the reports reviewed by the Executive Committee that are used to make strategic decisions. The Executive Committee considers the business from service and product perspective.
The reportable operating segments derive their revenue primarily from rental income from lessees and property valuation, management and consultancy services. The Executive Committee assesses the performance of the operating segments based on a measure of operating profit.

The entity and all its subsidiaries except for CBRE (Proprietary) Limited domiciled in Botswana are domiciled in Zimbabwe. The revenue from external customers in Zimbabwe is US$3 436 892 (31 March 2015: US$5 174 685) and the total revenue from external customers from other countries is US$nil (31 March 2015: US$nil).

The total of non-current assets other than financial instruments and deferred tax assets located in Zimbabwe is US$85 633 755 (31 March 2015: US$86 365 815).

The segment information provided to the Executive Committee for the reportable segments for the nine months ended 31 December 2015 is as follows:

- Investment property - The principal business is that of investing in investment properties in the form of 8 hotel properties and tracks of land.

- Property consultancy - Involved in real estate consultancy, building, plant and machinery valuations and property management and agency.

	Investment property		Property consultancy		Head office and other		Total	
All figures in US$	31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 March 2015	31 December 2015	31 March 2015
Revenue								
- internal customers	-	32 309	-	57 844			**-**	**90 153**
- external customers	1 841 506	2 566 993	1 595 386	2 607 692	-	-	**3 436 892**	**5 174 685**
Profit/(loss) before tax	507 741	463 649	(333 609)	119 968	(399 887)	73 854	**(225 755)**	**657 471**
Income tax expense	3 679 100	(476 705)	(60 929)	(31 614)	-	-	**3 618 171**	**(508 319)**
Included in operating profit								
Depreciation	51 543	77 545	101 305	131 275	-	-	**152 848**	**208,820**
Finance income	42 845	988	-	72 868	-	-	**42 845**	**73 855**
Non current assets:								
Investment property	84 428 712	85 135 000	-	-	-	-	**84 428 712**	**85 135 000**
Property and equipment	731 079	708 204	403 279	522 611	685	-	**1 134 043**	**1 230 815**
Current assets:								
Inventories	883 125	-	16 414	27 138	-	-	**899 538**	**27 138**
Trade and other receivables	984 114	419 125	307 579	576 808	1 527	-	**1 293 220**	**995 933**
Current income tax assets	-	(4 674)	40 391	23 701	-	-	**40 391**	**19 027**
Cash and cash equivalents	494 210	186 161	524 326	2 054 928	-	-	**1 018 536**	**2 241 090**
Total assets	**87 521 240**	**86 443 816**	**1 291 989**	**3 205 186**	**2 212**	**-**	**88 815 441**	**89 649 002**
Additions to property, plant and equipment	130 009	16 616	25 327	188 780	-	-	**155 336**	**205 396**
Total current liabilities	**1 083 196**	**179 642**	**403 329**	**446 924**	**38 592**	**-**	**1 525 116**	**626 566**
				-				
Total liabilities includes :								
Deferred income tax	3 831 500	1 143 058	(44 003)	26 243	-	-	**3 787 498**	**1 169 301**
Additions to non- current assets:								
Investment property fair value adjustments	(200 000)	(300 000)	-	-	-	-	**(200 000)**	**(300 000)**

22 RETIREMENT BENEFIT OBLIGATION

The Group and all employees contribute to the following independently administered pension funds:

Dawn Properties Limited pension
The fund is a fully funded, uninsured, and consolidated defined contribution plan. All employees are members of this fund and they all contribute to a defined contribution plan. The Group made total contributions of US$59 153 into the pension during the nine months ended 31 December 2015 (31 March : US$67 382).

National Social Security Authority Scheme
The Group and its employees contribute to the National Social Security Authority. This is a social security scheme which was promulgated under the National Social Security Statutory Act (Chapter 17:04). The Group's obligations under this scheme are limited to the specific contributions legislated from time to time. These are presently 3.5% of US$700 per employee maximum.

The Group made total contributions of US$10 044 into the pension during the nine months ended 31 December 2015 (31 March : US$14 536).

23 OPERATING LEASES

The Group leases investment properties namely its hotel portfolio to African Sun Limited and farm land to other parties.

The signed lease agreements are ten year leases and the lessee has the option to renew the leases for four ten year periods resulting in a 50 year effective lease period.

