ESW INVESTMENT GROUP LIMITED

(Registration number R7/38733)

ANNUAL FINANCIAL STATEMENTS
30 JUNE 2020

Proficient Chartered Accountants

ESW INVESTMENT GROUP LIMITED
(Registration number R7/38733)

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2020

DIRECTORATE AND ADMINISTRATION

NATURE OF BUSINESS	Financial Services
DIRECTORATE	LA Vilakati NC Mamba Chairman MR Lukhele G Manyere TM Hlophe AS Dlamini S Mambanda
BUSINESS ADDRESS	4th Floor, Sibekelo 2 Building Mbabane Office Park Mhlambanyatsi Road Mbabane Eswatini
REGISTERED OFFICE	No.5A, Valley View Centre Portion 15 of Farm 706 Corner plaza Ezulwini Eswatini
AUDITORS	Proficient Chartered Accountants
SECRETARY	S.V Mandla & Associates
COMPANY REGISTRATION NO.	R7/38733
LEVEL OF ASSURANCE	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 8 of Eswatini 2009.
FINANCIAL STATEMENTS	Prepared by Simbarashe Mambanda

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ESW INVESTMENT GROUP LIMITED
(Registration number R7/38733)

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2020

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Supplementary schedule

Proficient Chartered Accountants

Proficient CHARTERED ACCOUNTANTS

Proficient Chartered Accountants
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13 du Toit Street Manzini Swaziland
Tel +268 2505 9089 · E proficient@realnet.co.sz

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESW INVESTMENT GROUP LIMITED

Opinion

We have conducted the audit of the annual financial statements of ESW Investment Group Limited, which comprises the directors' report, the statement of financial position as at 30 June 2020, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 9 to 38.

In our opinion, the financial statements fairly present, in all material respects, the financial position of the company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs) and in the manner required by the Eswatini Companies Act, 2009.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Swaziland. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Swaziland. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the company in accordance with the Eswatini Institute of Accountants and Code of Ethics for Professional Accountants and other independence requirements applicable to performing audits of financial statements in Eswatini. We have fulfilled our other ethical responsibilities in accordance with the Eswatini Institute of Accountants Code and in accordance with other ethical requirements applicable to performing audits in Eswatini.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 8 of Eswatini 2009 of Swaziland, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon. PCA

(continued)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESW INVESTMENT LIMITED

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The company directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of Eswatini, and for such internal control as the directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As per of an audit approach in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud it or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of opinion. The risk of not detecting a material misstatement resulting from fraud is higher that one resulting from error, as fraud my involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Company's internal control

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by the directors. PCA

(continued)

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• Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainly exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements or , if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Supplementary schedules

The supplementary schedules set out on pages 39 - 41 do not form part of the annual financial statements and is presented as additional information. We have not audited this schedule and accordingly, we do not express an opinion on it.

Chartered Accountants (Eswatini)
Per: Philippa Garrell
Mbabane
28 October 2020

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ESW INVESTMENT GROUP LIMITED
(Registration number R7/38733)

DIRECTORS' REPORT
for the year ended 30 June 2020

The directors present their annual report which forms part of the audited annual financial statements of the company for the year ended 30 June 2020.

FINANCIAL RESULTS

The financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 8 of Eswatini of 2009. The accounting policies have been applied consistently compared to the prior period, except for the adoption of IFRS 15: Contracts with Customers and IFRS 9: Financial Instruments during the current period.

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

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SHARE CAPITAL

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

DIVIDENDS

The company's dividend policy is to consider an interim and a final dividend in respect of each financial period. At its discretion, the directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the directors may pass on the payment of dividends.

Given the current state of the global economic environment, the directors believes that it would be more appropriate for the company to conserve cash and maintain adequate debt headroom to ensure that the company is best placed to withstand any prolonged adverse economic conditions. Therefore the directors has resolved not to declare a dividend for the financial year ended 30 June 2020.

