

ROSHGOLD INVESTMENT HOLDINGS LIMITED
(Registration No: 1984/003303/06)

ANNUAL REPORT
30 June 2016

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ROSHGOLD INVESTMENT HOLDINGS LIMITED

Corporate Profile and Mission Statement:

Roshgold Investment Holdings Ltd is an independent, community based investment group that has interests in property, business ventures, listed and unlisted equities.

Our mission is to:

- Maintain a well-balanced investment group.
- Generate a regular stream of income and longer term capital appreciation for our shareholders.
- Nurture leadership with entrepreneurial skills and productively employ the capital harnessed.
- Provide a vehicle for upliftment, personal development and empowerment through finance, education and participation.

Roshgold is progressive in its outlook yet conservative in its business approach. The investor group is broad based and all encompassing. The group enjoys the confidence of its shareholders, bankers and the community at large.

Roshgold is geared to prosper for the benefit of all its stakeholders.

Board of Directors:

Ebrahim Sujee - Chairman
Haroun Pochee - B. Com. CA (SA)
Ahmed Lambat - B. Com. B. Acc. CA (SA)
Abdus Samad Gathoo
Abbas Mohamed Dadoo
Leendert Marthinus Rolfes
Yunus Pochee
Sayed Essop Dockrat

Management:

Properties: Fatima Khota
Roshgold: Aadilah Sallie
Roshmed: Dr Ahmed Bhayat,
Faathima Sujee,
Tasneem Khan

Administrators

Registered office: 37 Kruger Avenue,
Vereeniging, 1939

P. O. Box 2372,
Vereeniging, 1930

info@roshgold.co.za
www.roshgold.co.za

Share transfer secretary: Audit Connection Inc.
37 Kruger Avenue,
Vereeniging, 1939

Auditors: H Mayet & Co
21 Nirvana Drive
Lenasia, 1827

Bankers: Nedbank

Company secretary: Haroun Pochee

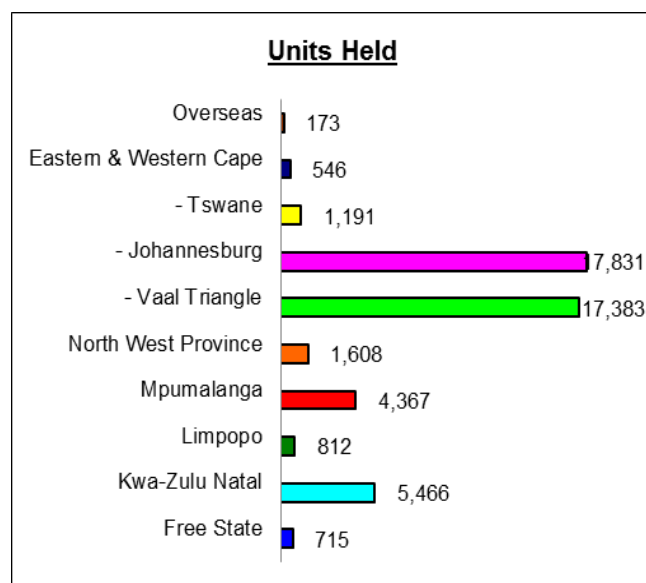
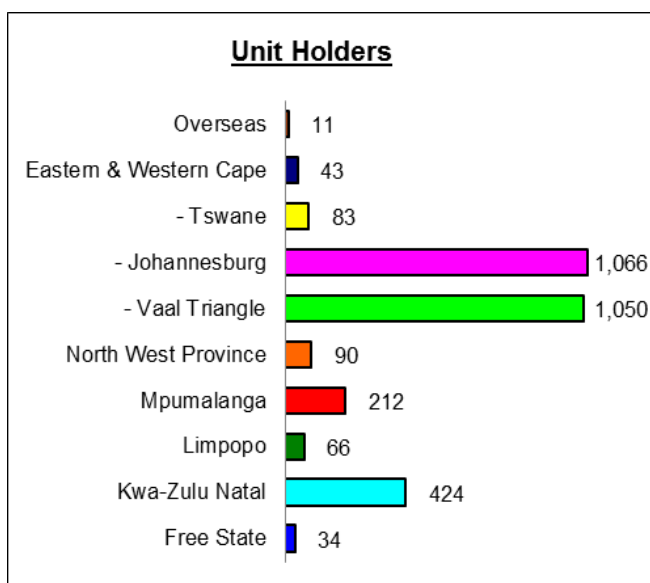
<i>Three Year Review – Group</i>			
	2016	2015	2014
Value of one Roshgold Unit:	R2,150	R2,150	R2,150
Shareholders Returns:	R15,981,457	R15,657,345	R15,703,931
Number of Units in issue:	50,092	43,968	39,444
Fair value of Assets under control :	R261 Million	R221 Million	R213 Million

Analysis of Shareholders

Members Holdings	Number of Unit Holders		Number of Units Held		% of Total Units	
	2016	2015	2016	2015	2016	2015
One unit	603	605	603	605	1	1
Two units	358	373	716	746	1	2
Three to five units	648	633	2,510	2,467	5	6
Six to fourteen units	754	716	6,879	6,500	14	15
Fifteen to twenty units	187	158	3,229	2,718	7	6
Twenty and more units	529	487	36,155	30,932	72	70
Total	3,079	2,972	50,092	43,968	100	100

Investor Demographics

Region	Number of Unit Holders		Number of Units Held		% of Total Units	
	2016	2015	2016	2015	2016	2015
Free State	34	36	715	616	1	1
Kwa-Zulu Natal	424	450	5,466	5,287	14	15
Limpopo	66	63	812	746	2	2
Mpumalanga	212	192	4,367	3,649	7	7
Northern West Province	90	88	1,608	1,551	3	3
Gauteng						
- Vaal Triangle	1,050	1,030	17,383	16,227	34	35
- Johannesburg	1,066	991	17,831	14,240	35	33
- Tshwane	83	74	1,191	1,022	3	3
Eastern & Western Cape	43	36	546	478	1	1
Overseas	11	12	173	152	0	0
Total	3,079	2,972	50,092	43,968	100	100



Chairman's Statement

Mathematician, Alfred North Whitehead said;
"The art of progress is to preserve order amid change, and to preserve change amid order."

This past year has been an eventful year that has had a significant effect on people, economies and politics across the globe.

South Africa has not gone unscathed. We have seen dramatic and fundamental changes that have adversely affected our economy.

These conditions have also had a bearing on Roshgold's operations and have attributed to our satisfactory results for the financial year ended 30 June 2016. Our performance and returns are not consistent with past years' performances. Income has been affected from the large cash holdings and income from our investments have been static. The tough trading conditions have culminated in rental reductions and difficult negotiations when the time came to renegotiate the leases. The increase in the number of shareholders has added to our considerable cash resources which are available for deployment. This has diluted the returns further.

Your board has throughout the financial year prioritised the investment of monies to reduce this cash pile and improve earnings. Subsequent to the year-end we concluded two property related investments. These will provide good opportunity for growth in capital value and returns in the longer-term.

A startling statistic is that we are becoming overtraded with malls. South Africa boasts around 2,000 malls across the country. This equates to us having the sixth largest number of malls worldwide .The USA, Canada, China, Japan and the United Kingdom are the only countries with more retail malls.

Retailers are taking strain, its woes continue with an element of overtrading, stiff competition with foreign entrants, consumer over indebtedness, a looming downgrade and a volatile currency affecting margins. The volatility of the rand is affected more so by events outside of the country than by events inside the country.

