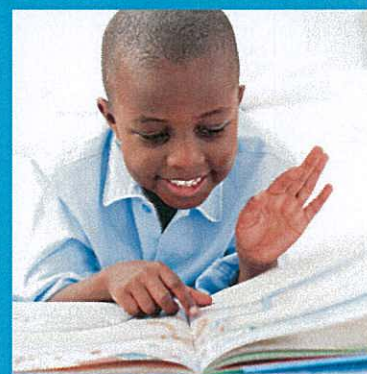
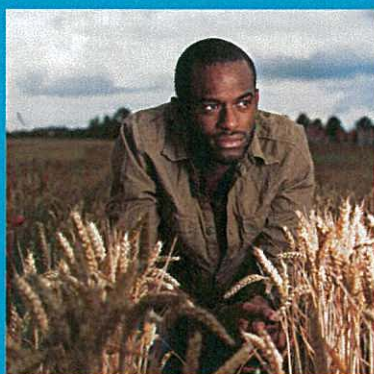
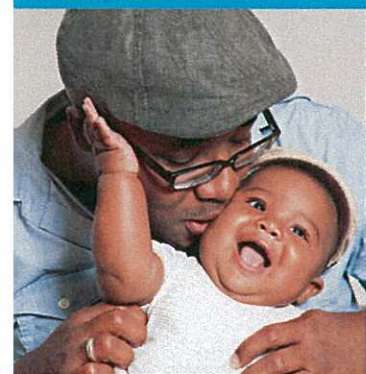


BAYPORT MANAGEMENT LTD
(Registration number 54787 C1/GBL)

GROUP ANNUAL FINANCIAL STATEMENTS
for the year ended 31 December 2015



your future now

BAYPORT
FINANCIAL SERVICES

Index

The reports and statements set out below comprise the annual financial statements of the Group and the Company presented to the shareholders:

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Secretary's Certificate in accordance with section 166(d) of the Mauritius Companies Act 2001

In accordance with section 166 (d) of the Mauritius Companies Act 2001, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001, for the year ended 31 December 2015.

DTOS Ltd
Company Secretary

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a series of vertical strokes and a horizontal line, positioned over a horizontal line.

General Information

Country of incorporation and domicile	Mauritius
Nature of business and principal activities	Holding company to businesses involved in provision of retail financial services.
Registered office	DTOS Ltd 10th Floor, Standard Chartered Tower 19-21 Bank Street, Cybercity Ebene Mauritius
Business address	3rd Floor Ebene Skies Rue de L'Institut Ebene Mauritius
Bankers	Standard Chartered Bank (Mauritius) Limited Barclays Bank Mauritius Ltd DNB Bank ASA
Auditor	Deloitte 7th Floor, Standard Chartered Tower 19-21 Bank Street, Cybercity Ebene 72201 Mauritius
Company registration number	54787 C1/GBL

Directors' Responsibilities and Approval

The directors are required in terms of the Mauritius Companies Act 2001 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards.

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

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board 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 Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

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

The external auditors are responsible for independently reviewing and reporting on the Group's annual financial statements. The annual financial statements have been examined by the Group's external auditors and their report is presented on page 7.

The annual financial statements set out on pages 8 to 67, which have been prepared on the going concern basis, were approved by the Board of Directors on 23 March 2016 and were signed on its behalf by:



Mr Eric Venpin
Director



Mr Jimmy Wong
Director

Directors' Report

The directors submit their report for the year ended 31 December 2015.

1. Review of financial results and activities

Main business and operations

Bayport Management Ltd (the "Company") is a holding Company to businesses involved in provision of retail financial services. The shares of the Company are listed on the Stock Exchange of Mauritius (technical listing). The Company holds a Category 1 Global Business Licence issued by the Financial Services Commission ("FSC").

The operating results and state of affairs of the Company are fully set out in the attached Group annual financial statements and do not in our opinion require any further comment.

2. Stated capital

Stated capital increased due to issue of shares. Refer to note 14 for the details of share issues.

3. Dividends

No dividends were declared or paid to shareholders during the current year or prior period.

4. Directors

The directors of the Company during the year and to date of this report are as follows:

Directors	Changes
Mr Eric Venpin	
Mr Jimmy Wong	
Mr Stuart Stone	
Mr Justin Chola	
Mr Grant Kurland	
Mr Voria Fattahi	Resigned 29 July 2015
Mr Jonathan Jawno	
Mr Temitope Lawani	
Mr Roberto Rossi	Appointed 7 April 2015
Mr Souleymane Ba	
Mr Vladimir Gurgenedze	
Mr Christopher Bischoff	
Mr Michael Mendelowitz	Resigned 7 April 2015
Mr Michael Mendelowitz (Alternate to Mr Roberto Rossi & Mr Jonathan Jawno)	Appointed 7 April 2015
Mr Koketso Mabe	Appointed 10 June 2015
Mr Mervin Muller	Appointed 10 June 2015
Mr Ratirelo Mothobi (Alternate to Mr Mervin Muller)	Appointed 10 June 2015
Mr Thurstan Moodley (Alternate to Mr Mercedes Mabe)	Appointed 10 June 2015
Mr Franco Danesi	Appointed 29 July 2015 and Resigned 22 October 2015
Mr Magnus Jakobson	Appointed 22 October 2015

5. Events after the reporting period

Events after the reporting period are disclosed in note 36.

6. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

7. Litigation statement

At the date of this report no material incidences of litigation existed against the Company or Group.

Directors' Report (continued)

8. Auditor

Deloitte will continue in office in accordance with section 200 of the Mauritius Companies Act, 2001.

9. Secretary

The Company secretary is DTOS Ltd of:

10th Floor, Standard Chartered Tower
19-21 Bank Street, Cybercity
Mauritius

10. Twelve months comparative

Following a change in year end for 31 December 2014, the Company provided statutory accounts for 9 months ending 31 December 2014. For the sake of annualised comparability, the Company included the comparative consolidated results of the Group for the 12 months ended 31 December 2014.

Independent auditor's report to the shareholders of Bayport Management Ltd

This report is made solely to the company's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of **Bayport Management Ltd (the "Company") and its subsidiaries (collectively referred as the "Group")** on pages 8 to 67 which comprise the statements of financial position as at **31 December 2015** and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibilities for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies. They are also responsible for such internal control as they 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 judgment, 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 management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements on pages 8 to 67 give a true and fair view of the financial position of **the Group and the Company** as at **31 December 2015**, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies.

Report on other legal requirements

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interests in, the company other than in our capacity as auditor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the company as far as appears from our examination of those records.