INSURANCE AND RISK MANAGEMENT

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

LITIGATION STATEMENT

The company is not currently involved in any litigation or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

ESW INVESTMENT GROUP LIMITED
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DIRECTORS' REPORT
(Registration number R7/38733)

DIRECTORATE

The following changes were made to the directorate:

	APPOINTED	RESIGNED
G Manyere	8 January 2020	
A Hay		23 March 2020
TP Gregory		5 December 2019
DP van der Merwe		23 March 2020
TM Hlophe	1 June 2020	
AS Dlamini	1 June 2020	
S Mambanda	1 June 2020	

DIRECTORS INTERESTS IN CONTRACTS

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

SUBSEQUENT EVENTS

The directors are not aware of any matter or circumstance arising since the end of the financial year and the date of this report, not otherwise dealt with in the financial statements which would significantly affect the financial position and operating results of the company.

GOING CONCERN

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

AUDITORS

Proficient Chartered Accountants were appointed as auditors for the company for 2020.

At the AGM, the shareholders will be requested to reappoint Proficient Chartered Accountants as the independent external auditors of the company and to confirm Mrs P Garrell as the designated lead audit partner for the 2021 financial period.

DATE OF AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements have been authorised for issue by the directors on 30 September 2020. No authority was given to anyone to amend the financial statements after the date of issue. PCA

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STATEMENT OF DIRECTORS' RESPONSIBILITY
for the year ended 30 June 2020

The directors are required in terms of the Companies Act 8 of Eswatini 2009 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

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

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 3 to 5.

The financial statements set out on pages 9 to 41, which have been prepared on the going concern basis, were approved by the directors on 28 October 2020 and were signed on their behalf by:

DIRECTOR

DIRECTOR

ESW INVESTMENT GROUP LIMITED
(Registration number R7/38733)

STATEMENT OF FINANCIAL POSITION
as at 30 June 2020

	Notes	2020 E	2019 E
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	3	745 757	300 065
Investment in subsidiary	4	111 218 837	-
Investment in associates	5	157 900 521	-
Deferred tax	6	11 067 417	7 986 020
		280 932 532	8 286 085
CURRENT ASSETS			
Loan to group companies	7	151 309 389	259 736 612
Trade and other receivables	8	955 199	955 597
Bank and cash balances	9	2 183 810	2 363 286
		154 448 398	263 055 495
TOTAL ASSETS		435 380 930	271 341 581
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Share capital	10	700	700
Share premium		60 857 358	-
Retained income		23 073 434	2 732 358
		83 931 492	2 733 058
NON-CURRENT LIABILITIES			
Other financial liabilities	11	312 815 191	259 894 706
Loan payable	12	16 764 334	-
Lease liabilities	14	533 429	-
		330 112 954	259 894 706
CURRENT LIABILITIES			
Trade and other payables	14	2 138 918	980 621
Other financial liabilities	11	9 842 890	6 165 951
Taxation payable		9 354 676	1 567 245
		21 336 484	8 713 817
TOTAL EQUITY AND LIABILITIES		435 380 930	271 341 581

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ESW INVESTMENT GROUP LIMITED
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STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2020

	Notes	2020 E	2019 E
Interest Income		71 322 942	45 622 864
Interest Expense		(40 663 779)	(39 480 120)
Net Interest Income		30 659 163	6 142 744
Other Income	12	466 544	929 877
Operating Profit		31 125 707	7 072 621
Expenses		(20 316 466)	(6 581 362)
Administration costs		(20 126 446)	(6 581 362)
Finance costs		(190 020)	-
Gain on bargain purchase	12	14 500 000	-
Profit Before Taxation	13	25 309 241	491 259
Taxation	14	(4 956 174)	(130 924)
Profit After Taxation		20 353 067	360 335

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ESW INVESTMENT GROUP LIMITED
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STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2020

	Notes	Share capital E	Accumulated profits E	Total E
Balance at 30 June 2018		700	2 372 023	2 372 723
Profit for the year		-	360 335	360 335
Balance at 30 June 2019		700	2 732 358	2 733 058
Prior year adjustment		-	(11 991)	-
Share Premium		60 857 358	-	60 857 358
Profit for the year		-	20 353 067	20 353 067
Balance at 30 June 2020		60 858 058	23 073 434	83 943 483

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ESW INVESTMENT GROUP LIMITED
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STATEMENT OF CASH FLOWS
for the year ended 30 June 2020

