



# Annual Report 2015



We Deliver



# 70<sup>TM</sup>

**SWIFT** *Years*



## YOUR LOCAL HERO DELIVERING SINCE 1946

Swift Transport is proud of our long, rich history, and as Zimbabwe's Leader in the Transport and Logistics sector, we are dedicated to continue our excellence in serving Zimbabwe for the next 70 years, and beyond.

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# NOTICE TO SHAREHOLDERS

## NOTICE OF THE ANNUAL GENERAL MEETING OF THE MEMBERS OF UNIFREIGHT AFRICA LIMITED

Incorporated in the Republic of Zimbabwe (“Unifreight” or “Company”) Registration number: 304/1970

Notice is hereby given that the 46th Annual General Meeting of Shareholders will be held in the Unifreight Africa Limited Boardroom, Corner Hood/Hermes Roads, Southerton, Harare on Wednesday 29th June 2016 at 10.00am to conduct the following business;

### ORDINARY BUSINESS

#### 1 CONSTITUTION OF MEETING

- 1.1 To table forms of proxy.
- 1.2 To declare the meeting constituted.

#### 2 FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND AUDITORS

- 2.1 To consider and adopt the financial statements for the year ended 31 December 2015 together with the reports of the Directors and Auditors.

#### 3 DIRECTORS' FEES

- 3.1 To approve Directors fees for the year ended 31 December 2015.

#### 4 DIRECTORATE

- 4.1 To note the retirement of Messrs Clever Matigimu, Messrs Hamish Wilburn Bryan Rudland and Messrs Bernard Gabriel Manyenyeni as directors of the Company in terms of the Company's Articles of Association. Messrs Hamish Wilburn Bryan Rudland and Messrs Bernard Gabriel Manyenyeni are not offering themselves for re-election.
- 4.2 To re-elect Messrs Clever Matigimu as a director of the Company. In terms of the Articles of Association, Messrs Clever Matigimu retires by rotation at the Company's Annual General meeting and, him being eligible, offers himself for re-election.
- 4.3 To note and ratify the appointment of Robert Edward Kuipers as a director of the Company.

#### 5 AUDITORS

- 5.1 To approve the remuneration of the auditors for the past year and to consider the re-appointment of Ernst & Young Chartered Accountants (Zimbabwe) as auditors for the ensuing year.

#### 6 ANY OTHER BUSINESS

#### FORM OF PROXY

A form of proxy, in which are set out the relevant instructions for its completion, is attached hereto, for use by such shareholder of the Company who is unable to attend the AGM but who wishes to be represented thereat. Completion of a form of proxy will not preclude such shareholder of the Company from attending and voting (in preference to the appointed proxy) at the AGM. The instrument appointing a proxy and the authority (if any) under which it is signed must be received by the Company's transfer secretaries or at the Company's registered offices (Attention: The Company Secretary) at the addresses given below no later than 48 (forty-eight hours) before the time appointed for the holding of the AGM. It should be noted that the approved Indigenisation and Empowerment Plan is available for inspection at the Company's registered office.

REGISTERED OFFICE OF THE COMPANY	OFFICE OF THE ZIMBABWE TRANSFER SECRETARIES
Unifreight Africa Limited 1 Hood Road, Corner Hood/Hermes Roads, Southerton, Harare	First Transfer Secretaries (Private) Limited No 1 Armagh Avenue, Eastlea Harare

By Order of the Board  
Moreblessing Mukamba  
Company Secretary

Friday 03 June 16

## Our Vision

*To maintain the recognition of our brands as the leading transport solution experts in Zimbabwe, offering our customers such good service that they become our best ambassadors.*

## Our Mission

*To excel and evolve as transport market leaders providing a full range of transport and consolidation service solutions throughout Zimbabwe. We will do this by developing a passionate, inspired culture of "going the extra mile" through our dedicated, motivated and professional employees ensuring our business partners receive a quality service experience, way beyond their expectations.*

## Our Values

***Integrity** – Do the right thing even when we know no one is watching*

***Loyalty** – Supporting our customers, company and co-workers*

***Reliability** – We deliver on our promises*

***Ethical** – Staying true to our moral standards*

***Accountability** – Owning it*

***Punctuality** – The essence of our business is time*

***Passion** – We love what we do*

***Patriotic** – We are proudly Zimbabwean*

***Execution** – Get the job done*





## Swift Turns 70!

On 16 March 2016, Swift proudly commemorated its 70th anniversary year of meeting Zimbabwe's Transport, Logistics and Courier needs.

Incorporated on the 16 March 1946 with two depots in Harare and Bulawayo, Swift's pedigree right from the start has been rooted in all aspects of transport, as Swift quickly became the country's leading transport company and a dynamic force in the world of road freight and distribution solutions. As the only transport company still maintaining a strong nationwide network, with 33 depots throughout the country, Swift has an integrally sound infrastructure and a new fleet driven by well-trained drivers who go through rigorous training at our Unifreight Driving School.

Swift now carries a varied and well established range of service offerings – from Swift Courier Express, Swift Freight, Swift Full loads and even Swift Mutakuri Crop Transport Services – making us the front of mind company for all Zimbabwe's road transport requirements.

Now, these seven decades of dedicated experience, expertise and skill in transport logistics, supply chain movement and freight storage continues to bring together and support all of Zimbabwe's industrial sectors as we continue innovating and looking forward to the future.

Swift Transport Zimbabwe is proud of our long, rich history, and as Zimbabwe's Leader in the Transport sector, we are dedicated to continue our excellence in serving Zimbabwe for the next 70 years, and beyond.

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# CORPORATE INFORMATION

The Company is incorporated in Zimbabwe, and it has subsidiaries incorporated in Zimbabwe, South Africa, Botswana and Mauritius.

## BUSINESS

The Group's core business is transport and logistics.

### MAIN BOARD

P. C. Chingoka - Chairman  
G. R. Smith \* Chief Executive Officer (Appointed 01st June 2014 - 31st October 2015)  
H. B. W. Rudland  
C. Matigimu  
\* Executive

### MAIN BOARD

B. G. Manyenyeni  
T. A. Taylor  
Robert Edward Kuipers\* (Chief Executive Officer)  
(appointed 1st November 2015)

## MAIN BOARD COMMITTEES

### AUDIT AND FINANCE COMMITTEE

C. Matigimu (Chairman)  
B. G. Manyenyeni (Alt. - P. C. Chingoka)  
T. A. Taylor  
G. R. Smith\*  
R. E. Kuipers\*  
\* (by invitation)

### STRATEGY COMMITTEE

T. A. Taylor (Chairman)  
P. C. Chingoka  
H.B.W. Rudland

### HUMAN RESOURCES AND REMUNERATION COMMITTEE

H.B.W. Rudland (Chairman)  
P. C. Chingoka  
B. G. Manyenyeni  
G.R. Smith\*  
R. E. Kuipers\*  
\*(by invitation)

### NOMINATIONS COMMITTEE

P. C. Chingoka (Chairman)  
H.B.W. Rudland

### PROPERTY COMMITTEE

T. A. Taylor (Chairman)  
H.B.W. Rudland  
P. C. Chingoka

## ADMINISTRATION

### SECRETARIES

First Transfer Secretaries (Pvt) Limited  
No 1 Armagh Avenue  
Eastlea  
Harare

### REGISTERED OFFICES

1 Hood Road, Southerton, Harare, Zimbabwe  
Telephone: (+263) 4 621 015-21  
Email: solutions@unifreight.co.zw  
Website: www.unifreight.co.zw

### PRINCIPAL BANKERS

MBCA Bank Limited  
CBZ Bank Limited  
NMB Bank Limited  
BancABC Limited  
CABS

### LEGAL ADVISORS

Costa & Madzonga Legal Practitioners

### COMPANY SECRETARY

Moreblessing Mukamba

### AUDITORS

Ernst & Young Chartered Accountants (Zimbabwe)

# BOARD OF DIRECTORS



Patrick Chakanetsa  
Chingoka - Chairman



Robert Edward Kuipers -  
Group Chief Executive Officer



Moreblessing Tendai Mukamba -  
Company Secretary



Bernard Gabriel Manyenyeni -  
Non Executive Director

## **Patrick Chakanetsa Chingoka - Chairman**

Patrick Chingoka was born in Zimbabwe and holds a variety of qualifications in Human Resources Management and Industrial Relations. He is currently the Managing Director of Thomas International Management Systems (Private) Limited and High Post Consultants (Private) Limited. Patrick is a citizen of and resides in Zimbabwe.

## **Robert Edward Kuipers - Group Chief Executive Officer**

Robert Edward Kuipers was born in Zimbabwe and educated at Falcon College. He attended the University of Pietermaritzburg, reading for a Bachelor of Commerce Degree. After some overseas travel, he went on to do Honours in Accounting, and articles with KPMG. He passed the ICAZ Board Exams on his first attempt. Rob, then worked as the Finance Manager for a large agro-business, Butler Farms and then joined Pioneer Transport. As the Finance Director he took the Company through the reverse listing process from Pioneer Transport (Private) Limited into the ZSE listed Clan Holdings Limited. He then left to run his own companies in the Southern African Region. Rob returned to Zimbabwe in 2010 and joined Swift Transport as the Managing Director. He was appointed Chief Operating Officer in 2014 and Acting Chief Executive Officer in November 2015.

## **Moreblessing Tendai Mukamba - Company Secretary**

Moreblessing holds a Bachelor of Laws Degree (LLB) from the University of South Africa (UNISA). She is also a duly registered Legal Practitioner and a member of the Law Society of Zimbabwe. Through various attachments in practice, Moreblessing amassed valuable experience in the various fields of law encompassing Corporate and Commercial law, Labour and Employment law, Private law, Law of Contract and contractual disputes, Property law and Criminal law. Moreblessing joined Unifreight Africa Limited in January 2012, when she was appointed the Company Secretary. She is a citizen of and resides in Zimbabwe.

## **Bernard Gabriel Manyenyeni - Non Executive Director**

Bernard Gabriel Manyenyeni holds a Masters degree in Strategic Management. He has over 25 years experience with leading players in the financial services sector. His experience has garnered him strengths in corporate governance and business relationship management. He was elected into Council for Mt Pleasant in July 2013, before being elected Mayor of Harare in September 2014. His other directorships are in a number of private businesses.

# BOARD OF DIRECTORS



Clever Matigimu -  
Non Executive Director



Hamish Bryan Wilburn Rudland -  
Non Executive Director



Gary Smith -  
Non Executive Director



Thomas Alexander Taylor -  
Non Executive Director

## **Clever Matigimu - Non Executive Director**

Clever Matigimu has 23 years business experience most of which was gained in the short term insurance industry at various levels. He was previously Group Managing Director of SFG Holdings and is a co-founder of SFG Group. He is currently the CEO of the Beemarch Group of Companies, incorporating Beemarch Investments (Private) Limited, Beemarch Properties (Private) Limited and Beemarch GeoScientific Services (Private) Limited. Clever is a Fellow of the Chartered Institute of Secretaries and has a MBA. He sat on the Governing Council of the Institute of Chartered Secretaries for a period of six years.

## **Hamish Bryan Wilburn Rudland - Non Executive Director**

Hamish Rudland was born in Zimbabwe and was educated at Falcon College in Esigodini. He attended Massey University in New Zealand between 1991 and 1994, reading for a Bachelor of Business Studies Degree in Information Systems, Management and Tourism. He returned to Zimbabwe in October 1994 and established Pioneer Corporation Africa in 1995. His other directorships include Holdsworth Investments (Private) Limited. He is a citizen of and resides in Zimbabwe.