Property	Initial lease date	Current expiry date for the second 10 year period	Original effective period of lease including renewal periods	Remaining effective period of lease including renewal period	Basis of charging rentals
Carribea Bay Sun	08.08.2003	30.06.2023	50 years	38 years	Trading revenue*
Carribea Bay Marina	15.09.2006	30.11.2019	13.22 years	3.11 years	Fixed rental
Crowne Plaza Monomotapa	08.08.2003	30.06.2023	50 years	38 years	Trading revenue
Elephant Hills Resort and Conference Centre	08.08.2003	30.06.2023	50 years	38 years	Trading revenue
Express by Holiday Inn	15.09.2006	30.06.2016	50 years	41 years	Trading revenue
Great Zimbabwe Hotel	15.09.2006	30.06.2016	50 years	41 years	Trading revenue
Amber Hotel Mutare	15.09.2006	30.06.2016	50 years	41 years	Trading revenue
Hwange Safari Lodge	15.09.2006	30.06.2016	50 years	41 years	Trading revenue
Lake View Inn (not operational)	08.08.2003	30.06.2023	50 years	38 years	n/a
Troutbeck Sun	15.09.2006	30.06.2016	50 years	41 years	Trading revenue*
Farm land (Marlborough)	01.07.2012	30.06.2015	2 years	Expired	US$2 000 per month

Trading revenue* - lease rental based on trading revenue and 5% on food and beverage revenue.
- lease rental based on trading revenue and 5% on food and beverage revenue.
- lease rentals are 10% of trading revenue for those leases to which this is applicable.

For the purpose of determining rental income, trading revenue is defined as follows:
- All revenues from accommodation;
- All revenues from sale of goods in the kiosk(s) or shop(s) operated by the lessee on the property;
- All rentals receivable by the lessee from space sub-let by the lessee within the property;
- All fees, charges and other revenue derived from all sporting, entertainment, tourist facilities, amenities and services provided by the lessee on the property or in connection with the lessee' s business conducted thereon;
- All revenue earned by the lessee from casino operations conducted by the lessee on the property and;
- All surcharges levied by the lessee on its foreign customers.
- Any sums received or receivable in respect of sales tax (now value added tax), bed levies or any other government tax, levy, charge and the like that are collected by the lessee and charged to its customers;
- Telephone and other similar guest services provided by the lessee, the recovery whereof is primarily for the purposes of recouping costs; and
- Any debts written off which should be deducted, provided that should any amounts so written off be subsequently recovered, they shall be added back to trading turnover.

Future minimum lease payments could not be determined as rental is based on revenue as generated by African Sun Limited. All the lease agreements with African Sun Limited are renewable for a 10 year period subject to agreeing on enhanced terms.

24 RELATED PARTY TRANSACTIONS

The Group leases out all its hotel property to African Sun Limited who are owned 57% by Brainworks Capital Management (Private) Limited. ("Brainworks"). Brainworks are the major shareholder of the Company. The leases are structured in a way that charges rentals related to turnover.

The following transactions were carried out with related parties:

	All figures in US$	31 December 2015	31 March 2015
24.1	**Lease rentals**		
	African Sun Limited (common shareholding) Lease rentals (note 15)	1 805 798	2 492 557
24.2	**Key management compensation**		
	Key management includes executive directors of the Company and its subsidiary companies. The compensation paid to key management for employee services are shown below:		
	Salaries and other short-term employee benefits as management	264 320	495 594
	Severance packages	295 745	-
	Services as directors	68 250	82 000
		628 315	**577 594**
24.3	**Valuation services**		
	Valuation and consultancy services - Dawn Property Consultancy (Private) Limited	32 309	57 844
24.4	**Purchase of property and equipment**		
	Purchase of property - Dawn Property Consultancy (Private) Limited	-	181 281
24.5	**Year end balances**		
24.5.1	**Receivables from related parties**		
	African Sun Limited	508 741	391 823
	The receivables from related parties arise mainly from lease of hotel properties and are due within one month after accrual. The receivables are unsecured in nature and bear no interest. No impairment allowances are held against receivables from related parties (31 March 2015: US$nil)		
24.5.2	**Loans to related parties**		
	Loans to directors	6 756	19 166
	The loans, which have a fixed interest rate of 6.5% per annum and are unsecured, are expected to be fully repaid within one year.		
24.5.3	**Amounts due from/(to) a subsidiary**		
	Goldcoast Properties (Private) Limited	3 298 532	(90 792)

The amount due from Goldcoast is non-interest bearing and does not have fixed repayment terms. The amount arose from a dividend that was declared during the year.

