ART

AMALGAMATED REGIONAL TRADING

2015 ANNUAL REPORT

Brands That People Love

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BATTERY MANUFACTURE AND RETAIL

BATTERY EXPRESS

CHLORIDE
ZIMBABWE

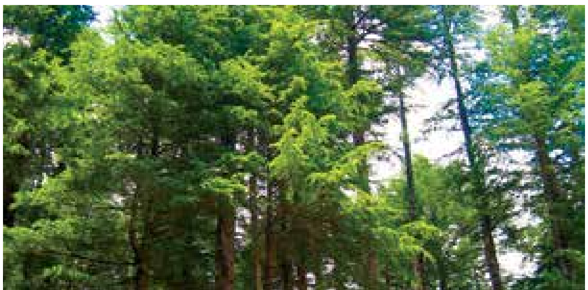
CHLORIDE
ZAMBIA

PAPER

KPM
KADOMA PAPER MILLS
Makers Of Fine Quality Paper

NWC
NATIONAL WASTE COLLECTION

SOFTEX
TISSUE PRODUCTS



PLANTATIONS

MUTARE ESTATES

STATIONERY

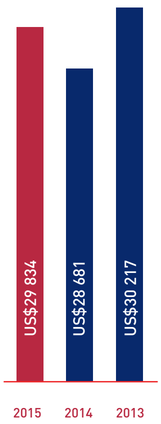
EVERSHARP
A DIVISION OF ART CORPORATION LTD
TOTAL WRITING SOLUTIONS

Financial Highlights

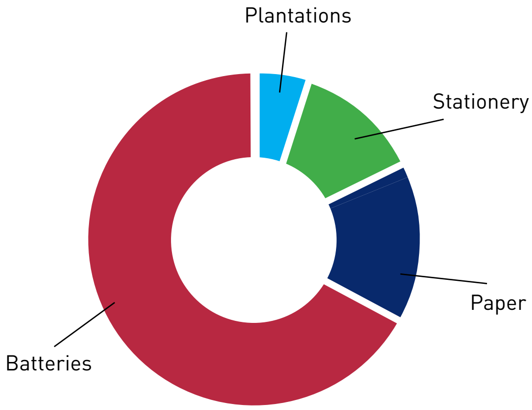
	2015 US$ 000	2014 US$ 000
ABRIDGED GROUP INCOME STATEMENT AND CASH FLOW STATEMENT		
Revenue	**29 834**	**28 681**
Operating profit	1 908	204
Profit/(Loss) before taxation	150	(723)
Loss for the year	**(590)**	**(1 100)**
Basic loss per share (cents)	(0.13)	(0.24)
Cash generated from operations	**5 377**	**3 092**
Capital expenditure	3 441	681
Debt servicing (interest and capital)	1 997	2 300
Number of employees	**711**	**816**

	2015 US$ 000	2014 US$ 000
ABRIDGED GROUP STATEMENT OF FINANCIAL POSITION		
Non-current assets	21 302	19 188
Net current liabilities	(7 671)	(4 111)
	13 631	**15 077**
Long term borrowings	(2 929)	(3 117)
Deferred tax liabilities	(1 802)	(1 815)
Employment of capital	**8 900**	**10 145**
Share capital	47	47
Share premium	4 378	4 378
Reserves	4 475	5 720
Capital employed	**8 900**	**10 145**

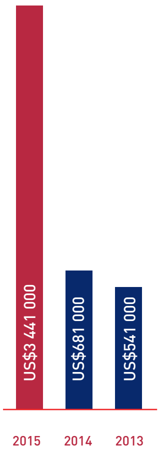
Revenue



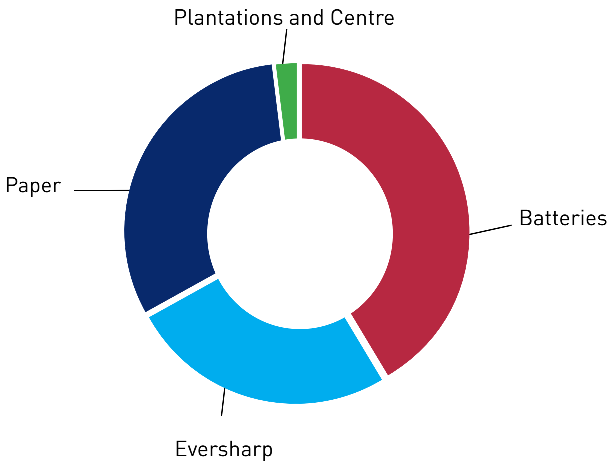
Revenue By Division



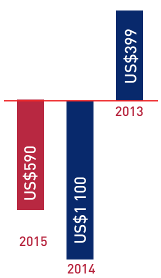
Capital Expenditure



Capital Expenditure By Division



Loss Or Profit



Exide Solar Batteries.

New modern equipment at the Chloride factory now allows the brand to meet a wider array of products including providing full solar backup for the entire household including television, refridgerator and other essential appliances.

Corporate Information

NATURE OF ACTIVITIES

Manufacturing and retailing of
batteries, tissue products, stationery
and forestry resources management.

AUDITORS

Ernst & Young
Chartered Accountants (Zimbabwe)

ATTORNEYS

Wintertons Legal Practitioners

BANKERS

Stanbic Bank Limited
FBC Bank Limited
CBZ Bank Limited
BancABC Limited
Agribank Limited

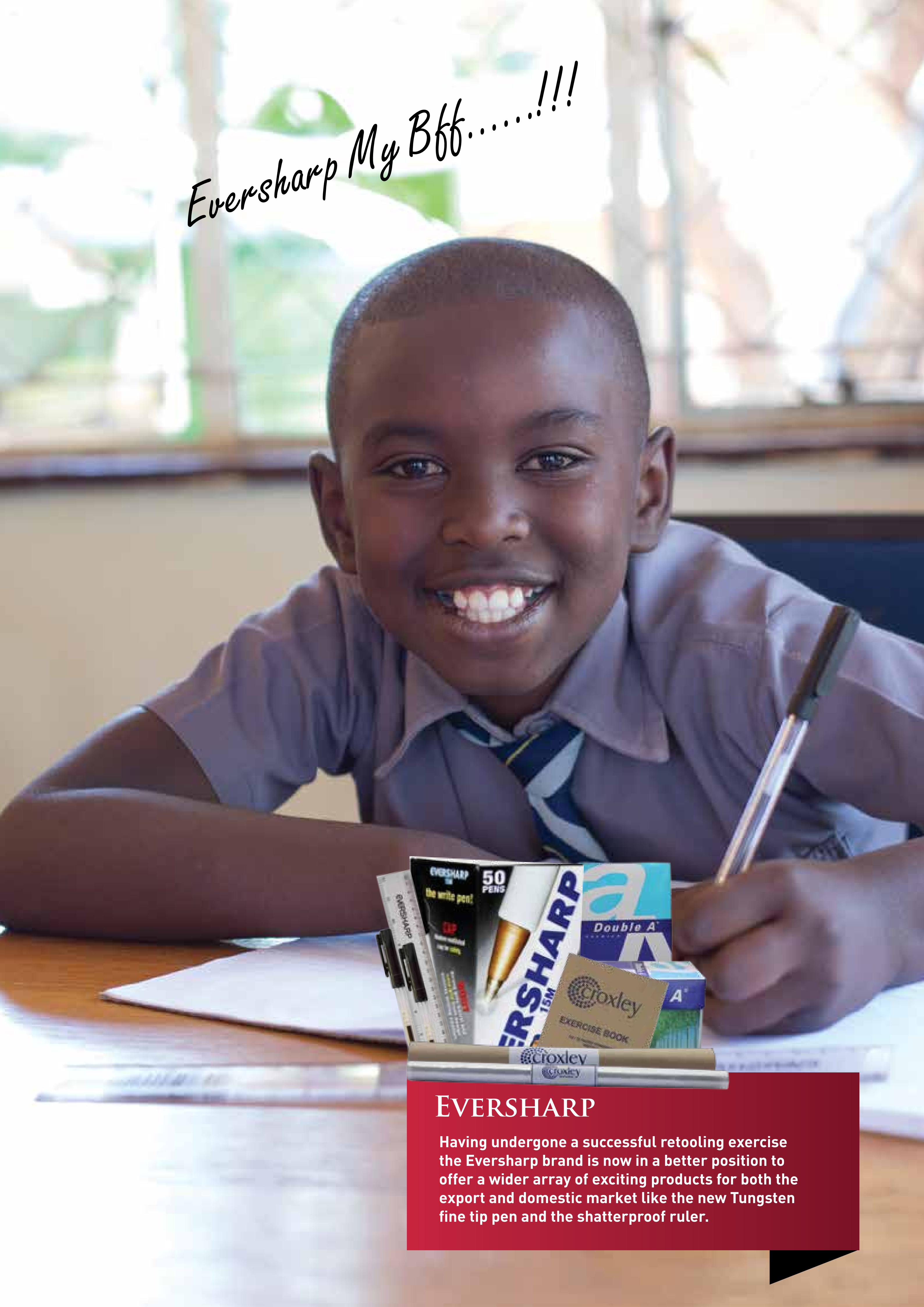
CURRENCY OF FINANCIAL STATEMENTS

United States Dollar (US$)

OFFICES

Regional Office:
202 Seke Road
P O Box 2777
Graniteside
Harare
Zimbabwe

Registered Office:
Palm Grove House
P O Box 3186
Wickhams Cay 1
Road Town Tortola
British Virgin Islands



EVERSHARP

Having undergone a successful retooling exercise the Eversharp brand is now in a better position to offer a wider array of exciting products for both the export and domestic market like the new Tungsten fine tip pen and the shatterproof ruler.

Chairman's Statement

OVERVIEW

I am pleased to report an improved performance by the Group, achieved under difficult market conditions. The Group recorded a profit before tax of $150,000 from a loss before tax of $723,000 in 2014. The improvement in performance was a result of the recapitalisation of the factories, production efficiencies and focus on cost containment.

FINANCIAL

The Group recorded revenue of $29.8m, an increase of 4% compared to the prior year. Margins also improved to 35% from 33% in 2014 reflecting the Group's strategy to increase factory efficiencies in the manufacturing businesses.

Volume growth was registered in battery, tissue and pen sales in the domestic market while marginal decreases of 3% in volumes were recorded in pen export sales and battery sales in Zambia. Overall capacity utilisation improved to 69% from 59% in 2014 in line with the volume growth.

Operating expenses were 8% down on prior year due to the Group's strategy to streamline operations. Operating profit at $1,9m (2014 - $204,000) was a result of the improved performances of the Zimbabwe businesses. A one-off restructuring cost of $634,000 was incurred during the year to rationalise the manpower levels in the business. Overall, the Group achieved a loss after tax of $590,000 compared to $1.1m in 2014 after writing off a deferred tax asset of $420,000.

Cash generated from operations was $5.377m and this was mainly utilised to fund capital expenditure of $3.441m. Borrowings closed at $6.953m compared to $7.7m in 2014 and interest paid reduced to $1.295m from $1.638m in 2014.

OPERATIONS

The new equipment procured under the Taesung Chemical Company Limited facility was installed at Eversharp, Chloride and Kadoma Paper Mills during the year. The equipment has resulted in improved range, reduced cost of production and improved quality. Consequently the Group's performance has improved with profits being consistently posted since January 2015.

The Batteries division performed well during the year, achieving an operating profit of $1.237m up from $967,000 in 2014. The division contributed 65% to Group turnover and volumes of batteries sold in Zimbabwe were 17% higher than prior year. The Zambia Batteries distribution business performance was affected by the devaluation of the Zambian Kwacha and consequently volumes were 3% lower than prior year.

Eversharp revenues grew by 14% due to increased volumes in the local market. The second phase of recapitalisation at Eversharp was completed in the last quarter and installed capacity was increased by 75%. This has positioned the business well to penetrate the export market. The business posted an operating profit of $340,000 compared to $422,000 in 2014.

The Paper division posted an operating loss of $387,000, an improvement on the prior year loss of $1.019m. The new equipment installed at Kadoma Paper Mills has resulted in improved tissue quality and this contributed to the reduction in the losses. Softex brands continue to dominate the market and volumes increased by 22%. Consequently, the Paper division should return to profitability in 2016.

The Plantations business in Mutare is being converted from a low value pulpwood cycle to a high value saw log cycle and the unit posted an operating profit of $116,000 during the year against an operating loss of $114,000 in 2014.

HUMAN RESOURCES

The Group embarked on a manpower rationalisation exercise and has streamlined at all levels from Corporate to operational unit structures to align productivity levels to best practice. The automation done in the year has also enhanced productivity per employee and the Group now has a lean team which is focused on completing the turnaround of the Group.

MANDATORY OFFER

A mandatory offer to minorities in terms of the Zimbabwe Stock Exchange rules and regulations was done by ART's major shareholders in April 2015 which resulted in the major shareholders increasing their stake to 63,7%.

DIVIDEND

The Group is not in a position to declare a dividend.

DIRECTORATE

I am delighted to welcome Dr Thomas Utete Wushe and Mr Michael Oakley onto the Board as non-executive directors and look forward to their positive contributions.

OUTLOOK

The Group has shown an improvement in performance in all the business units after the installation of the new equipment. The manufacturing units are now strongly positioned to compete with imports and the increased capacity in all the units has ensured that the Group is ready to exploit growth opportunities in its markets. Plans are underway to complete the factory recapitalisation at Chloride in 2016 to ensure that the Batteries factory remains abreast with the latest battery technology and further reduce costs.

The Group still remains in a net current liability position and efforts are ongoing to restructure the Group loans.

ART's brands, namely Exide, Eversharp and Softex, have remained dominant in the local market as shown by the encouraging operational performance over the last 9 months. The Board is confident that the Group's prospects are brighter in the financial year 2016.

APPRECIATION

I would like to thank my shareholders, fellow directors, management, the entire team at ART and all other stakeholders for their support and contribution to the Group.

M Chundu
CHAIRMAN

26 November 2015

Review of Operations

Group financial highlights	2015 US$ 000	2014 US$ 000
Revenue	29 834	28 681
Operating profit before impairments and fair value adjustments	1 908	204
Profit/(Loss) before tax	150	(723)
Loss after tax	(590)	(1 100)
Cash generated from operations	5 377	3 092
Net assets	8 900	10 145
Number of employees	711	816
Capacity utilisation	69%	59%

Highlights

Revenue increased by	4%
Operating profit increased by	835%
Operating expenses decreased by	8%
Capacity utilisation increased by	10 percentage points
Margins increased by	2 percentage points
Finance costs decreased by	21%

BATTERY MANUFACTURING AND DISTRIBUTION

Financial highlights	2015 US$ 000	2014 US$ 000
Revenue	19 329	18 878
Operating profit before impairments and fair value adjustments	1 237	967
Profit before tax	873	578
Net segment assets	4 778	4 928
Number of employees	290	303
Capacity utilisation	64%	59%

The Batteries division posted a profit of $873,000 up 51% compared to last year. This was due to an improved performance by Battery Express Zimbabwe and the Chloride factory where volumes went up by 9% and capacity utilisation also went up to 64%, particularly after the recapitalisation in the factory.