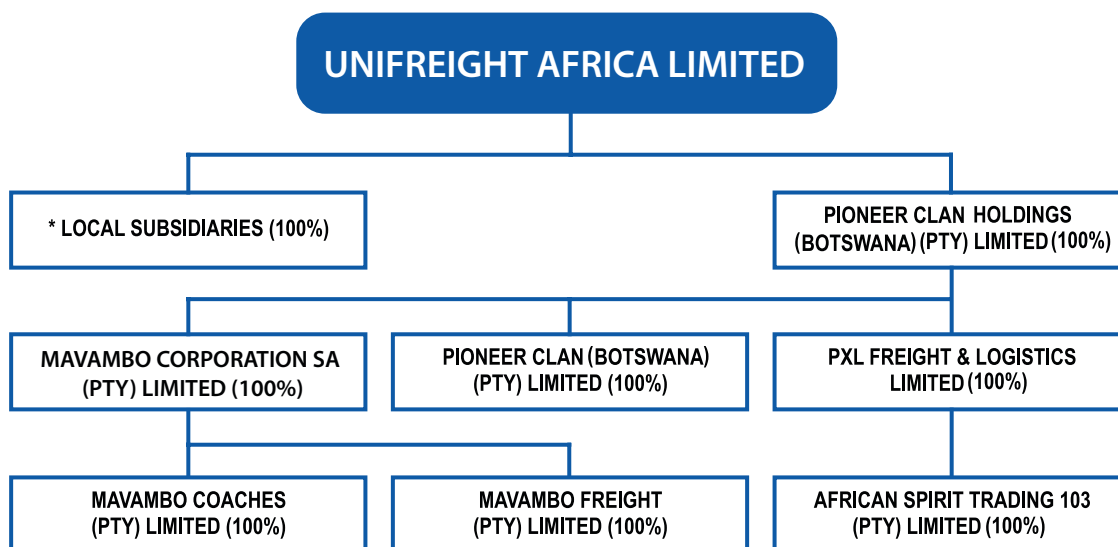
## **Gary Smith - Non Executive Director**

Gary Smith was born in Zimbabwe and was educated at Prince Edward School where he was Head Boy in 1986. He then joined Coopers & Lybrand where he served his articles, completing his B.Compt (Hons) degree through UNISA in 1991. He qualified as a Chartered Accountant in 1992 finishing in the top 5 of his year. After a brief stint with tobacco company Transtobac, Gary established his own accountancy business which he ran successfully for 7 years. In 2001 he moved to the United Kingdom and held roles at Deutsche Bank, University of Surrey and Foxhills Club & Resort before moving back to Africa in 2008. Gary then spent four years managing a large transport and logistics group of companies in Beira, Mozambique gaining valuable experience in this sector. He joined the Group on 2nd of January 2013 as the Group Finance Director. He was appointed Chief Executive Officer in June 2014 a position he held until his retirement in October 2015. He is a citizen of and resides in Zimbabwe.

## **Thomas Alexander Taylor - Non Executive Director**

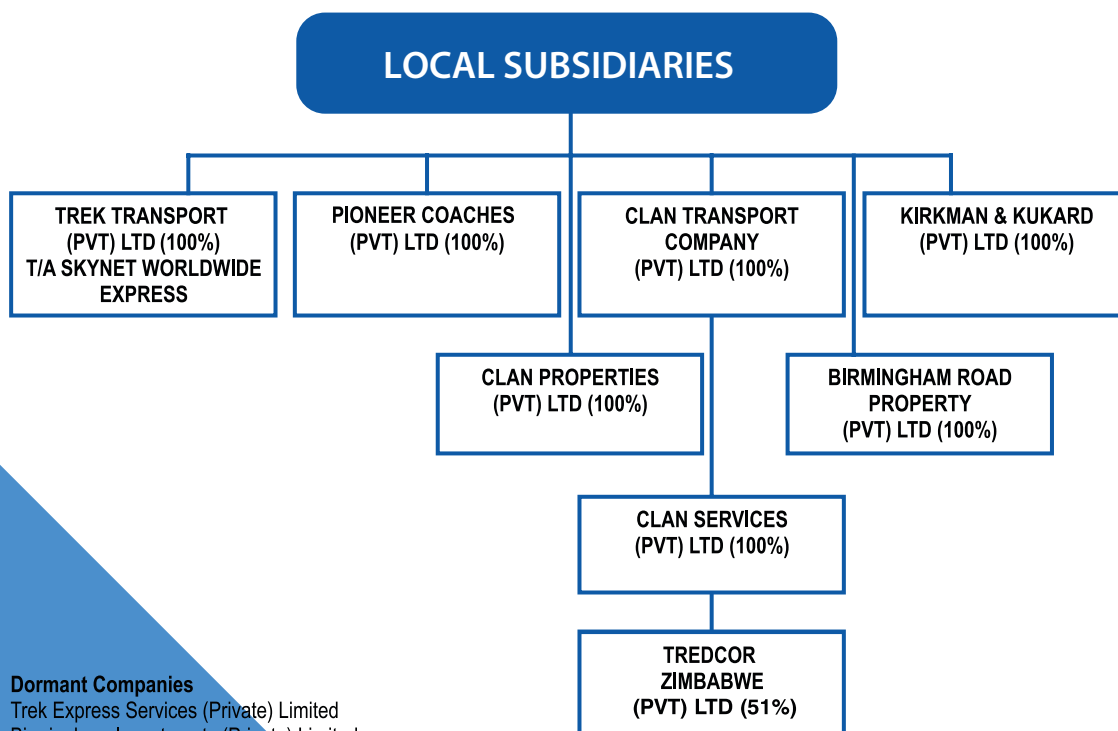
Thomas served his articles at PriceWaterhouseCoopers Chartered Accountants (Zimbabwe) working in the Bulawayo, Harare and London offices. Thomas was admitted into PWC partnership in July 1972 and shortly became Partner in charge of the Bulawayo and Botswana offices. In 1985, he transferred to the Harare office as senior Partner of PWC Central Africa and was responsible for the firm's activities in Zimbabwe, Botswana, Malawi and Mozambique. He retired in June 1995 having completed 10 years as Senior Partner. Thomas is now self employed and sits on a number of public and private company boards.

# GROUP STRUCTURE



## Dormant Companies

Mavambo Corporation SA (Proprietary) Limited  
Mavambo Freight (Proprietary) Limited



## Dormant Companies

Trek Express Services (Private) Limited  
Birmingham Investments (Private) Limited  
Clan Services (Private) Limited

# GROUP STRUCTURE

## Continuing operations

### Unifreight Africa Limited

Holding Company and Zimbabwean operating company, branded principally as Swift and Bulwark.

### Trek Transport (Private) Limited t/a Skynet Worldwide Express

International courier service.

### Clan Properties (Private) Limited. Kirkman & Kukard (Private) Limited. Birmingham Road Property (Private) Limited.

Three property companies.

## Discontinued operations

### Local subsidiaries

#### Pioneer Coaches (Private) Limited

Cross Border coach service between Zimbabwe/South Africa and private coach hire service.

#### Tredcor Zimbabwe (Private) Limited

Tyre retreading and retail sales of new and second-hand tyres and accessories.

### Foreign subsidiaries

#### African Spirit Trading 103 (Proprietary) Limited

Cross border road freight haulage and logistics.

#### Mavambo Coaches (Proprietary) Limited

Cross border coach service between South Africa/Zimbabwe.

#### Pioneer Clan Botswana (Proprietary) Limited

Closed. Cross border road freight haulage and logistics.

#### PXL Freight and Logistics (Private) Limited

Cross border road freight haulage and logistics.

## Corporate

Birmingham Investments (Private) Limited

Clan Services (Private) Limited

Pioneer Clan Holdings (Botswana) (Proprietary) Limited

Clan Transport Company (Private) Limited

Investment Company

Investment Company

Investment Holding Company

Investment Company

# CHAIRMAN'S STATEMENT



Patrick Chakanetsa  
Chingoka - Chairman

## Overview

The current economic challenges are well-documented and require no additional comment. The Group continued to align its assets and service provision directly to our customers' requirements, albeit in a consistently declining economic environment.

The Group completed the restructuring exercise of its continuing operations in 2015. The one-company-one-focus strategy was fully implemented by year-end. All entities and operational units that did not contribute positively to the well-recognised, and established brands of Swift and Bulwark, were discontinued or disposed of.

Losses from the discontinued operations will continue to be shown in the Group's results until all the discontinued operations are disposed of. Owing to the multiple transactions of entities acquired, discontinued and disposed of, over the last three financial years, and until all the discontinued operations are disposed of, prior periods are not entirely comparable.

These changes, whilst extremely positive for the future, resulted in numerous substantial once-off costs and a temporary material mismatch between resources and the revenue generation ability, therefore a very disappointing result for 2015. The restructuring implemented in 2015 will show significantly reduced costs in subsequent years.

## Financial Performance

Revenue generated for the year from continuing operations increased by 2% to \$24.01 million from the \$23.59 million shown in the prior year. Loss before taxation from continuing operations was \$3.98 million compared to \$0.01 million shown in the prior year.

Loss after tax, including the discontinued operations loss of \$0.88 million, was \$4.29 million compared to the profit of \$1.27 million in 2014. The result for 2014 benefited from a net once-off income of \$2.5 million. This was from income of \$5 million, from shareholder's loans forgiven, less a \$2.5 million impairment of Goodwill, which arose on the acquisition of Tredcor Zimbabwe (Private) Limited.

## Outlook

Swift turns seventy in 2016. Our brand is our strength and it will be enhanced further to improve sales growth. \$6 million was invested into Swift branded vehicles over the last two years, to meet the markets' expectation of reliable logistic-partners and competitively priced services. The Group is well positioned to improve its results by the singular dedication to our clear and simple strategic goals.

## Dividend

The Board has not declared a dividend for 2015.

## Appreciation

I extend my sincere appreciation to our valued customers. I am grateful to my fellow board members, management and staff for their continued dedication and commitment.

A handwritten signature in black ink, appearing to read 'P C Chingoka'.

**P C Chingoka**  
Chairman  
Thursday, March 24, 2016

# DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group for the year ended 31 December 2015.

The consolidated financial statements of Unifreight Africa Limited have been prepared in accordance with International Financial Reporting Standards (IFRS's).

<b>Share capital details</b>	<b>Number of ordinary shares</b>
Authorised share capital : Ordinary shares @ \$0.01 each	140,000,000
Issued and fully paid share capital : Ordinary shares @ \$0.01 each	106,474,237
Authorised but unissued shares under the control of the Directors : Ordinary shares @ \$0.01 each	33,525,763

## **Reserves**

The movement on Capital and Reserves is reflected in the Statement of Changes in Equity.

## **Directorate**

Messrs Gary Ronald Smith retired as the Chief Executive Officer with effect from 31 October 2015.

Messrs Robert Edward Kuipers was appointed the Acting Chief Executive Officer with effect from 1 November 2015.

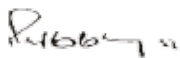
## **Directors fees**

Members will be asked to approve the payment of Directors' fees in respect of the year ended 31 December 2015.

## **Auditors**

Members will be asked to approve the remuneration of the Auditors for the past year and re-appoint Ernst & Young for the current year.

## **For and on behalf of the Board**



**P. C. Chingoka**  
Chairman



**M. T. Mukamba**  
Company Secretary

# CORPORATE GOVERNANCE

Pursuant to the promulgation of the Zimbabwe Code on Corporate Governance in 2014, the Board has taken further steps to promote transparency, integrity and accountability in the running of the day-to-day operations. Several policies are being reviewed and amended in line with the recommendations provided for in the Code. Best practice methods are being continuously adopted to ensure sustainability, development and superior results.

## **Board of Directors**

As at 31 December 2015, the Board has one Executive Director and six Non-Executive Directors, all of whom are independent. The Board meets at least quarterly.

Profiles of the Directors may be found on page 6-7 of this report. The roles of Chairman and CEO are completely separate and no individual has unfettered control over decision-making. The Board remains responsible to Shareholders for the setting of strategic direction, monitoring of operational performance and management, risk management processes and policies, compliance and setting of authority levels as well as the selection of new directors. The Board is also responsible for the integrity and quality of communication with stakeholders, including employees, regulators and shareholders. All Directors have direct access to the advice and service of the Company Secretary and to information on the Group's affairs. Each Director is elected by members in a general meeting and must retire by rotation every three years and in the case of new directors, at the expiry of their first year. The Board has approved fees for the coming year, which, as before, are split between a standing quarterly fee and a fee per meeting or Committee meeting attended.

## **Directors' Interests**

Directors of Unifreight Africa Limited are required to advise in writing of any material interest in any contract of significance with the Group or its subsidiaries. Messrs H. B. W. Rudland is a shareholder and director of Scanlink (Private) Limited trading as Scanlink, the local Scania franchise dealer and Pellston (Private) Limited, a fuel supplier, with whom the Group had significant contracts.

## **Board Committees**

The Board is assisted in the discharge of its responsibilities by a number of Committees which are accountable to the Board. These Committees rechaired by Non Executive Directors who exercise independent judgment.

### **Audit, Finance and Risk Committee**

An independent Non Executive Director chairs the Audit and Finance Committee. The Audit Committee has adopted the terms of Reference recommended for an Audit Committee. In particular it assists the Board in the discharge of its duties relating to financial reporting to all stakeholders, compliance and effectiveness of accounting, business risks and management of information systems.

### **Human Resources and Remuneration Committee**

This Committee was formed early in 2004 and has from its inception been chaired by an independent Non Executive Director. The CEO is invited to its meetings but does not participate in any discussions on his remuneration. The Committee is responsible for setting the remuneration of senior executives and fixing the remuneration packages of individual directors within agreed terms of reference, in order to avoid potential conflicts of interest. The broad guidelines of the Committee are to ensure that the financial rewards offered by the Group to employees are sufficient to attract people of the right calibre required for the effective running of the Group and to produce the required returns to its shareholders.