25 EARNINGS PER SHARE

	All figures in US$	31 December 2015	31 March 2015
25.1	**Basic earnings per share**		
	Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.		
	(Loss)/profit from continuing operations attributable to the owners of the parent	(3 843 926)	200 898
	Weighted average number of ordinary shares in issue (numbers)	2 457 172 108	2 457 172 108
	Earnings per share (US cents)	(0.16)	0.01
25.2	**Diluted earnings per share**		
	The Company has no dilutive potential ordinary shares; the diluted earnings per share are the same as the basic earnings per share.		
25.3	**Headline earnings per share**		
	(Loss)/profit attributable to equity holders	**(3 843 926)**	**200 898**
	Adjustments:	127 012	462 088
	Loss/(profit) from disposal of motor vehicles and equipment	27 081	(4 384)
	Profit from disposal of subsidiaries	(100 069)	-
	Impairment of property and equipment	-	46 286
	Impairment of goodwill	-	120 186
	Fair value loss on remeasurement of investment property	200 000	300 000
	Headline (loss)/earnings	**(3 716 914)**	**662 986**
	Weighted average number of ordinary shares in issue (numbers)	2 457 172 108	2 457 172 108
	Headline (loss)/earnings per share (US cents)	(0.15)	0.03

For the purposes of calculating earnings per share, the weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares bought back or issued during the year multiplied by a time weight factor. The time weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in a year.

Weighted average number of shares for diluted earnings are calculated by adjusting the weighted number of ordinary shares with the potentially dilutive ordinary shares. As at 31 December 2015, there were no potential dilutive shares.

26 DIRECTORS' SHAREHOLDING

	31 December 2015 Number of shares	31 March 2015 Number of shares
J. Dowa (resigned 30 November 2015)	470 953	470 953
B. Ndebele (resigned 16 April 2015)	500	500
	471 453	**471 453**

27 CONTINGENCIES

27.1 City of Harare allocated land registered in Dawn Properties Limited (Dawn)'s name to two beneficiaries - Seventh Day Adventist Church and Jungle Sisters. City of Harare acknowledged its error and undertook to compensate Dawn with land of equal value. City of Harare has since identified a suitable piece of land to subdivide and transfer to Dawn as compensation and the process to effect transfer is currently underway.

27.2 Operating lease commitments - as lessor

(i) Hotel properties
The lessee has the option to renew the leases for three 10 year periods resulting in a 50 year effective lease period. Future minimum lease payments could not be determined as rental is based on revenue as generated by African Sun Limited. The lease agreements are in the process of being renegotiated.

All figures in US$	31 December 2015	31 March 2015
(ii) Farm lease		
No later than 1 year	-	6 000
Later than 1 year and no longer than 5 years	-	-
Later than 5 years	-	-
	-	**6 000**

27.3 Operating lease commitments - as lessee

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:		
No later than 1 year	-	17 673
Later than 1 year and no longer than 5 years	-	-
Later than 5 years	-	-
	-	**17 673**

28 CAPITAL COMMITMENTS

Authorised and contracted for	1 068 824	-
Authorised and not contracted for	3 457 843	-
	4 526 667	**-**

29 EVENTS AFTER THE DATE OF THE STATEMENT OF FINANCIAL POSITION

Subsequent to the reporting date, Dawn Properties Limited ("the Company") entered into a transaction to acquire the entire issued shares of Makasa Sun (Private) Limited ("Makasa") from Barclays Bank of Zimbabwe Limited and Barclays Bank Pension Fund. Makasa owns a hotel property in Victoria Falls. The Company will issue a detailed circular and a notice convening an Extraordinary General Meeting to shareholders once all processes have been finalized.

The Group also purchased the Kingfisher and Blue Swallow timeshare lodges from African Sun Limited for US$1.1million. The full purchase price is expected to be settled in full within the next financial reporting period.

There were no other events after the reporting date that could have an impact on the consolidated financial statements.