	Notes	2020 E	2019 E
Cash Flows from Operating Activities			
Cash receipts from customers	a	86 284 440	45 599 970
Cash paid to suppliers and employees	b	(59 469 716)	(50 847 030)
Net Cash flows from operations		26 814 724	(5 247 060)
Interest received		5 444	12 175
Interest paid		(190 020)	-
Taxation paid	c	(245 592)	(3 569 167)
Net Cash flows from operating activities		26 384 556	(8 804 052)
Investing Activities			
Acquisition of plant and equipment		(624 441)	(311 581)
Proceeds on disposal of plant and equipment		-	49 080
Purchase of shares in Subsidiary and Associates		(269 119 358)	-
Loans to group companies		108 427 223	(6 905 431)
Sale of financial asset		-	(49 080)
Share Premium		60 857 358	-
Net cash generated from/(utilised in) investing activities		(100 459 218)	(7 217 012)
Financing Activities			
Decrease of other financial liabilities		56 597 424	15 586 947
Increase in lease liabilities		533 429	-
Increase in loan payable		16 764 334	-
Net cash generated from financing activities		73 895 187	15 586 947
NET DECREASE IN CASH AND CASH EQUIVALENTS		(179 476)	(434 117)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		2 363 286	2 797 403
CASH AND CASH EQUIVALENTS AT END OF YEAR	d	2 183 810	2 363 286

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ESW INVESTMENT GROUP LIMITED
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STATEMENT OF CASH FLOWS (continued)
for the year ended 30 June 2020

	2020		2019	
	E	E	E	E
Notes:				
a Cash receipts from customers				
Interest Received		71 322 942		45 622 864
Other income		14 966 544		929 877
Less:		(5 444)		(12 175)
Interest received	(5 444)		(12 175)	
		86 284 042		46 540 567
Increase in trade and other receivables		398		(940 597)
		86 284 440		45 599 970
b Cash paid to suppliers and employees				
Interest Paid		40 663 779		39 480 120
Expenses		20 316 466		6 581 362
Less:		(352 229)		(86 028)
Depreciation	(178 749)		(36 948)	
Interest paid	(190 020)		-	
Loss on disposal of asset	-		(49 080)	
Prior year adjustment	16 540		-	
		60 628 016		45 975 454
Increase/(decrease) in trade and other payables		(1 158 300)		4 871 576
		59 469 716		50 847 030

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ESW INVESTMENT GROUP LIMITED
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STATEMENT OF CASH FLOWS (continued)
for the year ended 30 June 2020

		E	E
Notes:			
c	**Taxation paid**		
	Balance at beginning of the year	(1 567 245)	348 857
	Taxation charge in the current year	(8 033 023)	(5 485 269)
	Balance at end of the year	9 354 676	1 567 245
		(245 592)	(3 569 167)
d	**Cash and cash equivalents at end of year**		
	Bank and cash balances	2 183 810	2 363 286

Cash and cash equivalents at end of year consist of cash on hand and balances with banks. They comprise the following statement of financial

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1 ACCOUNTING POLICIES

The financial statements have been prepared on the historical cost basis and incorporate the following principal accounting policies. Accounting policies not referred to do not depart from accepted accounting practices.

1.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board (IASB) and the Swaziland Companies Act, 2009.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgement about carrying values of assets and liabilities. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

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1.2 Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. They are presented in currency units (E) of Swaziland.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Emalangeni, which is the company's functional currency.

These accounting policies are consistent with the previous period, except for the adoption of IFRS 15: Contracts with Customers and IFRS 9: Financial Instruments effective from 1 July 2018.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. PCA

1 ACCOUNTING POLICIES (continued)

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additioanl taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates relating to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

Key sources of estimation uncertainty

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Impairment testing

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs. PCA

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1 ACCOUNTING POLICIES (continued)

1.4 Revenue recognition

The company recognises revenue from the following major sources:

- Interest revenue
- Investment revenue
- Rendering of services

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

To determine whether to recognise revenue, the Company follows a 5-step process:
- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

The company derives revenue from the transfer of goods and services over time and at a point in time disaggregated into major segments and geographical regions.

Revenue recognition

Revenue from Interest and Investments

1. Interest revenue
   - Interest income earned on trading advances is recognised as revenue, on a time apportioned method taking into

2. Investment revenue
   - Interest - Interest income earned on investment advances is recognised as revenue, on a time apportioned
   - Dividends - Dividends are recognised, in profit or loss, when the Company's right to receive payment has been

Revenue from contracts with customers PdA

1 ACCOUNTING POLICIES (continued)

1.4 Revenue recognition (continued)

3. Rendering of services, fee income and collections

- The company earns income from a diverse range of financial services it provides to its customers. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously.