### **Strategy Committee**

This Committee was established to ensure that strategic issues are monitored constantly, to ensure that the Group remains pro-active in a challenging environment. It has and will continue to assist the Board with its role of formulating the strategic direction of the Group, ensuring that it takes advantages of opportunities, whilst dealing appropriately and positively with threats.

### **Property Committee**

This Committee was established to ensure that the critical property portfolio for the Group is handled separately. This was done in order for the portfolio to get due attention and also to ensure growth.

# REPORT OF THE INDEPENDENT AUDITORS



**Ernst & Young**  
Chartered Accountants (Zimbabwe)  
Registered Public Auditors  
Angwa City  
Cnr Julius Nyerere Way /  
Kwame Nkrumah Avenue  
P.O. Box 62 or 702  
Harare  
Zimbabwe

Tel: +263 4 750905-14 or 750979-83  
Fax: +263 4 750707 or 773842  
E-mail: admin@zw.ey.com  
www.ey.com

## INDEPENDENT AUDITORS REPORT

### TO THE MEMBERS OF UNIFREIGHT AFRICA LIMITED

#### Report On the Financial Statements

We have audited the accompanying consolidated financial statements of Unifreight Africa Limited and its subsidiaries (the Group), as set out on pages 15 to 45, which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the financial statements, which include 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 consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act (Chapter 24:03) and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 controls relevant to the entity'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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

#### Audit Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Unifreight Africa Limited and its subsidiaries as at 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### Emphasis of matter

##### Going Concern

Without qualifying our opinion, we draw your attention to Note 2.1.1 to the financial statements, which indicates that the Group as at 31 December 2015 incurred a loss for the year ended 31 December 2015 from continuing operations of USD 3,402,000 (2014: profit of USD 574,000) and a loss from discontinuing operations of USD 883,000 (2014: profit of USD 700,000), and as at that date had a net current liability position of USD 11,788,000 (2014: USD 1,305,000). These conditions along with other matters as set forth in Note 2.1.1 to the financial statements indicate the existence of material uncertainty which may cast significant doubt on the group's ability to continue as a going concern.

#### Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have, in all material respects, been properly prepared in compliance with the disclosure requirements of the Companies Act (Chapter 24:03).

**Ernst & Young**  
Chartered Accountants (Zimbabwe)  
Registered Public Auditors

HARARE

30 May 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
as at 31 December 2015

	Notes	2015 USD 000	2014 USD 000
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, vehicles and equipment	6	13,547	14,219
Investment property	7	6,414	6,547
Intangible assets	8	1,500	1,500
		<b>21,461</b>	<b>22,266</b>
<b>Current assets</b>			
Inventories	11	776	2,898
Trade and other receivables	12	6,383	8,012
Current income tax asset		1	11
Cash and bank balances	13	94	465
Assets held for sale	31	7,145	6,810
		<b>7,254</b>	<b>11,386</b>
<b>TOTAL ASSETS</b>		<b>35,860</b>	<b>40,462</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital	14	1,065	1,065
Share premium	14	2,060	2,060
Non distributable reserve	14	5,782	5,782
Revaluation reserve	14	1,232	1,232
Foreign currency translation reserve	14	(915)	(779)
Shareholders loans	16	1,973	320
Accumulated loss		(7,297)	(3,534)
Non controlling interest		(3,027)	(2,505)
<b>Total equity</b>		<b>873</b>	<b>3,641</b>
<b>Non current liabilities</b>			
Borrowings	16	5,131	6,442
Other payables	15	1,639	8,027
Deferred consideration	30	1,154	1,438
Deferred income tax liabilities	17	876	1,413
		<b>8,800</b>	<b>17,320</b>
<b>Current liabilities</b>			
Trade and other payables	15	6,826	6,582
Short term portion of deferred consideration	30	498	-
Borrowings	16	4,133	4,516
Liabilities directly associated with the assets held for sale	31	14,730	8,403
		<b>11,457</b>	<b>11,098</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>35,860</b>	<b>40,462</b>

These financial statements were approved by the Board on 24 March 2016 and signed on behalf by:



P.C. Chingoka  
Chairman



R.E. Kuipers  
Chief-Executive Officer

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2015

	Notes	2015 USD 000	2014 USD 000
<b>Continuing operations</b>			
<b>Revenue</b>	5	<b>24,087</b>	<b>23,589</b>
Operating costs	20	(25,429)	(21,839)
Other operating income	19	512	715
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>		<b>(830)</b>	<b>2,465</b>
Finance costs	22	(717)	(336)
Depreciation		(2,433)	(2,223)
<b>Loss before taxation from continuing operations</b>		<b>(3,980)</b>	<b>(94)</b>
Income tax credit	23	578	668
<b>(Loss)/profit for the year from continuing operations</b>		<b>(3,402)</b>	<b>574</b>
<b>Discontinued operations</b>			
(Loss)/profit after tax for the year from discontinued operations	31	(883)	700
<b>(Loss)/profit for the year</b>		<b>(4,285)</b>	<b>1,274</b>
<b>Other comprehensive income:</b>			
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>			
Exchange differences on translation of foreign operations		(136)	(85)
<b>Other comprehensive loss for the year, net of tax</b>		<b>(136)</b>	<b>(85)</b>
<b>Total comprehensive (loss)/income for the year, net of tax</b>		<b>(4,421)</b>	<b>1,189</b>
<b>(Loss)/profit for the year attributable to:</b>			
Owners of the parent		(3,763)	1,372
Non-controlling interest		(522)	(98)
<b>Total comprehensive (loss)/profit attributable to:</b>		<b>(4,285)</b>	<b>1,274</b>
Owners of the parent		(3,899)	1,287
Non-controlling interest		(522)	(98)
		<b>(4,421)</b>	<b>1,189</b>
<b>Earnings per share</b>			
	24		
- Basic, (loss)/profit for the year attributable to ordinary equity holders of the parent (cents)		(3.53)	1.70
- Diluted, (loss)/profit for the year attributable to ordinary equity holders of the parent (cents)		(3.53)	1.70
<b>Earnings per share for continuing operations</b>			
- Basic, (loss)/profit for the year attributable to ordinary equity holders of the parent (cents)		(2.70)	0.84
- Diluted, (loss)/profit for the year attributable to ordinary equity holders of the parent (cents)		(2.70)	0.84

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2015

	Attributable to equity shareholders of the parent								
	Share capital USD 000 (note 14)	Share premium USD 000 (note 14)	Non-distributable reserves USD 000 (note 14)	Revaluation reserve USD 000 (note 14)	Foreign currency translation reserve USD 000 (note 14)	Shareholders loans USD 000 (note 16)	Accumulated loss USD 000 (note 30)	Total reserves attributable to owners of the parent USD 000 (note 30)	Total equity USD 000
<b>Balance as at 1 January 2014</b>	550	-	8,357	1,232	(694)	2,875	(4,906)	7,414	7,414
<b>Transaction with Shareholders</b>									
<b>Shareholder loans transferred to equity</b> (note 16)	-	-	-	-	-	2,445	-	2,445	2,445
Shareholder loans forgiven and transferred to profit or loss (note 16)	-	-	-	-	-	(5,000)	-	(5,000)	(5,000)
<b>Comprehensive income/(loss)</b>									
Profit/(loss) for the year	-	-	-	-	-	-	1,372	1,372	1,274
Other comprehensive income	-	-	-	-	85	-	-	(85)	(85)
<b>Total comprehensive income</b>	-	-	-	-	(85)	-	1,372	1,287	1,189
Acquisition of subsidiary (note 30)	-	-	-	-	-	-	-	-	-
Transfer on issue of shares (note 14)	515	2,060	(2,575)	-	-	-	-	-	(2,407)
<b>Balance as at 31 December 2014</b>	<b>1,065</b>	<b>2,060</b>	<b>5,782</b>	<b>1,232</b>	<b>(779)</b>	<b>320</b>	<b>(3,534)</b>	<b>6,146</b>	<b>3,641</b>
<b>Transaction with Shareholders</b>									
Shareholder loans transferred to equity (note 16)	-	-	-	-	-	1,653	-	1,653	1,653
<b>Comprehensive income/(loss)</b>									
Loss for the year	-	-	-	-	-	-	(3,763)	(3,763)	(4,285)
Other comprehensive income	-	-	-	-	(136)	-	-	(136)	(136)
<b>Total comprehensive income</b>	-	-	-	-	(136)	-	(3,763)	(3,899)	(4,421)
<b>Balance as at 31 December 2015</b>	<b>1,065</b>	<b>2,060</b>	<b>5,782</b>	<b>1,232</b>	<b>(915)</b>	<b>1,973</b>	<b>(7,297)</b>	<b>3,900</b>	<b>873</b>

CONSOLIDATED STATEMENT OF CASH FLOWS  
for the year ended 31 December 2015

	Notes	2015 USD 000	2014 USD 000
<b>Net cash (utilised)/ generated from operating activities</b>		<b>(8,301)</b>	<b>3,159</b>
Cash (utilised)/generated from operations	26	(7,570)	3,616
Interest paid		(726)	(416)
Taxation paid		(5)	(41)
<b>Net cash generated/(utilised) in investing activities</b>		<b>513</b>	<b>(4,174)</b>
Purchase of property, vehicles and equipment to increase operations		(3,336)	(5,785)
Proceeds from sale of property, vehicles and equipment		3,856	1,438
Disposal of subsidiary classified as held for sale	31	(7)	-
Net cash inflow on acquisition of subsidiary	30	-	173
<b>Net cash generated from financing activities</b>		<b>7,178</b>	<b>658</b>
Proceeds from borrowings		13,677	10,381
Repayments of borrowings		(6,499)	(9,723)
<b>Decrease in cash and cash equivalents</b>		<b>(610)</b>	<b>(357)</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>4</b>	<b>354</b>
Net foreign exchange differences		31	7
<b>Cash and cash equivalents at end of year</b>	<b>13</b>	<b>(575)</b>	<b>4</b>

**1 General information**

Unifreight Africa Limited (formerly Pioneer Corporation Africa Limited) was incorporated in Zimbabwe in 1970. It is the holding company of a Group of companies primarily involved in the road transport industry whose main activities include inter-city freight consolidations, the distribution of general goods, and a courier service. Swift, the Group's principal revenue generating brand turns 70 in 2016.

The Company is incorporated in Zimbabwe. Other entities in the Group are incorporated in South Africa, Botswana and Mauritius. The company is listed on the Zimbabwe Stock Exchange.

These Group consolidated financial statements are presented in United States Dollars and were authorised for issue by the Board of Directors on 24 March 2016.

**2 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied unless otherwise stated.

**2.1 Basis of preparation**

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared under the historical cost convention except for land and buildings that have been measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

The income statement presentation has been changed in current year from that presented in the previous years which showed 'Cost of Sales' and 'Gross Profit,' to the current one, which just shows 'Earnings Before Interest, Tax, Depreciation and Amortisation'. The business does not operate on a Gross Profit model. This change is meant to give a better presentation of the financial statements.

The comparative statement of comprehensive income is different from what was presented in the previous year's financial statements. This is as a result of a restatement in the statement of comprehensive income in line with IFRS 5, which requires that the results of discontinued operations are disclosed in one line item on the face of the statement of comprehensive income. Accordingly, the 2014 statement of comprehensive income has been restated to show the effect of the discontinued results.

**2.1.1 Going concern.**

The financial statements have been prepared on a going concern basis which assumes that the Group and the Company will continue in existence for the foreseeable future. However there are material uncertainties related to the conditions noted below which may cast significant doubt on the Group's and Company's ability to continue as a going concern and that they may be unable to realise their assets and discharge their liabilities in the normal course of business.

The Group as at 31 December 2015 incurred a loss for the year ended 31 December 2015 from continuing operations of USD 3,402,000 (2014: profit of USD 574,000) and a loss from discontinuing operations of USD 883,000 (2014: profit of USD 700,000), and as at that date had a net current liability position of USD 11,788,000 (2014: USD 1,305,000) of which USD 4,046,000 (2014-USD 6,383,000) is due to a major shareholder and a finance lease liability amounting to USD 1,085,000 (2014-USD 59,000). The Group's ability to repay the debts may be in doubt, however, the major shareholder has given an undertaking that loans within non-current liabilities do not need to be repaid in 2016.

The Groups' operations continue to be significantly affected by the increasingly challenging environment and lack of liquidity which has prevailed in Zimbabwe over the past number of years resulting in reduced activity and a stressed working capital environment.

The steps taken by Directors and management over the past three years to mitigate these conditions near completion. Operations and management structures within the Group have being collapsed in 2015 to ensure lower costs and more efficiencies. This included the closure of the central Head Office. The review of cost structures to bring these into line with expected revenues and economic activity in the region continues and fleet replacement and recapitalisation remain a key objective of the Group. A strategy review and refocus on core businesses has been implemented and all non-core entities are shown as discontinued operations pending their disposal. Additionally, all non-core activities within the Group will be ceased in 2016. Continued operations revenue only includes revenue generated within Zimbabwe.