Deloitte
Chartered Accountants

23 March 2016



L. Yeung Sik Yuen, ACA
Licensed by FRC

Statements of Financial Position at 31 December 2015

Figures in US Dollar	Note	Group		Company	
		2015	2014	2015	2014
Assets					
Cash and cash equivalents	3	85,852,593	65,839,650	21,603,279	24,417,798
Net advances	4	691,375,549	804,116,862	-	-
Trade and other receivables	5	26,104,710	27,921,126	5,582,074	3,929,736
Amounts due from related parties	6	7,349,997	7,055,394	264,826,800	252,446,999
Inventories	7	-	1,090,632	-	-
Other financial assets	8	34,119,472	60,512,189	19,202,062	28,182,842
Current tax assets	31	1,839,438	2,564,831	-	-
Investments in subsidiaries	9	-	-	276,340,498	224,006,114
Goodwill	10	81,465,975	110,818,432	-	-
Deferred tax assets	11	37,796,958	32,024,334	-	-
Property and equipment	12	10,633,045	12,079,908	91,830	185,582
Intangible assets	13	1,233,222	1,012,657	55,865	100,689
Total Assets		977,770,959	1,125,036,015	587,702,408	533,269,760
Equity and Liabilities					
Equity					
Stated capital	14	300,778,464	151,665,683	300,778,464	151,665,683
Reserves		(255,617,444)	(77,526,398)	19,741,258	30,904,201
Retained earnings/(Accumulated losses)		132,729,018	125,801,824	(147,536,404)	(53,096,987)
Equity attributable to equity holders of the company		177,890,038	199,941,109	172,983,318	129,472,897
Non-controlling interests		9,823,028	14,200,476	-	-
Total Equity		187,713,066	214,141,585	172,983,318	129,472,897
Liabilities					
Bank overdrafts	3	10,971,579	9,156,989	-	-
Trade and other payables	17	40,802,065	40,036,203	18,830,884	17,419,972
Amounts due to related parties	6	6,659,846	3,210,967	20,703,348	759,574
Provisions	18	3,286,447	7,455,513	534,635	3,015,185
Other financial liabilities	19	740,228	19,836,481	740,228	19,836,481
Borrowings	20	726,771,586	827,438,391	373,909,995	362,765,651
Finance lease obligation	21	657,315	976,859	-	-
Current tax liabilities	31	145,452	2,744,893	-	-
Deferred tax liabilities	11	23,375	38,134	-	-
Total Liabilities		790,057,893	910,894,430	414,719,090	403,796,863
Total Equity and Liabilities		977,770,959	1,125,036,015	587,702,408	533,269,760

The annual financial statements set out on pages 8 to 67, which have been prepared on the going concern basis, were approved and authorised for issue by the Board of Directors on 23 March 2016 and were signed on its behalf by:



Mr Eric Venpin
Director



Mr Jimmy Wong
Director

Statements of Profit or Loss and Other Comprehensive Income

Figures in US Dollar	Note	Group			Company	
		12 months ended 31 December 2015	12 months ended 31 December 2014	9 months ended 31 December 2014	12 months ended 31 December 2015	9 months ended 31 December 2014
Interest income	22	269,679,250	294,178,065	222,728,345	45,885,192	30,619,225
Interest expense	23	(106,708,559)	(104,736,051)	(80,660,738)	(46,131,074)	(31,053,579)
Net interest income/(loss)		162,970,691	189,442,014	142,067,607	(245,882)	(434,354)
Fees and commission income	24	28,370,543	33,091,595	23,980,048	-	-
Dividend income		15,728,505	22,680,356	15,615,808	5,651,996	1,568,839
Other income	25	5,795,185	9,972,286	7,469,246	7,456,678	1,905,706
Non interest income		49,894,233	65,744,237	47,065,102	13,108,674	3,474,545
Operating income		212,864,924	255,186,251	189,132,709	12,862,792	3,040,191
Operating expenses		(131,459,687)	(139,289,617)	(106,185,809)	(15,434,157)	(10,456,300)
Foreign exchange gain/(loss)		873,908	41,385,803	39,671,433	(41,967,089)	39,667,821
Pre-provision income/(loss)		82,279,145	157,282,437	122,618,333	(44,538,454)	32,251,712
Impairment of loans and advances	4	(63,515,471)	(95,193,103)	(75,304,628)	-	-
Impairment loss on investment	9	-	-	-	(42,343,463)	(51,825,359)
Impairment of goodwill	10	-	(12,676,148)	-	-	-
Profit/(loss) before taxation	26	18,763,674	49,413,186	47,313,705	(86,881,917)	(19,573,647)
Taxation	27	(13,168,113)	(10,226,913)	(5,928,490)	(7,557,500)	(4,528,254)
Profit/(loss) for the year/period		5,595,561	39,186,273	41,385,215	(94,439,417)	(24,101,901)
Other comprehensive (loss)/income net of tax:						
Items that may be reclassified subsequently to profit or loss:						
Foreign exchange differences	28	(155,707,289)	(73,674,241)	(47,639,047)	-	-
Effects of cash flow hedges		(1,702,514)	(888,889)	(811,024)	(1,702,514)	(811,024)
Net (loss)/gain on fair value of available for sale investments	8	(19,997,315)	9,208,378	7,999,334	(8,980,780)	15,889,998
Other comprehensive (loss)/income for the year/period		(177,407,118)	(65,354,752)	(40,450,737)	(10,683,294)	15,078,974
Total comprehensive (loss)/income for the year/period		(171,811,557)	(26,168,479)	934,478	(105,122,711)	(9,022,927)
Profit/(loss) for the year/period attributable to:						
Owners of the company		7,671,925	40,079,393	42,271,164	(94,439,417)	(24,101,901)
Non-controlling interests		(2,076,364)	(893,120)	(885,949)	-	-
		5,595,561	39,186,273	41,385,215	(94,439,417)	(24,101,901)
Total comprehensive (loss)/income for the year/period attributable to:						
Owners of the company		(165,994,910)	(21,929,454)	3,331,220	(105,122,711)	(9,022,927)
Non-controlling interests		(5,816,647)	(4,239,025)	(2,396,742)	-	-
		(171,811,557)	(26,168,479)	934,478	(105,122,711)	(9,022,927)
Earnings per share						
From continuing operations						
Basic earnings per share	29	0.28	1.67	1.74	-	-
Diluted earnings per share	29	0.28	1.66	1.74	-	-

Statements of Changes in Equity

Figures in US Dollar	Stated capital	Share premium	Total stated capital	Translation reserve	Cash flow hedging reserve	Equity settled reserve	Other reserves	Total reserves	Retained earnings	Equity attributable to owners of the company	Retained earnings attributable to non-controlling interests	Other reserves attributable to non-controlling interests	Total non-controlling interests	Total equity
Group														
Balance at 1 April 2014	24,227	151,391,453	151,415,680	(67,734,114)	2,861,592	240,696	28,523,338	(36,108,488)	80,597,599	195,904,791	11,890,506	2,403,757	14,294,263	210,199,054
Profit for the nine months	-	-	-	-	-	-	-	-	42,271,164	42,271,164	(885,949)	-	(885,949)	41,385,215
Transfer to reserves	-	-	-	-	-	-	(2,933,061)	(2,933,061)	2,933,061	-	253,143	(253,143)	-	-
Other comprehensive (loss)/income	-	-	-	(46,128,254)	(811,024)	-	7,999,334	(38,939,944)	-	(38,939,944)	(1,510,793)	-	(1,510,793)	(40,450,737)
Total comprehensive (loss)/income for the period	-	-	-	(46,128,254)	(811,024)	-	5,066,273	(41,873,005)	45,204,225	3,331,220	(2,143,599)	(253,143)	(2,396,742)	934,478
Issue of shares	14	249,989	250,003	-	-	-	-	-	-	250,003	-	-	-	250,003
Recognition of share-based payments	-	-	-	-	-	455,095	-	455,095	-	455,095	-	-	-	455,095
Changes in ownership interests	-	-	-	-	-	-	-	-	-	-	2,302,955	-	2,302,955	2,302,955
Movement for the period	14	249,989	250,003	-	-	455,095	-	455,095	-	705,098	2,302,955	-	2,302,955	3,008,053
Balance at 31 December 2014	24,241	151,641,442	151,665,683	(113,862,368)	2,050,568	695,791	33,589,611	(77,526,398)	125,801,824	199,941,109	12,049,862	2,150,614	14,200,476	214,141,585
Note	14	14	14		15	15	16					16		