Shareholder distribution	Number of shareholders	%	Issued shares	%
1 - 5000	5 827	71.86	7 537 193	0.31
5001 - 10000	808	9.96	5 808 952	0.24
10001 - 25000	656	8.09	10 517 505	0.43
25001 - 50000	356	4.39	12 413 256	0.51
50001 - 100000	204	2.52	13 828 138	0.56
100001 - 200000	101	1.25	14 012 649	0.57
200001 - 500000	66	0.81	22 087 826	0.90
500001 - 1000000	50	0.62	35 268 505	1.44
1000001 and above	41	0.51	2 335 698 084	95.06
TOTAL	**8 109**	**100.00**	**2 457 172 108**	**100.00**

ANALYSIS BY INDUSTRY:				
Local companies	688	8.48	1 957 417 740	79.66
Insurance companies	22	0.27	225 190 691	9.16
Foreign nominees	29	0.36	109 480 448	4.46
Local resident individual	6 779	83.60	75 780 691	3.08
Pension funds	56	0.69	34 967 625	1.42
Fund managers	37	0.46	25 871 679	1.05
Charities and trusts	97	1.20	7 471 824	0.30
Local nominees	55	0.68	5 470 309	0.22
Deceased estates	82	1.01	1 062 763	0.04
Other investments and trusts	61	0.75	970 067	0.04
Banks	3	0.04	294 465	0.01
Quasi government	2	0.02	166 205	0.01
Foreign companies	2	0.02	11 013	0.00
Foreign resident individuals	1	0.01	6 933	0.00
Other	195	2.40	13 009 655	0.53
TOTAL	**8 109**	**100.00**	**2 457 172 108**	**100.00**

TOP 10 SHAREHOLDERS

Rank	Shareholder	Issued shares	%
1	Brainworks Capital Management (Private) Limited	1275 931 853	51.93
2	Brainworks Hotels (Private) Limited	365 716 551	14.88
3	Old Mutual Zimbabwe Limited	249 647 184	10.16
4	Old Mutual Life Assurance Company Zimbabwe Limited	220 015 418	8.95
5	Stanbic Nominees (Private) Limited	100 535 863	4.09
6	Zimbabwe Sun Employee Share Ownership Trust	24 000 000	0.98
7	People's Own Savings Bank	19 753 147	0.80
8	Mining Industry Pension Fund	11 298 414	0.46
9	Moray Investments Holdings Limited	10 000 000	0.41
10	Standard Chartered Bank Nominees	8 402 398	0.34
		2 285 300 828	**93.01**
	Other	171 871 280	6.99
TOTAL ISSUED SHARES		**2 457 172 108**	**100**

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the twelfth Annual General Meeting ("AGM") of the shareholders of Dawn Properties Limited ("the Company") will be held in the Ophir Room , at the Monomotapa Hotel, 54 Parklane, Harare on Friday, the 24th of June 2016 at 1000 hours to transact the following business:

As ordinary business

1. To receive, consider and adopt the financial statements for the period ended 31 December 2015 together with the Report of the Directors and Auditors thereon.

2. To appoint directors
   In terms of the Articles of Association Messrs P.P Gwatidzo and M. Mukonoweshuro retire by rotation at the forthcoming at the forthcoming AGM and being eligible these directors offer themselves for re-election.

3. To approve directors' fees for the period ended 31 December 2015.

4. To approve the independent auditors' remuneration for the period ended 31 December 2015.

5. To appoint independent auditors for the ensuing year.

6. To transact any other business as may be conducted at an AGM.

As special business

1. To receive and consider for approval, with or without amendments, the proposed changes to the Company's Articles of Association, as detailed in appendix 1 to this notice.

Proxies

Members are entitled to appoint one or more proxies to act in the alternative and to vote and speak in their place. A proxy need not be a member of the Company. Proxy forms are to reach the Company's registered office not less than 48 hours before the meeting.

By order of the Board

P. Saungweme
Company Secretary

SCHEDULE OF PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF DAWN PROPERTIES LIMITED