The Directors are confident that these costs, structural and strategic initiatives and the continued support of the major shareholder will ensure the return to profitability and positive cash flow and therefore the Group will continue to operate for the foreseeable future.

**2.1.2 Changes in accounting policies and disclosures.****(a) New and amended standards adopted by the Group**

The accounting policies adopted are consistent with those of the previous financial year. Amendments and improvements to standards that became effective for the Group in the current year did not have material impact on the Group.

**(b) New standards, interpretations and amendments to existing standards that are not yet effective**

Standards issued but not yet effective up to the date of issuance of the Group's financial statements are listed below. This listing is of standards and interpretations issued, which the Group reasonably expects to be applicable at a future date. The Group intends to adopt those standards when they become effective. The Group expects adoption of these standards, Amendments and interpretations in most cases do not have any significant impact on the Group's financial position or performance in the period of initial application but additional disclosures will be required. In cases where it will have an impact the Group is still assessing the possible impact.

**IFRS 9 Financial Instruments - Classification and measurement**

On 24 July 2014, the International Accounting Standards Board (IASB) issued the final version of IFRS 9-Financial Instruments bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The classification and measurement requirements address specific application issues arising in IFRS 9 (2009) that were raised by preparers, mainly from the financial services industry. The expected credit loss model addresses concerns expressed following the financial crisis that entities recorded losses too late under IAS 39.

IFRS 9 stipulates that financial assets are measured at amortised cost, fair value through profit or loss, or fair value through other comprehensive income, based on both the entity's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Apart from the 'own credit risk' requirements, classification and measurement of financial liabilities is unchanged from existing requirements. IFRS 9 is applicable for annual periods beginning on or after 1 January 2018, but early adoption is permitted. The Group is currently assessing the impact of IFRS 9.

**IFRS 15- Revenue from Contracts with Customers**

IFRS 15 Revenue from Contracts with Customers, replaces all existing IFRS revenue requirements. The core principle of IFRS 15 is that revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

IFRS 15 establishes a five-step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles). Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgements and estimates.

The standard is effective for annual periods beginning on or after 1 January 2018, but early adoption is permitted. The Group is still assessing the impact of the standard on its contracts with customers.

**IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation**

The IASB issued amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets prohibiting the use of revenue-based depreciation methods for fixed assets and limiting the use of revenue-based amortisation methods for intangible assets. The amendments are effective prospectively. The amendment becomes effective for annual periods beginning on or after 1 January 2016 and will not have any impact on the Group as depreciation is not based on revenue methods.

**IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28**

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3 Business Combinations, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments are not expected to affect the Group as it no longer has investments in joint ventures and associates.

**IFRS 11 Accounting for Acquisitions of Interests in Joint Operations – Amendments to IFRS 11**

The amendments require an entity acquiring an interest in a joint operation in which the activity of the joint operation constitutes a business to apply, to the extent of its share, all of the principles in IFRS 3, and other IFRSs, that do not conflict with the requirements of IFRS 11. Furthermore, entities are required to disclose the information required in those IFRSs in relation to business combinations.

The amendments also apply to an entity on the formation of a joint operation if, and only if, an existing business is contributed by the entity to the joint operation on its formation. Furthermore, the amendments clarify that for the acquisition of an additional interest in a joint operation in which the activity of the joint operation constitutes a business; previously held interests in the joint operation must not be remeasured if the joint operator retains joint control.

The amendments are applied prospectively and are effective for annual periods beginning on or after 1 January 2016. The Group will consider the amendments when it enters into transactions where the amendments are applicable.

**Applying the Consolidation Exception - Amendments to IFRS 10, IFRS 12 and IAS 28**

The amendments address issues that have arisen in applying the investment entities exception under IFRS 10.

**2.1.2 (b) New standards, interpretations and amendments to existing standards that are not yet effective (continued)**

The amendments to IFRS 10 clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value. Furthermore, the amendments to IFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.

The amendments to IAS 28 allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

The amendments are effective for annual periods beginning on or after 1 January 2016 and are not expected to affect the Group as no Companies within the Group meet the definition of an investment entity.

**IFRS 16 - Leases**

The International Accounting Standards board (IASB) issued IFRS 16 in January 2016 which requires lessees to recognise assets and liabilities for most leases on their balance sheets. Under the new standard, a lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. To be a lease, a contract must convey the right to control the use of the identified asset, which could be a physically distinct portion of an asset. The standard will be effective for annual periods beginning on or after 1 January 2019. The Group is still assessing the impact of the standard.

**IAS 27 Equity Method in Separate Financial Statements – Amendments to IAS 27**

Amendments to IAS 27 Separate Financial Statements allow an entity to use the equity method as described in IAS 28 to account for its investments in subsidiaries, joint ventures and associates in its separate financial statements. Therefore, an entity must account for these investments either:

- At cost
- In accordance with IAS 39
- Or
- Using the equity method

The entity must apply the same accounting for each category of investments.

The amendments must be applied retrospectively and are effective for year ends beginning on or after 1 January 2016. The parent entity will consider the amendment when it becomes effective.

**IAS 1 Disclosure Initiative – Amendments to IAS 1**

The amendments to IAS 1 Presentation of Financial Statements clarify, rather than significantly change, existing IAS 1 requirements.

The amendments clarify

- The materiality requirements in IAS 1
- That specific line items in the statement(s) of profit or loss and OCI and the statement of financial position may be disaggregated.
- That entities have flexibility as to the order in which they present the notes to financial statements
- That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss. Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of profit or loss and other comprehensive income.

The amendments are effective for annual periods beginning on or after 1 January 2016 and early application are encouraged.

**2012 – 2014 Annual improvement cycle (issued September 2014)**

In September 2014, the IASB issued Annual Improvements to IFRSs 2012-2014 Cycle, which contains five amendments to four standards, excluding consequential amendments. The amendments are effective for annual periods beginning on or after 1 January 2016. Below is a list of those amendments.

**IFRS 7 – Servicing Contracts**

Paragraphs 42A - H of IFRS 7 require an entity to provide disclosures for any continuing involvement in a transferred asset that is derecognised in its entirety. The Board was asked whether servicing contracts constitute continuing involvement for the purposes of applying these disclosure requirements. The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in paragraphs IFRS 7.B30 and IFRS 7.42C in order to assess whether the disclosures are required. The Group will consider the amendment, where applicable, when it becomes effective.

**IFRS 7 – Applicability of the offsetting disclosures to condensed interim financial statements.**

In December 2011, IFRS 7 was amended to add guidance on offsetting of financial assets and financial liabilities. In the effective date and transition for that amendment, paragraph 44R of IFRS 7 states that an entity shall apply those amendments for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods.

The interim disclosure standard, IAS 34, does not reflect this requirement, however, and it is not clear whether those disclosures are required in the condensed interim financial report.

The amendment removes the phrase 'and interim periods within those annual periods' from paragraph 44R, clarifying that these IFRS 7 disclosures are not required in the condensed interim financial report. However, the Board noted that IAS 34 requires an entity to disclose 'an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the entity since the end of the last annual reporting period'. Therefore, if the IFRS 7 disclosures provide a significant update to the information reported in the most recent annual report, the Board would expect the disclosures to be included in the entity's condensed interim financial report. The Group will consider the amendments in preparing its interim financial statements when they become effective.

**2.1.2 (b) New standards, interpretations and amendments to existing standards that are not yet effective (continued)****IAS 34 Disclosure of information 'elsewhere in the interim financial report'**

IAS 34 requires entities to disclose information in the notes to the interim financial statements 'if not disclosed elsewhere in the interim financial report'. However, it is unclear what the Board means by 'elsewhere in the interim financial report'.

The amendment states that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report).

The Board specified that the other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time. If users do not have access to the other information in this manner, then the interim financial report is incomplete.

The Group will consider the amendment, when it becomes effective, when preparing its interim financial report.

**IAS 19 – Discount rate regional market rates**

IAS 19 requires an entity to recognise a post-employment benefit obligation for its defined benefit plans. This obligation must be discounted using market rates on high quality corporate bonds or using government bond rates if a deep market for high quality corporate bonds does not exist. Some entities thought that the assessment of a deep market was based at a country level (e.g., Greece) while others thought it was based at a currency level (e.g., the euro).

The amendment to IAS 19 clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

The amendment must be applied for annual periods beginning on or after 1 January 2016, with earlier application permitted. The amendment will not affect the Group as the Group does not have defined benefit pension schemes.

**IFRS 5 – Changes in methods of disposal**

Assets (or disposal groups) are generally disposed of either through sale or through distribution to owners. The amendment to IFRS 5 clarifies that changing from one of these disposal methods to the other should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is therefore no interruption of the application of the requirements in IFRS 5.

The amendment must be applied prospectively to changes in methods of disposal that occur in annual periods beginning on or after 1 January 2016, with earlier application permitted. The Group will consider the amendment, if applicable, when they become effective.

**Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation**

The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact to the Group given that the Group has not used a revenue-based method to depreciate its non-current assets.

**Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. These amendments must be applied prospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact on the Group.

**2.2 Consolidation, Business Combinations and Goodwill****a) Basis of consolidation**

The consolidated financial statements comprise the financial statements of Unifreight Africa Limited and its subsidiaries as at 31 December 2015. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

**2.2 Consolidation, Business Combinations and Goodwill (continued)**

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income and financial position from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

**(b) Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

**2.3 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the strategy and investment committee that makes strategic decisions.

**Foreign currency translation****(a) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in United States Dollars, which is the Company's functional and the Group's presentation currency.

**(b) Transactions and balances**

Foreign currency balances are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such balances and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

**2.3 Segment reporting (continued)**

**(c) Group companies**

The results and financial position of all the Group entities (none of which is a currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing rate at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

**2.5 Property, vehicles and equipment**

Vehicles and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, vehicles and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, vehicles and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

A revaluation surplus is recorded in OCI and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Motor vehicles	3 - 15 years
Equipment, furniture and fittings	3 - 10 years
Buildings	50 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. When revalued assets are sold, the amounts included in revaluation reserves are transferred to retained earnings.

An item of property, vehicles and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, vehicles and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.6 Investment property**

Property that is held for long-term rental yields or for capital appreciation or both; and that is not occupied by the companies in the Group, is classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs include those incurred for the purpose of acquiring, constructing or producing a qualifying asset. After initial recognition, investment property is carried at cost less subsequent depreciation and impairment losses.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit and loss in the period of derecognition.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, vehicles and equipment up to the date of change in use.

Investment property comprises land and buildings. Land is not depreciated. Depreciation on buildings is calculated using the straight-line method over 50 years.

## 2.7 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### 2.7.1 Financial assets

#### Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables, or available-for-sale financial assets as appropriate. Financial assets are recognised initially at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets on initial recognition and where allowed and appropriate, re-evaluates the designation at each financial year end.

All regular way purchases and sales of financial assets are recognised on the trade date, i.e. the date the Group commits to purchase or sell the assets. Regular way purchases or sales of financial assets require delivery of assets within the time frame generally established by regulation or convention in the market place.

#### Subsequent measurement

Subsequent measurement depends on the class of financial asset.

### 2.7.2 Loans and other receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These investments are initially recognised at cost, being the fair value of the consideration paid for the acquisition of the investment. All transaction costs directly attributable to the acquisition are also included in the cost of the investment. After initial measurement, loans and receivables are measured at amortised cost, using the EIR, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

### 2.7.3 Financial liabilities

Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, directly attributable transaction costs. The Group's financial liabilities include loans and trade and other payables.

Interest bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

### 2.7.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### 2.7.5 Amortised cost of financial assets

Amortised cost is computed using the effective interest rate method less any allowance for impairment and principal repayment or reduction. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

### 2.7.6 Impairment of financial assets

The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

#### Financial assets carried at amortised costs

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in statement of profit or loss. Interest income (recorded as finance income in the statement of profit or loss) continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the statement of profit or loss.

**2.7.7 De-recognition of financial assets and liabilities****Financial assets**

A financial asset is de-recognised when the right to receive cash flows from the asset has expired or the group has transferred its right to receive cash flows from the asset and has transferred substantially all the risks and rewards of the asset to another party.

**Financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit and loss.

**2.8 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

**2.9 Trade receivables**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**2.10 Cash and cash equivalents**

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

**2.11 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**2.12 Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

**2.13 Current and deferred income tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax is not recognised if it arises from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**2.14 Employee benefits****(a) Pension obligations**

The Group provides for pensions on retirement for all employees by means of a defined contribution pension fund which is administered by a Board of Trustees.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(b) Termination benefits.**

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

**2.15 Provisions**

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**2.16 Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

**(a) Sale of services**

The Group sells transportation services to manufacturers, mining companies and the public in general. These services are provided on an ad hoc basis or as a fixed-price contract, with contract terms generally ranging from less than one year to three years.

