Caro Investment Holdings Limited

(Registration number 1782776)
Group Annual Financial Statements
for the year ended 31 December 2015

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

Certified Master Auditors (South Africa) Incorporated
Chartered Accountants (S.A.)
Registered Auditors

Issued 22 April 2016

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 British Virgin Islands
Ultimate holding company	Supaluck Investments Proprietary Limited incorporated in South Africa
Bankers	Investec Bank
Auditors	Certified Master Auditors (South Africa) Incorporated Chartered Accountants (S.A.) Registered Auditors
Secretary	Totalserve Trust Company Limited
Company registration number	1782776
Preparer	The group annual financial statements were internally compiled by: U Jensen Group Financial Accountant
Issued	22 April 2016

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

Preparer

U Jensen
Group Financial Accountant

Published

22 April 2016

Audit Committee Report

1. Members of the Audit Committee

The members of the audit committee include:

Name	Qualification
A Vassilopoulos	
G Roussos	CA(SA)

The committee is satisfied that the members thereof have the required knowledge and experience.

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 2015 audit.

The committee satisfied itself through enquiry that the external auditors are independent as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by 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. Group Annual Financial Statements

Following the review of the group annual financial statements the audit committee recommend board approval thereof.

5. 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 the accounting implications of major transactions;
- recommending the appointment of external auditors for approval;
- assessing adherence to controls and systems within the company;
- monitoring and appraising internal operating structures and systems to ensure that these are maintained;
- establishing guidelines for recommending the use of external auditors for non-audit services.

Audit Committee Report

6. 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

22 April 2016

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 group annual financial statements and related financial information included in this report. It is their responsibility to ensure that the group 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 group annual financial statements.

The group 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 group 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 year to 31 December 2016 and, in light of this review and the current financial position, they are satisfied that the company has or had 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 group annual financial statements. The group annual financial statements have been examined by the company's external auditors and their report is presented on page 6.

The group annual financial statements set out on pages 7 to 24, which have been prepared on the going concern basis, were approved by the directors on 22 April 2016 and were signed on their behalf by:

Director | **Director**

Johannesburg

22 April 2016

Independent Auditor's Report

To the shareholders of Caro Investment Holdings Limited

We have audited the group annual financial statements of Caro Investment Holdings Limited, as set out on pages 9 to 24, which comprise the statement of financial position as at 31 December 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Group Annual Financial Statements

The company's directors are responsible for the preparation and fair presentation of these group 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 group 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 group 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 group annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the group annual financial statements. The procedures selected depend on the auditors judgement, including the assessment of the risks of material misstatement of the group annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company`s preparation and fair presentation of the group 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 company`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 group annual financial statements.

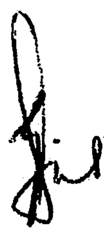
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the group annual financial statements of Caro Investment Holdings Limited for the year then ended 31 December 2015 are prepared, in all material respects, in accordance with the basis of accounting described in note 1 to the group annual financial statements, and the requirements of the BVI Business Companies Act, 2004.

Other reports required

As part of our audit of the group annual financial statements for the year ended 31 December 2015, we have read the directors' Report and the Audit Committee's Report for the purpose of identifying whether there are material inconsistencies between these reports and the audited group annual financial statements. The directors' Report and the Audit Committee's Report are the responsibility of the directors. Based on reading these reports we have not identified material inconsistencies between them and the audited group annual financial statements. However, we have not audited the directors' Report and the Audit Committee's Report and accordingly do not express an opinion thereon.



Certified Master Auditors (South Africa) Incorporated
Registered Auditors

Per: G Davias
Director
Chartered Accountant (S.A.)
Registered Auditor

22 April 2016
Johannesburg
No 1 Second Road
Halfway House
Midrand
South Africa
1685

Directors' Report

The directors have pleasure in submitting their report on the group annual financial statements of Caro Investment Holdings Limited for the year ended 31 December 2015.

1. Review of financial results and activities

The group 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 year.