- The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract. The company revenue contracts do not typically include multiple performance obligations. When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.
- The company has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.
- The company provides facilities that allow for the cryogenic preservation and storage of umbilical cord stem cells. The company charges a fee for the processing and storage of these cells. Revenue related to these fees is recognised in the accounting period in which the services are rendered, with reference to the stage of completion of the storage term at the end of the reporting date. Processing fees are therefore recognised once the cells have been repaired and analysed for storage.
- Where a fee or commission is charged in full at the inception of the transaction, the income and/or expense is

1.5 Plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses. PBA

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1 ACCOUNTING POLICIES (continued)

1.5 Plant and equipment (continued)

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The rates of depreciation used are as follows:

Item	%
Leasehold property	16.67
Furniture and fixtures	16.67
Office equipment	16.67
IT equipment	16.67

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

1.6 Leased assets

Assets leased in terms of lease agreements which are considered to be finance leases, are capitalised. Such assets are depreciated on the reducing-balance basis at rates calculated to write off the cost of the assets over the expected period of their useful lives. Lease finance charges are charged to the income statement over the lease period. PCA

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1 ACCOUNTING POLICIES (continued)

1.7 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the company ,as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below: PCA

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1 ACCOUNTING POLICIES (continued)

1.7 Financial instruments (continued)

Financial assets held at amortised cost

Classification

Loans to group companies, Other financial assets (excluding those designated at fair value), loans and advances, cash and cash equivalents and Trade and other receivables (note 6), excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on these loans.

Recognition and measurement

Loans receivable are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment or Expected Credit Losses (IFRS 9)

The company recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The company measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date. PdA

1 ACCOUNTING POLICIES (continued)

1.7 Financial instruments (continued)

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the company considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the company compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates

By contrast, if a loan is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the loan has not increased significantly since initial recognition.

The company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

Definition of default

For purposes of internal credit risk management purposes, the company consider that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the company considers that default has occurred when a loan instalment is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate

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1 ACCOUNTING POLICIES (continued)

1.7 Financial instruments (continued)

Write off policy

The company writes off a loan when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Loans written off may still be subject to enforcement activities under the company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default, taking the time value of money into consideration.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the loan at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Loans are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the loan, external credit ratings (if available), industry of counterparty etc.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, and visa versa.

An impairment gain or loss is recognised for all loans in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance.

Trade and other receivables

Impairment

The company recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date. POA

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1 ACCOUNTING POLICIES (continued)

1.7 Financial instruments (continued)

Trade and other receivables (continued)
Impairment (continued)

The company measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The company makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account.

Write off policy

The company writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Financial liabilities held at amortised cost

Classification

Loans from group companies, other financial liabilities, preference shares, bank overdrafts and trade and other payables excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost. PGA

1 ACCOUNTING POLICIES (continued)

1.7 Financial instruments (continued)

Financial liabilities held at amortised cost (continued)

Recognition and measurement

Financial liabilities and loans from related parties are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs.

Financial liabilities expose the company to liquidity risk and interest rate risk

Trade and other payables

Classification

Trade and other payables excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability. PCA

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1 ACCOUNTING POLICIES (continued)

1.7 Financial instruments (continued)

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs.

Trade and other payables expose the company to liquidity risk and possibly to interest rate risk.

Financial liabilities at fair value through profit or loss

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Derecognition

Financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The company derecognises financial liabilities when, and only when, the company obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.8 Financial instruments: IAS 39 comparatives

Impairment of financial assets

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

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1 ACCOUNTING POLICIES (continued)

1.7 Financial instruments (continued)

For amounts due to the company, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity as a reclassification adjustment to other comprehensive income and recognised in profit or loss.

comprehensive income and recognised in profit or loss.

Impairment losses are recognised in profit or loss.

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

Reversals of impairment losses are recognised in profit or loss except for equity investments classified as available-for-sale. Impairment losses are also not subsequently reversed for available-for-sale equity investments which are held at cost because fair value was not determinable.

Loans to (from) group companies

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Loans Bank balances

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

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1 ACCOUNTING POLICIES (continued)

1.7 Financial instruments (continued)

Trade and other receivables

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

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

Trade and other receivables are classified as loans and receivables.