The Chloride factory recorded an improved performance during the year due to the impact of the new equipment that was commissioned in the second quarter, the launch of the solar/back up battery and improved contribution from the sale of standby industrial batteries. Capacity utilisation improved to 64% and this, coupled with improvement in factory efficiencies resulted in gross margins at the factory growing to 25% from 20% in prior year. The new equipment has resulted in a reduction in the cost of production and an improved range of products.

The export of excess lead continued in the year but the weakening of London Metal Exchange Lead prices from $2,100 per tonne last year to an average of $1,700 resulted in lower margins on lead sales.

Battery Express volumes increased by 8% compared to 2014 levels. The strategy is to franchise out some of the Battery Express outlets and increase market reach. A total of 4 franchise outlets were opened in 2014. Consolidation of the Battery Express business unit into Chloride was completed during the year resulting in savings on expenses and as a result, the business reported a marginal profit in the year from a loss position in prior year.

The Battery distribution in Zambia was affected by the sharp depreciation of the Zambian Kwacha against the United States Dollar from ZK6 at the beginning of the year to ZK10.6 at year end. As a consequence, volumes declined by 4% and gross profit margins were at 32% compared to 36% in the prior year. This resulted in lower earnings in 2015 than 2014.

PAPER

Financial highlights	2015 US$ 000	2014 US$ 000
Revenue	4 573	4 230
Operating loss before impairments and fair value adjustments	(387)	(1 019)
Loss before tax	(469)	(1 053)
Net segment assets	3 569	3 997
Number of employees	158	153
Capacity utilisation	70%	56%

The Paper division comprise National Waste Collections and Kadoma Paper Mills. The division posted a reduced loss of $469,000 compared to a loss of $1,1m in 2014. The improved quality of tissue from Kadoma Paper Mills resulted in increased exports of bulk tissue and improved sales of converted tissue in the domestic market. This resulted in a marked increase in overall capacity utilisation to 70% (2014 – 56%).

Kadoma Paper Mills recorded a loss of $324,000 for the year, down from a loss of $860,000 last year. New equipment to improve the quality of the tissue and to reduce cost of inputs was installed at the beginning of the year and this resulted in improved volumes in both the local and export markets. Volumes increased by 2% and revenues went up by 5% in sympathy with improved volumes. The devaluation of the South African Rand continues to affect effective selling prices of tissue in the regional markets.

Additional work is underway to improve the whiteness of the tissue and focus in this coming year will be to ensure that Kadoma Paper Mills returns to profitability.

National Waste Collections posted an improved performance with volumes of waste paper 6% higher than in the prior year. New collection depots were set up outside Harare and the strategy to export excess waste paper was carried over into the new year.

SOFTEX

Financial highlights	2015 US$ 000	2014 US$ 000
Revenue	6 778	6 600
Operating profit/(loss) before impairments and fair value adjustments	93	(44)
Loss before tax	(153)	(62)
Net segment assets	1 034	1 034
Number of employees	73	93
Capacity Utilisation	51%	41%

Tissue volumes grew by 6% with margins improving to 23% (prior year 22%). The business is responding to the shift in market preference to white tissue but funding constraints affected consistent supply of virgin tissue at competitive prices. The funding constraints have since been resolved and the unit is now able to procure competitively priced virgin tissue raw materials and Softex is expected to perform better in 2016.

REVIEW OF OPERATIONS (CONT)

EVERSHARP

Financial highlights	2015 US$ 000	2014 US$ 000
Revenue	5 226	4 598
Operating profit before impairments and fair value adjustments	340	422
Profit before tax	72	217
Net segment liabilities	(163)	400
Number of employees	84	139
Capacity utilisation	88%	82%

Eversharp recorded a profit of $72,000 after providing for one-off retrenchment costs of $191,000 for the year. Volumes declined by 4% as exports were regulated in the second half of the year in line with debtor performance and also as a deliberate strategy to manage repatriation of export pens. Revenues increased due to income from trading in newsprint and Double A bond paper. New equipment was installed during the year to automate the pens assembly process and to increase capacity from 48 million pens per annum to 84 million pens per annum. This has resulted in reduction in the production cost per pen by 20%. A new ruler production line was also commissioned. This together with the bulk procurement savings through the Taesung facility has placed Eversharp in a strong position to increase export volumes into the region.

PLANTATIONS

Financial highlights	2015 US$ 000	2014 US$ 000
Revenue	706	975
Operating profit/ (loss) before impairments and fair value adjustments	116	(114)
Fair value adjustment	261	152
Profit/(Loss) before tax	297	(109)
Net segment assets	5 038	5 312
Number of employees	93	84

There was a significant decline in timber sales which went down by 32% due to softer demand in the market. The strategy to convert the timber from a pulpwood cycle to sawlog rotation cycle is well underway and full conversion will be achieved in 2018.

A fire was experienced in October 2015 which affected 258 hectares of planted area and the total loss was $174,000. A plan has been put in place to recover 40% of the financial loss in the coming year.

T. M. Ameer
CHIEF EXECUTIVE OFFICER

26 November 2015

Pen manufacturing machinery at Eversharp

GROUP STATEMENT OF COMPREHENSIVE INCOME

	2015 US$ 000	2014 US$ 000
Revenue	29 834	28 681
Gross profit %	35%	33%
Operating expenses %	30%	34%
Operating profit	1 908	204
Operating profit %	6%	1%
Income tax expense	(740)	(377)
Loss for the year	(590)	(1 100)

- The Group posted revenue of $29,8 million for the year, an increase on last year of 4%. Volumes recovered in all the business units and margins of 35% were realised compared to 33% in the previous year.
- Operating costs were 8% below last year as the Group embarked on a rigorous cost cutting drive. Reorganization costs of $634,000 were incurred in all the business units.
- The combined effect of increased volumes and lower operating costs yielded an operating profit of $1,9 million for the year compared to $204,000 in 2014.
- Rentals of $298,000 were realised from the Mutare Investment property compared to $278,000 in the previous year
- Tax of $264,000 was incurred in Zambia and deferred tax of $477,000 was charged in the Zimbabwean businesses mainly due to a write off of impaired assessed losses from prior years.
- Overall, the Group posted a loss for the year after tax of $590,000 compared to a loss of $1,1 million in 2014.

STATEMENT OF CASHFLOWS

	2015 US$ 000	2014 US$ 000
Cash generated from operations before working capital changes	1 400	758
Net cash generated from management of working capital	3 977	2 334
Cash generated in operations	5 377	3 092
Interest costs	(1 295)	(1 638)
Net repayment of borrowings	(702)	(662)
Net payments for borrowings	(1 997)	(2 300)
Income tax paid	(63)	(402)
Net cash utilized in investing activities	(3 366)	(565)
Decrease in cash and cash equivalents	(49)	(175)

- The Group generated cash from operations of $5,377 million which was up on last year by 74%. The majority of the cash was generated from the Taesung Chemical capital expenditure and working capital facilities.
- Of the cash available, $2 million was used to service debt (capital repayment and finance charges) and $3,441 million was applied towards the purchase of new equipment in the Eversharp, Kadoma Paper Mills and Chloride divisions.

CAPITAL EXPENDITURE

Capital expenditure of US$3,441m was incurred mainly in the Chloride, Kadoma Paper mills and Eversharp divisions through the Taesung Chemical capital expenditure facility on terms varying from 12 to 24 months. The equipment was commissioned in December and began to fully operate in January 2015.

TREASURY AND BORROWINGS

Total institutional debt as at year end was $7,02m compared to US$7,87m in 2014. This debt which stems from discontinued operations has been a burden to the current business as it is both short-term in nature and expensive. During the year, interest rates on some facilities were successfully renegotiated to 16% from an average of 18% for the Group. This resulted in a decrease of 21% on interest cost in 2015.

A.M Chingwecha
GROUP CHIEF FINANCE OFFICER

26 November 2015

Directorate

MOSES CHUNDU

NON-EXECUTIVE BOARD CHAIRMAN

Mr Chundu has been a non executive director of ART Holdings Limited since January 2014. He is a renowned economist whose experience spans the academic, corporate banking, central banking, public service, development work, and corporate strategy fields in executive and advisory capacities. He is currently advising a number of corporates locally and internationally in his personal capacity. Moses holds an MSc Economics and BSc Economics (Hon) degrees, both from the University of Zimbabwe. He is currently studying towards his PhD in Economics.

TAPIWA M. AMEER

CHIEF EXECUTIVE OFFICER

Mr Tapiwa Murad Ameer is the Group Chief Executive Officer of ART Holdings Limited. Mr Ameer was previously the Group Chief Operating Officer (COO) and Managing Director of the Batteries Division. He has been with the Group for 20 years in various senior capacities in the paper division culminating in his appointment to COO and an Executive Director in 2004. Prior to joining ART Holdings Limited, Mr Ameer worked for Unilever and Anglo American Corporation. He holds a BSc (Hon) degree in Electrical Engineering from the University of Zimbabwe.

ABISAI M. CHINGWECHA

CHIEF FINANCIAL OFFICER

Mr Abisai Chingwecha is the Chief Finance Officer. He is a qualified and certified public accountant by profession. He holds a Bachelor of Accounting Science Degree and is a Fellow of the Association of Certified Chartered Accountants. He is also a Registered Public Accountant in Zimbabwe. He has extensive experience in the retail and manufacturing sectors having worked for several companies in the clothing, chemicals and detergents, steel fabrication, printing and plastic industries. Mr Chingwecha is currently studying towards his MBA degree.

ELISHA K. MOYO

NON-EXECUTIVE DIRECTOR

Mr Elisha Moyo holds a Bachelor of Law (Honours) Degree, LLB and MBA from the University of Zimbabwe. He has extensive experience as a corporate Lawyer and business executive spanning over 23 years. He has held several senior executive positions including Group General Counsel for TA Holdings Limited and Managing Director of Zimnat Lion Insurance Company Limited. Presently, he is the Board Chairman for Pearl Properties (2006) Limited and an Independent No-Executive Director of First Mutual Holdings Limited. He also sits on the boards of other unlisted entities. Mr Moyo currently practises law at Moyo and Partners which he founded in 2011.

MOSES CHUNDU

TAPIWA M. AMEER

ABISAI M. CHINGWECHA

ELISHA K. MOYO

OLIVER MTASA

THANKFUL MUSUKUTWA

OLIVER MTASA

NON-EXECUTIVE DIRECTOR

Mr Oliver Mtasa is a Chartered Accountant and holds a Bachelor of Accounting (Honours) and an MBA majoring in Management and Finance. He is the Chairman of First Mutual Life and is a director of several companies in Zimbabwe, Zambia and South Africa.

THANKFUL MUSUKUTWA

NON-EXECUTIVE DIRECTOR

Mr Thankful Musukutwa is an Engineer who has held senior positions in Bindura Nickel Mine, The Wattle Company, BHP Minerals Zimbabwe, Zimbabwe Iron and Steel Company (ZISCO) as well as the Reserve Bank of Zimbabwe. He has also served as Permanent Secretary in the Office of the President and Cabinet and the Ministry of Mines and Mining Development. He holds an MBA degree.

MICHAEL OAKLEY

THOMAS UTETE WUSHE

MICHAEL OAKLEY

NON-EXECUTIVE DIRECTOR

Mr Oakley is a Fellow of the Chartered Institute of Secretaries and has vast experience in the retail industry having held several positions in the Meikles Group where he retired in 2009 as Managing Director for TM supermarkets and became a Non Executive Director. He was later appointed Chairman of TM Supermarkets for the period 2012-2013. He also served as a Non Executive Director of Kingdom Bank Limited between 1997 and 2012.

THOMAS UTETE WUSHE

NON-EXECUTIVE DIRECTOR

Dr Wushe is currently with Deloitte Advisory services Private Limited as the Director responsible for Public Sector Consultancy. He was the Country Director for Crown Agents prior to joining Deloitte. Dr Wushe served in the Zimbabwe Defence Forces (ZDF) for 17 years and rose to the rank of Major before leaving in 1997 to join Mobil Oil Limited as Procurement Manager. He holds a Doctorate in Business Administration, Masters of Business Administration and a Bachelor of Business studies.

UNIT LEADERS

Paper
CHRISPEN T. GWATIDZO
BSc , MBA.

Batteries
MILTON MACHEKA
BSc (Honours), MBL

Chloride Zambia
GODFREY CHILESHE
MAAT

Softex

With the retooling exercise underway, the Softex brand lovers can look forward to improved product availability in the market as well as a whiter, much softer, proudly Zimbabwean product.

The directors approved the Directors Report and the Financial Statements for the year ended 30 September 2015 on 26 November 2015.

PRINCIPAL ACTIVITIES

The principal activities of the Group are outlined in Note 1 of the Notes to the Financial Statements.

SHARE CAPITAL

At 30 September 2015, the authorised and issued share capital of the Company remained unchanged at 800,000,000 ordinary shares and 467,302,874 ordinary shares respectively.

DIRECTORATE

All directors eligible for re-election were re-elected at the Company's last Annual General Meeting held on 26 February 2015. The names of the directors appear on pages 14 and 15.

DIRECTORS' INTERESTS IN THE SHARE CAPITAL

The directors' beneficial interests in the shares of the Company at 30 September 2015 are detailed below.

Name		2015	2014
T. M. Ameer	(1)	3,273,854	3,273,854
A. M. Chingwecha		-	-
T. M. Musukutwa		-	-
T. Utete Wushe		-	-
E. K. Moyo		-	-
O. Mtasa		-	-
M. Chundu		-	-
M. Oakley		-	-

(1) All shares held by T. M Ameer are in his personal capacity.

There has been no change in the directors' interests subsequent to 30 September 2015 to the date of this report.

CORPORATE GOVERNANCE

The Group is committed to achieving high standards of Corporate Governance as set out in the King Report. During the year matters relating to Corporate Governance were dealt with as set out below.

Board of Directors

The Board meets at least four times a year to deliberate on matters pertaining to strategic direction, business development and overall resource allocation. The approval of the Group's strategic plan and annual budgets, and the monitoring and appraisal of the Group's financial performance are all matters included in the Board's responsibilities as set out in the Board Charter.

The Board currently comprises two executive and six non-executive directors. The positions of the Chairman and the Chief Executive are held separately. The Chairman is a non-executive director. Membership to the Board is for an initial two-year period and thereafter, subject to annual reviews. The members of the Board are listed on pages 14 and 15. Specific roles have been assigned to Board Committees.