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

2. Share capital

	2015	2014
Authorised	Number of shares	
Ordinary shares	100 000	100 000

	2015	2014	2015	2014
Issued	$	$	Number of shares	
Ordinary shares	40 000	1 000	40 000	1 000

Refer to note 8 of the group annual financial statements for detail of the movement in authorised and issued share capital.

3. Dividends

No dividends have been declared or paid for the financial year ended 31 December 2015.

4. Insurance and risk management

The company follows a policy of reviewing the risks relating to assets and possible liabilities arising from business transactions with its insurers on an annual basis. Wherever possible assets are automatically included. There is also a continuous asset risk control programme, which is carried out in conjunction with the company's insurance brokers. All risks are considered to be adequately covered, in the case of which as much cover as is reasonably available has been arranged.

5. Directorate

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

Directors	Designation
A Vassilopoulos	Executive chairman
G.R. Poole	Executive
G Roussos	Non-executive
C.M. Vining	Non-executive

6. Holding company

The company's holding company is Zeno Capital Limited which holds 87.9% (2014: 100%) of the company's equity. Zeno Capital Limited is incorporated in British Virgin Islands.

7. Ultimate holding company

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

8. Events after the reporting period

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

Directors' Report

9. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the group 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.

10. Litigation statement

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

11. Auditors

Certified Master Auditors (South Africa) Incorporated continued in office as auditors for the company for 2015.

At the AGM, the shareholders 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 2016 financial year.

12. 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

13. Date of authorisation for issue of financial statements

The group annual financial statements have been authorised for issue by the directors on 22 April 2016.

Statement of Financial Position as at 31 December 2015

Figures in US Dollar	Note(s)	2015	2014
Assets			
Non-Current Assets			
Goodwill	3	392 137	-
Investment assets	5	68 436 859	-
		68 828 996	**-**
Current Assets			
Trade and other receivables	6	94 291	-
Cash and cash equivalents	7	44 303	275
		138 594	**275**
Total Assets		**68 967 590**	**275**
Equity and Liabilities			
Equity			
Share capital	8	40 500 000	1 000
Reserves	16	(4 595)	-
Retained income (Accumulated loss)		1 326 695	(16 425)
		41 822 100	**(15 425)**
Liabilities			
Non-Current Liabilities			
Loans from group companies	4	18 038 654	14 780
Current Liabilities			
Trade and other payables	9	9 106 836	920
Total Liabilities		**27 145 490**	**15 700**
Total Equity and Liabilities		**68 967 590**	**275**

Statement of Profit or Loss and Other Comprehensive Income

Figures in US Dollar	Note(s)	2015	2014
Other income	10	60 000	-
Operating expenses		(527 567)	(15 750)
Operating loss		**(467 567)**	**(15 750)**
Investment revenue	11	6	-
Fair value adjustments	12	1 820 226	-
Finance costs	13	(9 545)	-
Profit (loss) for the year		**1 343 120**	**(15 750)**
Other comprehensive income:			
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		(4 595)	-
Other comprehensive income for the year net of taxation	16	**(4 595)**	**-**
Total comprehensive income (loss) for the year		**1 338 525**	**(15 750)**

Statement of Changes in Equity

Figures in US Dollar	Share capital	Share premium	Total share capital	Foreign currency translation reserve	Retained income (Accumulated loss)	Total equity
Balance at 01 January 2014	**1 000**	**-**	**1 000**	**-**	**(675)**	**325**
Loss for the year	-	-	-	-	(15 750)	(15 750)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive Loss for the year	**-**	**-**	**-**	**-**	**(15 750)**	**(15 750)**
Balance at 01 January 2015	**1 000**	**-**	**1 000**	**-**	**(16 425)**	**(15 425)**
Profit for the year	-	-	-	-	1 343 120	1 343 120
Other comprehensive loss	-	-	-	(4 595)	-	(4 595)
Total comprehensive income for the year	**-**	**-**	**-**	**(4 595)**	**1 343 120**	**1 338 525**
Issue of shares	39 000	40 460 000	40 499 000	-	-	40 499 000
Total contributions by and distributions to owners of company recognised directly in equity	**39 000**	**40 460 000**	**40 499 000**	**-**	**-**	**40 499 000**
Balance at 31 December 2015	**40 000**	**40 460 000**	**40 500 000**	**(4 595)**	**1 326 695**	**41 822 100**
Note(s)	8	8	8	16		

