Caro Investment Holdings Limited

Formerly B.A.D. (Bermuda Alternative Diversified) Investments Limited
(Registration number 1782776)
Annual Financial Statements
for the 12 months ended 31 December 2014

These annual financial statements were prepared by:
U Jensen
Group Financial Accountant

Certified Master Auditors (South Africa) Incorporated
Registered Auditors

Published 27 March 2015

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General Information

Country of incorporation and domicile	Virgin Islands (British)
Nature of business and principal activities	Investment holding
Directors	A Vassilopoulos G.R. Poole G Roussos C.M. Vining
Registered office	19 Waterfront Drive Road Town Tortola British Virgin Islands VG1110
Business address	19 Waterfront Drive Road Town Tortola British Virgin Islands VG1110
Postal address	P.O Box 3540 Road Town Tortola British Virgin Islands VG1110
Holding company	Zeno Capital Limited incorporated in Virgin Islands (British)
Ultimate holding company	Supaluck Investments Proprietary Limited incorporated in South Africa
Bankers	Investec Bank
Auditors	Certified Master Auditors (South Africa) Incorporated Registered Auditors
Secretary	Totalserve Trust Company Limited
Company registration number	1782776
Preparer	The annual financial statements were internally compiled by: U Jensen Group Financial Accountant
Published	27 March 2015

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The reports and statements set out below comprise the annual financial statements presented to the shareholder:

Preparer

U Jensen
Group Financial Accountant

Published

27 March 2015

Audit Committee Report

This report is provided by the audit committee appointed in respect of the 2014 financial 12 months of Caro Investment Holdings Limited.

1. Members of the Audit Committee

The members of the audit committee include:

Name	Qualification
A Vassilopoulos	
G Roussos	CA(S.A.)

2. Meetings held by the Audit Committee

The audit committee performs the duties as required by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditors.

3. External auditor

The audit committee has nominated Certified Master Auditors (South Africa) Incorporated as the independent auditor and George Davias as the designated partner, who is a registered independent auditor, for appointment of the 2014 audit.

The committee satisfied itself through enquiry that the external auditors are independent as defined by the standards stipulated by the auditing profession. Requisite assurance was sought and provided in terms of the BVI Business Companies Act, 2004 that internal governance processes within the firm support and demonstrate the claim to independence.

The audit committee in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

4. Accounting practices and internal control

The audit committee has monitored the system of internal financial control established by the company and ensured that the directors have placed considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, an audit committee charter is in place, setting out the committee's roles and responsibilities. These include:

- Reviewing accounting, auditing and financial reporting matters;
- Ensuring an effective control environment is maintained;
- Assessing adherence to controls;
- Monitoring proposed changes in accounting policies;
- Advising the board on accounting implications of major transactions;
- Recommending the appointment of external auditors approval;
- Assessing adherence to controls and systems within the company;
- Monitoring and appraising internal operating structure and systems to ensure that these are maintained;
- Establishing guidelines for recommending the use of external auditors for non-audit services.

Audit Committee Report

5. Financial reporting framework

The audit committee approves that the reporting framework used to prepare the financial statements, being International Financial Reporting Standards, is appropriate.

On behalf of the audit committee

George Roussos
Chairman Audit Committee

Johannesburg

27 March 2015

Directors' Responsibilities and Approval

The directors are required in terms of the BVI Business Companies Act, 2004 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 12 months 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 directors 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 are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the 12 months to 31 December 2015 and, in the light of this review and the current financial position, 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 auditing 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 set out on pages 7 to 22, which have been prepared on the going concern basis, were approved by the directors on 27 March 2015 and were signed on their behalf by:

Director | **Director**

Johannesburg

27 March 2015

Independent Auditors' Report

To the Shareholder of Caro Investment Holdings Limited

We have audited the annual financial statements of Caro Investment Holdings Limited, as set out on pages 9 to 22, which comprise the statement of financial position as at 31 December 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the 12 months then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Annual 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 requirements of the BVI Business Companies Act, 2004, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

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 management, as well as evaluating the overall presentation of the annual 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 annual financial statements present fairly, in all material respects, the financial position of Caro Investment Holdings Limited as at 31 December 2014, and its financial performance and its cash flows for the 12 months then ended in accordance with International Financial Reporting Standards, and the requirements of the BVI Business Companies Act, 2004.