Statements of Changes in Equity

Figures in US Dollar	Stated capital	Share premium	Share application monies	Total stated capital	Translation reserve	Cash flow hedging reserve	Equity settled reserve	Other reserves	Total reserves	Retained earnings	Equity attributable to owners of the company	Retained earnings attributable to non-controlling interests	Other reserves attributable to non-controlling interests	Total non-controlling interests	Total equity
Group															
Balance at 1 January 2014	16,301	10,774,114	113,500,000	124,290,415	(43,534,032)	2,939,457	200,360	26,202,209	(14,192,006)	83,901,455	193,999,864	13,843,457	2,351,817	16,195,274	210,195,138
Profit for the year	-	-	-	-	-	-	-	-	-	40,079,393	40,079,393	(893,120)	-	(893,120)	39,186,273
Transfer to reserves	-	-	-	-	-	-	-	(1,820,976)	(1,820,976)	1,820,976	-	201,203	(201,203)	-	-
Other comprehensive loss	-	-	-	-	(70,328,336)	(888,889)	-	9,208,378	(62,008,847)	-	(62,008,847)	(3,345,905)	-	(3,345,905)	(65,354,752)
Total comprehensive loss for the year	-	-	-	-	(70,328,336)	(888,889)	-	7,387,402	(63,829,823)	41,900,369	(21,929,454)	(4,037,822)	(201,203)	(4,239,025)	(26,168,479)
Issue of shares	7,940	140,867,328	(113,500,000)	27,375,268	-	-	-	-	-	-	27,375,268	-	-	-	27,375,268
Recognition of share-based payments	-	-	-	-	-	-	495,431	-	495,431	-	-	-	-	-	495,431
Changes in ownership interests	-	-	-	-	-	-	-	-	-	-	-	2,244,227	-	2,244,227	2,244,227
Movement for the year	7,940	140,867,328	(113,500,000)	27,375,268	-	-	495,431	-	495,431	-	27,870,699	2,244,227	-	2,244,227	30,114,926
Balance at 1 January 2015	24,241	151,641,442	-	151,665,683	(113,862,368)	2,050,568	695,791	33,589,611	(77,526,398)	125,801,824	199,941,109	12,049,862	2,150,614	14,200,476	214,141,585
Profit for the year	-	-	-	-	-	-	-	-	-	7,671,925	7,671,925	(2,076,364)	-	(2,076,364)	5,595,561
Transfer to reserves	-	-	-	-	-	-	-	(4,058,275)	(4,058,275)	4,058,275	-	921,183	(921,183)	-	-
Other comprehensive loss	-	-	-	-	(151,967,006)	(1,702,514)	-	(19,997,315)	(173,666,835)	-	(173,666,835)	(3,740,283)	-	(3,740,283)	(177,407,118)
Total comprehensive (loss)/income for the year	-	-	-	-	(151,967,006)	(1,702,514)	-	(24,055,590)	(177,725,110)	11,730,200	(165,994,910)	(4,895,464)	(921,183)	(5,816,647)	(171,811,557)
Issue of shares	6,460	148,906,391	199,930	149,112,781	-	-	(934,758)	-	(934,758)	-	148,178,023	-	-	-	148,178,023
Recognition of share-based payments	-	-	-	-	-	-	455,109	-	455,109	-	455,109	-	-	-	455,109
Changes in ownership interests	-	-	-	-	113,713	-	-	-	113,713	(4,803,006)	(4,689,293)	1,439,199	-	1,439,199	(3,250,094)
Movement for the year	6,460	148,906,391	199,930	149,112,781	113,713	-	(479,649)	-	(365,936)	(4,803,006)	143,943,839	1,439,199	-	1,439,199	145,383,038
Balance at 31 December 2015	30,701	300,547,833	199,930	300,778,464	(265,715,661)	348,054	216,142	9,534,021	(255,617,444)	132,729,018	177,890,038	8,593,597	1,229,431	9,823,028	187,713,066
Note	14	14	14	14	14	15	15	16	16	16	16	16	16	16	16

Statements of Changes in Equity

Figures in US Dollar	Stated capital	Share premium	Share application monies	Total stated capital	Translation reserve	Cash flow hedging reserve	Equity settled reserve	Other reserves	Total reserves	Accumulated losses	Equity attributable to owners of the company	Retained earnings attributable to non-controlling interests	Other reserves attributable to non-controlling interests	Total non-controlling interests	Total equity
Company															
Balance at 1 April 2014	24,227	151,391,453	-	151,415,680	-	2,861,592	240,696	12,267,844	15,370,132	(28,995,086)	137,790,726	-	-	-	137,790,726
Loss for the nine months	-	-	-	-	-	-	-	-	-	(24,101,901)	(24,101,901)	-	-	-	(24,101,901)
Other comprehensive income	-	-	-	-	-	(811,024)	-	15,889,998	15,078,974	-	15,078,974	-	-	-	15,078,974
Total comprehensive loss for the period	-	-	-	-	-	(811,024)	-	15,889,998	15,078,974	(24,101,901)	(9,022,927)	-	-	-	(9,022,927)
Issue of shares	14	249,989	-	250,003	-	-	-	-	-	-	250,003	-	-	-	250,003
Recognition of share-based payments	-	-	-	-	-	-	455,095	-	455,095	-	455,095	-	-	-	455,095
Movement for the period	14	249,989	-	250,003	-	-	455,095	-	455,095	-	705,098	-	-	-	705,098
Balance at 1 January 2015	24,241	151,641,442	-	151,665,683	-	2,050,568	695,791	28,157,842	30,904,201	(53,096,987)	129,472,897	-	-	-	129,472,897
Loss for the year	-	-	-	-	-	-	-	-	-	(94,439,417)	(94,439,417)	-	-	-	(94,439,417)
Other comprehensive loss	-	-	-	-	-	(1,702,514)	-	(8,980,780)	(10,683,294)	-	(10,683,294)	-	-	-	(10,683,294)
Total comprehensive loss for the year	-	-	-	-	-	(1,702,514)	-	(8,980,780)	(10,683,294)	(94,439,417)	(105,122,711)	-	-	-	(105,122,711)
Issue of shares	6,460	148,906,391	199,930	149,112,781	-	-	(934,758)	-	(934,758)	-	148,178,023	-	-	-	148,178,023
Recognition of share based payments	-	-	-	-	-	-	455,109	-	455,109	-	455,109	-	-	-	455,109
Movement for the year	6,460	148,906,391	199,930	149,112,781	-	-	(479,649)	-	(479,649)	-	148,633,132	-	-	-	148,633,132
Balance at 31 December 2015	30,701	300,547,833	199,930	300,778,464	-	348,054	216,142	19,177,062	19,741,258	(147,536,404)	172,983,318	-	-	-	172,983,318
Note	14	14	14	14			15	16							