The directors are responsible for maintaining systems of internal control that:

- safeguard the assets of the Group;
- prevent and detect errors and fraud;
- ensure the completeness and accuracy of the Group's records;
- ensure the timeous preparation of reliable and relevant financial statements and reports; and
- ensure compliance with applicable legislation, regulations and Group policies and procedures.

To fulfil their responsibilities, the directors and management have established such systems and procedures as they consider necessary. These systems and procedures provide reasonable, but not absolute, assurance as to the reliability of the financial statements, adequately safeguard, verify and maintain accountability of assets, and prevent and detect material misstatement and loss. Internal control weaknesses were identified during the year and are receiving due management attention.

Audit Committee

The Audit Committee is chaired by Oliver Mtasa, a chartered accountant, and comprises solely non-executive directors. It meets at least four times annually. The Chief Executive Officer, Chief Financial Officer, members of the executive committee, internal audit and the external auditors attend these meetings by invitation. The Committee is responsible for reviewing and making independent recommendations on the accounting and reporting policies of the Group and on defining and monitoring internal controls and risk management policies. Accordingly, it reviews the effectiveness of the internal audit function, its programmes and reports, and also reviews all reports from the external auditors on accounting and internal control matters, and monitors action taken where necessary. It also reviews the interim and annual financial statements before the Board considers them. The Committee also recommends the appointment and reviews fees of external auditors.

For the purpose of determining the effectiveness of management systems and internal controls during the course of the year, the committee reviewed the internal and external audit scope, plans and the resultant findings to determine the effectiveness of management systems and internal controls. Assurance was received from management, internal and external audit and, based on this combined assurance, the committee is satisfied that the internal controls of the group are adequate and that there was no material breakdown in internal controls.

Remuneration Committee

The Remuneration Committee is chaired by Moses Chundu and comprises solely non-executive directors. The Committee meets at least four times a year and the Chief Executive Officer attends meetings by invitation. The Committee is required to determine ART's broad policy for executive remuneration and the entire individual remuneration terms and packages for the executive and non-executive directors, and other senior executives. In doing so, the Committee is required to give the executives every encouragement to enhance the Company's performance and to ensure that they are fairly, but responsibly, rewarded for their individual contributions. The objective of ART's remuneration policy is to provide a remuneration package comprising short term rewards (salary, benefits and annual performance bonus) and long term rewards (share options and grants) competitive with companies of a similar size, activity and complexity, so as to attract, motivate and retain high calibre individuals who will contribute fully to the success of each of the businesses in which ART operates.

The Committee draws on external market survey data from independent advisors to ensure that the remuneration policy is appropriate. Note 32 discloses the remuneration of directors and key employees.

Ad hoc Committees

The Board Charter provides that the Board may also appoint other ad hoc committees as it may see fit to carry out specific functions as they arise.

Internal Audit

The Group has an independent internal audit function. The function has the responsibility to appraise and report on the Group's systems of internal control, integrity of financial and operating information, risk management and resource allocation. Internal Audit reports to the Audit Committee. The internal auditors audit each business unit at least twice a year and close communication is maintained between internal and external audit.

Directors' Interests

Upon appointment, every director of the Company is required to disclose his business interests to the Board and thereafter to update the Board as changes occur. Directors are also required to disclose interests in any contract with the Company or any companies within the Group, which could give rise to a conflict of interest.

Employment Policy

The Group is committed to creating a workplace in which individuals of ability and application can develop rewarding careers at all levels, regardless of their background, race or gender.

The Group's employment policy emphasises opportunity for all and seeks to identify, develop and reward each employee who demonstrates the qualities of individual initiative, enterprise, hard work and loyalty in their job and is embraced by participative programmes designed to achieve appropriate communication and sharing of information between employer and employee. The policies include appropriate training, recruitment targets and development programmes, as further detailed under the sustainability report.

CODE OF CORPORATE PRACTICES CONDUCT AND COMPLIANCE WITH REGULATIONS

The Group is committed to promoting the highest standards of ethical behaviour amongst all its employees. All employees are required to maintain the highest ethical standards in ensuring that the Group's business practices are conducted in a manner, which in all reasonable circumstances, is above reproach. Furthermore, all employees are required to observe the Group's Code of Ethics. The Group is a subscriber to an independently managed fraud hot-line system.

In line with the Zimbabwe Stock Exchange Listing Requirements, the Company operates a "closed period" prior to the publication of its interim and year-end financial results during which period directors and senior officers of the Company may not deal in the shares of the Company. Where appropriate, this is also extended to include other "sensitive" periods.

The Group complied with all relevant laws and regulations and considers adherence to non-binding rules, codes and standards compliance form an integral part of the company's risk management process.

SAFETY, HEALTH AND ENVIRONMENT POLICY

The Group strives to create wealth and to contribute to sustainable development by operating its businesses with due regard for economic, social, cultural and environmental issues. Safety and health issues are of special concern.

Health – HIV/AIDS

The Group has partnered with other companies in Zimbabwe that have taken the welfare of their employees to heart. ART is a member of the Zimbabwe Business Council on AIDS (ZBCA), a grouping of Zimbabwean companies taking the initiative to reduce the impact of HIV/AIDS in the workplace.

ART works with various service providers in the fight against HIV/AIDS, including training of Peer Educators and general dissemination of information on HIV/AIDS issues.

Social Responsibility

Divisions are still supporting communities with donations of pens and tissues to schools, junior parliament and different charitable organisations as part of their corporate social responsibility.

ART recognizes its position as a responsible corporate citizen and does, from time to time, give the necessary support to the underprivileged in the community. The donations have been both material and financial.

Battery Manufacturing Operations at Chloride Zimbabwe

ART has realized that social investment programmes which are strategic for the future should be supported through the provision of resources today. Education is one such area that ART sees as strategic. ART assists schools in various projects with the aim of producing excellence in learning. Donations include stationery, text books, tissues and cash.

Environmental matters

The Group is committed to addressing and impacting, in a systematic, comprehensive and business-like way, on environmental risks through developing effective management systems and employing the critical principles of forward planning, efficiency and wise resource utilisation.

At ART we endeavour to attain a deeper understanding of our impact on the environment. Addressing sustainability issues and incorporating solutions through all the levels of our business is a critical component of our work ethic. ART adheres to very high standards of environmental management in all of its operations via both prudent and certified management systems as well as extensive recycling operations which have become an important part of the business. Through National Waste Collections, we ensure not only reclamation of paper waste, but we also take steps to clean up the environment.

The battery business has set up an extensive collection network for the purpose of recycling lead at the furnace located at Chloride, and for re-use in the production of new batteries.

Safety

All operations subscribe to the Group's Safety, Health and Environmental Policy Document. The Group operates a Safety Audit program conducted by professional independent third parties.

Auditors

Members will be asked to re-appoint Ernst & Young as auditors and to authorise the directors to determine the auditors' remuneration at the forthcoming Annual General Meeting.

Annual General Meeting

The Annual General Meeting of the Company will be held at 202 Seke Road, Graniteside, Harare, Zimbabwe at 14:00 hours on Friday, 26 February 2016. The Notice of the Meeting and proxy card are enclosed.

By order of the Board

A.M.Chingwecha
GROUP SECRETARY

26 November 2015

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The directors of the Company are required to prepare financial statements for each financial year, which give a true and fair view of the financial position of the Company and the Group, and of the Group's financial results for the year. In preparing these financial statements, the directors are required to:

- elect suitable accounting policies and then consistently apply them;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to assume that the Company and the Group will continue in business.

The accounting policies adopted in the preparation of the financial statements are consistent with those applied in the previous year, and conform to International Financial Reporting Standards (IFRS).

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with relevant legislation. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud.

Going Concern

The Group reported a loss after tax of US$590,000 (2014 – loss of US$1,100,000).

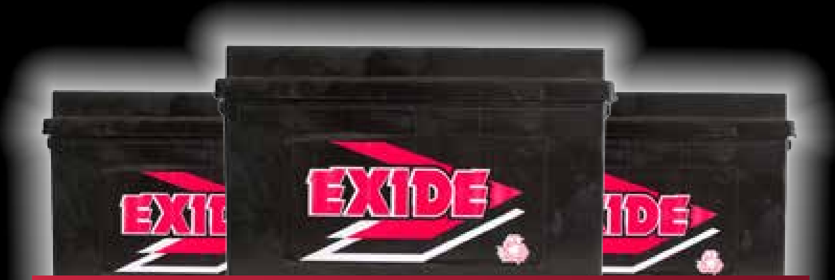
The Group carried short term borrowings of $4,091 million, reduced from last year's level of $4,753 million. While interest charged against operating profit remained significant, operating profit increased by 835% to US$1,908,000 (2014; US$204,000).

As fully explained in note 36, the directors have taken action to restore the Company to full profitability and are targeting to restructure and reduce the debt level.

The directors, having reviewed the financial position of the Group and the budgets, are satisfied that subject to restructuring of the short term loans and continued funding and support for the Company, it is appropriate to adopt the going concern basis in preparing these financial statements.

The financial statements for the year ended 30 September 2015 which appear on pages 25 to 76 have been approved by the directors.

M. Chundu	T. M. Ameer
CHAIRMAN	EXECUTIVE DIRECTOR
26 November 2015	26 November 2015



Exide Automotive Batteries

New modern equipment at the Chloride factory now allows the brand to offer enhanced durability, strength and reliability to the Exide automotive battery customers.

Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Auditors
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Building a better working world

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMALGAMATED REGIONAL TRADING HOLDINGS LIMITED FOR THE YEAR ENDED 30 SEPTEMBER 2015

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Amalgamated Regional Trading Holdings Limited as set out on pages 25 to 74, which comprise the Group statement of financial position as at 30 September 2015, the Group statement of comprehensive income, the Group statement of changes in equity and the Group statement of cash flows for the year then ended, the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Company's Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) 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 financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the group financial position of Amalgamated Regional Trading Holdings Limited as at 30 September 2015, and group financial performance and group cash flows for the year then ended in accordance with International Financial Reporting Standards.

EMPHASIS OF MATTER

Going concern assumption

Without qualifying our opinion, we draw your attention to note 36, which indicates that the Group has short term borrowings amounting to $4,091,000 as at 30 September 2015 ($4,753,000:2014) which resulted in the Group's current liabilities exceeding current assets by $7.671,000 ($4,111,000:2014) . These conditions along with other matters as set forth in note 36 indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

Ernst & Young

Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Auditors

Harare
2 December 2015

Group statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 September 2015

	Note	2015 US$ 000	2014 US$ 000
Revenue	8	**29 834**	**28 681**
Cost of sales		(19 478)	(19 310)
Gross profit		**10 356**	**9 371**
Other income		565	633
Operating expenses		(9 013)	(9 800)
Operating profit before fair value adjustments and impairments	10	**1 908**	**204**
Share of Joint Venture loss	33	(50)	(31)
Inventory write off	16	(75)	(31)
Reorganization costs	10	(634)	-
Fair value adjustments on investment property	18	-	621
Fair value adjustments on biological assets	15	296	152
Operating profit before interest and tax`		**1 445**	**915**
Finance costs	12	(1 295)	(1 638)
Profit/(Loss) before tax		**150**	**(723)**
Income tax expense	11	(740)	(377)
Loss for the year		**(590)**	**(1 100)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
Surplus on revaluation of property plant and equipment (net of tax)	11	-	96
Items that may be reclassified subsequently to profit or loss			
Translation of foreign subsidiaries		(644)	(99)
Fair value adjustment on available for sale investments(net of tax)	11	(11)	18
Other comprehensive(loss)/income for the year net of tax		**(655)**	**15**
Total comprehensive loss for the year		**(1 245)**	**(1 085)**
Earnings per share (cents)			
Basic loss per share	13	**(0.13)**	**(0.24)**
Diluted loss per share	13	**(0.13)**	**(0.24)**

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2015

	Note	2015 US$ 000	2014 US$ 000
ASSETS			
Non-current assets			
Property plant and equipment	14	12 132	9 796
Investment property	18	3 175	3 175
Biological assets	15	4 887	4 625
Investments	17	37	51
Deferred tax assets	26	600	1 020
Investment in joint venture	33	471	521
		21 302	**19 188**
Current assets			
Inventories	20	4 704	4 818
Trade and other receivables	21	3 315	3 711
Cash and short term deposits	22	312	486
		8 331	**9 015**
Total assets		**29 633**	**28 203**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	23	47	47
Share premium	23	4 378	4 378
Accumulated loss		(5 247)	(6 757)
Non-distributable reserves	24	9 722	12 477
Total equity		**8 900**	**10 145**
Non-current liabilities			
Interest bearing loans and borrowings	19	2 929	3 117
Deferred tax liabilities	26	1 802	1 815
		4 731	**4 932**
Current liabilities			
Trade and other payables	27	10 737	7 364
Provisions	27.1	647	541
Income tax payable	11	527	468
Interest bearing loans and borrowings	19	4 024	4 605
Bank overdrafts	19.1	67	148
		16 002	**13 126**
Total liabilities		**20 733**	**18 058**
TOTAL EQUITY AND LIABILITIES		**29 633**	**28 203**

M Chundu
CHAIRMAN

26 November 2015

T M Ameer
GROUP CHIEF EXECUTIVE OFFICER

26 November 2015

GROUP STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2015

	Share Capital US$ 000	Share Premium US$ 000	Non-Distributable Reserves US$ 000	Accumulated Loss US$ 000	Total US$ 000
At 1 October 2013	47	4 378	12 462	(5 657)	11 230
Loss for the period	-	-	-	(1 100)	(1 100)
Other comprehensive income	-	-	15	-	15
At 30 September 2014	47	4 378	12 477	(6 757)	10 145
Loss for the period	-	-	-	(590)	(590)
Other comprehensive loss	-	-	(655)	-	(655)
Total comprehensive loss)	-	-	(655)	(590)	(1 245)
Transfer of foreign currency reserve (note 24)			(2 100)	2 100	-
At 30 September 2014	47	4 378	9 722	(5 247)	8 900

GROUP STATEMENT OF CASH FLOWS

For the year ended 30 September 2015

	Note	2015 US$ 000	2014 US$ 000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash generated from operations	30	**5 377**	**3 092**
Finance costs		(1 295)	(1 638)
Income tax paid	11	(63)	(402)
Cash generated from operating activities		**4 019**	**1 052**
INVESTING ACTIVITIES			
Purchase of property plant and equipment	14	(3 441)	(681)
Decrease in biological assets		36	24
Proceeds from sale of property plant and equipment		39	92
Cash utilised in investing activities		**(3 366)**	**(565)**
FINANCING ACTIVITIES:			
Proceeds from borrowings		1 151	1 008
Repayment of borrowings		(1 853)	(1 670)
Cash utilised in financing activities		**(702)**	**(662)**
Decrease in cash and cash equivalents		**(49)**	**(175)**
Net foreign exchange differences		(44)	(24)
Cash and cash equivalents at beginning of the year		338	537
Cash and cash equivalents at the end of the year		**245**	**338**
Comprising:			
Cash and short term deposits	22	312	486
Overdrafts	19.1	(67)	(148)
Cash and cash equivalents at 30 September		**245**	**338**

1. CORPORATE INFORMATION

Amalgamated Regional Trading (ART) Holdings Limited is registered in the British Virgin Islands. The main activities of the Group throughout the year were the manufacture and distribution of paper products, stationery and lead acid batteries.