Trade and other payables

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

Cash and cash equivalents

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

1.9 Tax

Current tax assets and liabilities

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

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

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1 ACCOUNTING POLICIES (continued)

1.7 Financial instruments (continued)

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

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

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

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

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

1.10 Impairment of assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. PCA

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1 ACCOUNTING POLICIES (continued)

1.10 Impairment of assets (continued)

Irrespective of whether there is any indication of impairment, the company also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

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

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

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

1.11 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are classified as equity.

1.12 Employment benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted. PA

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1 ACCOUNTING POLICIES (continued)

1.12 Employment benefits (continued)

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.13 Risk management

The financial assets of the company include cash and cash equivalents, inventory and accounts receivable. Financial liabilities of the company include accounts payable. The fair values of cash and cash equivalent balances, inventory, trade and other receivable and trade and other payables are not materially different from their carrying amounts.

Capital risk management
Capital is managed to ensure that the company will be able to continue as a going concern while maximising the return to the stakeholders' through optimisation of the debt and equity balance. The company's overall strategy remains unchanged from 2013.

Credit risk management
The company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The company's exposure and credit ratings of its counterparties are continually monitored.

Liquidity risk management
The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecasts and actual cash flows and matching maturity profiles of financial assets and liabilities.

Interest rate risk management
Cash and cash equivalent balances bear interest at rates linked to the prime overdraft rate on a floating rate basis.

Fair values
The carrying values of all financial instruments approximate their fair values.

1.14 Consistency

The financial statements have been prepared on a basis consistent with the previous year.

1.15 Comparative figures

Where necessary, comparative figures have been adjusted to conform with the changes in presentation in the current year. PCA

3 PLANT AND EQUIPMENT

	Cost E	Accumulated depreciation E	2020 Net book value E	2019 Net book value E
Owned assets				
Furniture and fixtures	231 764	50 755	181 009	219 636
IT equipment	81 679	20 381	61 298	42 075
Leasehold property	40 022	8 338	31 684	38 354
	353 465	79 474	273 991	300 065
Lease asset	594 056	122 290	471 766	-
	947 521	201 764	745 757	300 065

Reconciliation of carrying value 2019:

	Carrying value at beginning of year E	Net additions/ (disposals) E	Depreciation E	Carrying value at end of year E
Owned assets				
Furniture and fixtures	219 636	-	(38 627)	181 009
IT equipment	42 075	30 385	(11 162)	61 298
Leasehold property	38 354	-	(6 670)	31 684
	300 065	30 385	(56 460)	273 991
Lease asset	-	594 056	(122 290)	471 766
	300 065	624 441	(178 750)	745 757

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3 PLANT AND EQUIPMENT (continued)

Reconciliation of carrying value 2019:

	Carrying value at beginning of year E	Additions E	Depreciation E	Carrying value at end of year E
Owned assets				
Furniture and fixtures	32 917	206 145	(19 426)	219 636
IT equipment	-	44 794	(2 719)	42 075
Leasehold property	41 595	11 562	(14 803)	38 354
	74 512	262 501	(36 948)	300 065

4 INVESTMENTS IN SUBSIDIARY		
First Cred Botswana (60%)	111 218 837	-
5 INVESTMENTS IN ASSOCIATES		
Getbucks Eswatini (49%)	24 500 000	-
Finclusion(30%)	133 400 521	-
	157 900 521	-

6 DEFERRED TAX

	2020 E	2 019 E
Deferred tax liability		
Prepayments and deferred expenses	(3 613 209)	(3 242 096)
Deferred tax asset		
Prepayments and deferred expenses	-	10 845
Provisions	14 680 626	11 217 271
Total deferred tax asset	14 680 626	11 228 116

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax liability	(3 613 209)	(3 242 096)
Deferred tax asset	14 680 626	11 228 116
Total net deferred tax asset	11 067 417	7 986 020

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	2020 E	2019 E
7 LOANS TO GROUP COMPANIES		
Holding company		
Ecsponent Holdings (Pty) Ltd (Eswatini)	6 574 356	259 736 612
Provision for impairment	(6 574 356)	-
The loan is unsecured, bears interest at 24% per annum, and has no fixed terms of repayment.	-	259 736 612
During the current year the directors of both companies assessed the loan and have impaired it as unrecoverable due to economic uncertainty.		
Other intercompany loans		
Ecsponent Ltd	126 309 389	-
Ngwedi Preference shares	25 000 000	-
	151 309 389	259 736 612

