

Notes to the consolidated financial statements continued

for the year ended 30 June

3. Building appurtenances and tenant installations

	2018 R000	2017 R000
3.1 Cost		
Building appurtenances	234 018	196 768
Tenant installations	68 475	54 212
	302 493	250 980
3.2 Accumulated depreciation		
Building appurtenances	100 165	70 577
Tenant installations	39 260	31 873
	139 425	102 450
3.3 Net carrying value		
Building appurtenances	133 853	126 191
Tenant installations	29 215	22 339
	163 068	148 530
3.4 Movement for the year		
Net carrying value – 1 July	148 530	126 100
Capital expenditure	52 104	57 064
Foreign currency translation movement	147	(498)
Disposals		(171)
Write-off of assets	67	(10)
Classified as held-for-sale	369	(659)
Depreciation	(38 149)	(33 296)
Net carrying value	163 068	148 530

4. Subsidiaries

Details of the group's subsidiaries at the end of the year are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the group	
			2018 %	2017 %
Hyprop Investments (Mauritius) Limited (Hyprop Mauritius)	Investing in indirect development or income-producing properties in sub-Saharan Africa (excluding SA)	Mauritius	100	100
African Land Investments Limited (African Land)	Dormant	South Africa	100	100
Hyprop Investments Employee Incentive Scheme Proprietary Limited (Hyprop Employee Incentive Scheme)	To hedge the obligation of the company to deliver Hyprop shares to employees, arising from allocations to employees in terms of the Hyprop Employee Incentive Scheme	South Africa	100	100
Hyprop Foundation NPC (Hyprop Foundation)	Company formed to further sustainability, enterprise development, socio-economic development and the corporate social initiatives of Hyprop	South Africa	100	100
Hyprop Ikeja Mall Limited (Hyprop Ikeja) ⁽¹⁾	Owns the shares in Gruppo Investments Nigeria Limited	Mauritius	100	100
Gruppo Investments Nigeria Limited (Gruppo) ⁽²⁾	Owns Ikeja City Mall in Lagos, Nigeria	Nigeria	75	75

⁽¹⁾ Wholly owned subsidiary of Hyprop Mauritius

⁽²⁾ Hyprop Ikeja owns 75% of the shares in Gruppo

4. Subsidiaries continued

4.1 Subsidiaries and transactions with non-controlling interests

Gruppo

Set out below is a summary of audited financial information for Gruppo, which owns 100% of the Ikeja City Mall in Lagos, Nigeria, and in which Hyprop has a 75% interest.

	2018 R000	2017 R000
Summarised statement of financial position		
Current assets	114 396	86 978
Current liabilities	(113 761)	(35 215)
	635	51 763
Non-current assets	2 072 511	1 972 763
Non-current liabilities	(1 712 560)	(1 648 020)
	359 951	324 743
Net assets	360 586	376 506
Non-controlling interest	90 320	94 299
Summarised statement of comprehensive income		
Revenue	224 577	249 902
Net (loss)/profit	(34 170)	82 871
Other comprehensive profit/(loss) (foreign currency translation reserve)	18 250	(60 972)
Total comprehensive (loss)/income	(15 920)	21 899
(Loss)/profit allocated to non-controlling interest	(3 980)	5 475
Dividends paid to non-controlling interest	nil	nil
Summarised cash flows		
Cash flows from operating activities	86 412	37 360
Cash flows applied to investing activities	(2 723)	(470)
Cash flows applied to financing activities	(78 363)	(77 094)

5. Joint operations

South African shopping centres, Canal Walk (80%) and The Glen (75,16%) are classified as joint operations. The group recognises its share of the assets, liabilities, income and expenses.

In terms of the co-ownership agreements, Canal Walk and The Glen are jointly controlled by Hyprop and Ellerine Bros.

■ Principal place of business:

- Canal walk: Cape Town, South Africa
- The Glen: Johannesburg, South Africa

The group's share of the joint operations' income and expenses are as follows:

	2018 R000		2017 R000	
	Canal Walk	The Glen	Canal Walk	The Glen
Revenue	905 620	297 090	862 738	302 300
Expenses	(283 702)	(87 659)	(274 428)	(91 065)
Interest received	2 187	173	2 269	197
Depreciation	(298)	(123)	(22)	(143)
Net income	623 807	209 481	590 557	211 289