The consolidated financial statements of the Group for the year ended 30 September 2015 were authorised for issue by the Board on 26 November 2015.

Borrowing powers

Authority is granted in the Articles of Association for the directors to borrow a sum not exceeding twice the share capital and reserves of the Company.

2. BASIS OF PREPARATION

The consolidated and Company financial statements have been prepared on a historical cost basis, except for investment property land and buildings, investments and biological assets that have been measured at fair value. The consolidated and Company financial statements are presented in United States Dollars (US$) and all values are rounded to the nearest thousand (US$ 000) except where otherwise stated.

3. STATEMENT OF COMPLIANCE

The financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS), promulgated by the International Accounting Standards Board (IASB). The financial statements are also in conformity with the Zimbabwe Stock Exchange Listing Rules and the British Virgin Islands Companies Act for International Business Companies (Chapter 291).

4. BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group, its subsidiaries and joint ventures as at 30 September 2015. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. 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.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and 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

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 consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

4. BASIS OF CONSOLIDATION (CONTINUED)

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent 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 loss 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

5. CHANGES IN ACCOUNTING POLICY AND DISCLOSURE

The accounting policies adopted are consistent with those of the previous financial year. New standards and amendments to standards that became effective for the Group with effect from 1 October 2014 did not have a material impact on the financial statements.

5.1 Standards issued but 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 those standards and interpretations issued that the Group reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Group intends to adopt these standards when they become effective.

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.

5. CHANGES IN ACCOUNTING POLICY AND DISCLOSURE (CONTINUED)

5.1 Standards issued but not yet effective (continued)

IFRS 15- Revenue from Contracts with Customers

The IASB issued their joint revenue recognition standard, IFRS 15 Revenue from Contracts with Customers, which replaces all existing IFRS and US GAAP 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 was issued in May 2014 and establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under IFRS. Either a full retrospective application or a modified retrospective application is required.

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 under IFRS. The Group is still assessing the impact of the standard on its contracts with customers.

IAS 16 and IAS 41 Accounting for bearer plants

IAS 41 Agriculture currently requires all biological assets related to agricultural activity to be measured at fair value less costs to sell. This is based on the principle that the biological transformation that these assets undergo during their lifespan is best reflected by fair value measurement. However, there is a subset of biological assets, known as bearer plants, which are used solely to grow produce over several periods. At the end of their productive lives they are usually scrapped. Once a bearer plant is mature, apart from bearing produce, its biological transformation is no longer significant in generating future economic benefits. The only significant future economic benefits it generates come from the agricultural produce that it creates.

The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16 Property, Plant and Equipment, because their operation is similar to that of manufacturing and consequently, the amendments to include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41. The amendment becomes effective for annual periods beginning on or after 1 January 2016 and though the Group has biological assets in the form of plantations, the amendment will not affect the Group as its biological assets are not bearer plants as defined.

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

When IAS 27 and IAS 28 were revised in 2003, the equity method was removed as an option to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. In some jurisdictions, local regulations require an entity to use the equity method for this purpose, therefore creating a difference between separate financial statements prepared in accordance with local GAAP and those prepared in accordance with IFRS. The objective of these amendments is to restore the option to use the equity method. Therefore, an entity must account for these investments either:

5. CHANGES IN ACCOUNTING POLICY AND DISCLOSURE (CONTINUED)

5.1 Standards issued but not yet effective (continued)

IAS 27 Equity Method in Separate Financial Statements – Amendments to IAS 27 (continued)

- 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. Early application is permitted and must be disclosed. The amendment is effective for year ends beginning 1 January 2016 and the Group will consider the amendments when they become effective.

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 on business combination accounting in IFRS 3 Business Combinations, 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.

The amendments also 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. Early application is permitted and must be disclosed. The amendments will be considered in the future if the Group enters into such transactions.

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 is encouraged.

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.

5. CHANGES IN ACCOUNTING POLICY AND DISCLOSURE (CONTINUED)

5.1 Standards issued but not yet effective (continued)

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.

The amendments are effective for annual periods beginning on or after 1 January 2016 and must be applied prospectively. The Group will consider the amendments where applicable when they become effective

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. 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.

Improvements to International Financial Reporting Standards

In December 2014, the IASB issued two cycles of Annual Improvements to IFRSs that contain changes to 9 standards. The changes are effective from 1 July 2015 either prospectively or retrospectively. A summary of each amendment is described below:

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.

5. CHANGES IN ACCOUNTING POLICY AND DISCLOSURE (CONTINUED)

5.1 Standards issued but not yet effective (continued)

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.

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.

5. CHANGES IN ACCOUNTING POLICY AND DISCLOSURE (CONTINUED)

5.1 Standards issued but not yet effective (continued)

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 it becomes effective.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business combinations

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 Group elects whether to measure 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 are expensed as incurred and included in administration 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 acquisition date fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer is 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, is recognised in accordance with IAS 39 Financial Instruments: Recognition and Measurement either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not re-measured and subsequent settlement is accounted for 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 Group's 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.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Joint ventures

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of profit or loss reflects the Group's share of the results of operations of the joint venture. Any change in other comprehensive income (OCI) of the joint venture is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises it's share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit or loss and other comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the joint venture. The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss and other comprehensive income.

Upon loss of significant influence over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss. When the remaining investment constitutes significant influence, it is accounted for as investment in an associate.

Foreign currency translation

The Group's consolidated financial statements are presented in United States dollars, which is the Group's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded at the functional currency spot rates of exchange ruling at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rates of exchange ruling at the reporting date.

Exchange differences are taken to profit or loss with the exception of:

- Exchange differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are recognised in other comprehensive income until the disposal of the net investment, at which time the cumulative amount is reclassified to profit or loss.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation (continued)

- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of the historical cost basis in a foreign currency are translated using the exchange rates ruling at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates as at the dates when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss respectively).

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

As at the reporting date, the assets and liabilities of foreign subsidiaries are translated into United State dollars using the rate of exchange ruling at the reporting date. The statement of profit or loss and other comprehensive income is translated at the average exchange rates for the year. The exchange differences arising on translation are recognised in other comprehensive income. On disposal of the foreign entity, the cumulative amount recognised in equity is recycled to profit or loss.

Revenue and other income recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, and sales taxes or duty. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Interest income

Interest income is recognised as interest accrues on a time basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit or loss and other comprehensive income.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when the shareholders approve the dividend.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight line basis over the lease terms.

Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or in other comprehensive income and not in profit or loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred tax (continued)

Deferred tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not profit or loss.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustments is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

Value Added Tax

Revenues, expenses and assets are recognised net of the amount of value added tax except:

- Where the Value Added Tax (VAT) incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

- Receivables and payables that are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Retirement benefit costs

The Group provides for retirement benefits through subscription to defined contribution retirement plans. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment and the fair value of any identifiable goods or services received at the grant date. This is then capitalised or expensed as appropriate.

Equity-settled transactions

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award('the vesting date'). The cumulative expense recognised for equity-transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity-settled transactions (continued)

Where the terms of an equity-settled award are modified, the minimum expense recognised is the expense as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where none-vesting conditions within the control of either the entity or counter party are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. All cancellations of equity-settled transaction awards are treated equally.

Treasury shares

The cost of the Company's own shares that are acquired by the Group ('treasury shares') is deducted from equity. Treasury shares may be acquired and held by other companies of the Group. Consideration paid or received is recognised directly in equity. Treasury shares are excluded for purposes of dividend per share computations.

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, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group's financial assets include cash and cash equivalents, trade and other receivables and investments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired as well as through the amortisation process. This category applies to cash and short term deposits and trade and other receivables balances.

Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for-sale or are not classified in any of the three preceding categories.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Available-for-sale financial assets (continued)
After initial recognition, available-for-sale financial assets are measured at fair value with gains or losses being recognised as other comprehensive income in the available for sale reserve until the investment is derecognised or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in profit or loss.

Trade and other receivables
Trade and other receivables are subsequently measured at amortised cost after taking into account an allowance for any uncollectible amounts. Provision for bad debts is made when there is objective evidence that the Group will most probably not recover the debts. Bad debts are impaired when identified.

Cash and cash equivalents
Cash and cash equivalents consist of cash and short term deposits net of outstanding bank overdrafts. Cash and short-term deposits in the statement of financial position comprise cash at bank and on hand and short term deposits with an original maturity of three months or less.

Impairment of financial assets
The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a Group of financial assets is impaired. A financial asset or a Group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that 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 where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

If there is objective evidence that an impairment loss has been incurred on a financial asset carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

For available for sale equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

De-recognition of financial assets
A financial asset (or, where applicable a part of a financial asset or part of a Group of similar financial assets) is de-recognised when:

- The rights to receive cash flows from the asset have expired.

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

De-recognition of financial assets (continued)

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, bank overdrafts and interest bearing loans.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate method amortisation process.

Derecognition

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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

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.

Fair value measurement

The Group measures financial instruments, and non-financial assets such as investment properties and land and buildings and biological assets, 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.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed on the financial statements are categorized 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 recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The expense relating to any provision is recognised in profit or loss net of any certain reimbursements. If the effect of the time value of money is material, provisions are discounted using a pre-tax discount rate that reflects, where appropriate, the risks specific to those provisions. Where discounting is used, the increase in the provision due to passage of time is recognised in profit or loss as a finance cost.

Biological assets
Biological assets are timber plantations that are managed by the Group. At initial recognition, biological assets are measured at fair value. Subsequent to initial recognition, biological assets are measured at fair value less estimated point of sale costs. Costs incurred subsequent to initial recognition are capitalised in the year in which they are incurred. Changes in fair value of biological assets are recorded in profit or loss.

Fair value is determined with reference to the age of the trees and prevailing market prices of timber.

Property, plant and equipment
Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses if any. Such costs include the cost of replacing part of the plant and equipment when that cost is incurred if the recognition criteria are met.

On initial recognition, land and buildings are stated at cost. Subsequent to initial recognition, land and buildings are carried at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Any revaluation surplus is recorded in other comprehensive income and hence credited to the asset revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (continued)

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. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Depreciation is calculated on a straight-line basis to write-down the assets to their residual values over their expected useful lives. The various rates of depreciation are listed below:

Buildings	–	2%
Plant and machinery	–	2.5% to 10%
Office furniture and fittings	–	5% to 10%
Office equipment	–	10% to 33%
Motor vehicles - passenger	–	14.3% to 20%
- commercial	–	6.7% to 14%

The carrying values of plant and equipment are reviewed for impairment annually, or earlier where indications are that the carrying value may be irrecoverable. When the carrying amount exceeds the estimated recoverable amount, assets are written down to the recoverable amount.

An item of property, plant 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 or loss when the asset is derecognised.

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

Impairment of non-financial assets

The Group assesses at each reporting date, or earlier where indications that impairment exists, whether an asset may be impaired. This entails estimating the asset's recoverable amount, which is the higher of the asset's fair value less costs of disposal and value in use. Where the asset's carrying amount exceeds its recoverable amount, the asset is considered impaired and its carrying amount is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflect current market assessments of time value of money and the risks specific to the asset. Impairment losses are recognised in profit or loss in those expense categories consistent with the function of the impaired asset except for property previously revalued with the revaluation taken to other comprehensive income(OCI). For such properties, the impairment is recognised in OCI up to the amounts of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether previously recognized impairment losses may no longer exist or have decreased. If such indication exists, the recoverable amount is estimated in order to reverse the previously recognised impairment losses. A previously recognised impairment loss is reversed only to the extent that there has been a change in the estimates used in determining the asset's recoverable amount since the last impairment loss was recognised. If that is the case the asset's carrying amount is increased to its recoverable amount.

However, the increased carrying value of the asset is limited to the carrying value determinable, net of depreciation, had the impairment not occurred. Such reversal is taken to profit or loss unless the asset is carried at a revalued amount in which case the reversal is treated as a revaluation increase. After the reversal, the depreciation charge is adjusted in future periods to allocate the revised carrying amount, less any residual value, on a systematic basis over the remaining useful life.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined as follows:

- Raw materials - weighted average cost or standard cost, which approximates actual landed cost
- Consumable stores and spares – weighted average cost or actual landed cost
- Manufactured goods and work in progress – direct material cost at standard cost and an appropriate portion of labour and production expenses

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Leases

Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are capitalised at the commencement of the lease at the fair value of the leased property 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 profit or loss. Leased assets are 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 expense in profit or loss on a straight line basis over the lease term.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Key management

Key management include executive directors and divisional management as outlined on pages 16 and 17 of the annual report.

Critical accounting judgements and key sources of estimation uncertainty

Estimation uncertainty

The key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are discussed below.

Useful lives and residual values of property, plant and equipment

The Group assesses useful lives and residual values of property, plant and equipment at the end of each reporting period taking into consideration past experience, technology changes and the local operating environment. Refer note 14 for the carrying amount of property, plant and equipment and accounting policy on property, plant and equipment for the depreciation rates applied by the Group.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revaluation of land and buildings

The Group engaged an accredited independent professional valuer to determine the fair value of its land and buildings as at 30 September 2014. Fair value is determined by reference to open market value. Refer to note 14 for the carrying amount of land and buildings and the assumptions applied to determine fair value.

Warranty provisions

The Group provides for warranty claims on the sale of batteries. The warranty is valid for 12 months. The calculation of the provision is based on past claims history. Refer note 27.1 for the carrying amount of warranty provisions.

Biological assets fair value determination

Plantations are stated at fair value less estimated costs to sell at the harvesting stage. In arriving at plantation fair values, the key assumptions are estimated prices less cost of delivery, discount rates, and volume and growth estimations. All changes in fair value are recognised in the period in which they arise. The impact that changes in estimated prices, discount rates, volume and growth assumptions may have on the calculated fair value and other key financial information on plantations is disclosed in note 15.

The discount rate used is the applicable pre-tax weighted average cost of capital of the group.

Deferred tax asset

The Group has recognised a deferred tax asset of US$600,000 (2014; US$1,020,000). Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Management and the Board have made due assessment and believe that the Group will be able to generate enough taxable income to utilise the deferred tax asset before it expires. In making the assessment, management considered future cashflow projections for the next 5 years.

Investment Property

The Group carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit or loss. The Group engaged an independent valuation specialist to assess fair value as at 30 September 2015 for investment properties. Refer note 18 for the inputs used in determining fair value.