Revenue from delivering transportation services is generally recognised in the period the services are provided or in the case of a fixed-price contract by reference to the stage of completion. Stage of completion is based on days the client has been served of the total contract period. If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known by management.

**(b) Interest income**

Interest income is recognised on a time-proportion basis using the effective interest method.

**(c) Sale of goods**

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

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

**(d) Dividend income**

Dividend income is recognised when the right to receive payment is established.

**(e) Rental income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

**2.17 Leases****Group as a lessee**

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group, are capitalised at the commencement of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of comprehensive income.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in profit or loss on a straight-line basis over the lease term.

**Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**2.18 Dividend distribution**

Dividend distribution to the company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the company's shareholders.

**2.19 Fair value measurement**

The Group measures non-financial assets such as land and buildings, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's executive committee determines the policies and procedures for both recurring and non-recurring fair value measurement. The executive committee comprises of the Group CEO, the Group Finance Director and heads of the various business units.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the executive committee after discussion with and approval by the Group's finance and audit committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The executive committee decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the executive committee analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the executive committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The executive committee, in conjunction with the Group's external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the valuation committee and the Group's external valuers present the valuation results to the finance and audit committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

**2.20 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss as the expense category that is consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**2.21 Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December, as appropriate, and when circumstances indicate that the carrying value may be impaired.

**2.22 Discontinued operations and assets and liabilities held for sale**

The Group classifies assets and liabilities as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the sale, excluding the finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale or distribution is highly probable and the asset or liability is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the sale will be withdrawn. Management must be committed to the sale expected within one year from the date of the classification.

Property, vehicles and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the profit or loss.

Additional disclosures are provided in note 31. All other notes to the financial statements include amounts for continuing operations, unless otherwise mentioned.

**3 Financial risk management****3.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Group therefore adopts a non-speculative approach in managing risk whilst maximising profits.

Risk management is carried out by the Board's Strategy Committee under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

**(a) Market risk****(i) Foreign exchange risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenues or expenses are denominated in a different currency), and the groups net investment in subsidiaries.

The following table demonstrates the sensitivity to a reasonable possible change in the US\$ and Rand exchange rate:

	<b>Change in rates</b>	<b>Effect on Loss before tax</b>
2015	+10%	11,928
	-10%	(13,121)
2014	+10%	13,567
	-10%	(16,582)

**(ii) Cash flow and fair value interest rate risk**

The Group's interest rate risk arises from long term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The following table demonstrates the sensitivity to a reasonable possible change in the interest rates,

	<b>Change in rates</b>	<b>Effect on Loss before tax</b>
2015	1%	27,270
	-1%	(27,270)
2014	1%	18,530
	-1%	(18,530)

**(b) Credit risk is managed on a Group basis.**

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. Management assess the quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set by the Audit and Finance Committee of the Board. The utilisation of credit limits is regularly monitored.

**(c) Liquidity risk**

Prudent liquidity risk management includes maintaining sufficient cash, 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, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity reserve which comprises undrawn borrowing facility, cash and cash equivalents on the basis of expected cash flow and funds from the major shareholder.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

(c) Liquidity risk (continued)

At 31 December 2015

Liabilities

	Up to 1 month USD 000	2 to 6 months USD 000	6 months to 1 year USD 000	2 to 5 years USD 000	Total USD 000
Trade and other payables	525	2,630	3,669	1,639	8,464
Deferred consideration	45	224	269	1,674	2,211
Borrowings	294	2,454	1,754	5,158	9,660
<b>Total liabilities</b>	<b>864</b>	<b>5,308</b>	<b>5,692</b>	<b>8,471</b>	<b>20,335</b>

At 31 December 2014

Liabilities

	Up to 1 month USD 000	2 to 6 months USD 000	6 months to 1 year USD 000	2 to 5 years USD 000	Total USD 000
Trade and other payables	908	2,719	2,955	7,813	14,395
Deferred consideration	-	-	-	2,211	2,211
Borrowings	223	1,115	1,338	8,528	11,203
<b>Total liabilities</b>	<b>1,131</b>	<b>3,834</b>	<b>4,293</b>	<b>18,552</b>	<b>27,809</b>

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group'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. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. The gearing ratio at 31 December 2015 was 70% (2014 - 63%).

	2015 USD 000	2014 USD 000
Total borrowings	9,264	10,958
Less: cash and cash equivalents	(94)	(465)
Net debt	9,170	10,493
Total equity excluding non controlling interest	3,900	6,146
Total capital	13,070	16,639
Gearing ratio	70%	63%

3.3 Fair value disclosures

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The directors fair value property, vehicles and equipment based on market valuations undertaken on a regular basis.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment losses on trade and other receivables

The Group reviews its trade and other receivables to assess impairment on a monthly basis. In determining whether an impairment loss should be recorded in profit or loss, the Group makes judgements as to whether there is observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of trade and other receivables before the decrease can be identified with an individual receivables in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in the Group, or national or local economic conditions that correlate with defaults in the Group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. Refer to note 12 for the carrying amount of trade and other receivables and more information on impairment losses.

(b) Income taxes

The Group is subject to income taxes in a number of jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group 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. Refer to note 17 and note 23 for more information on income taxes.

**4 Critical accounting estimates and judgements (continued)****(c) Useful lives and values of property, equipment and vehicles**

The Group management determines the estimated useful lives and related depreciation charges for its property, equipment and vehicles and intangible assets. This estimate is based on projected lifecycles for these assets. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. Refer to note 6 for the carrying amount of property, vehicles and equipment and accounting policy note 2.5 for useful lives.

**(d) Fair value of land & buildings and Investment property**

The Group carries land and buildings at revalued amounts with changes in fair value being recognised in Other Comprehensive Income. The Group engaged an independent valuation specialist to assess fair value as at 31 December 2015 for investment properties and land and buildings. Land and buildings were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property. Refer to note 6 and note 7 for the carrying amount of land and buildings and investment property as well as the assumptions and estimates used for determining the fair value.

**e) Going concern**

The Directors assess the ability of the Group to continue operating as a going concern at the end of each financial year. As at 31 December 2015, the Directors have assessed the Group will continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is therefore still appropriate.

**(f) Impairment of intangible assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash-flows (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable are disclosed and further explained in note 8.

**5 Segment Information**

During 2015 the Group was restructured and reorganised to show a one-company-one-focus business, providing a transport and logistics solution. All non-Zimbabwean transport and logistics entities are shown as discontinued.

The investment property companies' performance is shown as a separate segment. The comparatives in 2014 have been restated on the same basis of the 2015 business model.

The segment results for the year ended 31 December 2015 are as follows:

	Transport and Logistics solution USD 000	Investment property USD 000	Consolidated USD 000
Total segment revenue	24,844	-	24,844
Total revenue to discontinued operations	(757)	-	(757)
<b>Total revenue</b>	<b>24,087</b>	<b>-</b>	<b>24,087</b>
Operating costs	(25,181)	(248)	(25,429)
Other income	76	436	512
<b>EBITDA</b>	<b>(1,018)</b>	<b>188</b>	<b>(830)</b>
Net Finance costs	(717)	-	(717)
Depreciation	(2,319)	(114)	(2,433)
Net (loss) / profit before income tax	(4,054)	74	(3,980)
Income tax credit / (charge)	600	(22)	578
<b>Loss for the year from continuing operations</b>	<b>(3,454)</b>	<b>52</b>	<b>(3,402)</b>
<b>Statement of financial position at 31 December 2015</b>			
<b>Assets</b>			
Non-current assets	15,036	6,425	21,461
Current assets	5,748	1,506	7,254
<b>Total assets</b>	<b>20,784</b>	<b>7,931</b>	<b>28,715</b>
<b>Liabilities</b>			
Non-current liabilities	7,600	1,200	8,800
Current liabilities	11,336	121	11,457
<b>Total liabilities</b>	<b>18,936</b>	<b>1,321</b>	<b>20,257</b>

The investment property segment includes a depreciation charge of USD 2,156 for depreciation on new furniture and fittings. Note 7 (showing investment property only) does not include this.

The segment results for the year ended 31 December 2014 are as follows:

	Transport and Logistics solution USD 000	Investment property USD 000	Consolidated USD 000
Total segment revenue	25,155	-	25,155
Total revenue to discontinued operations	(1,566)	-	(1,566)
<b>Total revenue</b>	<b>23,589</b>	<b>-</b>	<b>23,589</b>
Operating costs	(21,761)	(78)	(21,839)
Other income	244	471	715
<b>EBITDA</b>	<b>2,072</b>	<b>393</b>	<b>2,465</b>
Net Finance costs	(336)	-	(336)
Depreciation	(2,104)	(119)	(2,223)
Net (loss) / profit before income tax	(368)	274	(94)
Income tax credit	107	561	668
<b>Profit for the year from continuing operations</b>	<b>(261)</b>	<b>835</b>	<b>574</b>
<b>Statement of financial position at 31 December 2014</b>			
<b>Assets</b>			
Non-current assets	15,729	6,537	22,266
Current assets	9,877	1,509	11,386
<b>Total assets</b>	<b>25,606</b>	<b>8,046</b>	<b>33,652</b>
<b>Liabilities</b>			
Non-current liabilities	16,126	1,194	17,320
Current liabilities	10,804	294	11,098
<b>Total liabilities</b>	<b>26,930</b>	<b>1,488</b>	<b>28,418</b>

## 6 Property, vehicles and equipment

	Land and buildings USD 000	Motor vehicles USD 000	Equipment, furniture and fittings USD 000	Total USD 000
<b>At 1 January 2014</b>				
Cost or valuation	2,064	21,596	2,233	25,893
Accumulated depreciation	(149)	(3,797)	(402)	(4,348)
Effect of currency movements	-	(118)	(22)	(140)
<b>Net carrying amount</b>	<b>1,915</b>	<b>17,681</b>	<b>1,809</b>	<b>21,405</b>
<b>Year ended 31 December 2014</b>				
Opening net book amount	1,915	17,681	1,809	21,405
Additions	-	5,675	110	5,785
Acquisition of a business (note 30)	-	139	117	256
Transfer to Investment property (note 7)	(1,875)	-	-	(1,875)
Disposals	-	(1,924)	-	(1,924)
Assets held for sale (note 31)	(3)	(5,734)	(83)	(5,820)
Depreciation charge	(2)	(3,123)	(456)	(3,581)
Effect of currency movements	(35)	52	(44)	(27)
<b>Closing net carrying amount</b>	<b>-</b>	<b>12,766</b>	<b>1,453</b>	<b>14,219</b>
<b>At 1 January 2015</b>				
Cost or valuation	186	14,822	2,122	17,130
Accumulated depreciation	(151)	(2,108)	(625)	(2,884)
Effect of currency movements	(35)	52	(44)	(27)
<b>Net carrying amount</b>	<b>-</b>	<b>12,766</b>	<b>1,453</b>	<b>14,219</b>
<b>Year ended 31 December 2015</b>				
Opening net book amount	-	12,766	1,453	14,219
Additions	-	3,228	107	3,335
Disposals	-	(1,113)	(9)	(1,122)
Assets held for sale (note 31)	-	(254)	(218)	(472)
Depreciation charge	-	(1,965)	(440)	(2,405)
Effect of currency movements	-	(6)	(2)	(8)
<b>Closing net carrying amount</b>	<b>-</b>	<b>12,656</b>	<b>891</b>	<b>13,547</b>
<b>At 31 December 2015</b>				
Cost or valuation	-	17,200	2,257	19,457
Accumulated depreciation	-	(4,544)	(1,366)	(5,910)
<b>Net carrying amount</b>	<b>-</b>	<b>12,656</b>	<b>891</b>	<b>13,547</b>

The category of motor vehicles includes vehicles leased by the Group under non-cancellable finance lease arrangements with the following carrying amounts: (note 16).

**6 Property, vehicles and equipment (continued)**

	2015 USD 000	2014 USD 000
Cost	1,946	1,715
Accumulated depreciation	(767)	(440)
<b>Net carrying amount</b>	<b>1,179</b>	<b>1,275</b>

The lease terms are between 1 and 4 years and ownership of the assets lie within the Group.