Certified Master Auditors (South Africa) Incorporated
Registered Auditors
Per: G Davias
Director
Chartered Accountant (S.A)
Registered Auditor

27 March 2015

CMA Office Park
No 1 Second Road
Halfway House
Midrand
South Africa

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Caro Investment Holdings Limited for the 12 months ended 31 December 2014.

1. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the BVI Business Companies Act, 2004. The accounting policies have been applied consistently compared to the prior period.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

2. Share capital

	2014	2013
	Number of shares	
Authorised		
50 000 Ordinary shares of US$1 each	50 000	50 000

	2014	2013	2014	2013
	$	$	Number of shares	
Issued				
1 000 Ordinary shares of US$1 each	1 000	1 000	1 000	1 000

There have been no changes to the authorised or issued share capital during the 12 months under review.

3. Directorate

The directors in office at the date of this report are as follows:

Directors	Designation	Changes
A Vassilopoulos	Executive chairman	
G.R. Poole	Executive	
G Roussos	Non-executive	Appointed 18 July 2014
C.M. Vining	Non-executive	Appointed 18 July 2014
M Maraschin	Non-executive	Resigned 18 July 2014
C.N. Vassilopoulos	Non-executive	Resigned 18 July 2014

4. Holding company

The company's holding company is Zeno Capital Limited which holds 100% of the company's equity. Zeno Capital Limited is incorporated in Virgin Islands (British).

5. Ultimate holding company

The company's ultimate holding company is Supaluck Investments Proprietary Limited which is incorporated in South Africa.

6. Events after the reporting period

The company was listed on the Bermuda Stock Exchange (BSX) subsequent to year end and recapitalised by the acquisition of 100% of Kiklo Cars Limited.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report, which would have a material effect on these financial statements.

Directors' Report

7. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

8. Auditors

Certified Master Auditors (South Africa) Incorporated continued in office as auditors for the company for 2014.

At the AGM, the shareholder will be requested to reappoint Certified Master Auditors (South Africa) Incorporated as the independent external auditors of the company and to confirm Mr G Davias as the designated lead audit partner for the 2015 financial 12 months.

9. Secretary

The company secretary is Totalserve Trust Company Limited.

Postal address

P.O Box 3540
Road Town
Tortola
British Virgin Islands
VG1110

Business address

19 Waterfront Drive
Road Town
Tortola
British Virgin Islands
VG1110

10. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 27 March 2015.

Statement of Financial Position as at 31 December 2014

Figures in US Dollar	Note(s)	31 December 2014	31 December 2013
Assets			
Non-Current Assets			
Loans to group companies	3	-	610
Current Assets			
Cash and cash equivalents	4	275	-
Total Assets		**275**	**610**
Equity and Liabilities			
Equity			
Share capital	5	1 000	1 000
Accumulated loss		(16 425)	(675)
		(15 425)	**325**
Liabilities			
Non-Current Liabilities			
Loans from group companies	3	14 780	-
Current Liabilities			
Trade and other payables	6	920	285
Total Liabilities		**15 700**	**285**
Total Equity and Liabilities		**275**	**610**

Statement of Comprehensive Income

Figures in US Dollar	Note(s)	12 months ended 31 December 2014	6 months ended 31 December 2013
Operating expenses		(15 750)	(675)
Operating loss		**(15 750)**	**(675)**
Loss for the period		**(15 750)**	**(675)**
Other comprehensive income		-	-
Total comprehensive loss for the period		**(15 750)**	**(675)**

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Statement of Changes in Equity

