

Board of Directors' Report

The Directors have pleasure in submitting to the Shareholders their report together with the annual financial statements for the year ended 30 June 2017.

1. Incorporation

The company was incorporated on 27 July 2000 and obtained its certificate to commence business on the same day.

2. Review of Activities

Main Business and Operations

The company is a Municipal Entity. The principal activity of the company is the property & facilities management functions and, where appropriate, to provide property services in respect of the City of Johannesburg Metropolitan Municipality and its entities. The company operates only in South Africa.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

The deficit of the company before taxation was R 33 155 082 (2016: surplus R 8 466 572), after taxation it was a deficit of R (58 125 574) (2016: surplus R 5 570 984).

3. Going Concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds from the City of Johannesburg will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

4. Subsequent Events

The Directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report in respect of matters which would require adjustments to or disclosure in the annual financial statements.

5. Directors' Personal Financial Interest

Directors' personal financial interest in any contracts have been disclosed and no Directors, both executive and nonexecutive, have any interest in contracts with the company.

6. Share Capital

There were no changes in the authorised or issued share capital of the company during the year under review.

7. Borrowing Limitations

In terms of the sale of business agreement, the City of Joburg Property Company (SOC) Limited does not have the authority to borrow funds on its own behalf. All external funding is managed under the auspices of the City of Johannesburg Metropolitan Municipality.

8. Non-Current Assets

There were no changes in the nature of non-current assets of the company during the year.

9. Dividends

No dividends were declared or paid to the shareholder during the year.

10. Directors

The directors of the company during the year ended to 30 June 2017 were as follows:

Name	Nationality	Changes in Appointment
Ms. HM Botes - Chief Executive Officer	South African	
Mr. P Corbin - Chairperson	South African	Appointed - 16/03/2017
Mr. A Mabizela	South African	Retired - 16/03/2017
Mr. IM Bhamjee - Financial Director	South African	
Prof. AN Nevhutanda	South African	Retired - 16/03/2017
Mr. FD Ntombela	South African	Retired - 16/03/2017
Mr. C Kai	South African	Retired - 16/03/2017
Mr. MJ Rabodila	South African	Retired - 16/03/2017
Mr. MM Morojele	South African	
Adv. M Mogale	South African	Retired - 16/03/2017
Ms. M Mojapelo	South African	
Mr. L Mabuza	South African	Retired - 16/03/2017
Mr. N Baloyi	South African	Appointed - 16/03/2017
Prof. A Karam	South African	Appointed - 16/03/2017
Mr. O Kemp	South African	Appointed - 16/03/2017
Mr. O Maseko	South African	Appointed - 16/03/2017
Ms. N Mpofu	South African	Appointed - 16/03/2017
Ms. M Hlobo	South African	Appointed - 27/05/2017