The change your board is investigating, is to test the development sector of the property market and primarily the industrial and residential sector.

These are long term investments with a higher degree of risk that promise a higher rate of return. In such investments returns only commence two to three years after the investment in a typical development commences.

We plan to make this progression and transformation with good professional teams and counsel and a sound project plan. Due to the group's strong financial standing we are in a position to tackle such projects and are considering suitable joint venture proposals with established industry partners. This does not mean that other suitable passive investment opportunities will not be evaluated, but rather an extension of the strategy going forward.

"All of the top achievers I know are lifelong learners... Looking for new skills, insights, and ideas. If they're not learning, they're not growing... not moving toward excellence."

Denis Waitley

Today the challenge for leaders at every level is no longer just to out-hustle, out-muscle and out-manoeuvre the competition. It is to **out-think** the competition in ways big and small, to develop a unique point of view about the future and help your organization get there before anyone else does.

Which is why the defining challenge of leadership is whether you can answer a question that is as simple as it is powerful:

Are you learning as fast as the world is changing?

In a world that never stops changing, great leaders never stop learning.

I believe your board and the supporting team has the expertise and mettle to move forward to embrace such change. We will continue our re-assessment, develop appropriate strategies and plot the cause of our investment direction.

"I cannot give you the formula for success, but I can give you the formula for failure -- It is: Try to please everybody."

Herbert Bayard Swope

Chairman's Statement

We need to be realistic. We have been prudent, sometimes too conservative. However, our strategy has borne fruit with no serious capital impairment other than opportunity cost of investment in a hugely over inflated sector. It is damn tough in the current economic climate and the interest of our large shareholder base has to be a priority. Risk management continues to be critical consideration in our decision making, and we are always mindful of mitigating risk.

Roshgold enjoys good standing and credibility. As equity markets succumb to their volatility, Roshgold continues to attract new shareholders and recurring investment flows. The investments we made continue to perform positively with good yields and offer potential for the future.

As discussed above, our cash resources are exceptionally strong and place the group in an excellent position to capitalize on further investments. Despite South Africa's economic and investment outlook being bleak foreign investors continue to invest in South Africa regardless of the political turmoil and possible credit rating downgrade in December.

General Electric has invested R500 million in an Innovation Centre in Rosebank. It is the 10th Innovation Hub globally but the first for General Electric in Africa. BMW have also announced that it intends using its base in South Africa to expand its footprint into Africa. It demonstrates the viability of investment in our country.

As the public sector service delivery diminishes, public sector budget cuts increase and more opportunities for public/private partnerships arise. There is hope for investment opportunities. The recent universities crises and meltdown is a case in point. Private sector tertiary education is now a reality. The state of our water and sanitation infrastructure is another case in point.

The group continues to manage its portfolios with steel nerves and is determined to continue striving at improving the returns on our investments.

I encourage shareholders to view these challenging times as an opportunity to help the group focus on our strong balance sheet. Join us to harness our funds into longer term property related developments that will yield solid long-term returns and positive capital growth.

Roshgold will forge ahead with the strength and experiences it has. The group will continue its path to success because we are aware of the need to adapt and progress.

Remember this when you are too comfortable and don't want to change:

In 1996 Pierre Omidyar , a computer programmer started auctioning off goods on his personal website AuctionWeb, but when the amount of web traffic made it necessary to upgrade to a business internet account, Omidyar had to start charging people fees. He hired his first employee to handle all the payment checks. The site is now known as eBay. eBay's revenue as at 2015 was \$8.5 billion.

"Gratitude is not only the greatest of virtues, but the parent of all others."

Marcus Tullius Cicero

I thank the shareholders and the management team for their unwavering support and confidence in Roshgold. Furthermore I must acknowledge the support of my fellow Directors on the Board and for their wise counsel, guidance and progressive thinking.

E. A. Sujee
Chairman

Directors' Responsibility Statement and Secretary's Declaration

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

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

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

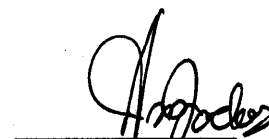
The directors have considered the current financial position, and they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 6.

The annual financial statements, which have been prepared on the going concern basis, were approved by the Board on 01 November 2016 and were signed on its behalf by:



H. POCHEE



A.M. DADOO

Secretary's Declaration

The secretary certifies that the company has lodged with the Registrar of Companies all such returns as are required of a public Company in terms of Companies Act, as amended and that all such returns are true, correct and up to date.



Haroun Pochee
Company Secretary
01 November 2016

Independent Auditor's Report

TO THE SHAREHOLDERS OF ROSHGOLD INVESTMENT HOLDINGS LIMITED

We have audited the annual financial statements and group annual financial statements of Roshgold Investment Holdings Limited, which comprise the directors report, the statement of financial position as at 30 June 2016, the statement of comprehensive income, the statements of changes in equity and cash flow statements for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 7 to 24.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

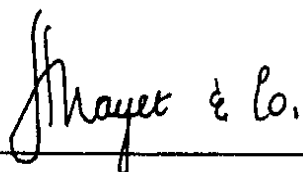
Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall financial statement presentation.

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 fairly present, in all material respects, the financial position of the company and group as at 30 June 2016 and the results of their operations and cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act in South Africa.



H. MAYET & CO
Haroun Mayet
Chartered Accountants (S.A.)
Registered Auditors

Johannesburg
01 November 2016

ROSHGOLD INVESTMENT HOLDINGS LIMITED

Directors' Report

Your directors have pleasure in presenting their annual report on the activities of the company.

NATURE OF THE BUSINESS AND FINANCIAL RESULTS

The company carries on the business of an investor. The state of the company's affairs are fully set out in the attached financial statements.

DIVIDENDS AND RETURNS

A dividend of R459,087 (2015: R454,401) was declared for the group and the company declared a dividend of R400,000 (2015: R300,000). Shareholders returns totalling R6,230,000 (2015: R6,200,000) were provided for the year and will be paid by the end of December 2016. Shareholders returns for the group totalled R15,981,457 (2015: R15,657,345).

SHARE CAPITAL

6,124 (2015: 4,524) Ordinary shares of R1-00 each were issued during the year under review to increase and broaden the capital base of the company.

INVESTMENTS IN SUBSIDIARIES

The company's cost of investment in subsidiaries increased by R2,163,768 (2015: R3,268,165) during the year under review.

INVESTMENTS

Listed and unlisted investments acquired (at cost) by the group during the year totalled R487,535 and R17,864,977 respectively. The company acquired unlisted investments of R219,175 (2015: R3,802,437) and listed investments of R177,896, (2015: nil) for the year under review. The fair values of the listed and unlisted investments of the group and company are disclosed in the notes to the financial statements; note 6.

INVESTMENT PROPERTY

The group did not acquire any investment property during the year.

DIRECTORS AND SECRETARY

Details of the directorate and the company secretary are disclosed on the contents page of the Annual Report. The Board is of the opinion that the company secretary is suitably qualified and experienced to carry out his duties as stipulated under Section 86 of the Companies Act. The company secretary provides guidance to the directors on their duties and ensures awareness of all relevant statutory requirements and legislation. All directors have access to the advice and services of the company secretary, at the company's expense, where it has been requested by the directors.

POST STATEMENT OF FINANCIAL POSITION EVENTS

Subsequent to year end, the group purchased a property in Queenstown for R15,75 million, which will be accounted for in the 2017 financial year. The group also made an investment in a development property in Sandton for R8,750,000. There were no other material facts or circumstances which had occurred between the accounting date and approval date of this report.