Figures in US Dollar	Share capital	Accumulated loss	Total equity
Loss for the period	-	(675)	(675)
Other comprehensive income	-	-	-
Total comprehensive Loss for the period	**-**	**(675)**	**(675)**
Issue of shares	1 000	-	1 000
Total contributions by and distributions to owners of company recognised directly in equity	**1 000**	**-**	**1 000**
Balance at 01 January 2014	**1 000**	**(675)**	**325**
Loss for the 12 months	-	(15 750)	(15 750)
Other comprehensive income	-	-	-
Total comprehensive Loss for the 12 months	**-**	**(15 750)**	**(15 750)**
Balance at 31 December 2014	**1 000**	**(16 425)**	**(15 425)**
Note(s)	5		

Statement of Cash Flows

Figures in US Dollar	Note(s)	12 months ended 31 December 2014	6 months ended 31 December 2013
Cash flows from operating activities			
Cash used in operations	9	(15 115)	(390)
Cash flows from investing activities			
Net movement in group company loans		15 390	(610)
Net cash from investing activities		**15 390**	**(610)**
Cash flows from financing activities			
Proceeds on share issue	5	-	1 000
Total cash movement for the period		**275**	**-**
Total cash at end of the period	4	**275**	**-**

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the BVI Business Companies Act, 2004. The annual financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in US Dollars.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables

The company assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the company is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

Impairment testing

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company 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 income tax and deferred tax provisions in the period in which such determination is made.

Accounting Policies

1.2 Financial Instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:
- Financial assets at fair value through profit or loss
- Held-to-maturity investment
- Loans and receivables
- Available-for-sale financial assets
- Financial liabilities at fair value through profit or loss
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value, except for equity investments for which a fair value is not determinable, which are measured at cost and are classified as available-for-sale financial assets.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Transaction costs on financial instruments at fair value through profit or loss are recognised in profit or loss.

Accounting Policies

1.2 Financial instruments (continued)

Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Net gains or losses on the financial instruments at fair value through profit or loss exclude dividends and interest.

Dividend income is recognised in profit or loss as part of other income when the company's right to receive payment is established.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Held-to-maturity investments are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Available-for-sale financial assets are subsequently measured at fair value. This excludes equity investments for which a fair value is not determinable, which are measured at cost less accumulated impairment losses.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in equity until the asset is disposed of or determined to be impaired. Interest on available-for-sale financial assets calculated using the effective interest method is recognised in profit or loss as part of other income. Dividends received on available-for-sale equity instruments are recognised in profit or loss as part of other income when the company's right to receive payment is established.

Changes in fair value of available-for-sale financial assets denominated in a foreign currency are analysed between translation differences resulting from changes in amortised cost and other changes in the carrying amount. Translation differences on monetary items are recognised in profit or loss, while translation differences on non-monetary items are recognised in other comprehensive income and accumulated in equity.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Fair value determination

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Impairment of financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

Impairment losses are recognised in profit or loss.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Accounting Policies

1.2 Financial Instruments (continued)

Loans to (from) group companies

These include loans to and from holding companies and fellow subsidiaries.

Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Bank overdraft and borrowings

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the company's accounting policy for borrowing costs.

1.3 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period.

Accounting Policies

1.4 Impairment of assets

The company assesses at each end of the reporting period 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.

Irrespective of whether there is any indication of impairment, the company also:
- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.5 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.

1.6 Provisions and contingencies

Provisions are recognised when:
- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Accounting Policies

1.6 Provisions and contingencies (continued)

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the business or part of a business concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for terminating their services;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

1.7 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

Dividends are recognised, in profit or loss, when the company's right to receive payment has been established.