	2020 E	2019 E
8 TRADE AND OTHER RECEIVABLES		
Deposits	26 400	26 400
Levies and complaince fee receivable	919 197	929 197
Prepayments	9 602	-
	955 199	955 597

	2020 E	2019 E
9 CASH AND CASH EQUIVALENTS		
Cash on hand	580	2 226
Bank balances	2 183 230	2 361 060
	2 183 810	2 363 286

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	2020 E	2019 E
10 SHARE CAPITAL		
Authorised		
1 000 000 000 Ordinary shares of E0.000001	1 000	1 000
Issued and fully paid		
700 000 000 Ordinary shares of E0.000001	700	700

The unissued shares are under the control of the directors.

	2020 E	2019 E
11 OTHER FINANCIAL LIABILITIES		
Held at amortised cost		
Redeemable preference shares - Class A The 5 year income provider product, Class A preference share provides a 15% pe annum interest return paid out monthly. The original capital investment is redeemed at the end of the 60 month investment term.	127 085 758	138 438 922
Redeemable preference shares - Class E The 5 year capital growth product, Class E preference share product provides a 0% per annum interest return. 200% of the original capital investment is redeemed at the end of the 60 month investment term providing the client with a capital growth return of 100% over the term of the investment.	124 417 825	127 620 735
Redeemable preference shares - Class B The 5 year income provider product, Class A preference share provides a 12% pe annum interest return paid out monthly. The original capital investment is redeemed at the end of the 60 month investment term.	36 652 228	-
Redeemable preference shares - Class F The 5 year capital growth product, Class E preference share product provides a 0% per annum interest return. 200% of the original capital investment is redeemed at the end of the 60 month investment term providing the client with a capital growth return of 70% over the term of the investment.	34 502 270	-
	322 658 081	266 059 657

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	2020 E	2019 E
11 OTHER FINANCIAL LIABILITIES (continued)		
Split between non-current and current portions		
Non-current liabilities	312 815 191	259 894 706
Current liabilities	9 842 890	6 165 951
	322 658 081	266 060 657

Authorised Preference Shares
100 000 000 Class A preference shares of E1.0 each, linked to a claim of E999.00
100 000 000 Class B preference shares of E1.0 each, linked to a claim of E999.00
100 000 000 Class C preference shares of E1.0 each, linked to a claim of E999.00
100 000 000 Class D preference shares of E1.0 each, linked to a claim of E999.00
100 000 000 Class E preference shares of E1.0 each, linked to a claim of E999.00
100 000 000 Class F preference shares of E1.0 each, linked to a claim of E999.00
100 000 000 Class G preference shares of E1.0 each, linked to a claim of E999.00
100 000 000 Class H preference shares of E1.0 each, linked to a claim of E999.00

The preference shares are redeemable after 60 months from the initial issue date and as a result are classified as debt and disclosed as such in the statement of financial position. The dividends declared to preference shareholders are classified as finance costs and disclosed on this basis in the statment of profit and loss.

	2020 E	2019 E
12 LOAN PAYABLE		
GetBucks Swaziland	6 764 334	-
Finclusion	10 000 000	-
	16 764 334	-
13 LEASE LIABILITY		
Rent	533 429	-

Rent expense has been applied with IFRS 16

		2020 E	2019 E
14	**TRADE AND OTHER PAYABLE**		
	Trade payables	352 778	39 497
	Accrued leave pay	70 788	39 435
	Payroll liabilities	4 555	31 091
	Withholding tax	-	214 785
	Dividend accrual	1 648 316	607 724
	Accrued audit fees	33 423	30 590
	Accrued expenses	29 058	17 500
		2 138 918	980 621
15	**TAXATION**		
	Current		
	Local income tax - current period	8 033 023	5 485 269
	Deferred		
	Benefit of unrecognised tax loss	(3 076 849)	(5 354 345)
		4 956 174	130 924
16	**RELATED PARTIES**		
	Related party balances		
	Loan accounts - owing by related parties		
	Ecsponent Holdings (Pty) Ltd (Eswatini)	-	259 736 612
	Related party transactions		
	Interest received from related parties		
	Ecsponent Holdings (Pty) Ltd (Eswatini)	(71 322 942)	(45 622 864)