Statement of Cash Flows

Figures in US Dollar	Note(s)	2015	2014
Cash flows from operating activities			
Cash generated from (utilised in) operations	17	8 543 497	(15 115)
Interest income		6	-
Net cash from operating activities		**8 543 503**	**(15 115)**
Cash flows from investing activities			
Movement in investments		(392 137)	-
Net movement in group loans		18 023 874	15 390
Purchase of investment assets		(66 620 667)	-
Finance costs		(9 545)	-
Net cash from investing activities		**(48 998 475)**	**15 390**
Cash flows from financing activities			
Proceeds on share issue	8	40 499 000	-
Total cash movement for the year		**44 028**	**275**
Cash at the beginning of the year		275	-
Total cash at end of the year	7	**44 303**	**275**

Accounting Policies

1. Presentation of group annual financial statements

The group annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the BVI Business Companies Act, 2004. The group 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 Consolidation

Basis of consolidation

The consolidated group annual financial statements incorporate the group annual financial statements of the company and all investees which are controlled by the company.

The company has control of an investee when it has power over the investee; it is exposed to or has rights to variable returns from involvement with the investee; and it has the ability to use its power over the investee to affect the amount of the investor's returns.

The results of subsidiaries are included in the consolidated group annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the group annual financial statements of subsidiaries to bring their accounting policies in line with those of the company.

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

1.2 Significant judgements and sources of estimation uncertainty

In preparing the group annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the group 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 group 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.

Available-for-sale financial assets

The company follows the guidance of IAS 39 to determine when an available-for-sale financial asset is impaired. This determination requires significant judgment. In making this judgment, the company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

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.

Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

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. 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.

1.3 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
- 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.

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.

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

Accounting Policies

1.3 Financial instruments (continued)

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.

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.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

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.

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.

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;

Accounting Policies

1.6 Provisions and contingencies (continued)

  - 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.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 19.

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.

Accounting Policies

1.9 Translation of foreign currencies

Investments in subsidiaries, joint ventures and associates

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Notes to the Group Annual Financial Statements

Figures in US Dollar	2015	2014

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendment to IAS 24: Related Party Disclosures: Annual improvements project	01 July 2014	The adoption of this amendment has not had a material impact on the results of the company, but has resulted in more disclosure than would have previously been provided in the financial statements
• Amendment to IAS 40: Investment Property: Annual improvements project	01 July 2014	The impact of the amendments is not material.
• Amendment to IFRS 3: Business Combinations: Annual improvements project	01 July 2014	The impact of the amendment is not material.
• Amendment to IFRS 13: Fair Value Measurement: Annual improvements project	01 July 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 2016 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendment to IFRS 5: Non-current Assets Held for Sale and Discontinued Operations: Annual Improvements project	01 January 2016	Not expected to impact results but may result in additional disclosure
• Amendment to IFRS 7: Financial Instruments: Disclosures: Annual Improvements project	01 January 2016	Not expected to impact results but may result in additional disclosure
• Disclosure Initiative: Amendment to IAS 1: Presentation of Financial Statements	01 January 2016	Not expected to impact results but may result in additional disclosure

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 2016 or later periods but are not relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 9 Financial Instruments	01 January 2018	Not expected to impact results but may result in additional disclosure

Notes to the Group Annual Financial Statements

Figures in US Dollar	2015	2014

3. Goodwill

	2015			2014		
	Cost	**Accumulated impairment**	**Carrying value**	**Cost**	**Accumulated impairment**	**Carrying value**
Goodwill	392 137	-	392 137	-	-	-

Reconciliation of goodwill - 2015

	Opening balance	**Additions through business combinations**	**Total**
Goodwill	-	392 137	392 137

4. Loans to (from) group companies

Holding company

	2015	2014
Zeno Capital Limited	(16 765 077)	(5 105)
HBW Group Proprietary Limited	(240 674)	(9 675)

The loans are unsecured, interest free and have no fixed terms of repayment.

