



Anglorand Management Company Limited
(Registration number 95/389)
Financial statements
for the year ended 31 December 2015

Anglorand Management Company Limited

(Registration number 95/389)

Financial Statements for the year ended 31 December 2015

General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	Unit Trust Management
Directors	DAJ Lewis G Durant H Bernstein
Registered office	29 Feld Street Windhoek Namibia
Business address	13 Kasteel Street Luxury Hill Windhoek Namibia
Bankers	First National Bank of Namibia
Auditor's	Mazars Namibia Registered Accountants and Auditors Chartered Accountants (Namibia)
Company registration number	95/389

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

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Directors' Responsibilities and Approval

The directors are required by the Companies Act of Namibia, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the 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 the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

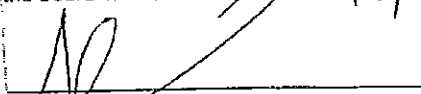
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

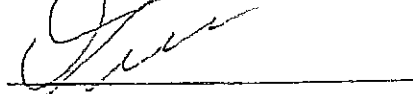
The directors have reviewed the company's cash flow forecast for the year to 31 December 2016 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor's are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor's and their report is presented on page 4.

The financial statements set out on pages 5 to 16, which have been prepared on the going concern basis, were approved by the board of directors on 31/3/2016 and were signed on its behalf by:



Director



Director



Independent Auditor's Report

To the shareholder of Anglorand Management Company Limited

We have audited the financial statements of Anglorand Management Company Limited, as set out on pages 6 to 15, which comprise the statement of financial position as at 31 December 2015, and the statement of 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 Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and requirements of the Companies Act of Namibia, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 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 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 financial statements present fairly, in all material respects, the financial position of Anglorand Management Company Limited as at 31 December 2015, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the requirements of the Companies Act of Namibia.

A handwritten signature in cursive script that reads 'Mazars Namibia'.

Mazars Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: TAJ de Jager
Partner

31/3/2016

Anglorand Management Company Limited

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Financial Statements for the year ended 31 December 2015

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Anglorand Management Company Limited for the year ended 31 December 2015.

1. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of Namibia. 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 financial statements.

2. Share capital

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

3. Dividends

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

4. Directors

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

Directors	Nationality
DAJ Lewis	South African
G Durant	South African
H Bernstein	Namibian

There have been no changes to the directorate for the period under review.

5. Holding company

The company's holding company is Anglorand Capital (Proprietary) Limited which holds 100% (2014: 100%) of the company's equity. Anglorand Capital (Proprietary) Limited is incorporated in South Africa.

6. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

7. Auditors

Mazars Namibia continued in office as auditors for the company for 2015.

8. Secretary

There was no company secretary appointed as none as required by the Companies Act of Namibia.

Anglorand Management Company Limited

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Financial Statements for the year ended 31 December 2015

Statement of Financial Position as at 31 December 2015

	Note(s)	2015 N\$	2014 N\$
Assets			
Non-Current Assets			
Intangible assets	2	6,488,950	13,064,267
Other financial assets	3	1,194,477	1,137,288
		<u>7,683,427</u>	<u>14,201,555</u>
Current Assets			
Loans to group companies	4	7,193,289	679,349
Trade and other receivables	5	1,003,501	1,014,429
Cash and cash equivalents	6	147,291	91,132
		<u>8,344,081</u>	<u>1,784,910</u>
Total Assets		16,027,508	15,986,465
Equity and Liabilities			
Equity			
Share capital	7	2,000,000	2,000,000
Retained income		13,967,204	13,945,170
		<u>15,967,204</u>	<u>15,945,170</u>
Liabilities			
Non-Current Liabilities			
Deferred tax	8	31,631	26,124
Current Liabilities			
Trade and other payables	9	20,322	15,171
Current tax payable		8,351	-
		<u>28,673</u>	<u>15,171</u>
Total Liabilities		60,304	41,295
Total Equity and Liabilities		16,027,508	15,986,465

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Financial Statements for the year ended 31 December 2015

Statement of Comprehensive Income

	Note(s)	2015 N\$	2014 N\$
Revenue	10	355,696	675,510
Profit on sale of intangible assets		153,327	-
Operating expenses		(537,930)	(614,212)
Profit before investment revenue and fair value adjustments	11	(28,907)	61,298
Investment revenue	12	8,991	81,648
Fair value adjustments	13	57,189	11,624,762
Finance costs	14	(1,381)	-
Profit before taxation		35,892	11,767,708
Taxation	15	(13,858)	(8,662)
Profit for the year		22,034	11,759,046
Other comprehensive income		-	-
Total comprehensive income for the year		22,034	11,759,046

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Statement of Changes in Equity