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17 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial instruments

	Notes	2020	2019
Categories of financial assets			
Amortised cost			
Loans to group companies		6 574 356	259 736 612
Trade and other receivables		955 199	955 597
Cash and cash equivalents		2 183 810	2 363 286
		9 713 365	263 055 495

Categories of financial assets

		2020	2019
Trade and other payables		2 138 918	980 621
Other financial liabilities at fair value		322 658 081	266 060 657
Loan payables		6 764 334	-
		331 561 333	267 041 278

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ESW INVESTMENT GROUP LIMITED
(Registration number R7/38733)

DETAILED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2020

	2020		2019	
	E	E	E	E
REVENUE		71 322 942		45 622 864
COST OF SALES		40 663 779		39 480 120
GROSS PROFIT		30 659 163		6 142 744
OTHER INCOME		14 966 544		929 877
Bad debts recovered	-		17 496	
Capital gain on investment	14 500 000		-	
CIS fee and commissions	-		724 965	
Interest received	5 444		12 175	
Penalties on early withdrawal	461 100		175 242	
		45 625 707		7 072 621
ADMINISTRATION COSTS				
Accounting fees	600		-	
Administration fees	816 036		694 489	
Advertising & Promotion	127 289		19 117	
Auditors remuneration	106 153		46 355	
Bank charges	146 079		107 576	
Cleaning expenses	1 078		12 640	
Commission	6 015 399		3 430 677	
Compliance	267 737		197 212	
Computer expenses	6 328		279	
Consulting fees	3 250		38 190	
Courier and postage	37 628		-	
Depreciation	178 749		36 948	
Directors remuneration	89 000		58 350	
Donations	115 500		8 200	
Entertainment	16 724		17 722	
Fines and penalties	11 325		201 725	
Insurance and licenses	3 141		-	
Levies	606 265		-	
Loss on disposal of asset	-		49 080	
Management fees	2 910 000		-	
Motor vehicle expenses	-		12 728	
Carried forward	11 458 281	45 625 707	4 931 289	7 072 621

PCA

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Proficient Chartered Accountants

ESW INVESTMENT GROUP LIMITED
(Registration number R7/38733)

DETAILED STATEMENT OF COMPREHENSIVE INCOME (continued)
for the year ended 30 June 2020

	2020		2 019	
	E	E	E	E
BALANCE CARRIED FORWARD		45 625 707		7 072 621
ADMINISTRATION COSTS (continued)		20 126 446		6 581 362
Balance brought forward	11 458 281		4 931 289	
Office consumables	16 442		7 743	
Printing and stationery	44 563		43 607	
Provision for impairment	6 574 356		-	
Rent	60 885		265 040	
Repairs and maintenance	-		28 403	
Salaries and wages	1 740 996		1 149 422	
Secreterial fees	46 435		12 880	
Security	-		13 414	
Seminaars & Conferences	-		17 348	
Sponsorship	21 500		-	
Staff training	5 958		-	
Staff Welfare	182		561	
Subscriptions	19 933		-	
Telephone and fax	30 547		56 400	
Travel and accommodation	80 537		33 304	
Water and electricity	25 831		21 952	
		25 499 261		491 259
FINANCE COSTS				
Interest paid		190 020		-
Profit Before Taxation		25 309 241		491 259

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Proficient Chartered Accountants

ESW INVESTMENT GROUP LIMITED
(Registration number R7/38733)
for the year ended 30 June 2020

TAX COMPUTATION

			2020
			E
Profit per statement of comprehensive income			25 309 241
Add back:	Depreciation - current year	56 460	6 892 344
	Depreciation on lease IFRS16	122 290	
	Fines and penalties	11 325	
	Interest on lease IFRS16	57 125	
	Provision for leave pay - current year	70 788	
	Provision for impairment	6 574 356	
Less:	Capital gain on investment	(14 500 000)	(14 721 065)
	Wear & Tear - current year	(44 260)	
	Lease payments	(137 370)	
	Provision for leave pay - prior year	(39 435)	
Profit returned for assessment			17 480 520
Normal taxation @ 27.5%			4 807 143
Current taxation			4 807 143
less:			
First Provisional tax			(429 550)
Second Provisional tax			
Taxation payable			4 377 593

PCA

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