Directors' Report (continued)

SUBSIDIARY COMPANIES	INTEREST		LOAN BALANCE		FAIR VALUE	
	2016	2015	2016	2015	2016	2015
DIRECTLY HELD SUBSIDIARIES	%	%	R	R	R	R
AL-IKWAAN INVESTMENTS (PTY) LTD (Reg. No : 1999/022178/07)	6	6	712,063	686,613	1,107,475	1,082,034
EDME INVESTMENTS (PTY) LTD (Reg. No : 1969/010704/07)	24	24	7,301,252	7,201,106	8,844,942	8,744,791
ROSHGOLD PROPERTIES (PTY) LTD (Reg. No : 1989/000002/07)	56	55	1,316,160	1,243,200	2,417,195	2,308,866
ROSHGOLD VENTURES (PTY) LTD (Reg. No : 1991/000479/07)	55	55	869,000	864,000	985,006	978,831
ROSHMEADOW PROPERTIES LTD (Reg. No : 1996/000402/06)	59	59	4,802,100	4,689,656	8,895,723	8,783,278
ROSHMERRIMAN PROPERTIES (PTY) LTD (Reg. No : 1991/000059/07)	18	18	450,217	403,892	1,191,874	1,112,774
ROSHMETALS & MINERALS LTD (Reg. No : 1989/000054/06)	43	44	930,732	841,765	6,849,987	6,717,760
ROSHPRO PROPERTIES (PTY) LTD (Reg. No : 1991/000363/07)	35	35	694,824	694,824	1,626,101	1,626,101
ROSHSUN INVESTMENTS LTD (Reg. No : 2000/028188/06)	6	6	2,920,000	2,920,000	4,088,000	4,088,000
ROSLIN PROPERTIES (PTY) LTD (Reg. No : 2013/153653/07)	26	26	4,653,000	3,100,100	4,700,000	3,100,100
SHONALANSA TRADING (PTY) LTD (Reg. No : 2007/022145/07)	31	31	3,499,969	3,499,969	3,500,000	3,500,000
INDIRECTLY HELD SUBSIDIARIES						
MARHABAN (PTY) LTD (Reg. No: 1989/001214/07)	72	72	8,479,385	8,152,683	16,899,142	16,572,441

Review of Operations

It gives us great pleasure in tabling the review of the company and group's operations for the year to 30 June 2016.

1. REVIEW OF FINANCIAL RESULTS

Total income for the year was R25,444,618 against R21,597,564 in 2015. The increase is primarily due to an increase in investment income of 9% as well as a R2.9 million fair value gain on the group's investment portfolio. The group's gross revenue for the current financial year which comprises of rental, investment and dividend income increased to R22,2 million from R21.5 million in 2015.

Total expenditure before apportioning shareholders returns increased by 12% from R5,319,905 in 2015 to R5,970,317 in 2016. Total expenses excluding returns paid to shareholders (and fair value losses) as a percentage of operational revenue increased by 2% from 24% in 2015 to 26% in 2016. The increases in expenses was primarily driven by increases in municipal charges and collection commission. Collection agents generally recover on amounts collected and this year has seen an improvement in collections in certain properties as evidenced by the decline in bad debts from R224,607 in 2015 to R96,949 in the current year. R243,040 of bad debts was recovered during the year.

Although municipal charges have increased substantially for certain properties, municipalities have been inconsistent at billing, thus forcing additional provisions to be raised in respect of municipal charges for properties where billings appeared inconsistently low, due to municipal estimates.

Total returns paid to shareholders has increased by 2% from R15,657,345 in 2015 to R15,981,457 in 2016. For the year under review, Roshgold will pay returns of R120-09 (2015: R143-53) per unit whilst Roshsun will pay R97-17 per unit (2015: R97-59).

The group is pleased to announce that a retail property was acquired in Queenstown in the Eastern Cape. The negotiation and review took place during the financial year, however the property transfer was finalised subsequent to year end. The purchase cost was approximately R15,75 million through Shonalansa Trading and is expected to realise a 10% return during the 2017 financial year. This acquisition formed part of a broader effort by the investment committee to acquire suitable properties. The focus of the investment committee has historically been directed at retail and warehousing properties, however, in an effort to diversify and stimulate capital growth an investment into a second development property was finalised shortly after year end.

This property is located in the hub of Sandton's mixed used area with an investment of R8,750,000 by the group. Roshgold declared tax free dividend of R400,000 on its listed and unlisted portfolio (2015: R300,000).

The directors conservatively estimate group net asset value at 30 June 2016 to be R181,427,754 (2015: R149,275,156).

2. MAINTENANCE OF THE CAPITAL BASE

Roshgold's capital base increased by a net 6,124 units as the number of units in issue increased to 50,092. This represents an increase of 14% over 2015. Shareholders disposed 3,898 units during the year under review. The increase is considered to be a testament to the loyal shareholder base of the group.

Investor growth in property subsidiary Roshsun, is consistent. Roshsun Investments capital base increased 10% with the share capital closing the year on 50,520 units.

3. THE INVESTMENT PORTFOLIO

At year end property accounted for 62% of the total investment portfolio. This may be lower than the 70% benchmark set in prior years but can be directly attributable to the significant investment in Ahmed Al-Kadi Private Hospital. The investment in the Queenstown property subsequent to year end has pushed the property portfolio to 66% of total investments. The Sandton acquisition should see the portfolio reach the 70% mark at year end.

The property portfolio is diverse in terms of tenant mix and geographical spread. Retail and distribution warehouses comprise the majority of the property portfolio with a small residential component.

Whilst our properties are mainly let and relatively well positioned, market conditions have tightened and rental rates have remained static. There has been a noticeable increase in vacancy rates in most retail centres across the country and in this regard the board have worked closely with the letting agents to ensure leases have been successfully renegotiated.

This has also contributed to the increase in collection commission reflected in the income statement as collection agents have levied fees on renewals.

The group continued to strengthen its investment portfolio through acquisitions in both listed and unlisted investments with the most substantial being a further investment in Ahmed Al-Kadi Private Hospital. With a total cost of investment at R17,575,000 and the board is pleased to announce that the market value has risen to just over R20 million, representing an impressive 13% increase within the year. This has been achieved prior to the official opening of the hospital which is expected to open early next year.

The investment in Albaraka Bank continues to improve and it is worth noting that the share price has increased from R10 per share upon initial investment to a current market value of R18-45 per share.

Review of Operations (continued)

4. METALS AND MINERALS

Equity performance has always been measured on its ability to generate earnings and growth over the longer term. Whilst most asset managers may have been deterred by 2015's performances, the board's long term strategy has seen the market value of a Roshmetals share increase from its lowest at R500 in 2015 to R700 at year end 2016. The market value has since appreciated to R800 per unit.

Whilst the slump in China (South Africa's largest trading partner), and falling resource prices have cut the earnings outlook, many of the JSE listed companies have sought growth elsewhere including Africa.

The Board has been closely monitoring this performance trend and has managed group exposure with caution as displayed by its conservative approach to new additions to the portfolio of R309,640 in 2016 and R343,463 in 2015.

Dividend income earned for the year totalled R194,228 whilst benefit income from surplus cash totalled R154,594.

A Tax free dividend of R100,000 will be distributed to shareholders in respect of the 2016 financial year.

The company continues to present an affordable and quality listed portfolio with 222 new shares issued in 2016.