7. GENERAL DISCLOSURES

Exchange rates

The following exchange rates were used in the preparation of these financial statements:

2015:

1 United States dollar (USD1):	**Statement of financial position**	**Statement of profit and loss and other comprehensive income**
Great British Pound	0.65	0.61
South African Rand	14.02	12.05
Botswana Pula	10.59	9.76
Zambian Kwacha	10.60	7.39

7. GENERAL DISCLOSURES (CONTINUED)

Exchange rates (continued)

The following exchange rates were used in the preparation of these financial statements:

2014:

1 United States dollar (USD1):	**Statement of financial position**	**Statement of profit and loss and other comprehensive income**
Great British Pound	0.61	0.60
South African Rand	11.19	10.60
Botswana Pula	9.22	8.82
Zambian Kwacha	6.23	5.98

8. REVENUE

	2015 US$ 000	**2014 US$ 000**
An analysis of the Group's revenue by destination is as follows:		
Zimbabwe	30 240	25 018
Zambia	7 616	10 257
Malawi	17	163
South Africa	765	555
Other African countries	243	319
Less intra-Group sales	(9 047)	(7 631)
	29 834	**28 681**

9. BUSINESS SEGMENTS

For management purposes, the Group is currently primarily organised into business units based on business products and services. The Group has four operating segments as follows:

- Paper– manufacture and distribution of paper for the manufacture of tissue
- Batteries – manufacture and distribution of lead-acid batteries
- Stationery - manufacture and distribution of pens
- Plantations – timber plantations

Central administration includes the residual activities of Fleximail, Flexiwaste Zambia, Chloride Central Africa, DC Powerpax operations discontinued in 2011 and ART head office.

9. BUSINESS SEGMENTS (CONTINUED)

Sept -2015	Paper US$ 000	Batteries US$ 000	Plantations US$ 000	Stationery US$ 000	Central administration US$ 000	Adjustments and eliminations US$ 000	Group US$ 000
Revenue							
External customer	4 573	19 329	706	5 226	-	-	29 834
Operating (loss)/ profit before impairments and fair value adjustments	(387)	1 237	116	340	803	(201)	1 908
Finance cost	(27)	(290)	(16)	(85)	(877)	-	(1 295)
Segment assets	6 162	9 991	5 646	2 353	3 687	1 795	29 633
Segment liabilities	2 593	5 213	608	2 516	8 008	1 795	20 743
Capital expenditure	871	1 399	22	883	266	-	3 441
Depreciation	210	397	57	100	62	-	826

Sept -2014	Paper US$ 000	Batteries US$ 000	Plantations US$ 000	Stationery US$ 000	Central administration US$ 000	Adjustments and eliminations US$ 000	Group US$ 000
Revenue							
External customer	4 230	18 878	975	4 598	-	-	28 681
Operating (loss)/profit before impairments and fair value adjustments	(1 019)	967	(114)	422	(52)	-	204
Finance cost	(28)	(230)	(8)	(174)	(1 198)	-	(1 638)
Segment assets	5 826	8 637	5 571	1 017	4 272	2 880	28 203
Segment liabilities	1 829	3 709	259	1 417	8 443	2 401	18 058
Capital expenditure	51	402	43	158	27	-	681
Depreciation	336	313	100	54	67	-	870

- Segment assets comprise property, plant and equipment, biological assets, investments, other non-current financial assets, inventories, trade and other receivables, cash and bank
- Segment liabilities comprise trade and other payables, short term loans and current taxation liability.
- Capital expenditure consists of additions of property, plant and equipment

Adjustments and eliminations:

1. Segment liabilities and assets do not include deferred tax, which have been shown as an adjustment on the segment assets and segment liabilities line items in the tables above.

9. BUSINESS SEGMENTS (CONTINUED)

Geographic information

Analysis of revenue and non-current assets by geographical source:

	Zimbabwe		Zambia		Adjustments		US$000	US$000
	2015	2014	2015	2014	2015	2014	2015	2014
Revenue	30 565	28 063	8 316	8 249	(9 047)	(7 631)	29.834	28 681
Non-current assets	19 806	16 962	388	634	-	-	20 194	17 596

10. OPERATING PROFIT

	2015 US$ 000	2014 US$ 000
Operating profit has been arrived at after the following items of expenditure (income):		
Current year audit fees	105	133
Depreciation	826	870
Directors' emoluments		
- as directors	92	76
- managerial remuneration	705	649
	797	725
Staff costs	7 015	8 128
Exchange losses		
- realised	(46)	(76)
- unrealised	(624)	(155)
	(670)	(231)
Profit on sale of property, plant and equipment	1	24
Reorganization costs	634	-

Compensation to key management personnel is disclosed in Note 32.
Reorganization costs relates to amount provided for paying retrenched staff.

11. TAXATION

	2015 US$ 000	2014 US$ 000
Current income tax	264	373
Deferred tax	476	4
Total current tax charge	**740**	**377**

Zimbabwe income tax is calculated at 25.75% (2014: 25.75%) of the estimated taxable profit for the year. Zambia income tax is calculated at 35% (2014: 35%) of the estimated tax profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Withholding taxes are paid on cross-border dividends and fees within the Group.

11. TAXATION (CONTINUED)

The charge for the year can be reconciled to the profit per the statement of profit or loss and other comprehensive income as follows:

	2015 US$ 000	%	2014 US$ 000	%
Profit/(Loss) before tax	150	-	(723)	-
Tax at the Zimbabwean income tax rate	39	25.75%	(186)	(25.75%)
Adjusted for:				
Disallowed expenditure	(86)	(57.33) %	(25)	(4.46) %
Income not subject to tax	(33)	(22)%	(33)	(4.56)%
Export deduction	(6)	(4)%	(6)	(0.83)%
Tax loss not recognised	743	495.33	378	52.28%
Other differences	38	25.33%	91	12.59%
Withholding tax on Zambia Dividend	-	-	194	26.83%
Effect of different tax rates of subsidiaries operating in other jurisdictions	45	30%	(36)	(7.33)%
Tax expense and effective tax rate for the year	**740**	**493.33%**	**377**	**52.14%**

	2015 US$ 000	2014 US$ 000
Tax payable reconciliation		
Opening balance	468	533
Exchange movements	(142)	(36)
Current income tax and withholding taxes	264	373
Amount paid during the year	(63)	(402)
Closing balance	**527**	**468**

Tax (charge)/credit in other comprehensive income	Gross US$ 000	Tax US$ 000	Net US$ 000
2015			
Fair value adjustment on available for sale investments	(14)	3	(11)
2014			
Surplus on revaluation of property, plant and equipment	98	(2)	96
Fair value adjustment on available for sale investments	25	(7)	(18)

12. NET FINANCE COSTS

	2015 US$ 000	2014 US$ 000
Interest paid on bank overdrafts and loans	1 295	1 638

13. EARNINGS PER SHARE

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

Diluted earnings/ (loss) per share amounts are calculated by dividing the net profit /(loss) attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares.

Headline earnings comprise of basic earnings attributable to equity holders of the parent adjusted for separately identifiable re-measurements, net of related tax (both current and deferred) other than re-measurements specifically included in headline earnings. A re-measurement is an amount recognised in profit or loss relating to any change (whether realised or unrealised) in the carrying amount of an asset or liability that arose after the initial recognition of such asset or liability.

The calculation of basic earnings per share is as shown below:	2015 US$ 000	2014 US$ 000
Loss for the year $'000	(590)	(1 100)
Weighted average number of ordinary shares	467 302 874	467 302 874
Basic loss per share (cents)	**(0.13)**	**(0.24)**
The calculation of the diluted earnings per share is as shown below:		
Loss for the year $'000	(590)	(1 100)
Weighted average number of shares for basic earnings per share	467 302 874	467 302 874
Effect of dilution:		
Share options	-	-
Treasury shares	-	-
Number of shares in issue	467 302 874	467 302 874
Diluted loss per share (cents)	**(0.13)**	**(0.24)**

13. EARNINGS PER SHARE (CONTINUED)

The calculation of headline earnings per share is as shown below:

Reconciliation of basic earnings to diluted earnings

	2015 Gross US$ 000	Net %	2014 Gross US$ 000	Net %
Loss for the year used in the calculation of basic earnings		(590)		(1 100)
Profit on disposal of property, plant and equipment (note 10)	(1)	(1)	(24)	(18)
Fair value on investment property	-	-	(621)	(621)
Headline loss		(591)		(1 739)
Weighted average number of shares for basic earnings		467 302 874		467 302 874
Weighted average number of shares for diluted earnings		467 302 874		467 302 874
Basic Headline loss per share		(0.13)		(0.37)
Diluted Headline loss per share		(0.13)		(0.37)

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold premises US$ 000	Plant & machinery US$ 000	Vehicles & office equipment US$ 000	Total US$ 000
Cost or valuation				
At 1 October 2013	8 073	2 620	2 241	12 934
Exchange differences	(64)	(8)	(83)	(155)
Additions	-	381	300	681
Transfer from non current assets held for sale	2 554	-	-	2 554
Transfer to Investment property	(2 554)	-	-	(2 554)
Disposals	-	(13)	(230)	(243)
Revaluation	96	-	-	96
At 30 September 2014	8 105	2 980	2 228	13 313
Exchange differences	(243)	(18)	(169)	(430)
Additions	-	2 897	544	3 441
Disposals	-	(55)	(221)	(276)
At 30 September 2015	7 862	5 804	2 382	16 048
Accumulated depreciation				
At 1 October 2013	654	909	1 330	2 893
Exchange differences	-	(6)	(65)	(71)
Charge for the year	246	278	346	870
Disposals	-	-	(175)	(175)
At 30 September 2014	900	1 181	1 436	3 517
Exchange differences	(3)	(17)	(169)	(189)
Charge for the year	124	384	318	826
Disposals	(44)	(21)	(173)	(238)
At 30 September 2015	977	1 527	1 411	3 916
Carrying amount				
At 30 September 2015	6 885	4 277	970	12 132
At 30 September 2014	7 205	1 799	792	9 796

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Revaluation of property plant and equipment

The Group engaged an accredited independent professional valuer to determine the fair value of its land and buildings. Fair value is determined by reference to market value which is the price at which similar properties cost in the market. The last date of revaluation was 30 September 2014.

Where there is an active market for the property, it is valued at fair value determined by reference to market based evidence. This means that valuations performed by the valuer are based on active market prices, adjusted for any differences in the nature, location and condition on the specified property. In coming up with the valuations, management considered the highest and best use of the properties.

Significant unobservable valuation input: Range

Price per square metre $20 – $25
Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value.

	2015 US$ 000	Level 1 US$ 000	Level 2 US$ 000	Level 3 US$ 000
Financial assets				
Freehold premises	6 885	-	-	6 885

	2014 US$ 000	Level 1 US$ 000	Level 2 US$ 000	Level 3 US$ 000
Freehold premises	7 205	-	-	7 205

There were no movements between levels 1, 2 and 3 during the year.

Finance leases

The carrying value of land and buildings held under finance leases at 30 September 2015 was US$1.417million (2014: US$1.45million). Leased assets are pledged as security for the related finance lease.

Impairment of property, plant and equipment

No impairment loss was recorded in 2015 (2014: nil)

Security

Certain property, plant and equipment are encumbered. The net book value of property, plant and equipment pledged as security for borrowings (see note 19) as at 30 September 2015 is US$5.94million (2014; US$6.6million).

Carrying values of Property, Plant and Equipment that would have been recognised under the cost model

	Freehold premises US$ 000	Plant & machinery US$ 000	Office equipment US$ 000	Total US$ 000
At 30 September 2015	219	-	-	219
At 30 September 2014	223	-	-	223

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	2015 US$ 000	2014 US$ 000
Opening carrying amount at 1 October	9 796	10 041
Movement for the year:		
Additions	3 441	681
Net carrying amount of disposals	(38)	(68)
Depreciation charge for the year	(826)	(870)
Revaluation of land and buildings	-	96
Exchange movements	(241)	(84)
Carrying amount at 30 September	12 132	9 796
Cost plus revaluation	16 048	13 313
Accumulated depreciation	(3 916)	(3 517)

15. BIOLOGICAL ASSETS

The Group's biological assets comprise timber plantations

	2015 US$ 000	2014 US$ 000
Opening balance	4 625	4 649
Sales	(545)	(708)
Stock loss/Fire damage	-	(153)
Capitalised costs	511	685
Fair value adjustments	296	152
At 30 September	**4 887**	**4 625**

Biological assets totalling US$4 million have been pledged as security for borrowings.

	2015 Hectares US$ 000	2015 Valuation	2014 Hectares US$ 000	2014 Valuation
1 - 6 years	1 029	244	1 039	205
7 - 12 years	839	1 325	829	1 213
13 - 18 years	597	3 140	685	3 183
19-40 years	64	178	2	24
	2 529	4 887	2 555	4 625

Timber that is 15years and above is considered mature, hence harvestable. 24,583 cubic meters were harvested during the year (2014: 32,253 cubic meters)

Valuation techniques and key unobservable inputs	Significant unobservable inputs	Range (weighted average) 2015	Range (weighted average) 2014
DCF Method	Estimated future timber market prices per tonne	$22.61-$25.07 ($23.33)	$22.58 - $23.64 ($23.02)
	Estimated yields per hectare (m^3)	15.3	15.3
	Estimated harvest costs per tonne	$10.53	$10.49
	Discount rate	16%	18%

15. BIOLOGICAL ASSETS (CONTINUED)

Biological assets risk management policies

Biological assets are timber plantations that are managed by the Group. These plantations are exposed to various risks, which include fire, price fluctuations and marketing risk. The Group has put in place measures and controls to safeguard losses due to the above risks. These measures and controls include among other things, physical protection against fire and regular evaluation of prices.

Sensitivity on biological assets	% change	Effect on profit before tax US$ 000
Change in mean annual increment/trees per hectare	+5%	240
	-5%	(240)
Change in price	+5%	274
	-5%	(274)

The estimated fair value would increase/(decrease) if:

- the estimated timber prices per tonne were higher/(lower)
- the estimated yields per hectare were higher/(lower)
- the estimated harvests costs were lower/(higher)
- the discount rate were lower/(higher)

Fair value hierarchy	2015 US$ 000	Level 1 US$ 000	Level 2 US$ 000	Level 3 US$ 000
Biological assets	4 887	-	-	4 887

Fair value hierarchy	2014 US$ 000	Level 1 US$ 000	Level 2 US$ 000	Level 3 US$ 000
Biological assets	4 625	-	-	4 625

16. INVENTORY WRITE OFF

	2015 US$ 000	2014 US$ 000
Inventory	75	31

The impairment of inventories relates mainly to write down of obsolete inventories.

17. INVESTMENTS

Available-for-sale investments	2015 US$ 000	2014 US$ 000
Group		
Opening balance	51	26
Additions	-	-
Disposals	-	-
Fair value (loss)/gain	(14)	25
	37	51

17. INVESTMENTS (CONTINUED)

Available-for-sale investments comprise of quoted shares held on the Zimbabwe Stock Exchange and unquoted shares.