1.8 Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Annual Financial Statements

Figures in US Dollar	2014	2013

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current 12 months

In the current 12 months, the company has adopted the following standards and interpretations that are effective for the current financial 12 months and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected Impact:
• Amendments to IAS 32: Offsetting Financial Assets and Financial Liabilities	01 January 2014	The adoption of this amendment has not had a material impact on the results of the company.
• Amendments to IAS 39: Novation of Derivatives and Continuation of Hedge Accounting	01 January 2014	The impact of the amendment is not material.
• Amendments to IFRS 10, IFRS 12 and IAS 27: Investment Entities	01 January 2014	The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 January 2015 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected Impact:
• IFRS 9 Financial Instruments	01 January 2018	The company does not envisage the adoption of the standard until such time as it becomes applicable to the company's operations. It is unlikely that the standard will have a material impact on the company's financial statements.
• Amendment to IFRS 8: Operating Segments: Annual improvements project	01 July 2014	The impact of the amendment is not likely to be material and will result in additional disclosure.
• Amendment to IAS 16: Property, Plant and Equipment: Annual improvements project	01 July 2014	It is unlikely that the standard will have a material impact on the company's financial statements.
• Amendment to IAS 24: Related Party Disclosures: Annual improvements project	01 July 2014	The impact of the amendment is not likely to be material and will result in additional disclosure.
• Amendment to IFRS 3: Business Combinations: Annual improvements project	01 July 2014	It is unlikely that the standard will have a material impact on the company's financial statements.

Notes to the Annual Financial Statements

2. New Standards and Interpretations (continued)

2.3 Standards and Interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the company's accounting periods beginning on or after 01 January 2015 or later periods but are not relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendment to IFRS 13: Fair Value Measurement: Annual improvements project	01 July 2014	It is unlikely that the amendment will have a material impact on the company's financial statements.
• Amendment to IAS 40: Investment Property: Annual improvements project	01 July 2014	It is unlikely that the amendment will have a material impact on the company's financial statements.
• Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations	01 January 2016	It is unlikely that the amendment will have a material impact on the company's financial statements.
• IFRS 15 Revenue from Contracts with Customers	01 January 2017	The company does not envisage the adoption of the standard until such time as it becomes applicable to the company's operations. It is unlikely that the standard will have a material impact on the company's financial statements.

3. Loans to (from) group companies

Holding company

HBW Group Proprietary Limited	(9 675)	610
Zeno Capital Limited	(5 105)	-
The loans are unsecured, interest free and have no fixed terms of repayment.		
	(14 780)	**610**
Non-current assets	-	610
Non-current liabilities	(14 780)	-
	(14 780)	**610**

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	275	-

Notes to the Annual Financial Statements

Figures in US Dollar	2014	2013

5. Share capital

Authorised		
50 000 Ordinary shares of US$1 each	50 000	50 000
Issued		
1 000 Ordinary shares of US$1 each	1 000	1 000

6. Trade and other payables

Other payables	580	-
Accrued audit fees	340	285
	920	**285**

7. Taxation

No provision has been made for 2014 tax as the company has no taxable income.

8. Auditors' remuneration

Fees	340	285

9. Cash used in operations

Loss before taxation	(15 750)	(675)
Changes in working capital:		
Trade and other payables	635	285
	(15 115)	**(390)**

10. Related parties

Relationships	
Ultimate holding company	Supaluck Investments Proprietary Limited
Holding company	Zeno Capital Limited
Other interests of the directors	HBW Group Proprietary Limited
Members of key management	A Vassilopoulos
	G.R. Poole

Related party balances

Loan accounts - Owing (to) by related parties		
HBW Group Proprietary Limited	(9 675)	610
Zeno Capital Limited	(5 105)	-

11. Directors' emoluments

No emoluments were paid to the directors or any individuals holding a prescribed office during the 12 months.

12. Comparative figures

The previous reporting period is shorter than a year, therefore comparative amounts are not comparable to the current balances.

Notes to the Annual Financial Statements

Figures in US Dollar	2014	2013

13. Risk management

Capital risk management

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

The capital structure of the company consists of debt, which includes the borrowings disclosed in notes 3 cash and cash equivalents disclosed in note 4, and equity as disclosed in the statement of financial position.

Consistent with others in the industry, the company monitors capital on the basis of the debt: equity ratio.

This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position) less cash and cash equivalents. Total equity is represented in the statement of financial position.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Financial risk management

The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance. The company uses derivative financial instruments to hedge certain risk exposures. Risk management is carried out by a central treasury department (company treasury) under policies approved by the directors. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The directors provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Liquidity risk

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.