5. ROSHMED HOSPITAL INVESTMENTS

The fund is playing a significant role in providing cover and protection at the best available facilities in the country and in the face of growing medical costs the Roshmed Power fund has successfully grown its asset value to just over R13 million in 2016 from R9.2million in 2015.

Roshmed's total assets including investments and cash reserves were valued at R66 million at 30 June 2016.

The fund paid claims totalling R9,949,733 (2015: R8,751,205). Gastro, colonoscopy and heart related medical procedures have accounted for the largest claims this year with general procedure claims totalling R6,1 million. The single biggest claim for the year amounted to R659,998.

The membership has grown by 70 primary members. The fund covers approximately 2216 members with the majority being covered by the Silver option.

With the growth experienced in the fund and the need to consolidate its unique processing requirements, the board approved the acquisition of the MedAdmin System. The system was found to be cost effective and is expected to streamline the process of authorisations, claims and overall database management. Adopting a new system poses unique challenges for any organisation and whilst the team have been working hard to integrate the system into day to day activities, it still has potential for improvement. Phase 1 of implementation has been complete whilst Phase 2 is in progress.

6. ROSHGOLD MARKETING

Roshgold marketing thrust continues to target the development and extension of the group's brand. The number of initiatives undertaken was carefully considered and a process of reviewing the group's marketing is underway.

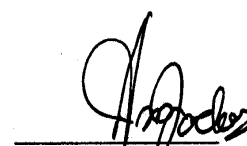
Roshgold News continues to be bridge of communication between Roshgold and our many different stakeholders. Its role continues to evolve and the publication continues to make the desired impact on Roshgold's role in facilitating business education, motivation and personal development.

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements and group annual financial statements presented on pages 8 to 27 were approved by the Board of directors on 01 November 2016.



H. Pochee



A. M. Dadoo

Statement of Financial Position

30 JUNE 2016		COMPANY		GROUP	
	Notes	<u>2016</u> R	<u>2015</u> R	<u>2016</u> R	<u>2015</u> R
ASSETS					
NON-CURRENT ASSETS					
		61,869,836	59,221,409	142,411,011	120,875,820
Investment property	3	-	-	88,477,855	88,477,855
Property, plant and equipment	5	45,842	43,000	45,841	43,000
Investment in subsidiaries	4	44,206,303	42,042,535	-	-
Investments	6	17,617,691	17,135,874	52,689,177	31,464,859
Intangible assets	7	-	-	1,198,138	890,106
CURRENT ASSETS					
		57,869,154	47,202,241	118,248,870	100,074,405
Trade and other receivables	8	3,665,087	3,586,151	4,753,210	4,759,415
Cash and cash equivalents	9	54,204,067	43,616,090	113,495,660	95,314,990
TOTAL ASSETS					
		119,738,990	106,432,650	260,659,881	220,950,225
EQUITY AND LIABILITIES					
CAPITAL AND RESERVES					
		53,527,276	47,402,506	181,427,754	149,275,156
Issued capital	10	50,092	43,968	50,092	43,968
Share premium		38,464,664	32,435,766	38,454,664	32,435,766
Retained income		14,953,956	14,864,208	14,309,166	13,171,457
Non-distributable reserves		58,564	58,564	95,376	95,376
Non controlling interest		-	-	128,508,456	103,528,589
NON-CURRENT LIABILITIES					
		56,102,928	49,776,416	59,130,460	52,792,882
Shareholders loans	11	53,926,147	47,614,403	50,280,783	43,987,108
Deferred taxation	12	2,176,781	2,162,013	8,849,677	8,805,774
CURRENT LIABILITIES					
		10,108,786	9,244,728	20,101,667	18,882,187
Trade and other payables		10,108,786	9,244,728	20,101,667	18,882,187
TOTAL EQUITY AND LIABILITIES					
		119,738,990	106,423,650	260,659,881	220,950,225

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2016		COMPANY		GROUP	
Notes	<u>2016</u> R	<u>2015</u> R	<u>2016</u> R	<u>2015</u> R	
CONTINUING OPERATIONS					
Revenue	7,374,513	7,136,333	22,215,272	21,571,991	
Other Income	25,047	-	268,087	25,572	
Operating expenses	(735,603)	(626,880)	(5,970,317)	(5,319,905)	
Operating profit	6,663,957	6,509,453	16,513,042	16,277,658	
Fair value adjustments	79,400	(65,999)	2,961,259	(5,032,160)	
Finance costs	(6,230,000)	(6,200,000)	(15,981,457)	(15,657,345)	
Profit / (loss) before taxation	513,357	243,454	3,492,844	(4,411,847)	
Taxation	13 (23,609)	970	(81,878)	835,154	
Profit / (Loss) for the year	489,748	244,424	3,410,966	(3,576,693)	
Profit / (Loss) attributable to:					
Equity Holders of the Company	-	-	1,596,796	(1,460,691)	
Non-Controlling Interest	-	-	1,814,170	(2,116,002)	
	-	-	3,410,966	(3,576,693)	

ROSHGOLD INVESTMENT HOLDINGS LIMITED
Statement of Equity
30 JUNE 2016

COMPANY						GROUP					
Issued Capital	Retained Income	Share Premium	Non-Distributable Reserves	Total		Issued Capital	Retained Income	Share Premium	Non-Distributable Reserves	Non-Controlling Interest	Total
R	R	R	R	R		R	R	R	R		R
39,444	14,919,784	27,987,363	58,564	43,005,155	Balance at 30 June 2014	39,444	15,086,549	27,987,363	95,376	102,408,408	145,617,140
4,524	-	-	-	4,524	Shares issued	4,524	-	-	-	-	4,524
-	-	4,469,710	-	4,469,710	Share premium	-	-	4,469,710	-	-	4,469,710
-	-	-	-	-	Transactions with non-controlling interest	-	-	-	-	3,236,183	3,236,183
-	-	(21,307)	-	(21,307)	Share issue expenses	-	-	(21,307)	-	-	(21,307)
-	(300,000)	-	-	(300,000)	Dividends	-	(454,401)	-	-	-	(454,401)
-	244,424	-	-	244,424	Net income (loss) for the year	-	(1,460,691)	-	-	(2,116,002)	(3,576,693)
43,968	14,864,208	32,435,766	58,564	47,402,506	Balance at 30 June 2015	43,968	13,171,457	32,435,766	95,376	103,528,589	149,275,156
6,124	-	-	-	6,124	Shares issued	6,124	-	-	-	-	6,124
-	-	6,050,512	-	6,050,512	Share premium	-	-	6,050,512	-	-	6,050,512
-	-	-	-	-	Transactions with non-controlling interest	-	-	-	-	23,165,697	23,165,697
-	-	(21,614)	-	(21,614)	Share issue expenses	-	-	(21,614)	-	-	(21,614)
-	(400,000)	-	-	(400,000)	Dividends	-	(459,087)	-	-	-	(459,087)
-	489,748	-	-	489,748	Net income for the year	-	1,596,796	-	-	1,814,170	3,410,966
50,092	14,953,956	38,464,664	58,564	53,527,276	Balance at 30 June 2016	50,092	14,309,166	38,464,664	95,376	128,508,456	181,427,754