Statements of Cash Flows

Figures in US Dollar	Note	Group			Company	
		12 months ended 31 December 2015	12 months ended 31 December 2014	9 months ended 31 December 2014	12 months ended 31 December 2015	9 months ended 31 December 2014
Cash flows from operating activities						
Cash (used in)/generated from operations	30	(21,306,020)	(38,164,529)	(33,478,115)	26,785,013	16,829,778
Dividends received		15,625,245	22,351,917	17,352,215	5,651,996	4,667,582
Finance costs paid		(107,338,940)	(100,378,120)	(85,749,480)	(46,425,904)	(36,142,319)
Tax paid	31	(16,025,394)	(21,308,281)	(16,512,543)	(7,557,500)	(4,528,254)
Net cash used in operating activities		(129,045,109)	(137,499,013)	(118,387,923)	(21,546,395)	(19,173,213)
Cash flows from investing activities						
Purchase of property, equipment and intangibles	12&13	(7,496,338)	(6,638,098)	(4,497,119)	(69,272)	(35,787)
Proceeds on disposal of property and equipment and intangibles		298,294	1,171,631	570,381	-	-
Net cash outflow on acquisition of subsidiaries	32	-	(137,045,399)	(6,553,760)	-	-
Net increase/(decrease) in amounts due from related parties		5,902,406	2,479,089	1,946,351	(36,842,411)	(34,570,780)
Proceeds from issue of shares to non-controlling interests		-	39,180	38,507	-	-
Acquisition of non-controlling interests		(3,470,288)	-	-	-	-
Acquisition of shares in subsidiaries	9	-	-	-	(94,677,847)	(64,936,731)
Net cash used in investing activities		(4,765,926)	(139,993,597)	(8,495,640)	(131,589,530)	(99,543,298)
Cash flows from financing activities						
Proceeds from share issues		147,978,093	27,375,267	250,003	147,978,093	250,003
Net proceeds from issue of bonds		43,303,730	98,437,794	98,437,794	43,303,730	98,437,794
Net increase in borrowings		3,169,652	22,171,906	4,835,540	-	-
Payment for unwinding of forward contract		(40,960,417)	-	-	(40,960,417)	-
Net cash generated from financing activities		153,491,058	147,984,967	103,523,337	150,321,406	98,687,797
Net increase/(decrease) in cash and cash equivalents		19,680,023	(129,507,643)	(23,360,226)	(2,814,519)	(20,028,714)
Cash and cash equivalents at the beginning of the year/period		56,682,661	190,634,148	84,179,399	24,417,798	44,446,512
Effect of foreign exchange rate changes		(1,481,670)	(4,443,844)	(4,136,512)	-	-
Total cash and cash equivalents at end of the year/period		74,881,014	56,682,661	56,682,661	21,603,279	24,417,798

Significant Accounting Policies

1. Statement of compliance and presentation of Financial Statements

The Group annual financial statements have been prepared in accordance with International Financial Reporting Standards. The Group annual financial statements have been prepared on the historical cost basis, except for the measurement of financial instruments at fair value, and incorporate the principal accounting policies set out below. They are presented in US Dollars.

The statements of financial position are presented in order of liquidity. Reference to the current maturities of these financial assets and liabilities are disclosed in the statement of financial position notes and in the analysis of financial assets and liabilities. The accounting policies are consistent with the previous year, except where otherwise specifically stated.

1.1 Consolidation

Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the Company and all entities including special purpose entities which are controlled by the Group.

Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

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

All intra-group balances, income, expenses, equity and cash flows are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions which result in changes in ownership levels, where the Group has control of the subsidiary both before and after the transaction are regarded as equity transaction and are recognised directly in the statement of changes in equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the parent.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

Significant Accounting Policies (continued)

1.1 Consolidation (continued)

Business combinations

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Contingent consideration is included in the cost of the combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal group) that are classified as held-for-sale in accordance with IFRS 5 Non-current assets held-for-sale and discontinued operations, which are recognised at fair value less costs to sell.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill arising on acquisition of foreign entities is considered an asset of the foreign entity. In such cases, the goodwill is translated to the functional currency of the Group at the end of each reporting period with the adjustment recognised in equity through to other comprehensive income.

Goodwill arising on acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. These form the basis of making the judgements on carrying values of assets or liabilities that are not otherwise readily apparent. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods

Significant Accounting Policies (continued)

1.2 Significant judgements and sources of estimation uncertainty (continued)

Certain accounting policies have been identified where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Assets lives and residual values

Property and equipment is depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed at each financial year-end and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programs are taken into account.

Deferred tax assets

Deferred tax assets are recognised to the extent it is probable that taxable income will be available in the future against which they can be utilised. Future taxable profits are estimated based on business plans which include estimates and assumptions regarding economic growth, interest, inflation, tax rates and competitive forces.

Valuation of Available-for-Sale Investments

The valuation methodology applied was a discounted cash flow of the future expected cash flows, i.e. dividends, on a rundown basis and one year of new business. Dividends are discounted from the point of distribution to the present time at the risk free yield curve plus a constant risk margin.

Impairment of assets

Goodwill is considered for impairment at least annually. Equipment and intangible assets are considered for impairment if there is reason to believe that an impairment may be necessary. Factors taken into consideration include the economic viability of the asset itself and, where it is a component of a larger economic unit, the viability of the unit.

Future cash flows expected to be generated by the assets are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current asset value and, if lower, the assets are impaired to the present value.

Financial assets are considered impaired only if there is objective evidence of impairment as a result of events that occurred after initial asset recognition (known as loss events) and these loss events have an adverse impact on the assets' estimated future cash flows that can be reliably measured. The estimation of impairments of financial assets is inherently uncertain and depends on many factors, including general economic conditions, structural changes within industries, changes in individual customer circumstances and other external factors such as legal requirements, regulatory specifications and governmental policy changes. Loans and receivables are stated net of identified impairments and incurred but not yet identified impairments.

Loans and receivables are considered impaired only if there is objective evidence of impairment as a result of events that occurred after initial asset recognition (known as loss events) and these loss events have an adverse impact on the assets' estimated future cash flows that can be reliably measured.

Objective evidence that loans and advances may be impaired includes the following observable data:

- A breach of contract, such as a default or delinquency in interest or principal payments. In this regard instalments past due date are considered in breach of contract;
- Historical loss experience of groups of financial assets with similar repayment terms; and
- Data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified within the individual financial assets in the group including:
 - adverse changes in the payment status of borrowers in the group; or
 - national or local economic conditions that correlate with defaults on the particular assets in the group.

Loans and advances are subjected to regular evaluations of the overall client risk profile and payments record in determining whether a loss event has occurred.

The historical loss experience is adjusted on the basis of observable data to remove the effects of the conditions in the historical period that do not currently exist.

Significant Accounting Policies (continued)

1.2 Significant judgements and sources of estimation uncertainty (continued)

The Group assesses whether objective evidence of impairment exists for groups of financial assets with similar repayment terms. If there is objective evidence that an impairment loss on loans and advances has been incurred, the amount of the loss is measured as the difference between the carrying amounts of the assets and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred) discounted at the effective interest rates.

1.3 Property and equipment

The cost of an item of property 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 and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property and equipment, the carrying amount of the replaced part is derecognised.

Property and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property and equipment have been assessed as follows:

Item	Average useful life
Buildings	50 years
Furniture and fittings	3 - 10 years
Motor vehicles	3 - 5 years
Office equipment	3 - 6 years
IT equipment	3 - 6 years
Leasehold improvements	over the expected term of the lease

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate with the effect of any change in estimate accounted on a prospective basis.

The depreciation charge for each period is recognised in profit or loss.

The gain or loss arising from the derecognition of an item of property and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.4 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

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

Amortisation is recognised on a straight line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis:

Item	Useful life
Computer software	2 - 7 years
Distribution channel	3 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Significant Accounting Policies (continued)

1.5 Investments in subsidiaries

In the Company's separate annual financial statements, investments in subsidiaries are carried at cost less accumulated impairment.