Valuation techniques and key unobservable inputs	Significant unobservable inputs	Range (weighted average) 2015
Price Earnings Multiple	Estimated maintainable earnings	$43,623
	Price earnings Inflation	2.2 0%-1%

Significant increases (decreases) in estimated maintainable earnings in isolation would result in a significantly higher (lower) fair value.
Refer to Note 19.2 for fair value hierarchy.

The investment in subsidiaries has been stated at directors' valuation based on the net asset values of the subsidiaries.

Details of Art Holding's direct subsidiaries at 30 September 2015 are as follows:

Name of subsidiary	Country	Ownership incorporation	Principal Activity interest
Art Investments Limited	Mauritius	100%	Owns Art Zimbabwe Limited, Art Corporation and Fleximail Zambia Limited
Chloride CA Limited	British Virgin Islands	100%	Owns battery distribution companies in Zimbabwe and Zambia

The Group's other indirect operating subsidiaries at 30 September 2015 are as follows:

Name of subsidiary	Country	Ownership incorporation	Principal Activity interest
Chloride Zambia Limited	Zambia	100%	Retailer of batteries
Art Corporation Limited	Zimbabwe	100%	Owns divisions that manufacture and retail batteries, paper and stationery products
Zimbabwe Waste Paper Collections (Private) Limited	Zimbabwe	100%	Collects waste paper used in the production of tissue paper

Ultimate Parent

The ultimate parent is Taesung Chemical Company Limited.

18. INVESTMENT PROPERTY

	2015 US$ 000	2014 US$ 000
Group		
Opening balance	3 175	-
Transfer from property, plant and equipment (note 14)	-	2 554
Fair value adjustment		621
Closing balance	**3 175**	**3 175**

The Group's investment property consists of a commercial property in Mutare. At 30 September 2015, management engaged the services of a professional independent valuer. A valuation in accordance with that recommended by the International Valuation Standards Committee has been applied in coming up with the fair value of the investment property. The fair value of the property did not change from 2014 as occupancy levels, rentals and rental yields remained the same as 2014 levels.

18. INVESTMENT PROPERTY (CONTINUED)

	2015 US$ 000	2014 US$ 000
Rental income derived from investment property	321	(197)
Direct operating expenses generating rental income	(19)	278
Direct operating expenses that did not generate rental income	(241)	(25)
Profit arising from investment property carried at fair value	105	12

The Group has no restrictions on the realisability of its investment property and no contractual obligation to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

	2015 US$ 000	2014 US$ 000
Reconciliation of fair value	321	(197)
As at 1 October	-	-
Remeasurement recognised in profit and loss	-	621
Purchases	-	-
At 30 September	-	621

Valuation techniques and key unobservable inputs	Significant unobservable inputs	Range (weighted average) 2015
DCF Method	Estimated rental value per sqm	$2-$5
	Rental growth per annum	1%-5%
	Long term vacancy rate	25%-40%
	Discount rate	16%

Fair value hierarchy	2015 US$ 000	Level 1 US$ 000	Level 2 US$ 000	Level 3 US$ 000
Financial assets				
Investment property	3 175	-	-	3 175

Fair value hierarchy	2014 US$ 000	Level 1 US$ 000	Level 2 US$ 000	Level 3 US$ 000
Financial assets				
Investment property	3 175	-	-	3 175

19. INTEREST BEARING LOANS AND BORROWINGS

Current Interest-Bearing Loans and Borrowings	Interest rate	Maturity %	2015 US$ 000
Unsecured bank loan	23%	On demand	18
Unsecured bank loan	15%	31-Jul-16	72
Unsecured loan	13%	30-Nov-15	376
Secured bank loan	16%	30-Nov-16*	536
Secured bank loan	13%	30-Nov-15	1 900
Secured bank loan	17%	30-Dec-151	117
Unsecured bank loan	14%	30-Nov-16*	96
Secured bank loan	16%	31-Aug-17*	502
Secured bank loan	10%	30-Nov-18*	101
Secured bank loan	18%	10-Apr-17*	53
Obligations under finance lease (short term portion) (note 28)	20%	30-Sep-18*	140
Art Pension fund	10%	31-Dec-18*	113
Total current interest-bearing loans and borrowings			**4 024**

*The above loans represent the short portion of long term loans

Current Interest-Bearing Loans and Borrowings	Interest rate	Maturity %	2014 US$ 000
Unsecured bank loan	23%	On demand	14
Unsecured bank loan	15%	On demand	129
Unsecured loan	13%	31-Dec-14	48
Secured bank loan	16%	31-Jul-16*	637
Secured bank loan	13%	31-Jan-15	2 141
Secured bank loan	20%	30-Sep-15	60
Unsecured bank loan	12%	30-Nov-16*	96
Secured bank loan	20%	31-Dec-16*	536
Secured bank loan	10%	30-Nov-18*	101
Secured bank loan	18%	10-Apr-17*	80
Obligations under finance lease (short term portion) (note 28)	20%	30-Sep-17*	109
Art Pension fund	10%	31-Dec-14	654
Total current interest-bearing loans and borrowings			**4 605**

*The above loans represent the short portion of long term loans

Long-term borrowings	Interest	Maturity rate %	2015 US$ 000
Secured bank loan	10%	30-Nov-18	291
Secured bank loan	16%	30-Nov-16	180
Secured bank loan	16%	31-Aug-174	476
Unsecured bank loan	14%	30-Nov-16	15
Secured bank loan	18%	10-Apr-17	42
Obligations under finance lease (note 28)	17-20%	30-Apr-19	1 436
Art Pension fund	10%	31-Dec-18	489
Total long term interest-bearing loans and borrowings			**2 929**

19. INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

Long-term borrowings	Interest	Maturity	2014
		rate %	US$ 000
Secured bank loan	10%	30-Nov-18	389
Secured bank loan	16%	31-Jul-16	483
Secured bank loan	20%	31-Dec-16	718
Unsecured bank loan	12%	30-Nov-16	102
Secured bank loan	18%	10-Apr-17	161
Obligations under finance lease (note 28)	17-20%	30-Apr-19	1 264
Total long term interest-bearing loans and borrowings			**3 117**

The Group has a significant amount of interest bearing loans and borrowings on its statement of financial position and has decided to provide detailed information to the users of the financial statements about the effective interest rate as well as maturity of the loans. Land and buildings have been used to secure some of these borrowings both in Zimbabwe and Zambia (see note 14 for value of assets held as security).

The Group has long term funding with both local banks and from Zambia. The loans have tenures ranging from 2 years to 4 years with interest ranging from 10% to 20% (2014; 12% to 20%).

19.1 Overdrafts

	2015 US$ 000	2014 US$ 000
Bank overdrafts	67	148

Interest of 18% (2014;18%) is charged on the bank overdraft.

19.2 Financial risk management

Although the Group is significantly diversified with decentralised operational controls, the financial aspects are controlled centrally in order to manage exposure to financial risk.

Fair values of financial instruments

The carrying amount of financial instruments as disclosed in the Statement of Financial Position approximates their fair values.

Fair value hierarchy

The Group used the following for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 30 September 2015, the Group held the following financial instruments measured at fair value

19. INTEREST BEARING LOANS AND BORROWINGS

19.2 Financial risk management (continued)

	2015 US$ 000	Level 1 US$ 000	Level 2 US$ 000	Level 3 US$ 000
Financial assets				
Available-for-sale	37	5	-	32

	2014 US$ 000	Level 1 US$ 000	Level 2 US$ 000	Level 3 US$ 000
Available-for-sale	51	19	-	32

Foreign currency risk management

The Group strategy is to take a non-speculative approach to the risk of moving exchange rates and whenever possible to maintain a hedged position between assets and liabilities denominated in foreign currencies.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows;

	2015 US$ 000	2014 US$ 000
Cash balances	170	5
Accounts receivable	562	146
Loans	(95)	(241)
Bank overdrafts	(67)	(148)
Accounts payable	(646)	(237)

	Impact on profit before tax 2015 US$ 000	2014 US$ 000
US$ weakens by 10%		
South African Rand	6	2
Zambian Kwacha	167	46
Botswana Pula	1	-
Great Britain Pound	-	-
	174	**48**
US$ strengthens by 10%		
South African Rand	(5)	(2)
Zambian Kwacha	(56)	(38)
Botswana Pula	-	-
Great Britain Pound	-	1
	(61)	**(39)**

Positive figures represent an increase in profit.

19. INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

19.2 Financial risk management (continued)

Liquidity and interest rate risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group also actively seeks to convert short term borrowings to long term sustainable debt at lower interest rates. The objective is to ensure continuity of funding at low cost and to avoid significant exposure to changes in interest rates.

The total borrowing position of the Group is governed by clauses in the memorandum and articles of association of the Group companies. The Board also monitors the Group's exposure to interest rates on a quarterly basis.

Interest rate sensitivity analysis

The table below illustrates the hypothetical sensitivity of the Group's reported profit to a 5% increase or decrease in interest rates, assuming all other variables were unchanged. The sensitivity rate of 5% represents the Directors' assessment of a reasonably possible change.

The analysis has been prepared using the following assumptions:

The amount of liability outstanding at the reporting date is assumed to have been outstanding for the whole year. Fixed rate financial instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of this analysis. There is no additional impact on equity.

	2015 US$ 000	2014 US$ 000
Interest rates increase by 5%	430	601
Interest rates decrease by 5%	(430)	(601)

The table below summarises the maturity profile of the Group's financial liabilities at 30 September 2015.

	Within 3 months US$ 000	Between 4 & 12 months US$ 000	More than 12 months US$ 000	Total US$ 000
2015				
LIABILITIES				
Borrowings	(467)	(4 004)	(3 869)	(8 340)
Bank overdrafts	(67)	-	-	(67)
Accounts payable	(6 324)	-	-	(6 324)
	(6 858)	**(4 004)**	**(3 869)**	**(14 731)**
2014				
LIABILITIES				
Borrowings	(1 765)	(3 425)	(3 451)	(8 641)
Bank overdrafts	(148)	-	-	(148)
Accounts payable	(7 364)	-	-	(7 364)
	(9 277)	**(3 425)**	**(3 451)**	**(16 153)**

19.1 OVERDRAFTS (CONTINUED)

19.2 Financial Risk Management (Continued)

Credit risk

The Group's financial assets are bank balances, investments and trade and other receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event, which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. The maximum exposure to credit risk is equal to the carrying amount of cash and bank, investments and trade and other receivable balances reported in the statement of financial position. The Group does not hold any collateral for trade receivables. Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed annually.

Insurance

The Group is currently insured on a catastrophe basis only with reputable local insurance companies based on advice received from independent brokers. Independent risk management reviews are undertaken periodically.

20. INVENTORIES

	2015 US$ 000	2014 US$ 000
Group		
Raw materials	1 300	773
Work in progress	1 334	1 261
Manufactured goods	1 324	1 847
Consumables and spares	699	737
Goods-in-transit	47	200
	4 704	**4 818**

$75,000 worth of inventory was written off in 2015; (2014 $31,000).

The cost of inventories recognised in cost of sales is US$14.76million (2014; US$14.225million).There are no inventories pledged as security for borrowings.

21. TRADE AND OTHER RECEIVABLES

	2015 US$ 000	2014 US$ 000
Trade	2 501	2 532
Prepayments	289	632
Other	525	547
	3 315	**3 711**

An allowance has been made for estimated irrecoverable amounts from the sale of goods of US$620,730 (2014: US$ 761,000). This allowance has been determined by reference to past default experience. The directors consider that the carrying amount of trade and other receivables approximates their fair value.

Amounts due from Group companies are unsecured, interest free and repayable on demand.

Trade receivables ageing

	Total US$ 000	Neither past due nor impared US$ 000	Past due but not impared 31-60 days US$ 000	61-90 days US$ 000	91-120 days US$ 000	>120 days US$ 000
Trade Receivables	2 501	1 167	945	117	118	154
2015	**2 501**	**1 167**	**945**	**117**	**118**	**154**
Trade Receivables	2 532	1 158	569	295	170	340
2014	**2 532**	**1 158**	**569**	**295**	**170**	**340**

Movement in the allowances for credit loses	2015 US$ 000	2014 US$ 000
Balance at beginning of the year	**761**	**1 008**
Provisions utilised	(224)	(351)
Provisions raised	84	104
Balance at end of the year	**621**	**761**

There were no collectively impaired trade receivables in the current year. Credit terms vary per business unit, but do not exceed 30 days.

22. CASH AND SHORT TERM DEPOSITS

	2015 US$ 000	2014 US$ 000
Group		
Bank and cash	312	486
	312	**486**

Cash and cash equivalents comprise bank balances and cash held by the Group and other short-term bank deposits with an original maturity of three months or less. The carrying amount of these balances approximates their fair value.

23. SHARE CAPITAL

	2015 US$ 000	2014 US$ 000
The share capital of the Company comprises:		
Authorised:		
800,000,000 Ordinary Shares of US$ 0.0001 each.	80	80
Issued and fully paid:		
467,302,874 Ordinary Shares of US$ 0.0001 each.	47	47
Treasury shares:		
638,408 Ordinary Shares of US$ 0.0001 each.	-	-

	Issued and fully paid		Treasury shares	
Movement in the number of shares	2015 US$ 000	2014 US$ 000	2015 US$ 000	2014 US$ 000
Opening balance	467 302	467 302	638	638
Issue of shares	-	-	-	-
Purchase of treasury shares	-	-	-	-
Employees' share option scheme	-	-	-	-
At 30 September	467 302	467 302	638	638

Treasury shares are held by a Group company to satisfy options under the Group's share option scheme. The unissued shares are under the control of the Directors.

SHARE PREMIUM

	2015 US$ 000	2014 US$ 000
Opening balance	4 378	4 378
Issue of shares	-	-
At 30 September	4 378	4 378

24. NON-DISTRIBUTABLE RESERVE

	2015 US$ 000	2014 US$ 000
Group		
Share options reserve	36	36
Available-for-sale reserve	23	34
Foreign currency translation reserve	77	721
Revaluation reserve	9 586	9 586
Foreign currency conversion reserve	-	2 100
At 30 September	**9 722**	**12 477**
Comprising:		
Opening balance	12 477	12 462
Changes in non-distributable reserves	(2 755)	15
Translation of foreign subsidiaries	(644)	(99)
Surplus on revaluation of property, plant and equipment	-	96
Transfer to distributable reserve	(2 100)	-
Fair value adjustment on available-for-sale investments	(11)	18
Closing balance	**9 722**	**12 477**

Share options reserve

The share options reserve relates to share options granted by the Company to its employees under its employee share option plan (see note 25).

Available for sale reserve

This reserve records fair value changes on available-for-sale financial assets.