**7 Investment Property**

	2015 USD 000
<b>Year ended 31 December 2014</b>	
Opening net carrying amount	4,791
Transfer from property, vehicles and equipment	1,875
Depreciation charge	(119)
<b>Closing net carrying amount</b>	<b>6,547</b>
<b>At 31 December 2014</b>	
Cost or valuation	6,933
Accumulated depreciation	(386)
<b>Net carrying amount</b>	<b>6,547</b>
<b>Year ended 31 December 2015</b>	
Opening net carrying amount	6,547
Disposal	(21)
Depreciation charge	(112)
<b>Closing net carrying amount</b>	<b>6,414</b>
<b>At 31 December 2015</b>	
Cost or valuation	6,912
Accumulated depreciation	(498)
<b>Net carrying amount</b>	<b>6,414</b>

Fair value of the investment properties (noted below) was determined by using the implicit investment approach. This method is based on the principle that rentals and capital values are inter-related, hence given income produced by a property, its capital value can be estimated. At the date of revaluation, 31 December 2015, the investment properties' fair values are based on valuations performed by Dawn Property Consultancy (Private) Limited, an accredited independent valuer.

The current use of the investment properties have been evaluated as the highest and best use options for the properties.

Valuation Technique	Significant unobservable data	Range
Market comparable method	Rentals per square metre Rental yields	\$1.50 - \$20 9% - 10%

Some Group properties are pledged as collateral for the group's borrowings. Refer to note 16 for the details of the assets pledged as collateral.

	2015 USD 000	2014 USD 000
Rental income derived from investment properties	429	471
Direct operating expenses (including repairs and maintenance) generating rental income	(239)	(158)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(116)	(39)
	<b>74</b>	<b>274</b>

The Group has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

**Fair value hierarchy**

	Level 1 USD 000	Level 2 USD 000	Level 3 USD 000	Total Fair Value USD 000
Investment property - 31 December 2015	-	-	6,666	6,666
Investment property - 31 December 2014	-	-	6,666	6,666

**8 Intangible asset**

Carrying Amount at 1 January

Carrying Amount at 31 December

	2015 USD 000	2014 USD 000
Carrying Amount at 1 January	1,500	1,500
Carrying Amount at 31 December	<b>1,500</b>	<b>1,500</b>

The intangible asset was acquired in a business combination and relates to the intellectual property rights in relation to the SWIFT name. The intangible asset has been evaluated as having an indefinite useful life as the brand name is very popular in Zimbabwe and is expected to continue as such for the foreseeable future. The Group performed its annual impairment test for its intangible assets with an indefinite useful life and there was no impairment recorded. The Group based the recoverable amount of the cash generating unit on a value in use calculation. The following key assumptions were used in the value in use calculation:

- Discount rate of 14%
- Growth rates used to extrapolate cash flows beyond the forecast period of 3%

**9 Goodwill**

Carrying Amount at 1 January

Acquired in business combination (note 30)

Impairment

Carrying Amount at 31 December

	2015 USD 000	2014 USD 000
Carrying Amount at 1 January	-	-
Acquired in business combination (note 30)	-	2,505
Impairment	-	(2,505)
Carrying Amount at 31 December	<b>-</b>	<b>-</b>

The goodwill was acquired in the acquisition of a controlling interest in an associate company Tredcor Zimbabwe (Pvt) Ltd. The goodwill was impaired in full in 2014. The goodwill was created by the net liability position of the acquired business at the time of acquisition. The Directors believe that future profits and cash flows will not be sufficient to recover these losses and hence the decision to impair the goodwill in full in the year of acquisition.

**10 Financial instruments by category****Assets as per statement of financial position**

Trade and other receivables (excluding prepayments)

Cash and bank balances

	Loans and receivables	
	2015 USD 000	2014 USD 000
Trade and other receivables (excluding prepayments)	5,329	7,903
Cash and bank balances	94	465
	<b>5,423</b>	<b>8,368</b>

**Liabilities as per statement of financial position**

Borrowings

Finance lease liabilities

Trade and other payables (excluding statutory liabilities)

Total

	Other financial liabilities	
	2015 USD 000	2014 USD 000
Borrowings	6,537	9,105
Finance lease liabilities	2,727	1,853
Trade and other payables (excluding statutory liabilities)	9,264	10,958
Total	<b>13,831</b>	<b>22,478</b>

**11 Inventories**

Spares and fuel

Provision for obsolete stock

Cost of inventories included in expenses in current year is USD 6,657,000 (2014 - USD 5,389,000).

Movements on the provision for obsolete stock are as follows:

At 1 January

Inventory write-offs

Charge for the year

Spares and fuel	919	2,995
Provision for obsolete stock	(143)	(97)
	<b>776</b>	<b>2,898</b>
Movements on the provision for obsolete stock are as follows:		
At 1 January	97	88
Inventory write-offs	(101)	-
Charge for the year	147	9
	<b>143</b>	<b>97</b>

	2015 USD 000	2014 USD 000
<b>12 Trade and other receivables</b>		
<b>Current</b>		
Trade receivables	3,127	5,039
Receivables due from related parties (note 28)	953	742
Less: provision for impairment	(390)	(577)
Trade receivables - net	<b>3,690</b>	<b>5,204</b>
Prepayments	1,054	109
Staff debtors	29	351
VAT receivable	12	80
Other debtors	1,598	2,268
	<b>6,383</b>	<b>8,012</b>
Trade and other receivables are non-interest bearing and are generally on terms of 30 days As at 31 December 2015 trade receivables of USD 774,159 (2014: USD 864,418) were past due but not impaired.		
The ageing analysis of these receivables is as follows:		
Up to 3 months	643	274
3 to 6 months	131	590
	<b>774</b>	<b>864</b>
As at 31 December 2015 trade and other receivables of USD 389,606 (2014: USD 576,976) were past due and impaired.		
The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:		
Currency		
United States Dollar (USD)	6,383	6,922
South African Rand (ZAR)	-	1,090
	<b>6,383</b>	<b>8,012</b>
The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.		
Movements on the provision for impairment of trade receivables are as follows:		
At 1 January	577	158
Write offs	(96)	(36)
Charge for the year	393	455
Transferred to discontinued operations	(484)	-
At 31 December	<b>390</b>	<b>577</b>
The creation and release of provision for impaired receivables have been included in operational expenses in the statement of comprehensive income. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash. The other classes within trade and other receivables do not contain impaired assets.		
<b>13 Cash and cash equivalents</b>		
Cash at banks and on hand	<b>94</b>	<b>465</b>
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:		
Cash at banks and on hand	94	465
Cash at banks and on hand attributable to discontinued operations	314	213
	<b>408</b>	<b>678</b>
Bank overdrafts (see note 16)	(983)	(674)
<b>Cash and cash equivalents</b>	<b>(575)</b>	<b>4</b>

**14 Share capital and reserves****Share capital**

	Number of shares	Ordinary shares USD 000	Share premium USD 000	Total USD 000
At 31 December 2014	106,474,237	1,065	2,060	3,125
<b>At 31 December 2015</b>	<b>106,474,237</b>	<b>1,065</b>	<b>2,060</b>	<b>3,125</b>

The total number of authorised ordinary shares is 140,000,000 shares.

There are 33,525,763 unissued shares which are under the control of the directors as at reporting date. All issued shares are fully paid. 51,497,587 shares were issued in June 2014 to cover the purchase of the operating assets of Unifreight Limited.

Share premium arose in 2014 being the difference between the new shares issued of 51,497,587 shares at a fair value of 5c per share and the nominal value

**Reserves**

	Non Distributable Reserve USD 000	Revaluation Reserve USD 000	Foreign Currency Translation Reserve USD 000
At 31 December 2014	5,782	1,232	(779)
<b>At 31 December 2015</b>	<b>5,782</b>	<b>1,232</b>	<b>(915)</b>

**Non Distributable Reserve**

The reserve arose on the conversion of Zimbabwe dollar balances into the new functional currency of United States Dollars. Effect of transactions between owners in their capacity as owners is also accounted for in this reserve.

**Foreign currency translation reserve**

The foreign currency translation reserve is used to record exchange differences arising on the translation of the financial statements of foreign subsidiaries.

**Revaluation reserve**

The revaluation reserve is used to record increases in the fair value of land and buildings and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity. The revaluation reserve arose in prior years when the Group was occupying one of its properties. The property is classified under investment properties as it is no longer occupied by the Group.

**15 Trade and other payables****Non current**

Payables due to related parties (note 28)

Other payables

**Current**

Trade payables

Trade payables due to related parties (note 28)

Accrued expenses

Social security and other statutory liabilities

	2015 USD 000	2014 USD 000
Payables due to related parties (note 28)	-	5,736
Other payables	1,639	2,291
	<b>1,639</b>	<b>8,027</b>
Trade payables	2,948	3,807
Trade payables due to related parties (note 28)	225	168
Accrued expenses	240	371
Social security and other statutory liabilities	3,413	2,236
	<b>6,826</b>	<b>6,582</b>

Trade and other payables are non-interest bearing and are normally on 30 day terms.

Non-current trade and other payables are non-interest bearing and will be settled within one to five years.

**16 Borrowings****Borrowings classified as equity**

Shareholders' loans at beginning of year  
Transfer from shareholders' loans

Shareholders' loans forgiven and transferred to profit and loss

**Other Borrowings****Non-current**

Shareholders' loans  
Less: Shareholders' loans transferred to equity

Finance lease liabilities

**Current**

Shareholders' loans  
Finance lease liabilities  
Bank overdraft

**Total borrowings****Shareholder loans**

The loans are from the major shareholders and are denominated in United States Dollars. These loans are unsecured, interest free and are repayable within five (5) years. The shareholder loans were used to fund the capital expenditure requirements of the business.

The interest free shareholder loans are disclosed at their net present values after discounting by a rate of 12% which is the average borrowing rate for the group from third parties. The transfer to equity is as a result of the discounting and what has been transferred is the difference between the net present value of the loans and the face value of the loans. The loans transferred to equity have no dilutive effect.

At 31 December 2014 shareholders' loans under equity of USD 4,999,600 were forgiven and transferred to profit and loss.

**Finance lease liabilities (note 6)**

Lease liabilities relate to finance lease arrangements entered into to procure revenue generating vehicles. The amounts are effectively secured as the rights to the leased asset revert to the lessor in the event of default. The interest rates are between 12-15% and the liabilities will be repaid in full by May 2018. The lease liability is also secured by immoveable Group properties with a carrying amount of USD 1,783,196 as at 31 December 2015.

**Bank overdraft (note 13)**

The bank overdraft is secured by a mortgage bond on a Group property with a carrying amount of USD 2,237,536 as at 31 December 2015. The bank overdraft limit is USD 1,500,000. This overdraft is due for review in May 2016.

**Finance lease liabilities – minimum lease payments**

Later than 1 year and no later than 5 years  
No later than 1 year  
Total future minimum lease payments

Less amounts representing finance charges

Present value of finance lease liabilities

The exposure of the Group's borrowings to interest rates changes and the contractual repricing dates at the end of the reporting period are as follows:

Payable within 6 months  
Payable within 6 -12 months  
Payable within 1-5 years

**Total**

The carrying amounts of the Group's borrowings are denominated in the following currencies:

**Currency**

United States Dollar (USD)  
South African Rand (ZAR)

	2015 USD 000	2014 USD 000
	320	2,875
	1,653	2,445
	1,973	5,320
	-	(5,000)
	<b>1,973</b>	<b>320</b>
	5,599	8,828
	(1,553)	(2,445)
	4,046	6,383
	1,085	59
	<b>5,131</b>	<b>6,442</b>
	1,508	2,048
	1,642	1,794
	983	674
	<b>4,133</b>	<b>4,516</b>
	<b>9,264</b>	<b>10,958</b>

	2015 USD 000	2014 USD 000
	1,937	59
	1,167	1,876
	3,104	1,935
	(377)	(82)
	<b>2,727</b>	<b>1,853</b>
	2,483	2,292
	1,650	2,224
	5,131	6,442
	<b>9,264</b>	<b>10,958</b>
	9,264	10,136
	-	822
	<b>9,264</b>	<b>10,958</b>

**16 Borrowings (continued)****Borrowing powers**

In terms of the Company's Articles of Association, at any one time, the aggregated Group borrowings should not exceed the net asset value of the Group. The shareholders of the Company have the powers to approve borrowings exceeding the authorised limit at a General Meeting of the Shareholders. The analysis of the borrowings compared to the authorised limit is as follows :

	2015 USD 000	2014 USD 000
Authorised borrowings per Articles of Association	873	3,641
Total borrowings	20,155	14,321
- Continuing operations	9,264	10,958
- Discontinued operations (note 31)	10,891	3,363
<b>Excess over borrowing limit</b>	<b>(19,282)</b>	<b>(10,680)</b>

The borrowings exceed the limits as per the Articles of Association by USD 19.282 m as at 31 December 2015 (2014 - USD 10.68 m). At the last AGM held on 30 June 2015, the shareholders passed a resolution to allow the Group to exceed its borrowing limits until 31 December 2019.