Statement of Cash Flow

FOR THE YEAR ENDED 30 JUNE 2016	COMPANY		GROUP	
	<u>2016</u> R	<u>2015</u> R	<u>2016</u> R	<u>2015</u> R
Cash generated / (utilised) from by trading operations	6,649,102	6,514,077	(1,828,141)	5,838,454
Net profit before taxation and non-deductible expenses	6,734,519	6,432,228	1,139,135	587,560
Fair value adjustment	(79,400)	65,999	(2,961,259)	5,032,160
Depreciation	19,030	15,850	19,030	15,850
Loss / (profit) on sale of investments	(25,047)	-	(25,047)	2,884
Working capital changes	785,122	1,837,426	1,225,685	2,676,340
Decrease / (Increase) in accounts receivable	(78,936)	483,522	6,205	956,156
Increase in accounts payable	864,058	1,353,904	1,219,480	1,720,184
Cash generated / (utilised) by operating activities	7,434,224	8,351,503	(602,456)	8,314,794
Cash utilised in investment activities	(2,563,013)	(7,100,238)	(18,066,351)	(4,926,122)
Investment in subsidiaries	(2,163,768)	(3,268,165)	-	-
Plant and equipment acquired	(21,871)	(29,635)	(21,871)	(29,635)
Investments acquired	(521,262)	(3,802,438)	(18,188,368)	(4,792,651)
Proceeds from sale of investments	143,888	-	143,888	1,019
Capital improvements	-	-	-	(104,855)
Cash generated by financing activities	5,716,766	2,687,721	36,849,477	6,235,546
Shareholders loans raised	6,311,744	4,734,792	6,293,675	1,116,837
Proceeds from shares issued	6,124	4,524	6,124	4,524
Proceeds from share premium	6,028,898	4,448,405	6,028,898	4,448,405
Non-controlling interest	-	-	24,979,867	1,120,181
Dividends declared	(400,000)	(300,000)	(459,087)	(454,401)
Shareholders returns	(6,230,000)	(6,200,000)	-	-
Net cash generated during the year	10,587,977	3,938,986	18,180,670	9,624,218
Cash and cash equivalents at beginning of year	43,616,090	39,677,104	95,314,990	85,690,772
Cash and cash equivalents at end of year	54,204,067	43,616,090	113,495,660	95,314,990

Significant Accounting Policies

30 JUNE 2016

1. GENERAL INFORMATION

Roshgold Investment Holdings Ltd. was incorporated in 1984 under the laws applicable to South Africa. The addresses of its registered office and principal place of business are disclosed on page of this report. The financial statements for the year ended 30 June 2016 comprise the company and group.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the South African Companies Act. These policies have been applied consistently to all years presented, unless otherwise stated.

Key judgments and the use of estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or the period of the revision and future periods.

Significant estimates are required in the determination of future cash flows and probabilities in assessing net recoverable amounts used in valuing investment property.

Expected manner of realisation for deferred tax

Deferred tax is provided for on the fair value adjustments of investment properties based on the expected manner of recovery, i.e. sale or use. This manner of recovery affects the rate used to determine the deferred tax liability.

2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for the revaluation of certain non-current assets and financial instruments. The principal accounting policies are set out below.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary companies. The results of the subsidiary companies are consolidated from effective date of achieving control until the date that control ceases. Control is achieved where the company has the power to govern the financial and operating policies of a subsidiary so as to obtain benefits from its activities. The assets and liabilities of the subsidiary companies are recognised at their fair values at the date of acquisition.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

2.4 Revenue recognition

Rental Income

Rental income from investment properties is recognized in line with the term of the relevant lease. This income source comprises rental income and operating lease recoveries from investment properties.

Revenue is measured at the fair value of the consideration received or receivable for rental and recoveries, net of value added tax.

Dividend revenue

Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established.

Interest revenue

Interest is recognised, when the company's right to receive the revenue is established.

Significant Accounting Policies - Continued

30 JUNE 2016

2.5 Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income. Deferred income tax is provided using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- And in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Comprehensive Income.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

2.6 Operating Leases

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

2.7 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The entity's principal equity instruments are share capital and shareholders' loans.

Shareholders loans are recognised at the proceeds received less principal payments.

2.8 Investment property

Investment properties are held to earn rental income and for subsequent capital appreciation. Investment properties are initially measured at cost.

The cost of the investment properties comprises the purchase price and directly attributable expenditure. Subsequent expenditure relating to investment properties is capitalised when it is probable that future economic benefits from the use of the asset will be increased. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

After initial recognition, investment properties are measured at fair value. Fair values are determined every three years by registered independent valuers.

Significant Accounting Policies - Continued

30 JUNE 2016

2.9 Financial assets

Listed investments

Listed investments are initially accounted for at cost, including transaction cost. Listed investments are revalued at the ruling open market price at each statement of financial position date.

Unlisted investments

The directors revalue the investments at each statement of financial position based on the valuation of the underlying assets.

Other investments

All other financial assets are measured at fair value.

2.10 Financial liabilities

Payables are considered to be short-term in nature and are measured at cost.

2.11 Other financial liabilities

Interest bearing borrowings are initially recognised at fair value less attributable transaction costs.

2.12 De-recognition of financial instruments

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

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

2.13 Impairment of assets

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

2.14 Goodwill

Goodwill represents the excess of the cost of acquisition of the Group's interest over the fair value of the identifiable assets of the subsidiary at the date of acquisition.

2.15 Financial Instruments

Financial instruments included on the statement of financial position include cash and cash equivalents, receivables, payables and borrowings. These instruments are initially measured at cost, which include transaction costs. Subsequent methods adopted are disclosed in the individual statement associated with each item.

Trade and other receivables originated by the company are stated at cost less impairment losses.

Non – derivative financial instruments are measured at amortized cost, comprising original debt less principal payment and amortisations.

2.16 Related Party Transactions

All Subsidiaries and Associated Companies of the group are related parties. All transactions entered into with subsidiaries were under terms no more favourable than those with third parties and have been eliminated in the consolidated group accounts. Balances with other related parties are set out in note 15.

Notes to the Financial Statements

30 JUNE 2016	COMPANY		GROUP	
	2016 R	2015 R	2016 R	2015 R
3. INVESTMENT PROPERTY				
<u>Roshpro Properties (Pty) Ltd</u>				
Portion 1 of Erf 213, 18 Hofmeyer Avenue, Vereeniging with buildings thereon acquired in 1991.			1,050,000	1,050,000
At cost			551,632	551,632
Fair value adjustment **			498,368	498,368
Remaining extent of Erf 361 Vereeniging, with buildings thereon acquired in 1990.			3,800,000	3,800,000
At cost			1,229,079	1,229,079
Fair value adjustment **			2,570,921	2,570,921
<u>Roshmerriman Properties (Pty) Ltd</u>				
Remaining extent of Erf 429 Vereeniging Township, with buildings thereon acquired in 1990.			3,812,783	3,812,783
At cost			707,200	707,200
Fair value adjustment **			3,105,583	3,105,583
<u>Marhaban (Pty) Ltd</u>				
Portion 3 of Erf 1548 Secunda Ext 1 Township with buildings thereon acquired in 1996.			10,500,000	10,500,000
At cost			3,445,278	3,445,278
Fair value adjustment *			7,054,722	7,054,722
Erf 5338, Sasolburg Ext 50. District Parys, Free State Province with buildings thereon, acquired in 1996.			7,500,000	7,500,000
At cost			2,376,369	2,376,369
Fair value adjustment *			5,123,631	5,123,631
<u>Al-Ikwaan (Pty) Ltd</u>				
Portion 252 of Erf 602 Spartan Extention 2, Registration I.R., Province of Gauteng with buildings thereon acquired in 2002.			15,009,080	15,009,080
At cost			7,565,266	7,565,266
Fair value adjustment *			7,443,814	7,443,814
<u>Edme Investment (Pty) Ltd</u>				
Erf 11, 12, 14 and 16 situated in Witbank Township, Registration division I.S. Provinces of Mpumalanga, with buildings thereon.			20,904,855	20,904,855
At cost			10,049,057	10,049,057
Fair value adjustment *			10,855,798	10,855,798
Erf 61 situated in Long Meadow Extention 2 Township, Registration division I.R. Province of Gauteng measuring 7976 square metres.			14,700,001	14,700,001
At cost			17,721,372	17,721,372
Fair value adjustment *			(3,021,371)	(3,021,371)
<u>Shonalansa Trading (Pty) Ltd</u>				
Portion 1 of Erf 1057, Harrismith with Buildings thereon acquired in 2011			11,201,136	11,201,136
At cost			11,201,136	11,201,136
Fair value adjustment			-	-
Total Cost			54,846,389	54,846,389
Total Fair Value Adjustment			33,631,466	33,631,466
Total Investment Property			88,477,855	88,477,855