Foreign currency translation reserve

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

Revaluation of property, plant and equipment reserve

The asset 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.

Foreign currency conversion reserve

The reserve relates to the conversion of the Zimbabwe dollar balances into the new functional currency of the United States dollar on adoption of the United States Dollar as the functional and presentation currency. The Board has authorised the transfer of the whole amount to distributable reserve in the current year.

25. SHARE BASED PAYMENTS

At the Company's Annual General Meeting, held on 5 February 2010, the shareholders approved an Executive Share Option Scheme. The scheme provides for the directors to grant options to employees, up to a maximum of 15,588,316 Zimbabwe Depository Receipts. The options are granted for a period of five years at a minimum price of the middle market price ruling on the Zimbabwe Stock Exchange on the last business day preceding the date of grant of the option. The maximum value of the options that can be granted to an employee is twice the employee's annual salary, including bonuses.

25. SHARE BASED PAYMENTS (CONTINUED)

The following share-based payment arrangement was granted:

Type of arrangement	Executive and Senior management share option plan
Date of Grant	18 June 2013
Number Granted	14,300,000
Contractual life	5 years
Vesting conditions	None

No further options were granted in the year ended 30 September 2015.

The estimated fair value of each share option granted in the above share option plan is US0.25 cents. This was calculated by applying a modified version of the Black-Scholes- Merton (BSM) model. The model inputs were the share price at grant date of US0.40 cents, strike price of US0.40 cents, expected risk free rate of 5.7%, no expected dividends and a contractual life of 5 years. The estimated Exponential Weighted Moving Average volatility was 86%, which places higher reliance on more recent observations; the Company expects the volatility of its share price to reduce as it matures.

Further details of the share option plans are as follows:

	2015		2014	
	Number of options	Weighted average exercise	Number of options	Weighted average exercise
Outstanding at start of the year	14 300 000	0.25	14 300 000	0.25
Granted	-	-	-	-
Forfeited	(7 500 000)	-	-	-
Exercised	-	-	-	-
Outstanding at end of the year	6 800 000	0.25	14 300 000	0.25
Exercisable at end of year	**6 800 000**	**0.25**	**14 300 000**	**0.25**

The options outstanding at 30 September 2015 had an exercise price of US0.25 cents, and a weighted average remaining contractual life of 2.75 years (2014: 0.25 cents and 3.75 years).

26 DEFERRED TAX

	2015 US$ 000	2014 US$ 000
Opening balance	**795**	**788**
Exchange differences	(66)	(6)
Charged through other comprehensive income;		
Revaluation of property, plant and equipment	-	2
Fair value loss on available-for-sale investments	(3)	7
Charge to profit or loss	476	4
At 30 September	**1 202**	**795**

26. DEFERRED TAX (CONTINUED)

The following are the major deferred tax liabilities and assets recognised by the Group:

	2015 US$ 000	2014 US$ 000
Deferred tax liabilities		
Property, plant and equipment	**2 638**	**2 644**
Biological assets	1 258	1 191
Prepayments	6	91
Other	5	123
	3 907	**4 049**
Deferred tax assets		
Estimated tax losses	2 520	3 163
Other	185	91
	2 705	**3 254**
Net deferred tax liability	**1 202**	**795**
Disclosed As:		
Deferred tax liabilities		
Deferred tax liabilities	1 802	1 815
Deferred tax assets	(600)	(1 020)
Net deferred tax liability	**1 202**	**795**

In 2015, deferred tax assets amounting to $420,000 were written off as not recognisable. Assessed losses amounting to $4,318,000 were not recognised as deferred tax. These losses expire in 2016 and 2017.

27. TRADE AND OTHER PAYABLES

	2015 US$ 000	2014 US$ 000
Group		
Trade	6 324	3 693
Accruals and other	4 413	3 671
	10 737	**7 364**

Trade payables, accruals and other obligations are non interest bearing and are normally settled within 30 days.

27.1 Provisions

	Leave pay US$ 000	Warranties US$ 000	Total US$ 000
Provisions reconciliation	357	363	720
At 1 October 2013	300	269	569
Additional provision	109	24	133
Amount utilised	(142)	(19)	(161)
At 30 September 2014	**267**	**274**	**541**
Additional provision	252	221	473
Amount utilised	(62)	(305)	(367)
At 30 September 2015	**457**	**190**	**647**

The provision for leave pay represents annual leave entitlement accrued by employees. The provision for warranties represents the present value of the directors' best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties on batteries. The estimate has been made on the basis of historical warranty trends.

28. LEASE ARRANGEMENTS

Operating lease commitments- The Group as lessee

Lease payments representing rentals payable by the Group for certain of its properties. Leases are primarily negotiated for an average term of between three to thirty six months during which rentals are fixed. Certain leases contain options for the Group to renew at market related rentals.

	Payable within 1 year US$ 000	Payable between 1 & 5 years US$ 000
2015	585	310
2014	685	351

Operating lease commitments - The Group as lessor

The Group has entered into property leases on its Mutare and Kadoma Properties. These non-cancellable leases have remaining lease terms of between one and four years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

Future minimum rentals receivable under non-cancellable operating leases as at 30 September 2015 are as follows:

Operating lease commitments- The Group as lessee

	Receivable within 1 year US$ 000	Receivable between 1 & 5 years US$ 000
2015	306	187
2014	306	481

Finance lease obligations- The Group as lessee

The Group has leased certain of its motor vehicles, land and buildings under finance leases. The lease terms for buildings and motor vehicles are five years and two years respectively. The Group has option to purchase the land and buildings at the end of the lease term. The Group's obligations under finance leases are secured by the lessor's title to the leased assets. Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 17% to 20% per annum. The lease agreement for the land and buildings expires on 30 April 2019.

	2015		2014	
	Minimum payments US$ 000	Present value of payments US$ 000	Minimum payments US$ 000	Present Value of payments US$ 000
Within one year	364	140	349	109
After one year but not later than five years	2 028	1 436	720	109
More than five years	-	-	1 351	1 155
Total minimum lease payments	2 392	1 576	2 420	1 373
Less amounts representing finance charges	(816)	-	(1 047)	-
Present value of minimum lease payments	**1 576**	**1 576**	**1 373**	**1 373**

28. LEASE ARRANGEMENTS (CONTINUED)

Included in the consolidated financial statements as:

	2015 US$ 000	2014 US$ 000
Current borrowings (note 19)	140	109
Long term borrowings (note 19)	1 436	1 264
	1 576	**1 373**

29. RETIREMENT BENEFIT PLANS

Defined contribution plans

Group operating companies in Zimbabwe and all related employees contribute to a defined contribution pension scheme, the Art Corporation Pension Fund. The assets of the pension schemes are held separately from those of the Group in funds under the control of trustees. With effect from 1 July 2012, the trustees of the Pension Fund approved a paid up status for the pension fund. The effect of this is the cessation of compulsory employer and employee contributions.

All Zimbabwean employees are also required by legislation to be members of the National Social Security Authority. The Group's obligations under the National Social Security Authority are limited to specific contributions as legislated from time to time. The Groups contributions are in compliance with the current legislation of 3.5% of pensionable emoluments to a maximum pensionable salary of US$700 for each employee.

Employees in Zambia contribute to a defined contribution pension scheme arranged in their country of operation.

The Zimbabwe companies also contribute to a Group Life Assurance Policy administered by an independent insurance company.

	2015 US$ 000	2014 US$ 000
Contribution to pension schemes during the year:		
Zimbabwe pension schemes	112	61
Zimbabwe National Social Security Authority	187	130
Non-Zimbabwe pension schemes	73	63
	372	**254**

30. GROUP CASH FLOW INFORMATION

	2015 US$ 000	2014 US$ 000
Cash generated from operations		
Operating profit	**1 445**	**915**
Depreciation	826	870
Profit on disposal of property plant and equipment	(1)	(24)
Unrealised exchange gains	(624)	(155)
Fair value gain on investment property	-	(621)
Other non-cash items	50	(75)
Fair value adjustment on biological assets	(296)	(152)
Cash generated before working capital changes	**1 400**	**758**
Movement in working capital:		
Decrease in inventories	114	912
Decrease/ (increase) in trade and other receivables	396	(293)
Increase in trade and other payables	3 467	1 715
Net cash generated from working capital	**3 977**	**2 334**
Cash generated from operations	**5 377**	**3 092**

31. RELATED PARTY TRANSACTIONS

Softex Tissue Products (Private) Limited (Softex) is a 50% joint venture. Kadoma Paper Mills, a Group entity sells its products to Softex. Below is the detail of the transactions between the Group and Softex.

	2015 US$ 000 Softex	2014 US$ 000 Softex
Amounts receivable from Softex	234	261
Sales to		
Kadoma Paper Mills	-	-
Purchases from		
Kadoma Paper Mills	1 923	1 640

No amounts relating to related party balances were written off.

ART Holdings owns 40% of Victor Onions (Private) Limited and supplies the company with batteries for resale.

Transactions and balances with Victor Onions :

	2015 US$ 000	2014 US$ 000
Sales		
Sales to related party	1 230	1 615
Amounts owed by related party	238	48

Transactions in the normal course of business

Art Corporation also has a trading relationship with Taesung Chemical Company Limited, who supply raw materials, batteries and factory machinery to the Batteries, Paper and Stationery Divisions.

Transactions in the normal course of business with Taesung:

	2015 US$ 000	2014 US$ 000
Purchases		
Purchases from related party- (Inventory)	2 510	780
Amounts owed to related party	1 264	386

No amounts relating to related party balances were written off.

Capital Expenditure Transactions with Taesung:

	2015 US$ 000	2014 US$ 000
Purchases		
Purchases from related party – Equipment	2 336	-
Amounts owed to related party	1 404	-

The balances above are disclosed in accounts payables in the Statement of Financial Position. Repayment terms for the working capital facility are generally on 150 days terms and the capital expenditure funding is repayable on varying terms between 12 months to 24 months.

32. COMPENSATION OF KEY MANAGEMENT PERSONNEL OF THE GROUP

	2015 US$ 000 Softex	2014 US$ 000 Softex
Short-term employee benefits	865	925
Retrenchment cost	209	-
Total compensation paid to key management personnel	**1 074**	**925**

The Group considers the executive directors, Group executives and unit leaders as key management personnel. The increase in short term employee benefits for key management is a result of a management reorganization at head office.

33. JOINT VENTURES

The Group has 50% interest in Softex Tissue Products(Private) Limited, a joint venture involved in the manufacture of tissue and related products in Zimbabwe. Detailed below is the summarised financial information of the Group's interest in the joint venture (Softex) in 2015 and 2014.

	2015 US$ 000 Softex	2014 US$ 000 Softex
Statement of profit or loss		
Revenue	6 778	6 600
Cost of sales	(5 215)	(5 137)
Gross profit	1 563	1 463
Other income	37	7
Operating expenses	(1 739)	(1 514)
Operating loss before interest and tax	(139)	(44)
Finance income	-	-
Finance costs	(14)	(18)
Loss before tax	(153)	(62)
Income tax credit	53	-
Loss for the year	(100)	(62)
Group's share of loss for the year	(50)	(31)

Depreciation of $97,000 was charged during the year (2014: $99,000)

33. JOINT VENTURES (CONTINUED)

STATEMENT OF FINANCIAL POSITION

	2015 US$ 000	2014 US$ 000
ASSETS		
Non-current assets		
Property plant and equipment	524	484
Deferred tax asset	44	8
Investments	-	1
	568	493
Current assets		
Inventories	627	600
Trade and other receivables	1 080	787
Cash and short term deposits	27	26
	1 734	1 413
Total assets	**2 302**	**1 906**
LIABILITIES		
Current liabilities		
Trade and other payables	1 341	781
Short-term borrowings	18	83
	1 359	**864**
Total Liabilities	**943**	**864**
NET ASSETS	**943**	**1 042**
Capital and reserves		
Shareholders' equity	**943**	**1 042**
Group's carrying amount of the Investment	**471**	**521**

The joint venture had no contingent liabilities or capital commitments as at 30 September 2015 and 2014. Softex Tissue Products (Private) Limited cannot distribute its profits without the consent from the two venture partners.

34. CONTINGENCIES

Part of the land under timber plantations has been listed for compulsory acquisition. Recent developments on the matter indicate that a 99 year lease may be obtained which will ensure security of the tenure.

35. CAPITAL EXPENDITURE COMMITMENTS

	2015 US$ 000	2014 US$ 000
Authorised but not yet contracted		
Authorised and contracted for	1 682	905
	3 045	1 800

The capital expenditure will be funded from internal working capital and the shareholder facility.

36. GOING CONCERN

The Group reported a net loss after tax of US$590,000 after taking out retrenchment costs of $634,000 (2014; loss of US$1.1million), after charging interest cost of US$1.295million (2014; US$1.638 million) to operating profit of US$1.445million (2014; US$915,000).Total short term borrowings were US$4.091million (2014; US$4.753million), and long term borrowings were US$2.929million (2014; US$3.117million). Total net current liabilities were US$7.671million (2014; US$4.111million).

The ability of the Group to continue to operate as a going concern is subject to continual assessment. The Board of Directors have reviewed the status of the Group and its ability to continue to operate as a going concern, (including solvency) in the context of the current year financial results and mitigating activities. In their assessment, the Board considered the following:

- The Group traded under a difficult environment during the year and the business still carries high borrowings and a high financing cost.
- Under such a difficult environment, the Group has been able to reschedule its short term debt when it fell due and met its debt obligations.
- Despite the economic conditions obtained in the markets in which the Group operates, significant progress has been made in turning around the fortunes of the Group and profits of $1,1 million were recorded from January to September 2015. Furthermore, the Group has been able to roll forward all facilities that had expired during the year.

The initiatives that the board is pursuing include the following:

- Further restructuring of short term loans into long term. An amount of US$1 million has been restructured into a three year tenor. Another loan amount of $1 million is earmarked for restructuring in January 2016.
- Interest has been negotiated downwards from an average of18% to 16%
- The Group has been granted a 3 year facility loan amount of $500,000 from a bank which will be utilised to increase trading and reduce working capital pressures.
- The Group has been able to draw down on the Taesung working capital and long term capital facilities. During the year, equipment worth $1.822 million was purchased from Taesung and commissioned in January in Eversharp, Kadoma Paper Mills and Chloride divisions under the phase 1 recapitalisation. In August 2015, further equipment amounting to $375,000 was commissioned in Eversharp which increased capacity utilisation by 75%. Work has been done to develop our regional markets to increase pen uptake. Significant drawdowns have been made to the working capital facility through our Eversharp, Kadoma Paper Mills, Chloride Zimbabwe and Chloride Zambia business units. Under this facility, raw materials and finished goods amounting to $2.5 million were drawn down under extended payment arrangements which have helped resolved the Group cashflow position.
- The Group has made a capital commitment of $3,1 million for Chloride phase 2 equipment from Taesung under a 3 year facility. The equipment, when commissioned, is going to increase capacity to 30,000 units and introduce battery lines which the factory could not manufacture as well as maintenance free batteries. The new equipment will be commissioned in 2016.

