

**Subject:** FW: Linkway Hotel & accomodation costs.  
**From:** "Elana Van Wyk<elanavw@oakbay.co.za>" <MAILER-DAEMON>  
**Date:** 1/22/15, 8:57 AM  
**To:** Ashu  
**CC:** Ronica Oakbay

Good day Sir,

Please send me any communication that you had with Sun City to prove that we are in dispute with them regarding costs. This affects the Linkway tax return and whether the R6.9m will be treated as tax deductible or not.

Thanks

*Kind Regards*  
*Elana Van Wyk*  
*Oakbay Investments (Pty) Ltd*  
*(011) 542 2000*  
*Ext : 901032*  
*071 671 0370*

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**From:** Alex, Rone [mailto:[rone.alex@kpmg.co.za](mailto:rone.alex@kpmg.co.za)]  
**Sent:** Thursday, January 22, 2015 10:39 AM  
**To:** Elana Van Wyk  
**Subject:** FW: Linkway Hotel & accomodation costs.

Dear Elana

I refer to your comments below. Could you please forward us correspondence relating to the dispute with Sun City for the fees incurred?

Thanks!

Regards  
Rone

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**From:** Elana Van Wyk [mailto:[elanavw@oakbay.co.za](mailto:elanavw@oakbay.co.za)]  
**Sent:** 27 November 2014 12:02 PM  
**To:** Alex, Rone  
**Subject:** RE: Linkway Hotel & accomodation costs.

Hi Rone,

Please see my comments below.

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**From:** Alex, Rone [mailto:[rone.alex@kpmg.co.za](mailto:rone.alex@kpmg.co.za)]  
**Sent:** Wednesday, November 26, 2014 12:57 PM  
**To:** Elana Van Wyk  
**Cc:** Ronica Ragavan  
**Subject:** FW: Linkway Hotel & accomodation costs.  
**Importance:** High

Dear Elana

We met with Jacques Wessels again this morning and discussed the matter below on the cost incurred on the wedding.

We would appreciate it if you could please provide us with a detailed breakdown of the R26.5m (originally included in cost of sales) as well as the R6.9m that was subsequently reclassified to cost of sales. (I know that you have provided this, but I can't seem to locate the email)**See attached Cost of sales V&A doc and the detail of the R6.9m is in the Linkway Info required attachment – see Hotel & acc gl tab.**

We also require reasons from management as to why the full R33.4m was not recovered but only R26.3m? **The reasons mentioned by JW seems to correlate to what management is also saying. The dispute is still going on.**

Jacques has mentioned that there is currently a dispute with Sun City around the accommodation costs and that there was an overcharge in the fees. This is also part of the reason that the full amount has not been recovered.

If you could please provide us with any correspondence substantiating the dispute with Sun City it would be appreciated. **I did request this from Mr Ashu as he is the one dealing with it. I will forward it as soon as I get it from him.**

We wish to finalise this return asap.

Also on Infinity Media, I have not received any information as requested on this. Could you please follow up? **Sent.**

Thanks!

Regards  
Rone

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**From:** Alex, Rone  
**Sent:** 18 September 2014 10:07 AM  
**To:** Wessels, Jacques

**Cc:** Heydenrych, Johan  
**Subject:** FW: Linkway Hotel & accomodation costs.  
**Importance:** High

Dear Jacques

Please refer to the mail below. It came under our attention that included in other operating expenditure was an amount of R6.9m relating to the wedding that was held.

We understand that Linkway is to incur expenditure relating to event etc and then it is recovered from the respective parties.

To date there is R26.3m in sales and then in cost of sales an amount of R26.5 implying that of the cost currently in cost of sales, R200 000 was not recovered.

Further we understand that none of the R6.9m was recovered from any party.

There is therefore a risk that SARS may disallow these expenditure as it will be regarded not in the production of income. There is also potential PAYE risks.

We do understand that management has indicated below that it is their intention to amend the AFS to include the amount of R6.9m as part of cost of sales.

In creating an assessed loss on this amount, will be a rather aggressive position to take as we are of the opinion that these costs are most probably not in the production of Linkway's income and therefore not deductible in terms of section 11(a). It is our intention to add back the R6.9m as non deductible.

We would appreciate it if you could perhaps provide us with more clarity on the purpose of this company and what your opinion on this specific matter is.

Regards  
Rone

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**From:** Elana Van Wyk [<mailto:elanavw@oakbay.co.za>]  
**Sent:** 18 September 2014 9:53 AM  
**To:** Alex, Rone  
**Subject:** Linkway Hotel & accomodation costs.

Hi Rone,

I spoke with Jacques Wessels regarding Linkway – the hotel and accommodation actually forms part of Cost of sales as it was part of the project, so the AFS will change.

I will send to you as soon as he send me the corrected afs back.

Thanks

*Kind Regards*  
*Elana Van Wyk*  
*Oakbay Investments (Pty) Ltd*  
*(011) 542 2000*  
*Ext : 901032*  
*071 671 0370*

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**Subject:**

**From:** <MAILER-DAEMON>

**Date:** 1/1/70, 2:00 AM

— Attachments: —

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ForwardedMessage.eml	362 bytes
Cost of sales V&A.pdf	47.9 KB
Linkway - Info required.xlsx	47.3 KB