**17 Deferred tax**

The gross movement on the deferred tax account is as follows :

	2015 USD 000	2014 USD 000
At beginning of year	1,413	2,046
Credit for the year	(594)	(707)
Deferred tax on assets transferred to discontinued operations	57	74
At end of year	<b>876</b>	<b>1,413</b>

Deferred tax liabilities

Deferred tax relates to the following:

Property plant and equipment	1,238	1,194
Investment Properties	1,104	1,333
Assessed loss	(1,466)	(1,114)
	<b>876</b>	<b>1,413</b>

**18 Retirement benefits****18.1 Defined contribution fund**

The Group operates a defined contribution plan pension scheme. A Board of Trustees administers the fund. All full time and permanent employees are eligible for membership. The plan is funded by contributions by the companies in the Group and eligible employees.

**18.2 National Social Security Authority**

The Group and all its employees based in Zimbabwe contribute to the National Social Security Scheme promulgated under the National Social Security Act of 1989. The Group's obligation is limited to specific contributions as legislated from time to time.

Contributions to the above funds made during the current year are disclosed in note 21.

**19 Other operating income**

	2015 USD 000	2014 USD 000
Insurance claims	11	1
Discounts received from rate bills (investment properties)	7	-
Commissions received from salary administration	4	-
Commission received from second-hand bus disposals	29	-
Other income	24	1
Zimdef rebate	8	-
Investment property income	429	471
Sub letting of depots	-	28
Remeasurement of deferred consideration	-	214
	<b>512</b>	<b>715</b>

	2015 USD 000	2014 USD 000
<b>20 Operating costs</b>		
Human resource expenses (note 21)	12,790	11,876
Vehicle operating expenses	2,195	1,930
Inventory used for third-party sales	1,144	154
Fuel used	3,318	3,305
Depot/site operating expenses	2,424	2,306
IT and communication expenses	810	857
Forwarding and agent expenses	717	168
Freight movement expenses	478	312
Advertising and marketing expenses	469	421
Bad debts provided for	393	65
Printing and stationary	189	87
Audit fees	122	51
Professional fees	120	67
Loss on disposal of property, plant and equipment	81	38
Bank charges	73	52
Net foreign exchange losses	55	-
Legal fees	51	50
	<b>25,429</b>	<b>21,839</b>
<b>21 Employee benefits expense</b>		
Wages and salaries (including all directors' fees and emoluments)	11,236	11,356
Retrenchment and/or termination costs	1,175	9
Pension contributions - Defined contribution plan	71	179
Social security contributions	308	332
	<b>12,790</b>	<b>11,876</b>
<b>Directors' remuneration:</b>		
Directors' fees	117	120
Other emoluments	265	305
	<b>382</b>	<b>425</b>
Average number of people employed	<b>907</b>	<b>1,053</b>
<b>22 Finance costs</b>		
Interest expense		
- bank borrowings	152	73
- shareholders loans (note 28)	3	117
- remeasurement of consideration liability	214	-
- finance leases	348	146
	<b>717</b>	<b>336</b>
<b>23 Income tax</b>		
Current income tax expense	16	39
Deferred income tax credit (note 17)	(594)	(707)
	<b>(578)</b>	<b>(668)</b>
The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profit of the consolidation entities as follows:		
Loss before tax from continuing operations	(3,980)	(94)
(Loss)/profit before tax from discontinued operations	(883)	885
	<b>(4,863)</b>	<b>791</b>
<b>Tax calculated at 25.75%</b>	<b>(1,252)</b>	<b>204</b>
Adjustments in respect of current income tax of previous years	-	(170)
Utilisation of previously unrecognised tax losses	-	(351)
Tax losses for continued operations for which no deferred tax asset is recognised	755	291
Tax losses for discontinued operations for which no deferred tax asset is recognised	227	-
<b>Non-taxable income</b>		
- Loans forgiven	-	(1,287)
- Other non taxable income	(309)	-
<b>Expenses not deductible for tax purposes</b>		
- Impairment of goodwill	-	645
- Other non-deductible expenses	-	185
<b>Tax Credit</b>	<b>(578)</b>	<b>(483)</b>
Continuing operations	(578)	(668)
Discontinued operations	-	185
	<b>(578)</b>	<b>(483)</b>

**24 Earnings per share****Basic**

Basic earnings per share are calculated by dividing the profit/(loss) attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. In 2015 the company had no category of dilutive potential ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

(Loss)/profit attributable to ordinary equity holders of the parent:

	2015 USD 000	2014 USD 000
Continuing operations	(2,880)	672
Discontinued operations	(883)	700
<b>(Loss)/Profit attributable to ordinary equity holders of the parent for basic earnings</b>	<b>(3,763)</b>	<b>1,372</b>
<b>Weighted average number of ordinary shares for basic and diluted EPS</b>	<b>106,474,237</b>	<b>80,725,444</b>
There has been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.		
To calculate the EPS for discontinued operations (note 31), the weighted average number of ordinary shares for both the basic and diluted EPS is as per above. The following provides the (loss)/profit amount used:		
(Loss)/profit attributable to ordinary equity holders of the parent from discontinued operations for the basic and diluted EPS calculations	<b>(883)</b>	<b>700</b>

**25 Dividends**

The company did not declare any dividend during the period in line with its strategy of growth. These financial statements do not reflect any dividend payable.

**26 Cash generated from operations**

Loss before tax from continuing operations	(3,980)	(94)
(Loss)/profit before tax from discontinued operations	(883)	885
Adjusted for :		
- Impairment of goodwill	-	2,505
- Foreign exchange loss	153	-
- Profit on sale of subsidiary	(134)	-
- Depreciation and impairment	2,517	3,700
- Loss on disposal of property, vehicles and equipment	78	443
- Net finance cost	726	638
- Remeasurement of consideration liability	214	(214)
- Bad debts written off	96	35
- Inventory write off	101	-
Changes in working capital:		
- Inventory	502	139
- Trade and other receivables	155	(2,089)
- Trade and other payables	(7,115)	(2,332)
<b>Cash (utilised)/generated from operations</b>	<b>(7,570)</b>	<b>3,616</b>

**27 Commitments and contingent liabilities**

Capital commitments approved for 2016 are in the amount of USD 878,612 (2014 - USD 6,252,752), which has all been contracted for as at 31 December 2015.

The Group is a defendant in various labour disputes with former employees. The cases are at various stages. The total being claimed in all these cases is USD 895,800. The cases that related to labour disputes arising in 2015 total USD 21,175.

**28 Related-party transactions**

H.B.W. Rudland who is a Director of the Company is also one of the majority shareholders and directors of the companies indicated below with whom the Group has significant contracts.

The following transactions were carried out with related parties:

## (i) Purchase of goods and services from entities controlled by directors

- Purchase of fuel from Pellston (Private) Limited	-	828
- Purchase of spares/services from Scanlink (Private) Limited	203	81
- Rental charges by Unifreight Limited	600	584
- Interest charges by Holdsworth Holdings (Private) Limited to continuing operations (note 22)	3	117
- Interest charges by Holdsworth Holdings (Private) Limited to discontinued operations	124	-
- Purchase of buses from Scanlink (Private) Limited		875
	<b>930</b>	<b>2,485</b>

Goods and services are purchased based on the price list in force and terms that would be available to third parties on an arms-length basis.

## (ii) Year end balance arising from purchases of goods and services

## Payables to related parties

- Scanlink (Private) Limited	14	1
- Unifreight (Private) Limited	211	167
- Magister Zimbabwe (Private) Limited	-	5,736
	<b>225</b>	<b>5,904</b>

## (iii) Year end balance arising from sales of goods and services

## Receivables due from related parties

- Scanlink (Private) Limited	17	-
- Unifreight Tyre Services (Private) Limited	436	436
- Unifreight (Private) Limited	500	306
	<b>953</b>	<b>742</b>

## (iv) Loans from related parties

Shareholders' loans discontinuing operations	8,975	2,771
Shareholders' loans continuing operations (note 16)	5,554	8,431
	<b>14,529</b>	<b>11,202</b>

## (v) Directors' shareholdings

H.B.W. Rudland directly or indirectly has a shareholding of 43,611,083 shares.  
R.E. Kuipers directly has a joint-shareholding of 3,391,041 shares.  
P.C Chingoka directly has a shareholding of 74 shares.

All other Directors have no shareholdings either directly or indirectly.

## (vi) Key management compensation

Salaries and other short term employee benefits	1,335	1,389
Post-employment benefits	-	23
	<b>1,335</b>	<b>1,412</b>

There are no loans due from directors and senior management as at reporting date.  
As at 31 December 2015 a total of USD 170,870 was due to senior management.

**29 Investments in subsidiaries****Companies**

Birmingham Road Property (Private) Limited (100%)  
Clan Properties (Private) Limited (100%)  
Kirkman & Kukard (Private) Limited (100%)  
Trek Transport (Private) Limited t/a Skynet Worldwide Express (100%)  
Pioneer Clan Holdings (Botswana) (Proprietary) Limited (100%)  
Mavambo Coaches (Proprietary) Limited (100%)  
Pioneer Coaches (Private) Limited (100%)  
African Spirit Trading 103 (Proprietary) Limited (100%)  
PXL Freight and Logistics Limited (100%)  
Pioneer Clan (Botswana) (Proprietary) Limited (100%)  
Clan Transport Company (Private) Limited (100%)  
Clan Services (Private) Limited (100%)  
Tredcor Zimbabwe (Private) Limited (51% - note 30)

**Business**

Property-owning  
Property-owning  
Property-owning  
Courier services  
Investment owning: discontinued operations  
Discontinued: cross border coach services  
Discontinued: cross border coach services  
Discontinued: cross border freight haulage and logistics  
Discontinued: cross border freight haulage and logistics  
Discontinued and closed: cross border freight haulage and logistics  
Investment owning: discontinued operation  
Investment owning: discontinued operation  
Discontinued: Tyre sales and retreading

**30 Business combinations and acquisition****Acquisitions in 2014**

On 1 October 2014 the Group, through a wholly-owned subsidiary acquired an additional 10% in its associate company Tredcor Zimbabwe (Private) Limited, which is involved in the sale and distribution of Goodyear and other brands of vehicle tyres, re-treading of tyres as well as offering tyre fitting services. The shareholding increased from 41% to 51% as a result of the transaction. The extra investment sought to indigenise the company and take control from the previous foreign majority shareholder who wished to dis-invest from the country. Tredcor Zimbabwe (Private) Limited is a private entity that is not listed on any public exchange. Consideration was in the form of a nominal cash payment of US\$400. The fair value of the of the investment in the associate company before it became a subsidiary was nil as a result of the associate being in a net current liability position and was not generating positive cash flows. The 49% minority shareholders interest is shown on the statement of financial position. The 49% is held by Magister Zimbabwe Limited which is a related party.

**Assets acquired and liabilities assumed**

The fair values of the identifiable assets and liabilities of Tredcor Zimbabwe (Private) Limited as at the date of acquisition were:

	2015 Fair value recognised on acquisition USD 000	2014 Fair value recognised on acquisition USD 000
<b>Assets</b>		
Property, vehicles and equipment	-	256
Cash and bank balances	-	173
Trade and other receivables	-	706
Inventories	-	2,120
	-	<b>3,255</b>
<b>Liabilities</b>		
Trade and other payables	-	<b>(8,167)</b>
<b>Total identifiable net (liabilities)/assets at fair value</b>	-	<b>(4,912)</b>
Goodwill on purchase (note 9)	-	2,505
Non-controlling interest	-	2,407
<b>Purchase consideration transferred</b>	-	-

**30 Business combinations and acquisition (continued)****Impairment of goodwill**

The goodwill arose as a result of the assets and liabilities of Tredcor Zimbabwe (Private) Limited fairly valued being negative. The goodwill has been written off in full since it is not probable that the cash generating unit to which the goodwill has been allocated will generate sufficient future cash flows to recover the carrying amount of the goodwill.

**Unifreight Limited deferred consideration**

In June 2014 the company issued 51,497,587 ordinary shares as consideration for the business of Unifreight Limited. The fair value of the shares is calculated with reference to the quoted price of the shares of the Company at the date of acquisition, which was USD 0.05 each. The fair value of the consideration given is therefore USD 2,574,879.

In addition, as part of the consideration there will be additional cash payments to Unifreight Limited of USD 25,000 per month for a five (5) year period for the intellectual property rights relating to the use of the name SWIFT in perpetuity and USD 19,750 per month for a three (3) year period for the information operating systems and technology relating thereto starting in 2014. In 2014 Unifreight Limited agreed to the re-payments now only starting in 2016.

As at the acquisition date, the fair value of the consideration liability was estimated to be USD 1,652,288. The fair value is determined using discounted cash flow method using the rate of 14%.