	Share capital	Retained income	Total equity
	N\$	N\$	N\$
Balance at 01 January 2014	2,000,000	2,186,124	4,186,124
Profit for the year	-	11,759,046	11,759,046
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	11,759,046	11,759,046
Balance at 01 January 2015	2,000,000	13,945,170	15,945,170
Profit for the year	-	22,034	22,034
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	22,034	22,034
Balance at 31 December 2015	2,000,000	13,967,204	15,967,204

Note

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Statement of Cash Flows

	Note(s)	2015 N\$	2014 N\$
Cash flows from operating activities			
Cash (used in) generated from operations	17	(81,452)	152,140
Interest income		8,991	81,648
Finance costs		(1,381)	-
Net cash from operating activities		(73,842)	233,788
Cash flows from investing activities			
Sale of other intangible assets	2	6,643,941	-
Loans from group companies received		130,000	-
Loans advanced to group companies		(6,643,940)	(415,767)
Net cash from investing activities		130,001	(415,767)
Total cash movement for the year		56,159	(181,979)
Cash at the beginning of the year		91,132	273,111
Total cash at end of the year	6	147,291	91,132

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Accounting Policies

1. Presentation of financial statements

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of Namibia. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars.

These accounting policies are consistent with the previous period.

1.1 Intangible assets

Intangible assets are initially recognised at cost.

Intangible assets are initially carried at cost less accumulated amortisation and any impairment losses.

Intangible assets are subsequently revalued at the directors discretion when there is an indication that the carrying value has significantly changed from the previous reporting period.

Any adjustment for the change in the fair value of the intangible assets goes directly through profit/loss.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting period date if there are indicators present that there is a change from the previous estimate.

If the company is unable to make a reliable estimate of the useful life of intangible assets, the life will be presumed to be 10 years.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Useful life
Computer software	10 years

1.2 Financial instruments

Financial instruments at amortised cost

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest rate method. These include trade and other receivables, loans and trade and other payables. At the end of each reporting period date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss. The fair value of quoted investments is based on the current bid prices. If the market of 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, discount cashflow analysis, option pricing models making maximum use of market inputs and relying as little as possible on entity specific inputs.

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.

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Financial Statements for the year ended 31 December 2015

Accounting Policies

1.3 Tax (continued)

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted and substantively enacted by the reporting period date.

Tax expenses

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

Irrespective of whether there is any indication of impairment, the company also tests goodwill 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.

If there is any indication that an asset may be impaired, the recoverable 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.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

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.

Ordinary shares are classified as equity.

If the company reacquires its own equity instruments, those instruments are deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

1.6 Revenue

Revenue comprises management fees from the management of unit trusts and fees charged on initiating an investment and leasing income. Fees are recognised when they fall due.

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.

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Notes to the Financial Statements

	2015			2014		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software, internally generated	6,728,941	(239,991)	6,488,950	13,372,882	(308,615)	13,064,267

Reconciliation of intangible assets - 2015						
	Opening balance	Disposals	Amortisation	Total		
Computer software, internally generated	13,064,267	(6,490,614)	(84,703)	6,488,950		

Reconciliation of intangible assets - 2014						
	Opening balance	Revaluations	Amortisation	Total		
Computer software, internally generated	1,543,074	11,689,528	(168,335)	13,064,267		

Revaluation of intangible asset

The software which consists of the Omni Report was revalued at year end by Vulcan Labs in South Africa at the request of the directors based on results of a static code analysis using the COCOMO methodology on a replacement cost basis. Vulcan labs specialises in the development of software and are independent of the company.

3. Other financial assets

At fair value

Unit trusts: Anglorand Growth Fund	1,194,477	1,137,288
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In terms of its licensing conditions, the company is required to maintain a minimum amount of N\$ 1,000,000 invested in each of the Unit Trust Funds it manages.

Non-current assets

At fair value	1,194,477	1,137,288
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The fair values of listed or quoted investments are based on the quoted market price at reporting period date.

4. Loans to group companies

Holding company

Anglorand Capital (Proprietary) Limited	7,193,289	679,349
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The loan is unsecured, bears interest at rates determined from time to time by the directors and is repayable on demand.