1.6 Advances and provisions for impairment

Advances are disclosed net of impairment provisions, which in the opinion of the directors, are required. Specific impairment provisions are made against identified doubtful advances. Portfolio provisions are maintained to cover potential losses, which although not specifically identified, are considered to be present.

Advances, which are deemed uncollectible, are written off against the specific impairment provision. Loans previously written off which subsequently become fully performing again are reincorporated in the advances portfolio.

Both the specific and portfolio provisions raised during the year, less recoveries of advances previously written off, are charged in profit or loss.

The Group reviews the carrying amounts of its advances to determine whether there is any indication that those advances have suffered an impairment loss. Where it is possible to estimate the recoverable amount of an individual advance, the Company estimates the recoverable amount on a portfolio basis for a group of similar financial assets.

The recoverable amount is the sum of the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects the portfolio of advances' original effective interest rate.

If the recoverable amount of the advance is estimated to be less than the carrying amount, the carrying amount of the advance is reduced to its recoverable amount by raising a specific impairment provision, which is recognised as an expense in profit or loss.

1.7 Financial instruments

Classification

The Group classifies financial assets and financial liabilities into the following categories:

- Financial assets at fair value through profit or loss
- Loans and receivables
- Available-for-sale financial assets
- Financial liabilities measured at amortised cost

Initial recognition and measurement

Financial instruments are recognised initially when the Group becomes a party to the contractual provisions of the instruments.

The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Transaction costs on financial instruments at fair value through profit or loss are recognised in profit or loss.

Significant Accounting Policies (continued)

1.7 Financial instruments (continued)

Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

Available-for-sale financial assets are subsequently measured at fair value. This excludes equity investments for which a fair value is not determinable, which are measured at cost less accumulated impairment losses.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in equity until the asset is disposed of or determined to be impaired. Interest on available-for-sale financial assets calculated using the effective interest method is recognised in profit or loss as part of other income. Dividends received on available-for-sale equity instruments are recognised in profit or loss as part of other income when the Group's right to receive payment is established.

Changes in fair value of available-for-sale financial assets denominated in a foreign currency are analysed between translation differences resulting from changes in amortised cost and other changes in the carrying amount. Translation differences on monetary items are recognised in profit or loss, while translation differences on non-monetary items are recognised in other comprehensive income and accumulated in equity.

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

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Impairment of financial assets

At each reporting date the Group 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.

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

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.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Loans to group companies

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

Loans to group companies are classified as loans and receivables.

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

Significant 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 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 uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are recognised 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.

Bank overdraft and borrowings

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Hedging activities

Designated and effective hedging instruments are excluded from the definition of financial instruments at fair value through profit or loss.

The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);
- hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in the notes to the financial statements.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship. When the hedging instrument expires or is sold, terminated, or exercised, or when it is no longer qualified for hedge accounting, the fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss that date.

Significant Accounting Policies (continued)

1.7 Financial instruments (continued)

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised to other comprehensive income and accumulated in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

However, when the forecast transaction that is hedged results in the recognition of a non-financial item (for example, inventory or fixed assets) the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised in profit or loss as a reclassification adjustment through to other comprehensive income when the forecast transaction is ultimately recognised in profit or loss.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately recognised in profit or loss as a reclassification adjustment through to other comprehensive income.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

1.8 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.

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.

Tax expenses

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 a transaction or event which is recognised, in the same or a different period, to other comprehensive income.

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Significant Accounting Policies (continued)

1.9 Leases (continued)

Finance leases – lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments is recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.10 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventories are measured using the weighted average method.

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

Cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

1.11 Impairment of assets other than financial assets

The Group 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 Group estimates the recoverable amount of the asset.

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.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.12 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.

1.13 Share based payments arrangements

Equity-settled share based payments to senior executives providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in notes to the financial statements.

Significant Accounting Policies (continued)

1.13 Share based payments arrangements (continued)

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled benefit reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

1.14 Employee 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.

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.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.15 Provisions and contingencies

Provisions are recognised when:

- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in notes to the financial statements.

1.16 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividends are recognised, in profit or loss, when the Company's right to receive payment has been established.

1.17 Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

Significant Accounting Policies (continued)

1.18 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in US Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Group annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in US dollars by applying to the foreign currency amount the exchange rate between the US Dollar and the foreign currency at the date of the cash flow.

Investments in subsidiaries

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

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

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

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 of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

1.19 Related parties

Related parties are individuals and companies, where the individual and company have the ability, directly or indirectly, to control the other party or exercise significant influence on the other party in making financial and operating decisions. Related party transactions and balances are disclosed in the notes to the financial statements.

1.20 Segmental reporting

A segment is a distinguishable component of the Group that is engaged either in providing products and services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on geographical segments.

1.21 Twelve months comparatives

Following a change in year end for 31 December 2014, the Company provided statutory accounts for 9 months ending 31 December 2014. For the sake of annualised comparability, the Company included the comparative consolidated results of the Group for the 12 months ended 31 December 2014.

Notes to the Group Annual Financial Statements

2. New Standards and Interpretations

In the current year, the Company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2015. The application of these new and revised Standards and Interpretations has not resulted in major changes to the Company's accounting policies.

2.1 New and revised standards and interpretations with no material effect on the financial statements

The following relevant Standards and Interpretations have been applied in these financial statements. However, they did not have any impact on the Company's financial statements but may impact the accounts for future transactions or arrangements.

IAS 16	Property, Plant and Equipment - amendments resulting from Annual Improvements 2010-2012 Cycle (proportionate restatement of accumulated depreciation on revaluation)
IAS 19	Employee Benefits - amended to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service
IAS 24	Related Party Disclosures - amendments resulting from Annual Improvements 2010-2012 Cycle (management entities)
IAS 38	Intangible Assets - amendments resulting from Annual Improvements 2010-2012 Cycle (proportionate restatement of accumulated depreciation on revaluation)
IFRS 2	Share Based Payment - amendments resulting from Annual Improvements 2010-2012 Cycle (definition of 'vesting condition')
IFRS 3	Business Combinations - amendments resulting from Annual Improvement 2010-2012 Cycle (accounting for contingent consideration)
IFRS 3	Business Combinations - amendments resulting from Annual Improvement 2011-2013 Cycle (scope exception for joint ventures)
IFRS 8	Operating Segments - amendments resulting from Annual Improvements 2010-2012 Cycle (aggregation of segments, reconciliation of segment assets)
IFRS 10	Consolidated Financial Statements - amendments deferring the effective date of September 2014 amendments
IFRS 13	Fair Value Measurement - amendments resulting from Annual Improvements 2011-2013 Cycle (scope of the portfolio exception in paragraph 52)

2.2 Standards and interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant Standards and Interpretations were in issue but effective on annual period on or after the respective dates as indicated:

IAS 1	Presentation of Financial Statements - amendments resulting from the disclosure initiative (effective 1 January 2016)
IAS 7	Statements of Cashflows - amendments as result of the disclosure initiative (effective 1 January 2017)
IAS 12	Income Taxes - amendments regarding the recognition of deferred tax assets for unrealised losses (1 January 2017)
IAS 16	Property, Plant and Equipment - amendments regarding the clarification of acceptable methods of depreciation and amortisation (effective 1 January 2016)
IAS 16	Property, Plant and Equipment - amendment bringing bearer plants onto the scope of IAS 16 (effective 1 January 2016)
IAS 19	Employee Benefits - amendments resulting from September 2014 Annual Improvements to IFRS (effective 1 January 2016)