The financial statements have been prepared on the going concern basis. This basis presumes that the company's plans will be effective and the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

37. CAPITAL MANAGEMENT

For the purposes of the Group's capital management, capital includes issued capital, share premium and other equity reserves attributable to the equity holders of the parent. The Group's policy is to maintain strong capital base in order to maintain shareholder and market confidence and sustain future development of the business.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, return on capital including the share appreciation and the level of dividend to ordinary shareholders is constantly monitored by the Board of Directors.

Authority is granted in the Articles of Association for the directors to borrow a sum not exceeding twice the share capital and reserves of the company. The Group includes within net debt interest bearing loans and borrowings less cash and short-term deposits.

	2015 US$ 000	2014 US$ 000
Interest-bearing loans and borrowings (note 19)	7 020	7 870
Less: cash and short term deposits (note 22)	(312)	(486)
Net debt	**6 708**	**7 384**
Total capital	**8 900**	**10 145**
Borrowings as a percentage of capital and reserves	75%	71%

No changes were made in the objectives, policies or processes for managing capital during the years ended 30 September 2015 and 2014.

The Group is not subject to externally imposed capital requirements.

38. EVENTS AFTER REPORTING DATE

In October 2015, a fire broke out at the timber plantations and destroyed 238 hectares of timber valued at $174,000. The loss will be accounted for in the results for the year ending 30 September 2016. Additionally, there will be no significant immediate impact on the Group's cash flows as a result of the fire.

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 September 2015

	2015 US$ 000	2014 US$ 000
Other income	6	-
Profit before tax	6	-
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss:		
Fair value adjustment on investment in subsidiary	(1 251)	(1 085)
Other comprehensive income for the year	(1 251)	(1 085)
Total comprehensive income for the year	**(1 245)**	**(1 085)**

COMPANY STATEMENT OF FINANCIAL POSITION

As at 30 September 2015

		2015 US$ 000	2014 US$ 000
ASSETS			
Non-current assets			
Investments	A	4 499	5 750
Current assets			
Trade and other receivables	B	4 385	4 379
Cash and short term deposits		16	16
TOTAL ASSETS		**8 900**	**10 145**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	23	47	47
Share premium	23	4 378	4 378
Non-distributable reserves		4 496	5 735
Accumulated loss		(21)	(15)
Shareholders' equity		**8 900**	**10 145**
TOTAL EQUITY AND LIABILITIES		**8 900**	**10 145**

M Chundu
CHAIRMAN

26 November 2015

T M Ameer
GROUP CHIEF EXECUTIVE OFFICER

26 November 2015

38. EVENTS AFTER REPORTING DATE (CONTINUED)

	Share capital US$ 000	Share premium US$ 000	Non-distributable reserves US$ 000	Accumulated loss US$ 000	Total
At 1 October 2013	**47**	**4 378**	**6 820**	**(15)**	**11 230**
Other comprehensive income	-	-	(1 085)	-	(1 085)
Total comprehensive income	-	-	(1 085)	(15)	(1 085)
At 30 September 2014	47	4 378	5 735	(15)	10 145
Profit for the period	-	-	-	6	-
Other comprehensive income	-	-	(1 251)	-	(1 245)
Total comprehensive income	-	-	(1 239)	6	(1 085)
At 30 September 2015	**47**	**4 378**	**4 484**	**(9)**	**8 900**

Company statement of cash flows

The Company does not have significant cash flows. There were no cash flows in the current year hence the Company cash flow statement has not been presented.

	2015 US$ 000	2014 US$ 000
A. Investments		
Opening balance	5 750	6 835
Fair value adjustment	(1 251)	(1 085)
Closing balance	**4 499**	**5 750**

The Company measures its interests in Art Investments Limited and Chloride CA Limited at fair value with fair value changes taken to other comprehensive income. The fair value is based on the net asset value of the respective investees.

	2015 US$ 000	2014 US$ 000
B. Accounts receivables		
Amounts due from Group companies	4 385	4 379
	4 385	**4 379**

SHAREHOLDERS' ANALYSIS

For the year ended 30 September 2015

Size of shareholding			Number of shares	% of shareholders	Number of shares	% of shareholders
1	–	5 000	2 356	85.39%	1 717 185	0.37%
5 001	–	50 000	277	10.04%	3 841 956	0.82%
50 001	–	500 000	75	2.72%	51 105 045	10.92%
500 001	–	1 000 000	17	0.62%	10 840 178	2.32%
1 000 001	–	And over	34	1.23%	400 437 675	85.57%
			2 759	**100%**	**467 942 039**	**100%**

Shareholders by type

Local Companies	246	8.92%	308 976 900	66.03%
Pension Funds	19	0.6%	73 556 384	15.72%
Foreign Companies	23	0.83%	33 528 547	7.17%
Individuals	2 213	80.21%	31 654 572	6.76%
Nominees	38	1.38%	3 300 880	0.71%
Investments and trusts	70	2.54%	13 996 399	2.99%
Other organisations	150	5.43%	2 928 357	0.62%
	2 759	**100%**	**467 942 039**	**100%**

TOP TEN SHAREHOLDERS

Rank	Shareholder	Total shares	%
1	CRANBAL INVESTMENTS (Private) Limited	174 381 720	37 27%
2	SILVERMINE INVESTMENTS (Private) Limited	68 400 000	14.62%
3	ZADMAB (Private) Limited	55 401 501	11.84%
4	MINING INDUSTRY PENSION FUND	24 801 045	5.30%
5	NATIONAL RAILWAYS OF ZIMBABWE PENSION FUND	21 545 304	4.60%
6	J.P.MORGAN CHASE BANK	17 064 042	3.65%
7	ECONET GROUP PENSION FUND	16 676 500	3.56%
8	BOBER AND COMPANY	13 644 826	2.92%
9	KAIROS INVESTMENTS	8 919 376	1 91%
10	LOCAL AUTHORITIES PENSION FUND	5 009 262	1 07%

NOTICE TO MEMBERS

For the year ended 30 September 2015

NOTICE IS HEREBY GIVEN that the tenth Annual General Meeting ("AGM") of Amalgamated Regional Trading (ART) Holdings Limited (the "Company") will be held at 202 Seke Road, Graniteside, Harare, Zimbabwe, on Friday, 26 February, 2016, at 14:00 hours for the purpose of considering and, if thought fit, passing the following resolutions.

ORDINARY BUSINESS

1. To receive and consider the Directors' Report and the Accounts for the year ended 30 September 2015.

2. To re-appoint Ernst & Young as auditors for the ensuing year and to authorize the Directors to fix their remuneration.

3. To approve Directors fees for the year ended 30 September, 2015.

4. In terms of the Articles of Association of the Company, Messrs. M Oakley and T UteteWushe having been appointed to the Board during the year, retire at the Annual General Meeting and being eligible offer themselves for re-election. Messrs. A M Chingwecha, O Mtasa and T M Ameer retire at the Annual General meeting by rotation. All being eligible offer themselves for re-election.

SPECIAL BUSINESS

5 Amendments to Articles of Association

To consider and if deemed fit, pass with or without amendment, the following resolutions as special resolutions:

5.1 That a new Article, Article 2(A) be inserted as follows:
"Notwithstanding any contrary provisions in the British Virgin Islands Business Companies Act, 2004 and these Articles of Association, the Company shall issue securities in dematerialized form, convert certificated securities to dematerialized securities, and allow its securities to be traded in dematerialized form, provided that no certificated securities shall be converted to their dematerialized form without the consent of the holder thereof".

5.2 That a new Article, Article 102 (A) be inserted as follows:
"Notwithstanding any other provision of these Articles of Association, any document and or notice required to be sent to members in terms of sections 102 to 104 above or in terms of any other provision of these Articles of Association may, notwithstanding anything to the contrary be sent by electronic means to the electronic address last furnished by such members and shall be posted on the Company's official website. Such documents and or notices shall be forwarded to the members concerned within the prescribed time frames. Provided, should a member request a hard copy, such document as requested shall be availed in hard copy format to the member".

5.3 That a new Article, Article 82(A) be inserted as follows:
"Any dividend, interest or other monies payable in respect of the shares may be paid through any and all approved national payment systems in place from time to time and such payment may be notified to the recipient by communication to his electronic address, or in the case of joint holders, to the electronic address of that one of the joint holders who is first named on the register of members or to such person or to such electronic address as the holder or joint holders may direct. Anyone of two or more joint holders may give effectual receipts for any dividends, bonuses or other money payable in respect of the shares held by them as joint holders.

EXPLANATORY NOTES TO THE PROPOSED RESOLUTIONS

Dematerialisation of securities

The implementation and licensing of a Central Securities Depository has necessitated conversion of listed certificated securities into their electronic form before any trading on the Zimbabwe Stock Exchange (ZSE) can be effected. The British Virgin Islands Business Companies Act, 2004 and the Company's Articles of Association recognise paper share certificates. However, the Securities and Exchange Act (24:25) through provision of section 72 allows securities to be dematerialized. In order to comply with the requirements of the above, it is recommended that the Company passes the necessary resolution.

Electronic shareholder documents and notice

The technological developments in electronic communication, that have happened over the years, have ushered in efficiencies while the cost associated with the preparation and delivery of physical copies of annual reports, shareholder notices and related documents has increased. The company would want to be able to send electronic documents in place of physical documents to its members.

By order of the Board

Registered Office:	Regional Office
Palm Grove House	202 Seke Road
P O Box 3186	Graniteside
Wickhams Cay 1	P O Box 2777
Road Town, Tortola	Harare
British Virgin Islands	Zimbabwe

A M Chingwecha
GROUP SECRETARY

Dated: 26 November 2015

Note: A member entitled to attend and vote at the above meeting is also entitled to appoint one or more proxies to attend and, on a poll, vote instead of him (see Form of Proxy). The proxy need not be a member of the Company. Appointment of a proxy will not preclude a member from attending and voting at the meeting.

Every person present and entitled to vote at a general meeting shall, on a show of hands, have one vote only, but in the event of a poll, every share shall have one vote.

NOTES

FORM OF PROXY

For use at the Annual General Meeting ("AGM") of ART Holdings Limited ("the Company") to be held on Friday, 26 February, 2016 at 14:00 hours at 202 Seke Road, Graniteside, Harare, Zimbabwe.

I/We ____
(Name/s in block letters)

Of ____

Being a member of ART Holdings Limited ("the Company")

And entitled to ____ votes

Hereby appoint ____of_________________________

____

Or failing him/her ____of _________________________

____

or failing him, the Chairman of the Meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the above AGM of the Company and at any adjournment thereof on the resolutions set out in the Notice of the Meeting as indicated below and otherwise as he shall deem fit.

ORDINARY RESOLUTIONS

	For	Against	Abstain
1. To receive and consider the Directors' Report and the Accounts for the year ended 30 September 2015.			
2. To re-appoint Ernst & Young as auditors for the ensuring year and to authorize the Directors to fix their remuneration.			
3. To approve Directors fees for the year ended 30 September, 2015.			
4. In terms of the Articles of Association of the Company, Messrs. M Oakley and T Utete Wushe having been appointed to the Board during the year, retire at the Annual General Meeting and being eligible offer themselves for re-election. Messrs. A M Chingwecha, O Mtasa and T M Ameer retire at the Annual General meeting. All being eligible offer themselves for re-election.			

Full Name ____

Signature ____

Dated this ____

SPECIAL RESOLUTIONS

Resolution	For	Against	Abstain
5 Amendments to Articles of Association To consider and if deemed fit, pass with or without amendment, the following resolutions as special resolutions:			
5.1 That a new Article, Article 2(A) be inserted as follows: "Notwithstanding any contrary provisions in the British Virgin Islands International business Companies Act (Chapter 291) and these Articles of Association, the Company shall issue securities in dematerialized form, convert certificated securities to dematerialized securities, and allow its securities to be traded in dematerialized form, provided that no certificated securities shall be converted to their dematerialized form without the consent of the holder thereof".			
5.2 That a new Article, Article 102 (A) be inserted as follows: "Any documents and or notices required to be sent to members in terms of sections 102 to 104 above or in terms of any other provision of these Articles of Association may, notwithstanding anything to the contrary be sent by electronic means to the electronic address last furnished by such members and shall be posted on the Company's official website. Such documents and or notices shall be forwarded to the members concerned within the prescribed time frames. Provided, should a member request a hard copy, such document as requested shall be availed in hard copy format to the member".			
5.3 That a new Article, Article 82(A) be inserted as follows: "Any dividend, interest or other monies payable in respect of the shares may be paid through any and all approved national payment systems and such payment may be notified to the recipient by communication to his electronic address, or in the case of joint holders, to the electronic address of that one of the joint holders who is first named on the register of members or to such person or to such electronic address as the holder or joint holders may direct. Anyone of two or more joint holders may give effectual receipts for any dividends, bonuses or other money payable in respect of the shares held by them as joint holders.			

Full Name ______________________________

Signature ______________________________

Dated this ______________________________

INSTRUCTIONS FOR SIGNING AND LODGING THIS FORM OF PROXY

1. 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.

2. The Chairman shall be entitled to decline to accept the authority of a person signing the proxy form:

   (a) under a power of attorney
   (b) on behalf of a company

   unless that person's power of attorney or authority is deposited at the offices of the Company's transfer secretaries not less than 48 hours before the meeting.

3. 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.

4. 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.

5. The completion and lodging of this form of proxy will not preclude the member who grants this proxy form from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.

6. In order to be effective, completed proxy forms must reach the Company's transfer secretaries not less than 48 hours before the time appointed for the holding of the meeting.

7. Whether or not you intend to be present at the AGM, please complete and return the Form of Proxy. The completion of the Form of Proxy will not prevent you from attending and voting at the meeting or any adjournment thereof, in person if you wish to do so.

Transfer Secretaries
(Shares)

Amalgamated Regional Trading (ART) Holdings Limited
202 Seke Road
Graniteside
P O Box 2777
Harare
Tel. (263 4) 770097/138
Zimbabwe
Fax. (263 4) 770137
Email: achingwecha@artcorp.co.zw

Transfer Secretaries
(ZDR's)

Corpserve (Private) Limited
4th Floor, Intermarket Centre
1st Street/Kwame Nkrumah Avenue
P O Box 2208
Harare
Tel. (263 4) 758193/750711
Zimbabwe
Fax.(263 4) 752629
Email: collen@corpserve.co.zw

ART
AMALGAMATED REGIONAL TRADING

Registered Office
Palm Grove House
P.O. Box 3186
Wickhams Cay1
Road Town, Tortola
British Virgin Islands

Regional Office
202 Seke Road
Graniteside
P.O. Box 2777
Harare
Zimbabwe