5. Trade and other receivables

Trade receivables	1,003,501	1,014,429
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Notes to the Financial Statements

	2015 N\$	2014 N\$
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	147,291	91,132
7. Share capital		
Authorised		
2,000,000 Ordinary shares of N\$ 1 each	2,000,000	2,000,000
Issued		
2,000,000 Ordinary Shares of N\$ 1 each	2,000,000	2,000,000
In terms of the Unit Trust Control Act, the company is obliged at all times to maintain a minimum paid up capital of N\$ 2,000,000.		
8. Deferred tax		
Deferred tax liability	(31,631)	(64,810)
Deferred tax asset	-	38,686
Total net deferred tax liability	(31,631)	(26,124)
Reconciliation of deferred tax asset \ (liability)		
At beginning of year	(26,124)	-
Tax loss available for set off	-	38,685
Tax losses utilised	26,124	-
Taxable / (deductible) temporary difference movement on tangible fixed assets	(31,631)	(64,809)
	(31,631)	(26,124)
9. Trade and other payables		
Sundry creditors	20,322	15,171
10. Revenue		
Financial services revenue	355,696	455,510
Software leasing revenue	-	220,000
	355,696	675,510
11. Profit before investment revenue and fair value adjustments		
Profit before investment revenue and fair value adjustments for the year is stated after accounting for the following:		
Profit on sale of intangible assets	153,327	-
Amortisation on intangible assets	84,703	168,335
Administration and management fees	210,000	188,610
Trustee fees	40,654	40,629

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Notes to the Financial Statements

	2015 N\$	2014 N\$
12. Investment revenue		
Interest revenue		
Loan to group companies	-	61,759
Bank	8,991	19,889
	<u>8,991</u>	<u>81,648</u>
13. Fair value adjustments		
Other financial assets	<u>57,189</u>	<u>11,624,762</u>
14. Finance costs		
Bank	<u>1,381</u>	<u>-</u>
15. Taxation		
Major components of the tax expense		
Current		
Local income tax - current period	<u>8,351</u>	<u>8,662</u>
Deferred		
Originating and reversing temporary differences	<u>5,507</u>	<u>-</u>
	<u>13,858</u>	<u>8,662</u>
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit	35,892	11,767,708
Tax at the applicable tax rate of 32% (2014: 33%)	11,485	3,883,344
Tax effect of adjustments on taxable income		
Revaluation of intangible assets	-	(3,857,544)
Fair value income	3,335	(17,138)
Temporary differences	36,550	-
Assessed losses	(37,512)	-
	<u>13,858</u>	<u>8,662</u>
16. Auditor's remuneration		
Fees	<u>2,717</u>	<u>-</u>

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Financial Statements for the year ended 31 December 2015

Notes to the Financial Statements

	2015 N\$	2014 N\$
17. Cash (used in) generated from operations		
Profit before taxation	35,892	11,767,708
Adjustments for:		
Depreciation and amortisation	84,703	168,335
Profit on sale of intangible assets	(153,327)	-
Interest received	(8,991)	(81,648)
Finance costs	1,381	-
Fair value adjustments	(57,189)	(11,624,762)
Changes in working capital:		
Trade and other receivables	10,928	(31,388)
Trade and other payables	5,151	(46,105)
	(81,452)	152,140

18. Related parties

Relationships

Holding company

Anglorand Capital (Proprietary) Limited

Funds administered by the company

Anglorand Growth Fund

Members of key management

H Bernstein (director)

G Durant (director)

D A J Lewis (director)

Related party balances and transactions

Related party balances

Loan accounts - Owing (to) by related parties

Anglorand Capital (Proprietary) Limited

7,193,289

679,349

Amounts included in Trade receivable (Trade Payable) regarding related parties

Anglorand Growth Fund

27,866

38,793

Anglorand Capital (Proprietary) Limited

975,635

975,635

Related party transactions

Interest paid to (received from) related parties

Anglorand Capital (Proprietary) Limited

-

(61,759)

Administration fees paid to (received from) related parties

Anglorand Growth Fund

(355,696)

(429,173)

Anglorand Capital (Proprietary) Limited

210,000

188,610

Software licensing fees paid to (received from) related parties

Anglorand Capital (Proprietary) Limited

-

(220,000)

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Detailed Income Statement

	Note(s)	2015 N\$	2014 N\$
Revenue			
Financial services revenue		355,696	455,510
Software leasing revenue		-	220,000
	10	355,696	675,510
Other income			
Interest received	12	8,991	81,648
Profit on sale of intangible assets		153,327	-
Fair value adjustments	13	57,189	11,624,762
		219,507	11,706,410
Operating expenses			
Administration and management fees		(210,000)	(188,610)
Auditors remuneration	16	(2,717)	-
Bank charges		(24,477)	(28,550)
Depreciation, amortisation and impairments		(84,703)	(168,335)
Exam fees		(35,000)	(34,942)
Fund administration fees		(114,995)	(100,910)
Levies		(12,527)	(20,209)
Professional fees		(3,170)	(5,781)
Secretarial fees		(4,720)	(21,874)
Subscriptions		(1,710)	(1,710)
Telephone and fax		(3,257)	(2,662)
Trustee fees		(40,654)	(40,629)
		(537,930)	(614,212)
Operating profit	11	37,273	11,767,708
Finance costs	14	(1,381)	-
Profit before taxation		35,892	11,767,708
Taxation	15	(13,858)	(8,662)
Profit for the year		22,034	11,759,046