* Property independently valued by Mercer Simpson Estate Agents, Registered Valuers in 2013

** Property independently valued by Mr. M.A.H. Jassat, a Registered Valuator in 2013

Notes to the Financial Statements- Continued

30 JUNE 2016	COMPANY		GROUP	
	2016 R	2015 R	2016 R	2015 R
4. INVESTMENT IN SUBSIDIARIES				
<u>Roshgold Properties (Pty) Ltd</u> *	2,417,195	2,308,866		
Cost of investment	1,376,206	1,267,877		
Fair value adjustment	1,040,989	1,040,989		
<u>Roshmetals & Minerals Ltd</u> *	6,849,987	6,717,760		
Cost of investment	3,224,727	3,092,500		
Fair value adjustment	3,625,260	3,625,260		
<u>Edme Investments (Pty) Ltd</u> *	8,844,942	8,744,791		
Cost of investment	7,484,305	7,384,154		
Fair value adjustment	1,360,637	1,360,637		
<u>Roshmerriman Properties (Pty) Ltd</u> *	1,191,874	1,111,774		
Cost of investment	522,911	443,811		
Fair value adjustment	668,963	668,963		
<u>Roshpro Properties (Pty) Ltd</u> *	1,626,101	1,626,101		
Cost of investment	829,074	829,074		
Fair value adjustment	797,027	797,027		
<u>Roshmeadow Properties Ltd</u> *	8,895,723	8,783,278		
Cost of investment	4,837,904	4,725,459		
Fair value adjustment	4,057,819	4,057,819		
<u>Roshgold Ventures (Pty) Ltd</u> *	985,006	978,831		
Cost of investment	960,873	954,698		
Fair value adjustment	24,133	24,133		
<u>Roshsun Investments Ltd</u> **	4,088,000	4,088,000		
Cost of investment	3,073,900	3,073,900		
Fair value adjustment	1,014,100	1,014,100		
<u>Shonalansa Trading (Pty) Ltd</u>	3,500,000	3,500,000		
Cost of investment	3,500,000	3,500,000		
Fair value adjustment	-	-		
<u>Al-Ikwan (Pty) Ltd</u> **	1,107,475	1,082,034		
Cost of investment	760,546	735,105		
Fair value adjustment	346,929	346,929		
<u>Roslen Properties (Pty) Ltd</u>	4,700,000	3,100,100		
Cost of investment	4,700,000	3,100,100		
Fair value adjustment	-	-		
Total subsidiaries at fair value	44,206,303	42,042,535		
Total cost of subsidiaries	31,270,446	29,106,678		

The fair values of the above investments have been determined with reference to:

*The net asset values of the underlying entities

**The fair value of the underlying entity.

Notes to the Financial Statements (continued)

30 JUNE 2016	COMPANY			GROUP		
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5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Depreciation	2016 Carrying Value	Cost	Accumulated Depreciation	2015 Carrying Value
Office equipment	21,056	7,896	13,160	21,056	4,387	16,669
Computer equipment	61,365	28,683	32,682	39,494	13,163	26,331
	82,421	36,579	45,842	60,550	17,550	43,000

6. INVESTMENTS	<u>2016</u> <u>R</u>	<u>2015</u> <u>R</u>	<u>2016</u> <u>R</u>	<u>2015</u> <u>R</u>
<u>At Fair Value</u>				
Listed investments	2,374,327	2,111,684	11,855,767	11,015,176
Unlisted investments	15,243,364	15,024,190	40,833,410	20,449,683
	17,617,691	17,135,874	52,689,177	31,464,859
<u>At Cost</u>				
Listed investments	1,299,300	1,121,407	9,199,882	8,712,347
Unlisted investments	11,151,508	11,198,735	32,422,964	14,557,987
	12,450,808	12,320,142	41,622,846	23,270,334

6.1. LISTED INVESTMENTS - GROUP

	<u>2016</u> <u>Shares held</u>	<u>2015</u> <u>Fair Value</u>	<u>2016</u> <u>Shares held</u>	<u>2015</u> <u>Fair Value</u>
Adaptit Holdings Ltd	20,000	248,400	20,000	172,200
Adbee (RF) Ltd	399	11,874	-	-
Adcock Ingram Ltd	2,383	95,011	2,658	135,292
Anglo American Platinum Corporation Ltd	5,187	731,367	2,600	733,200
Anglo American Plc Ltd	2,600	954,902	5,075	944,305
Anglogold Ltd	3,500	936,565	3,000	331,080
Assore Ltd	5,000	900,050	5,000	527,500
BHP Billiton Plc Ltd	5,800	1,050,728	5,800	1,458,120
Exxaro Resources Ltd	8,500	573,410	7,500	663,825
Glencore Xstrata Plc	10,000	296,900	10,000	515,500
Gold Fields Ltd	9,700	691,319	7,000	273,000
Impala Platinum Holdings Ltd	6,200	292,640	6,200	351,664
Kumba Iron Ltd	4,800	532,800	4,800	757,488
Life Health Care Group Holdings Ltd	29,578	1,070,723	28,902	1,084,403
Lonmin Ltd	50	1,865	107	2,434
Mediclinic International Plc	805	170,282	-	-
MTN Group Ltd (Asonge)	1,488	213,514	1,488	324,667
Northam Platinum Ltd	13,500	580,500	13,500	556,875
Sasol Ltd	3,100	1,231,227	3,100	1,386,506
Sibanye Gold Ltd	10,000	501,200	7,500	147,525
South 32 Ltd	5,800	98,890	5,800	99,992
Vodacom Group Ltd	4,000	671,600	4,000	549,600
Total fair value of listed investments		11,855,767		11,015,176
Net cost of listed investments		9,199,882		8,712,347

Notes to the Financial Statements (continued)