	(17 005 751)	**(14 780)**

Fellow subsidiaries

	2015	2014
Primezone Properties Limited	(1 032 903)	-

The loan is unsecured, interest free and has no fixed terms of repayment.

5. Investment assets

	2015	2014
At fair value through profit or loss		
Other investment assets Investment in investment cars.	68 436 859	-
Non-current assets		
Designated as at fair value through profit or loss (fair value through income)	68 436 859	-

Fair value information

Financial assets at fair value through profit or loss are recognised at fair value, which is therefore equal to their carrying amounts.

The following classes of financial assets at fair value through profit or loss are measured to fair value using market valuations:

- Investment cars

The company has not reclassified any financial assets from cost or amortised cost to fair value, or from fair value to cost or amortised cost during the current or prior year.

Notes to the Group Annual Financial Statements

Figures in US Dollar	2015	2014

6. Trade and other receivables

Prepayments	48 325	-
Other receivable	45 966	-
	94 291	**-**

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	44 303	275

8. Share capital

Authorised		
100 000 Ordinary shares of US$1 each	100 000	100 000
Reconciliation of number of shares issued:		
Reported as at 01 January 2015	1 000	-
Issue of shares – ordinary shares	39 000	-
	40 000	**-**
Issued		
40 000 Ordinary shares of US$1 each	40 000	1 000
Share premium	40 460 000	-
	40 500 000	**1 000**

9. Trade and other payables

Trade payables	50 435	580
Other payables	9 056 401	340
	9 106 836	**920**

10. Other income

Fees earned	60 000	-

11. Investment revenue

Interest revenue		
Other interest	6	-

12. Fair value adjustments

Investment assets	1 820 226	-

13. Finance costs

Group companies	9 545	-

14. Taxation

No provision has been made for 2015 tax as the company has no taxable income.

Notes to the Group Annual Financial Statements

Figures in US Dollar	2015	2014

15. Auditors remuneration

	2015	2014
Fees	2 080	340

16. Other comprehensive income

Components of other comprehensive income - 2015

	Gross	Tax	Net
Items that may be reclassified to profit or loss			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	(4 595)	-	(4 595)

17. Cash generated from operations

	2015	2014
Profit (loss) before taxation	1 343 120	(15 750)
Adjustments for:		
Net loss on disposal of other financial assets	4 034	-
Interest received	(6)	-
Finance costs	9 545	-
Fair value adjustments	(1 820 226)	-
Other non-cash items	(4 595)	-
Changes in working capital:		
Trade and other receivables	(94 291)	-
Trade and other payables	9 105 916	635
	8 543 497	**(15 115)**

18. Commitments

There were no material capital commitments at year end.

19. Contingencies

There were no material contingencies at year end.

20. Related parties

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

Related party balances

	2015	2014
Loan accounts - Owing (to) by related parties		
Zeno Capital Limited	(16 765 077)	(5 105)
HBW Group Proprietary Limited	(240 674)	(9 675)
Primezone Properties Limited	(1 032 903)	-

Related party transactions

	2015	2014
Interest paid to related parties		
Union Holdings (UK) Limited	9 545	-

21. Directors' emoluments

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

22. 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 shareholders 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 (excluding derivative financial liabilities) disclosed in notes 4 cash and cash equivalents disclosed in note 7, 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.

Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

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. Risk management is carried out by fund managers under policies approved by the directors. The fund managers identify, evaluate and hedge financial risks in close co-operation with the company's operating units. The directors provide 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

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

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.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Notes to the Group Annual Financial Statements

Figures in US Dollar	2015	2014

22. Risk management (continued)

Foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, UK pound and the Euro. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The company does not hedge foreign exchange fluctuations.

Exchange rates used for conversion of foreign items were:

GBP	1.4734	
EURO	1.0866	