**Reconciliation of deferred consideration**

	2015 USD 000	2014 USD 000
At 1 January	1,438	1,652
Interest	214	-
Remeasurement of consideration liability	-	(214)
At 31 December	<b>1,652</b>	<b>1,438</b>
Disclosed as:		
Non current	1,154	1,438
Current	498	-
	<b>1,652</b>	<b>1,438</b>

**31 Discontinued operations****In the year ended 31 December 2014**

The Board of Directors resolved on 4 December 2014 to close its subsidiary Pioneer Clan (Botswana) (Pty) Ltd based in Botswana. At the same meeting the Board also resolved to sell Pioneer Transport to the management and workers of that company for Nil value. The closure of Pioneer Clan (Botswana) (Pty) Ltd happened in December 2014. The sale of Pioneer Transport was effective 1 January 2015. It was also decided that Pioneer Coaches, which at 31 December formed part of Pioneer Transport (Pvt) Limited be transferred into an existing dormant Group company, Pioneer Coaches (Private) Limited, with effect from 1 January 2015 pending the sale of the business. At 31 December 2014 all entities were classified as assets/liabilities held for sale and as discontinued operations.

**In the year ended 31 December 2015**

The Board of Directors decided on 26 June 2015 to sell the Group's 51% holding in Tredcor Zimbabwe (Private) Limited as the operations have been deemed non-core to the main operations of the Group.

The Board of Directors resolved on 8 December 2015 to dispose off PXL Freight and Logistics Limited as the operations have been deemed non-core to the Group's operations. The Group is actively seeking for a buyer and expects to complete the disposal before 31 December 2016.

At 31 December 2015 Tredcor and PXL were classified as assets/liabilities held for sale and as discontinued operations.

Pioneer Transport (Private) Limited which was a discontinued operation as at 31 December 2014, was disposed in the current year for USD200.

Below are the assets and liabilities of Pioneer Transport which were previously classified in non-current assets held for sale:

	<b>2015 USD 000</b>
Assets	1,892
Liabilities	(2,026)
Net Liabilities	<b>(134)</b>

Pioneer Transport had cash and cash equivalents of USD 7,200 as at the date of the disposal and was disposed of for USD 200 resulting in a net cash outflow of USD 7,000 as the purchase price had not yet been settled.

The results of Pioneer Clan (Botswana) (Pty) Ltd, Pioneer Coaches, Tredcor and PXL for the year are presented below:

	<b>2015 USD 000</b>	<b>2014 USD 000</b>
Revenue	14,208	22,787
Operating expenses	(14,918)	(22,434)
<b>EBITDA</b>	<b>(710)</b>	<b>353</b>
Finance costs	(223)	(304)
Depreciation	(84)	(1,476)
Profit on disposal of subsidiary - Pioneer Transport (Private) Limited	134	-
Other income - shareholders' loans forgiven (note 16)	-	5,000
Impairment of goodwill	-	(2,505)
Impairment loss recognised on the remeasurement to fair value less costs to sale	-	(183)
(Loss)/profit before tax from discontinued operations	<b>(883)</b>	<b>885</b>
Tax charge	-	(185)
<b>(Loss)/profit for the year from discontinued operations</b>	<b>(883)</b>	<b>700</b>

The major classes of assets and liabilities of Pioneer Clan (Botswana) (Pty) Ltd, Pioneer Transport, Pioneer Coaches, Tredcor and PXL classified as held for sale as at 31 December are, as follows:

<b>Assets</b>		
Property, vehicles and equipment	3,328	5,638
Inventories	1,502	144
Trade and other receivables	1,958	815
Deferred tax asset	43	-
Cash and bank balances	314	213
Assets held for sale	<b>7,145</b>	<b>6,810</b>

	2015 USD 000	2014 USD 000
<b>31 Discontinued operations (continued)</b>		
<b>Liabilities</b>		
Trade and other payables	3,839	4,721
Deferred tax liability	-	319
Borrowings	10,891	3,363
Liabilities directly associated with assets held for sale	<b>14,730</b>	<b>8,403</b>
<b>Net liabilities directly associated with sale</b>	<b>(7,585)</b>	<b>(1,593)</b>
The net cash flows incurred by discontinued operations are, as follows:		
Operating	(8,759)	4,236
Investing	2,574	(416)
Financing	6,286	(3,715)
<b>Net cash inflow</b>	<b>101</b>	<b>105</b>
Earnings per share:		
Basic, (loss)/profit for the year from discontinued operations	<b>(0.83)</b>	<b>0.87</b>
Diluted, (loss)/profit for the year from discontinued operations	<b>(0.83)</b>	<b>0.87</b>

**32 Events after the reporting period**

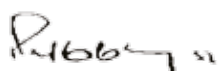
There are no adjusting or non-adjusting events after the reporting date which have an effect on the financial position of the Group as date of authorisation of issue.

## COMPANY STATEMENT OF FINANCIAL POSITION

as at 31 December 2015

	2015 USD 000	2014 USD 000
<b>ASSETS</b>		
<b>Non current assets</b>	14,841	15,267
Property, vehicles and equipment	13,341	13,767
Intangible asset	1,500	1,500
<b>Current assets</b>	<b>8,101</b>	<b>8,019</b>
Inventories	775	1,044
Trade and other receivables	6,129	5,161
Amounts owing by subsidiary companies	1,114	1,734
Cash and bank balances	83	80
<b>TOTAL ASSETS</b>	<b>22,942</b>	<b>23,286</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>4,374</b>	<b>4,992</b>
Share capital	1,065	1,065
Share premium	2,060	2,060
Shareholder loans	1,973	-
Non distributable reserve	(847)	(847)
Retained income	123	2,714
<b>Non current liabilities</b>	<b>7,780</b>	<b>9,308</b>
Borrowings	5,344	5,473
Trade and other payables	1,282	1,797
Purchase of business	1,154	1,438
Deferred income tax liabilities	-	600
<b>Current liabilities</b>	<b>10,788</b>	<b>8,986</b>
Trade and other payables	6,084	4,529
Purchase of business	498	-
Amounts owing to subsidiary companies	73	-
Borrowings	4,133	4,457
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>22,942</b>	<b>23,286</b>

This statement of financial position was approved by the Board on 24 March 2016 and signed on it's behalf by:



P.C. Chingoka  
Chairman



R.E. Kuipers  
Chief- Executive Officer

# SHAREHOLDERS' ANALYSIS

	2015				2014			
	No. of Shareholders	%	No. of Issued Shares	%	No. of Shareholders	%	No. of Issued Shares	%
<b>SIZE OF HOLDING</b>								
1-1000	558	58.31%	201,828	0.19%	561	58.07%	203,803	0.19%
1001-5000	237	24.76%	525,690	0.49%	238	24.64%	530,327	0.50%
5001-10000	63	6.58%	465,624	0.44%	61	6.31%	448,445	0.42%
10001-50000	61	6.37%	1,228,266	1.15%	62	6.42%	1,281,795	1.20%
50001-500000	24	2.51%	3,822,207	3.59%	29	3.00%	4,316,181	4.05%
500001 and over	14	1.46%	100,230,622	94.14%	15	1.55%	99,693,686	93.63%
	<b>957</b>	<b>100.00%</b>	<b>106,474,237</b>	<b>100.00%</b>	<b>966</b>	<b>100.00%</b>	<b>106,474,237</b>	<b>100.00%</b>

## SHAREHOLDERS BY TYPE

Banks and Nominees	26	2.72%	3,626,768	3.41%	29	3.00%	3,673,698	3.45%
Insurance Companies	2	0.21%	1,210	0.00%	2	0.21%	1,210	0.00%
Other Corporates	153	15.99%	93,230,092	87.56%	156	16.15%	93,293,442	87.62%
Pension Funds	1	0.10%	5,000	0.00%	2	0.21%	3,396,041	3.1%
Resident Individuals	741	77.43%	7,839,238	7.36%	748	77.43%	4,348,788	4.08%
Non Resident Shareholders	27	2.82%	1,759,544	1.65%	23	2.38%	1,749,333	1.64%
Deceased Estates	7	0.73%	12,385	0.01%	6	0.62%	11,725	0.01%
	<b>957</b>	<b>100.00%</b>	<b>106,474,237</b>	<b>100.00%</b>	<b>966</b>	<b>100.00%</b>	<b>106,474,237</b>	<b>100.00%</b>

## TOP SHAREHOLDERS

Unifreight Limited	51,497,587	48.37%	Unifreight Limited	51,497,587	48.37%
Drop Hill Investments P/L	10,586,714	9.94%	Drop Hill Investments P/L	10,586,714	9.94%
High Wind Investments P/L	9,125,366	8.57%	High Wind Investments P/L	9,125,366	8.57%
Earnbridge Investments P/L	7,161,452	6.73%	Earnbridge Investments P/L	7,161,452	6.73%
Holdsworth Holdings P/L	4,069,131	3.82%	Holdsworth Holdings P/L	4,069,131	3.82%
Robert Kuipers + Shane Beamish	3,391,041	3.18%	National Pension Scheme	3,391,041	3.18%
Ramsway P/L	3,388,897	3.18%	Ramsway P/L	3,388,897	3.18%
Stanbic Nominees P/L	3,271,865	3.07%	Stanbic Nominees P/L	3,271,865	3.07%
Healthier-way Investments P/L	3,200,000	3.01%	Healthier-way Investments P/L	3,200,000	3.01%
Other	10,782,184	10.13%	Other	10,782,184	10.13%
	<b>106,474,237</b>	<b>100.00%</b>		<b>106,474,237</b>	<b>100.00%</b>

## SHAREHOLDERS' CALENDAR

Financial Year ended 31 December 2015:

Annual report published	Friday 03 June 16
Abbreviated results press publication	Thursday 31 March 16
46th Annual General Meeting	Wednesday 29 June 16

Financial Year ended 31 December 2016:

Interim results	Friday 30 September 16
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(A public company incorporated in the Republic of Zimbabwe under company registration number 304/1970)  
("Unifreight Africa Limited" or "the Company")

## Proxy Form

For use by the Company's shareholders at the Extraordinary General Meeting of shareholders to be held at 10:00 hours on the 29th June 2016 in the Unifreight Africa Limited Board Room at Corner Hood and Hermes Roads, Southerton, Harare.

**Each member entitled to attend and vote at the AGM is entitled to appoint one person as his proxy, who need not be a member of the Company, to attend, speak and vote in his/her stead at the AGM.**

I/We \_\_\_\_\_  
(Name in block letters)

Of \_\_\_\_\_

Being the holder of \_\_\_\_\_ shares in the Company  
hereby appoint

1. \_\_\_\_\_ of \_\_\_\_\_ or failing him/her

2. \_\_\_\_\_ of \_\_\_\_\_ or failing him/her

3. the Chairman of the AGM

As my/our proxy to act for me/us at the AGM for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat, and at each adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the Company registered in my/our name in accordance with the following instructions:

## INSTRUCTIONS FOR SIGNING AND LODGING THIS PROXY FORM

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the Chairman of the AGM", but any such deletion must be initialled by the shareholder. The person whose name appears first on the form of proxy will, unless his/her name has been deleted, be entitled to act as proxy to the exclusion of those whose names follow.
2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space/s provided as well as by means of a cross whether the shareholder wishes to vote, for, against or abstain from the resolutions. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the AGM as he/she deems fit in respect of all the shareholder's votes exercisable thereat. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by his/her proxy, or cast them in the same way.
3. A deletion of any printed matter and the completion of any blank spaces need not be signed or initialled. Any alteration or correction must be initialled by the signatory/ies.
4. The Chairman shall be entitled to decline to accept the authority of a person signing the proxy form:
  - i. under a power of attorney
  - ii. on behalf of a companyunless that person's power of attorney or authority is deposited at the offices of the Company's transfer secretaries, or the registered office of the Company, not less than 48 hours before the meeting.
5. If two or more proxies attend the meeting then that person attending the meeting whose name appears first on the proxy form and whose name is not deleted, shall be regarded as the validly appointed proxy.
6. When there are joint holders of shares, any one holder may sign the form of proxy. In the case of joint holders, the senior who tenders a vote will be accepted to the exclusion of other joint holders. Seniority will be determined by the order in which names stand in the register of members.
7. The completion and lodging of this form of proxy will not preclude the member who grants this proxy form from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.
8. In order to be effective, completed proxy forms must reach the Company's transfer secretaries or the registered office of the Company not less than 48 hours before the time appointed for the holding of the AGM.
9. Please ensure that name(s) of the member(s) on the form of proxy and the voting form are exactly the same as those on the share register.
10. Please be advised that the number of votes a member is entitled to be determined by the number of shares recorded on the share register 48 hours before the time appointed for the holding of the meeting.

# PASSENGERS TO PETROL

AND EVERYTHING IN BETWEEN



TAILORED FLEET SOLUTIONS



PASSENGER

COMMERCIAL

INDUSTRIAL

TANKERS