PAGE	CLAUSE	CURRENT CLAUSE	PROPOSED AMMENDMENT	JUSTIFICATION FOR THE PROPOSED AMMENDMENT
16-17	57	**Quorum** "No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein provided, two members present in person or by proxy shall be a quorum, if whom one member shall be the representative of the holding company (if any)"	That Article 57 be amended to read as follows: "No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, a quorum shall be four members holding at least 51% of the Company's issued shares entitled to attend and vote at the general meeting and present either in person or by proxy"	This ensures that all decisions of the Company are made by a majority.
29	99	**Directors' retirement** "The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day as those to retire shall, unless they otherwise agree among themselves, be determined by lot".	That Article 99 be amended to read as follows; "Notwithstanding anything to the contrary in the Companies Act (Chapter 24:03) and in these Articles of Association, subject to the provisions of Article 98, at each Annual General Meeting, all the non-executive directors shall retire from office and may make themselves available for re-election".	This is in keeping with modern trends that put emphasis on value addition to the Board.
29	102	**Vacated office may be filled** "The Company, at the meeting at which Director retires in the manner aforesaid, may fill the vacated office by electing a person thereto and, in default, the retiring Director shall, if offering himself for re-election, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost".	That Article 102 be deleted in its entirety.	This is in keeping with modern trends that put emphasis on value addition to the Board. With the amendment of Article 99 above, the Article becomes insignificant.
30-31	108	**Meeting of Directors** "The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote, provided that if, at any time, the quorum fixed by the Directors is two, the Chairman shall not have a casting vote if only two Directors are present at the meeting of Directors. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Zimbabwe".	That Article 108 be amended to read as follows: "The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors".	To align with best practice.
31	109	**Quorum** "The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and, unless so fixed, shall be two…."	That the quoted section of article 109 be amended to read as follows: "The quorum necessary for the transaction of the business of the Directors shall be a majority of the Directors, of which at least one must at all times be an Executive Director".	This ensures that decision making at the Board is done by a majority. In this way the Board can be held to be truly accountable.
31	109(a)		That a new Article, Article 109(a) be inserted as follows: "A Director shall be deemed to be present at a meeting of the Directors if he participates by telephone or other electronic means and all Directors participating in the meeting are able to hear and communicate with one another"	The amendment is in recognition of the advancements in communication technology.
32	116	**Signed resolution** "Any such resolution may consist of several documents, each of which may be signed by one or more Directors (or their alternates, if applicable), and shall be deemed to have been passed on the date on which it was signed by the last Director" who signed it (unless a statement to the contrary is made in that resolution)".	That the quoted section to amended to read as follows: "Any such resolution may consist of several documents including facsimile (or other similar means of electronic communication), each of which may be signed by one or more Directors (or their alternates, if applicable), and shall be deemed to have been passed on the date on which it was signed by the last Director who signed it (unless a statement to the contrary is made in that resolution) by one or more Directors"	Recognition of all forms of electronic based documents as being acceptable for the purposes of passing resolutions

36	**134**	**Payment by post** Any dividend, interest or other monies payable in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder, or in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct. Any one of two or more joint holders may give effectual receipts for any dividend, bonuses or any other monies payable in respect of shares held by them as joint holders"	That Article 134 be amended to read as follows: "Any dividend, interest or other monies payable in respect of shares may be paid through any and all approved national payment systems and such payment may be notified to the recipient by communication to his e-mail address or in the case of joint holders, to the e-mail address of that one of the joint holders who is first named on the register of members or to such person or to such e-mail address as the holder or joint holders may direct in writing. Any one of two or more joint holders may give effectual receipts for any dividend, bonuses or any other monies payable in respect of shares held by them as joint holders".	To recognize the various payment systems now available in the modern technology driven world.
	148(a)	**Notices and documents**	That a new Article 148(a) be inserted as follows: Any notice required to be sent to members in terms of section 144 to 148 may, notwithstanding anything to the contrary in the aforementioned may be sent by electronic mail (e-mail) address last furnished by the members. Likewise, any documents that may be required to be sent to members in terms of these Articles or Companies Act (Chapter 24:03) may be sent by e-mail to the e-mail address of the members and shall be posted on the Company's website. Such documents or notices shall be forwarded to the members concerned within the prescribed time frames, provided should a member request a hard copy, such document as requested shall be availed in hard copy format to the member.	To embrace technology based efficient and cost effective ways of disseminating information to members

PROXY FORM

I/We..being a member/members of Dawn Properties Limited, hereby appoint……………………...……..of...

....as my/our proxy to vote for me/us on my behalf at the annual general meeting of the Company to be held on Friday, the 24th of June 2016 and at any adjournment thereof.

Signed this...day of..2016.

Signature..

NOTES

1. A member who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead. The person so appointed need not be a member.
2. Proxy forms should be lodged at the Company's registered address not later than 48 hours before the scheduled date and time for the AGM.
3. Unless specific voting instructions are noted on this form, the appointee shall vote as he thinks fit.

CHANGE OF ADDRESS ADVICE

The attention of shareholders is drawn to the necessity for keeping the transfer secretaries advised of any change in name and/or address.

Shareholder's name in full (block letters)..

New address (in block letters)...

....

Shareholder's signature..


HOTEL