Notes to the Group Annual Financial Statements (continued)

2. New Standards and Interpretations (continued)

2.2 Standards and interpretations in issue but not yet effective (continued)

- IAS 27 Separate Financial Statements - amendments reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements (effective 1 January 2016)
- IAS 34 Interim Financial Reporting - amendments resulting from September 2014 Annual Improvements to IFRS (effective 1 January 2016)
- IAS 38 Intangible Assets - amendments regarding the clarification of acceptable methods of depreciation and amortisation (effective 1 January 2016)
- IAS 39 Financial Instruments : Recognition and Measurement - amendments to permit an entity to elect to continue to apply the hedge accounting requirement in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception (effective 1 January 2018)
- IFRS 5 Non current assets held for sale and discontinued operations - amendments resulting from September 2014 Annual Improvements to IFRS (effective 1 January 2016)
- IFRS 7 Financial Instruments: Disclosures - additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9 (effective 1 January 2018)
- IFRS 7 Financial Instruments: Disclosures - amendments resulting from September 2014 Annual Improvements to IFRS (effective 1 January 2016)
- IFRS 7 Financial Instruments: Disclosures - deferral of mandatory effective date of IFRS 9 amendments to transition disclosures (effective 1 January 2015)
- IFRS 9 Financial Instruments - Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition (effective 1 January 2018)
- IFRS 10 Consolidated Financial Statements - amendments regarding the application of the consolidation exception (effective 1 January 2016)
- IFRS 10 Consolidated Financial Statements - amendments regarding the sale or contribution of assets between an investor and its associate or joint venture (deferred indefinitely)
- IFRS 12 Disclosure of Interests in Other Entities - amendments regarding the application of the consolidation exception (effective 1 January 2016)
- IFRS 15 Revenue from Contracts with Customers - Original issue (effective 1 January 2018)
- IFRS 15 Revenue from Contracts with Customers - amendments to defer the effective date to 1 January 2018 (effective 1 January 2018)
- IFRS 16 Leases - Original issue (effective 1 January 2019)

The effect of all other IFRS amendments not yet adopted is not expected to be material.

The directors anticipate that these amendments will be applied in the the financial statements for the annual periods beginning on the respective dates as indicated above. The directors have not yet had an opportunity to consider the potential impact of the application of these amendments.

Notes to the Group Annual Financial Statements (continued)

	Group		Company	
Figures in US Dollar	2015	2014	2015	2014

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	916,646	117,798	1,134	1,619
Bank balances	84,935,947	65,721,852	21,602,145	24,416,179
Bank overdrafts	(10,971,579)	(9,156,989)	-	-
	74,881,014	56,682,661	21,603,279	24,417,798
Current assets	85,852,593	65,839,650	21,603,279	24,417,798
Current liabilities	(10,971,579)	(9,156,989)	-	-
	74,881,014	56,682,661	21,603,279	24,417,798

Group

Bank overdrafts:

As at 31 December 2015, the Group had available overdraft facilities totalling USD 15.1 million (31 December 2014: USD 18.8 million). Overdraft facilities utilised at year end totalled USD 11.0 million (31 December 2014: USD 9.2 million). Bank overdrafts were secured over net advances and a lien over cash of USD 1.2 million (31 December 2014: USD 0.8 million). Interest rates charged varied from 12% to 29% per annum (31 December 2014: 11% to 29% per annum).

Bank balances:

As at 31 December 2015, bank balances of Bayport Securitisation (RF) Limited amounting to USD 36.4 million (31 December 2014: USD 12.9 million) have been pledged as security (refer to note 20). Out of this amount, USD 5.1 million (31 December 2014: USD 3.3 million) is held as reserves in terms of the Bayport Securitisation Programme Memorandum.

Company

Bank balances:

USD 0.5 million (31 December 2014: USD 15.2 million) was pledged to DNB ASA bank as cash collateral on the forward contracts (refer to note 19).

4. Net advances

Gross advances	820,902,329	930,746,347	-	-
Carrying value of written off book	31,314,369	47,660,558	-	-
	852,216,698	978,406,905	-	-
Impairment provision	(160,841,149)	(174,290,043)	-	-
	691,375,549	804,116,862	-	-
Non-current assets	465,335,188	553,091,426	-	-
Current assets	226,040,361	251,025,436	-	-
	691,375,549	804,116,862	-	-

Impairment provision

At 1 April

Additions through business combinations
Net impairment recognised in profit or loss
Utilisation of allowance for impairment
Foreign exchange movements

At 31 December

251,094,294	-	-
713,332	-	-
75,304,628	-	-
(125,504,359)	-	-
(27,317,852)	-	-
174,290,043	-	-

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar	Group		Company	
	2015	2014	2015	2014
4. Net advances (continued)				
At 1 January	174,290,043	13,568,806	-	-
Additions through business combinations	-	237,282,580	-	-
Derecognised on disposal of subsidiary	(291,731)	-	-	-
Net impairment recognised in profit or loss	63,515,471	95,193,103	-	-
Utilisation of allowance for impairment	(30,014,965)	(146,517,618)	-	-
Foreign exchange movements	(46,657,669)	(25,236,828)	-	-
At 31 December	160,841,149	174,290,043	-	-

Net advances relating to the individual subsidiaries are provided as security for the subsidiary's bank overdrafts and term loan balances totalling USD 307 million (31 December 2014: USD 406 million).

Impairment provisions are raised based on the specific risks attributable to each loan past due, measured according to ageing of the client, reason for non payment, recency of last payment received and likelihood of rehabilitation. In determining the recoverability of an advance, the Group considers any change in the credit quality of the advance from the date credit was initially granted up to the reporting date. Terms of advances range from one month to seventy two months. Advances are unsecured, and based on management assessment, no further provision is required.

Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customers, credit quality and defines credit limits by customer. There are no customers who represent more than 5% of the total balance of net advances.

The Group carries impairment provision on all advances. There are no advances which are past due but not impaired. The ageing of gross advances and provisions are as follows:

Gross advances

Not past due	594,804,342	692,318,947	-	-
Past due within less than 30 days	42,162,395	51,370,578	-	-
Past due within 30-60 days	26,394,042	31,558,283	-	-
Past due within 61-90 days	20,253,615	24,598,495	-	-
Past due within 91-180 days	29,651,849	39,058,694	-	-
Past due more than 180 days	107,636,086	91,841,350	-	-
	820,902,329	930,746,347	-	-

Provisions

Not past due	40,868,168	49,499,599	-	-
Past due within less than 30 days	11,975,579	13,411,313	-	-
Past due within 30-60 days	10,669,404	13,515,088	-	-
Past due within 61-90 days	9,178,339	12,667,561	-	-
Past due within 91-180 days	18,800,172	25,033,147	-	-
Past due more than 180 days	69,349,487	60,163,335	-	-
	160,841,149	174,290,043	-	-

5. Trade and other receivables

Current assets

Prepayments		8,366,975	12,109,718	361,763	138,352
Sundry debtors	(i)	9,971,002	10,462,830	4,031,257	2,628,277
Trade receivables	(ii)	6,577,679	4,185,471	-	-
		24,915,656	26,758,019	4,393,020	2,766,629

Non current assets

Loans receivable under share incentive scheme	(iii)	1,189,054	1,163,107	1,189,054	1,163,107
		26,104,710	27,921,126	5,582,074	3,929,736

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar	Group		Company	
	2015	2014	2015	2014

5. Trade and other receivables (continued)

The Directors consider that the carrying amount of trade and other receivables approximate their fair values. No collateral is held for trade and other receivables. Receivables are tested for impairment by reference to trade terms, payments history, subsequent receipts and arrangements with the debtors.