30 JUNE 2016		COMPANY		GROUP	
		<u>2016</u> <u>R</u>	<u>2015</u> <u>R</u>	<u>2016</u> <u>R</u>	<u>2015</u> <u>R</u>
6.2	<u>LISTED INVESTMENTS – COMPANY</u>	<u>2016</u> <u>Shares held</u>	<u>2015</u> <u>Shares held</u>	<u>2016</u> <u>Fair Value</u>	<u>2015</u> <u>Fair Value</u>
	Adapit Holdings Ltd	20,000	20,000	248,400	172,200
	Adbee (RF) Ltd	399	-	11,874	-
	Adcock Ingram Ltd	2,283	2,658	95,011	135,292
	Life Healthcare Group Ltd	29,578	28,902	1,070,723	1,084,402
	Mediclinic International Plc	805	-	170,282	-
	MTN Group Ltd	744	744	106,437	170,190
	Vodacom Group Ltd	4,000	4,000	671,600	549,600
	Total fair value of listed investments			2,374,327	2,111,684
	Net cost of listed investments			1,299,300	1,121,407
6.3.	<u>UNLISTED INVESTMENTS</u>	<u>2016</u> <u>Fair value</u>	<u>2015</u> <u>Fair value</u>	<u>2016</u> <u>Fair value</u>	<u>2015</u> <u>Fair value</u>
	Welkom Yizani Investments Ltd	4 300	4 300	4,300	4,300
	Erf 549 Vereeniging (Pty) Ltd	-	-	369,514	358,039
	Surf Candy Investments (Pty) Ltd	-	-	763,299	763,299
	Roshpower Properties (Pty) Ltd	1,097,494	1,071,457	1,097,494	1,071,457
	Checkfield Investments (Pty) Ltd	-	-	2,315,281	2,280,013
	Fitsfield Investments (Pty) Ltd	196,333	92,764	572,110	461,101
	Agnus Investments (Pty) Ltd	-	-	70,634	66,610
	Amalgamated Enterprises (Vaal) (Pty) Ltd	33,972	33,523	298,025	295,781
	Erf 426 Vereeniging (Pty) Ltd	2,259,109	2,206,909	2,259,109	2,206,909
	Top Share Equities Ltd	838,469	812,350	838,469	812,350
	Timewest Investments (Pty) Ltd	8,465,287	8,465,287	9,215,625	9,215,625
	Lenmed Clinic Ltd	1,761,000	1,761,000	1,761,000	1,761,000
	MMM Investments (Pty) Ltd	587,400	576,600	1,174,800	1,153,200
	Ahmed Al-Kadi Private Hospital Ltd	-	-	20,093,750	-
	Total fair value	15,243,364	15,024,190	40,833,410	20,449,683
	Total cost	11,151,508	11,198,735	32,422,964	14,557,987
7.	Intangible assets				
	Goodwill at acquisition net of disposals	-	-	1,198,138	890,106
	The group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.				
8.	TRADE AND OTHER RECEIVABLES				
	Trade and other receivables	3,665,087	3,586,151	4,796,210	4,759,415

Notes to the Financial Statements (continued)

30 JUNE 2016	COMPANY		GROUP	
	2016 R	2015 R	2016 R	2015 R
9. CASH AND CASH EQUIVALENTS				
Bank balances and cash held with brokers and on hand.	54,204,067	43,616,090	113,495,660	95,314,990
The group and company had no overdrawn bank accounts at year end and therefore no off-setting of bank accounts has occurred on the statement of financial position. All cash resources are placed with reputable banks.				
10. SHARE CAPITAL				
Authorised				
100,000 (2015: 100,000) Ordinary shares of R1-00 each	100,000	100,000	100,000	100,000
Issued				
50,092 (2015: 43,968) Ordinary shares of R1-00 each	50,092	43,968	50,092	43,968
11. SHAREHOLDERS LOANS				
These loans are unsecured, subject to interest at rates determined by the directors, and are repayable at the discretion of the directors.	53,926,147	47,614,403	50,280,783	43,987,108
12. DEFERRED TAXATION				
Deferred taxation arose on the restatement of investments and investment property to their fair values.				
Opening balance	2,162,013	2,174,209	8,805,774	9,713,415
Current movement	14,768	(12,196)	43,903	(907,641)
Closing balance	2,176,781	2,162,013	8,849,677	8,805,774
13. TAXATION				
South African taxations consists of:				
Deferred Tax	(14,768)	12,196	(43,903)	907,641
Withholding Tax Paid	(8,841)	(11,226)	(37,975)	(72,487)
	(23,609)	970	(81,878)	835,154
14. DIRECTORS INTEREST IN CONTRACTS				
Advertisements have been placed by the company with Top Share Management Services CC. Mr. Haroun Pochee is a member of both Top Share Management Services CC and Roshgold Investment Holdings Limited.				
Total value of adverts placed during the year	24,605	22,800	40,028	49,648
Mr. Haroun Pochee also offers management services to the Roshgold group.				
The total value of management fees charged for the period	78,660	39,900	109,734	102,376

Notes to the Financial Statements (continued)

30 JUNE 2016

15. RELATED PARTY TRANSACTIONS

Transaction and balances between the group and its subsidiaries which are related parties of the group have been eliminated on consolidation.

DIRECTLY HELD SUBSIDIARIES	LOAN ACCOUNTS		RETURNS DUE		RETURNS RECEIVED	
	2016 R	2015 R	2016 R	2015 R	2016 R	2015 R
AL-IKWAAN INVESTMENTS (PTY) LTD	712,063	686,613	17,250	21,000	137,941	137,803
EDME INVESTMENTS (PTY) LTD	7,301,252	7,201,106	136,800	159,600	900,431	969,005
ROSHGOLD PROPERTIES (PTY) LTD	1,316,160	1,243,200	144,000	130,200	283,959	291,825
ROSHGOLD VENTURES (PTY) LTD	869,000	864,000	19,222	19,222	-	-
ROSHMEADOW PROPERTIES LTD	4,802,100	4,689,656	562,225	627,600	1,132,295	1,188,975
ROSHMERRIMAN PROPERTIES (PTY) LTD	450,217	403,892	87,000	66,000	169,300	139,120
ROSHMETALS & MINERALS LTD	930,732	841,765	-	-	344,456	134,268
ROSHPRO PROPERTIES (PTY) LTD	694,824	694,824	38,500	26,600	242,452	265,064
ROSHSUN INVESTMENTS LTD	2,920,000	2,920,000	147,156	148,170	283,728	289,017
ROSLLEN PROPERTIES (PTY) LTD	4,700,000	3,100,100	-	-	-	-
SHONALANSA TRADING (PTY) LTD	3,499,969	3,499,969	89,928	84,202	528,030	484,046

16. FINANCIAL RISK MANAGEMENT

16.1 CAPITAL RISK MANAGEMENT

The group manages its capital to ensure that entities in the group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The group's overall strategy remains unchanged from 2015. There is currently no long-term debt on the statement of financial position of the group.

16.2 INTEREST RATE RISK MANAGEMENT

Based on the R113 million cash balance, the groups investments are exposed to considerable interest rate risk. A 1% change in interest rates could have the following impact:

Cash and cash equivalents	R113,495,660	
		<u>Interest income</u>
Current return on cash based Shariah investments:	R5,878,654	
1% increase in interest rate:	R7,014,032	5% increase in revenue
1% decrease in interest rate:	R6,310,359	5% decrease in revenue

Notes to the Financial Statements (continued)

30 JUNE 2016

16.3 CREDIT RISK MANAGEMENT

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the group. The group has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Trade receivables consist of a large number of clients, spread across diverse industries. The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

16.4 LIQUIDITY RISK

Liquidity risk is mainly attributable to the trade and other payables, and current cash and cash equivalents are sufficient to ensure payment of these balances.

17. COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

Detailed Statement of Comprehensive Income

	COMPANY		GROUP	
	2016 R	2015 R	2016 R	2015 R
REVENUE	7,374,513	7,136,333	22,215,272	21,571,991
Rental income	-	-	15,101,124	15,028,753
Investment income				
- Subsidiaries	3,719,049	3,800,679	-	-
- Interest income	3,199,435	2,990,455	6,467,148	5,871,010
- Dividends	456,029	345,199	647,000	672,228
OTHER INCOME	104,447	-	3,229,346	25,572
- Fair value adjustments	79,400	-	2,961,259	-
- Profit on disposal of investments	25,047	-	25,047	-
- Insurance claim	-	-	-	25,572
- Bad debts recovered	-	-	243,040	-
TOTAL INCOME	7,478,960	7,136,333	25,444,618	21,597,564
EXPENDITURE	6,965,603	6,892,879	21,951,774	26,009,411
Accounting fees	170,808	170,483	363,847	389,898
Administration fees	193,842	178,438	512,604	452,057
Advertising	24,605	22,800	40,028	49,648
Annual returns	450	450	3,000	2,200
Auditors remuneration	29,119	24,076	154,190	161,972
Bad debts	-	-	96,949	224,607
Bank charges	27,690	22,189	58,240	55,802
Collection commission	-	-	981,350	539,679
Computer expenses	10,750	1,942	19,806	5,539
Depreciation	19,030	15,850	19,030	15,850
Fair value loss	-	65,999	-	5,032,160
Insurances	-	-	142,510	117,891
Legal fees	-	-	1,345	38,142
Loss on disposal of investments	-	-	-	2,844
Management fees	78,660	39,900	109,734	102,376
Meeting expenses	86,132	59,569	151,800	175,215
Municipal charges	-	-	2,924,260	2,387,464
Provision for bad debts	-	-	50,000	187,278
Repairs and maintenance	500	3,888	190,902	268,086
Secretarial fees	1,960	4,660	4,240	11,466
Shareholders returns	6,230,000	6,200,000	15,981,457	15,657,345
Stationery and printing	75,574	67,338	118,225	105,628
Telephone and fax	16,483	15,297	28,257	26,224
Net income / (loss) before taxation	513,357	243,454	3,492,844	(4,411,847)
Taxation	(23,609)	970	(81,878)	835,154
Net income / (loss) after taxation	489,748	244,424	3,410,966	(3,576,693)
Non-controlling interest	-	-	(1,814,170)	2,116,002
Net income / (loss) before dividends	489,748	244,424	1,596,796	(1,460,691)
Dividends	(400,000)	(300,000)	(459,087)	(454,401)
Net profit / (loss) for the year attributable to equity holders	89,748	(55,576)	1,137,709	(1,915,092)

The supplementary information presented does not form part of the annual financial statements and is unaudited.

Minutes of the 31st Annual General Meeting

Shareholders of Roshgold Investment Holdings Limited
Held at Balmoral Gardens, De Deur,
On 8 November 2015

Present

Shareholders and guests as per attendance register. With the necessary quorum being present, the Chairperson declared the meeting duly constituted.

Apologies

None

Minutes of the thirtieth annual general meeting

The minutes of the thirtieth annual general meeting were tabled by Muhammed Bhayat

Adoption of the minutes

As no matters arose, Mr Rashid Choonara proposed for the adoption of the minutes and Mr. Ahmed Pochee seconded the motion.

Chairman's statement and review of operations

The chairman, Mr Ebrahim Sujee presented the thirty first chairman's statement.

He emphasized Roshgold's message on prudent investing and delivering satisfactory results in uncertain and volatile times. The results were reflective of Roshgold's investment strategy. Two investments were made during the course of the year.

He spoke about the difficult and turbulent times that lie ahead, more so over the exchange rate and its impact on the performance of the economy. He said that the Board of directors and Roshgold's emerging pool of younger leaders have taken into consideration the macro economic factors. There was no time for gloom but rather to seek opportunities for investments with a skilful investment strategy.

The Board was in the process of assessing a property development transaction which offered potential. The proposal required land to be developed for suitable retail tenants. The process of due diligence was being conducted and the transaction was expected to be completed once the zoning and township status were verified. The Board hoped to close the deal before the end of the 2016 financial year.

He thanked all of Roshgold's stakeholders for their support, co-operation and efforts in making Roshgold continue on its path to achieving the mission.

Tabling and Adoption of Annual Financial Statements

Faheem Bahadur tabled the annual financial statements and review of operations for the financial year ended 30 June 2015. The highlights for 2015 financial year included:

- Total income for the year was R21,597,564 against R23,807,965 in 2014.
- Total expenditure increased by 2% from R5,168,801 in 2014 to R5,319,905 in 2015.
- Property accounts for 72% of the total investment Portfolio.
- Shareholder returns totalling R15,657,735 is to be paid out to group shareholders.
- Roshgold's capital base had increased to 43,968 units.
- Fair value of group assets increased to R224 million.
- Roshsun Property Investments capital base was 45,624 units with the unit price at R1,400 per unit.
- Roshmetals dividend income for the year totalled R 408 406 and benefit income R123,261.
- Roshmed paid a total of R8,751,201 in claims.

Resolutions:

The resolutions as tabled were passed, these included:

- Adoption of the audited annual financial statements for the year ended 30 June 2015 – Mr Riaz Saloojee proposed for adoption and Mr Mohammed Sayed Patel seconded the motion.
- Appointment of H Mayet as external auditors for the year ended 30 June 2016 – Mr Cassim Kaka proposed for adoption and Mr Ebrahim Sujee seconded the motion.
- Approval of general authority to place unissued shares under the control of the board of directors – Mr Faheem Bahadur proposed for the adoption and Ms Aadilah Sallie seconded the motion.

Minutes of the 31st Annual General Meeting

Guest Speakers:

Zafeer Nagdee delivered an insightful presentation on business reform as a path to social reform; a case for South African Muslims.

Youth Guest Speakers:

Halima Diallo Houlaymatou - delivered a presentation on Entrepreneurial Spirit

Buhle Peters - delivered a presentation on Key To Success

Hall Of Fame:

Long standing Shareholder:

Ahmed Bhabha

Achievers of the year:

Muhammed Kaka (Albaraka Bank)

Kholeka Constance Moloji (VUT)

Community Builder Award:

Zaiboon Motala and

Roshnee Neighbourhood Watch

Acknowledgement to media and news:

Ebrahim Gangat (CII)

Young achievers:

Halima Diallo Houlaymatou.

Competition Winners:

Lucky Draw:

Zeyn Gabru - Clarins gift pack sponsored by Head to Toe Spa

Feroz Hassen - Clarins gift pack sponsored by Head to Toe Spa

New Shareholders:

Ahmed Cajee - Tea pot and tea bag holders and tea bags sponsored by Sedgars

Roshmed Baba's:

Moosa Mayet - Baby hamper sponsored by The Purple Circle

Roshmed:

Aslam Bhagalia - Table cloth set sponsored by Designer Linen

Twitter competition:

Masood Pahad, Rehana Moosajee, Adbul Razak Varachia, Yusuf Dadabhay and Muhammed - gift vouchers sponsored by Head to Toe Spa

Lucky Draw:

KiranVallabh – car battery sponsored by Battery Centre Meyerton

Debit Orders:

Ameen Pahad - Phillips Airfryer sponsored by Diamond Corner.

NPO circle hand-out:

Rehana Moosajee, Ahmed Pochee, Ayesha Patel, Zakkiyya Latib, Shamima Sallie - Pearl bracelets sponsored by Honey

All Shareholders:

Nafisa Ragie – picture frame sponsored by Motordeal

Lucky Draw:

Iqbal Saley - Herbal life starter pack sponsored by Shera Ravat

Closure

There being no further business, the meeting was closed.