- (i) Sundry debtors include loans to key management personnel of USD 0.4 million (31 December 2014: USD 0.4 million). The loans carry simple interest rate of 11% and are repayable on demand. The loans are secured on shares held by the borrower.
- (ii) Trade receivables which are past due but not impaired amounted to USD nil (31 December 2014: USD 1.2 million) at reporting date.
- (iii) The loans receivable under the share incentive scheme carry interest at 13% (31 December 2014: 13%) per annum and are repayable by September 2018 and are secured by the shares allotted under the share incentive scheme.

The ageing of amounts past due but not impaired is as follows:

60-90 days	-	266,964	-	-
91-120 days	-	422,326	-	-
more than 120 days	-	535,997	-	-
	-	1,225,287	-	-

6. Amounts due from/to related parties

Amounts due from related parties

Bayport Financial Services Limited (Zambia)	(i)	-	-	72,680,925	91,179,550
Bayport Financial Services Ghana Limited	(ii)	-	-	11,574,037	17,742,072
Bayport Financial Services Uganda Limited	(iii)	-	-	15,446,599	17,746,663
Bayport Financial Services (T) Limited	(iv)	-	-	30,354,435	21,271,564
CFC Savings and Loans Limited (previously known as Consumer Finance Company Limited)	(v)	-	-	16,202,507	19,457,863
Money Quest Investments (Proprietary) Limited	(vi)	-	-	16,002,976	22,783,914
Bayport Colombia S.A.S	(vii)	-	-	29,185,582	47,867,553
Bayport Financial Services 2010 (Proprietary) Limited	(viii)	-	-	15,182,493	-
Bayport Financial Services Mozambique (MCB) SA	(x)	-	-	28,044,818	2,073,195
Actvest Mexico S.A.P.I de CV, ENR	(xi)	-	-	9,547,196	9,329,966
Bayport LatAm Investments Cooperatief U.A	(xiii)	-	-	16,488,966	-
Bayport Latin America Holdings Ltd	(ix)	-	-	3,511,157	27,391
Financiera Fortaleza, S.A de C.V SOFOM, E.N.R	(xii)	-	-	264,748	-
Actvest (Proprietary) Limited	(xiv)	7,226,209	6,626,580	241,718	2,549,837
Actvest Limited (Mauritius)	(ix)	-	-	26,137	11,684
Bayport Latam Investments B.V	(ix)	-	-	2,425	-
LibraVal S.A.S	-	-	-	-	24,292
Ghana Mineworkers Union	(xv)	123,788	115,657	70,081	68,298
Whatana Investments S.A	(ix)	-	8,961	-	8,961
Evolutio Capital	(xvi)	-	304,196	-	304,196
		7,349,997	7,055,394	264,826,800	252,446,999

Amounts due to related parties

Bayport Colombia S.A.S	(xvii)	-	-	14,435,322	75,508
Bayport Financial Services 2010 (Proprietary) Limited	(xii)	-	-	3,951,252	-
Financiera Fortaleza, S.A de C.V SOFOM, E.N.R	(ix)	-	-	73,412	-
Cashfoundry Limited	(ix)	-	-	982,316	684,066
Actvest Limited (Mauritius)	(ix)	-	-	23,871	-
Bayport Latin America Holding Limited	(ix)	-	-	13,364	-
Actvest (Proprietary) Limited	(xviii)	6,659,846	2,917,986	1,223,811	-
Whatana Investment SA	(xvi)	-	292,981	-	-
		6,659,846	3,210,967	20,703,348	759,574

Notes to the Group Annual Financial Statements (continued)

	Group		Company	
Figures in US Dollar	2015	2014	2015	2014

6. Amounts due from/to related parties (continued)

- (i) The loan is unsecured and bears interest at 25.85% per annum. The loan is repayable on demand.
- (ii) The loan is unsecured and bears interest at 12% plus USD LIBOR per annum. The balance also includes an amount of USD 1.8 million which was transferred during the financial year ended 31 December 2015 from Actvest (Proprietary) Limited to the Company through a debt factoring agreement at a discount of 5%. This balance has no fixed term of repayment. Actvest (Proprietary) Limited acts as an agent for collection of the debt receivable from Bayport Financial Services Ghana Limited.
- (iii) The loan is unsecured and bears interest at 15% per annum. The loan is repayable upon written demand by the Company. The loan includes USD 1.6 million which has been subordinated to local funders in Uganda.
- (iv) The loan is unsecured and bears interest at 20% per annum. The loan is repayable at the earlier of April 2016 and the date on which BML terminates the facility. An amount of up to USD 10 million of the loan is subordinated in favor of Standard Chartered Bank Tanzania Limited and Sanlam Capital markets.
- (v) The loan is unsecured and bears interest at 12% plus USD libor per annum. The balance also includes an amount of USD 1.6 million which was transferred during the financial year ended 31 December 2015 from Actvest (Proprietary) Limited to the Company through a debt factoring agreement at a discount of 5%. This balance has no fixed term of repayment. Actvest (Proprietary) Limited acts as an agent for collection of the debt receivable from CFC Saving and Loans Limited.
- (vi) The loan is unsecured and bears interest at 15.30% per annum. The loan is repayable at the earlier of March 2020 or on the date which the Company terminates the facility.
- (vii) The loan is unsecured and bears interest between 13.70% and 15.70% per annum. The loan includes COP 40 billion which has been subordinated in favour of Colpatría S.A and USD 50 million in favour of IDB. The loan is repayable by April 2022 or on the date the Company terminates the facility.
- (viii) The loan is unsecured and bears interest at Prime Lending Rate per annum. The loan is up to ZAR 600 million and is repayable in April 2016.
- (ix) The outstanding balances are unsecured, interest free and have no fixed term of repayment.
- (x) The balance includes loan of USD 22 million bearing interest of 4% per annum and repayable on January 2025. The rest of the outstanding balance is unsecured, interest free and has no fixed term of repayment.
- (xi) The loan is unsecured and bears interest at 4% per annum. The loan is repayable by November 2024.
- (xii) The loan is unsecured, bears interest at 12% and repayable by February 2025.
- (xiii) The funds advanced to the cooperative structure bears interest at 12% per annum. The loan is repayable on August 2025.
- (xiv) The balance includes loan of ZAR 77.7 million bearing interest at prime rate plus 2%, repayable by 31 March 2016. The rest of the outstanding balance is unsecured, interest free and repayable in full.
- (xv) The loan is secured by a pledge of shares that the Union holds in Bayport Financial Services Ghana Limited. Interest is charged at the US Treasury Bill rate plus 3% and the loan has no fixed term of repayment.
- (xvi) The balance was repaid during the financial year.
- (xvii) The balance includes loan of USD 14.2 million which is unsecured, bears interest at 15% and is repayable by December 2023. The remaining balances are unsecured, interest free and have no fixed term of repayment.
- (xviii) The outstanding balance relates to professional fees, is unsecured and is repayable on demand.

Notes to the Group Annual Financial Statements (continued)

	Group		Company	
Figures in US Dollar	2015	2014	2015	2014

6. Amounts due from/to related parties (continued)

Amounts due from related parties

Non-current assets	7,226,209	4,260,939	249,109,279	248,946,110
Current assets	123,788	2,794,455	15,717,521	3,500,889
	7,349,997	7,055,394	264,826,800	252,446,999

Amounts due to related parties

Non-current liabilities	-	292,981	14,435,322	-
Current liabilities	6,659,846	2,917,986	6,268,026	759,574
	6,659,846	3,210,967	20,703,348	759,574

7. Inventories

Merchandise	-	1,125,559	-	-
Prepaid airtime	-	71,328	-	-
Inventories at cost	-	1,196,887	-	-
Impairment provision	-	(106,255)	-	-
Inventories at net realisable value	-	1,090,632	-	-

Inventories written down during the reporting period was USD nil (31 December 2014: 0.01 million).

The carrying values of each inventory category was tested for impairment against net realisable value.

8. Other financial assets

Non current assets

Available-for-sale investments

Guardrisk Limited	19,202,062	28,182,842	19,202,062	28,182,842
HBA Proprietary Limited	14,917,410	32,329,347	-	-
	34,119,472	60,512,189	19,202,062	28,182,842

The Group participates in insurance activities through cell captive insurance companies, Guardrisk Limited and Hollard Business Associates (Proprietary) Ltd ("HBA"). Bayport Management Ltd owns 100% of the issued share capital of the Cell created by Guardrisk Limited and Zenthyme Investments (Proprietary) Limited owns 100% of the Cell created by HBA.

Available-for-sale investments

Available for sale investments

At 1 April	56,056,233	12,292,844
Change in fair value	7,999,334	15,889,998
Foreign exchange movements	(3,543,378)	-
At 31 December	60,512,189	28,182,842

At 1 January	60,512,189	11,083,800	28,182,842
Additions through business combinations (note 32.2)	-	43,938,584	-
Change in fair value	(19,997,315)	9,208,378	(8,980,780)
Foreign exchange movements	(6,395,402)	(3,718,573)	-
At 31 December	34,119,472	60,512,189	19,202,062

Fair value is determined by discounting the estimated future cash flows at a risk adjusted rate. The method used is documented in note 35.8.

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar	Group		Company	
	2015	2014	2015	2014
9. Investments in subsidiaries				
Cost:				
At 1 January / April	-	-	278,969,520	214,032,789
Additions	-	-	94,677,847	64,936,731
At 31 December	-	-	373,647,367	278,969,520
Accumulated impairment:				
At 1 January / April	-	-	54,963,406	3,138,047
Impairment loss	-	-	42,343,463	51,825,359
At 31 December	-	-	97,306,869	54,963,406
Carrying value:				
At 31 December	-	-	276,340,498	224,006,114

Impairment of investments of USD 42,343,463 during the year ended 31 December 2015 relates to the South African operations (2014: USD 51,825,359). This is as a result of significant depreciation of the South African Rand against US Dollars and challenges faced by the unsecured lending industry in South Africa. Investments in subsidiaries, including any related impairment, at Company level are eliminated on consolidation.

The recoverable amount of the South African operations is determined based on value in use derived from the discounting of future expected dividend flows to shareholder. The sensitivity of the assumption used in the value in use calculation is disclosed in note 10.

Details of consolidated entities

Name of company	Country	Proportion of ownership interest and voting power held by the Group	
		31 Dec 2015	31 Dec 2014
Bayport Financial Services Limited	Zambia	83.23 %	83.23 %
Bayport Financial Services Ghana Limited	Ghana	90.24 %	90.24 %
Bayport Financial Services Uganda Limited	Uganda	85.00 %	85.00 %
Bayport Financial Services (T) Limited	Tanzania	89.00 %	89.00 %
CFC Savings and Loans Limited (previously known as Consumer Finance Company Limited)	Ghana	94.32 %	74.00 %
Money Quest Investment (Proprietary) Limited	Botswana	95.00 %	95.00 %
Bayport Colombia S.A.S	Colombia	99.47 %	91.21 %
LibraVal S.A.S (i)	Colombia	- %	82.91 %
Bayport Financial Services 2010 (Proprietary) Limited (ii)	South Africa	100.00 %	100.00 %
Zenthyme Investments (Proprietary) Limited	South Africa	100.00 %	100.00 %
Bayport Securitisation (RF) Limited (ii),(iii)	South Africa	100.00 %	100.00 %
M-Stores Proprietary Limited (ii)	South Africa	- %	95.00 %
Convene Med (Pty) Ltd (Dormant) (previously known as BayMobile Proprietary Limited) (ii)	South Africa	100.00 %	100.00 %
BFS SA Executive Holdings Proprietary Limited (Dormant) (ii)	South Africa	100.00 %	- %
Bayport Financial Services Mozambique (MCB), SA	Mozambique	95.00 %	95.00 %
Actvest Mexico S.A.P.I De C.V SOFOM, E.N.R	Mexico	100.00 %	100.00 %
Financiera Fortaleza, S.A de C.V SOFOM, E.N.R	Mexico	60.00 %	60.00 %
Bayport Financial Services Rwanda SARL (Dormant)	Rwanda	100.00 %	100.00 %
Cashfoundry Limited	United Kingdom	100.00 %	100.00 %
Actvest Limited (i)	Mauritius	100.00 %	100.00 %
Bayport Latin America Holdings Ltd	Mauritius	100.00 %	100.00 %
Toriclox (Pty) Ltd (Deregistered) (v)	South Africa	- %	100.00 %
Lintpale Investments (Pty) Ltd (Dormant)	South Africa	100.00 %	100.00 %
Bayport LatAm Investments Cooperatief U.A (iv)	Netherlands	100.00 %	- %
Bayport LatAm Investments B.V (iv)	Netherlands	100.00 %	- %

(i) Actvest Limited (a fully owned subsidiary of Bayport Management Ltd) disposed of its 82.91% ownership of the ordinary shares in LibraVal S.A.S as of 1 June 2015.

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar	Group		Company	
	2015	2014	2015	2014

9. Investments in subsidiaries (continued)

- (ii) Bayport Financial Services 2010 (Proprietary) Limited owns 95% of M-Stores Proprietary Limited, 100% of Convene Med (Pty) Ltd (previously known as BayMobile Proprietary Limited), 100% of BFS SA Executive Holdings Proprietary Limited and 100% of Preference Shares of Bayport Securitisation (RF) Limited. It sold its shareholding in M-Stores Proprietary Limited as of 31 March 2015.
- (iii) Consolidated special purpose entity.
- (iv) Bayport Management Ltd holds 99.99% of Bayport LatAm Investments Cooperatief U.A and Bayport LatAm Investments Cooperatief U.A holds 100% of Bayport LatAm Investments B.V. Bayport Management Ltd effectively owns 100% of Bayport Latam Investments B.V and Bayport Latam Investments Cooperatif U.A.
- (v) Toricloxx (Pty) Ltd was deregistered on 23 October 2015

Management does not consider any subsidiary to have material non-controlling interests that require further disclosures.

IFRS 5 disclosures in relation to discontinued operations in Libralval S.A.S and M-Stores Proprietary Limited have not been incorporated as the amounts involved are not material.

10. Goodwill

Nine months ended from 1 April to 31 December

Cost:

At 1 April

Additions through business combinations (note 32.2)
Foreign exchange movements

129,565,294	-	-
4,944,798	-	-
(11,543,175)	-	-

At 31 December

122,966,917	-	-
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Accumulated Impairment:

At 1 April

Foreign exchange movements

13,339,541	-	-
(1,191,056)	-	-

At 31 December

12,148,485	-	-
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Carrying value:

At 31 December

110,818,432	-	-
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Twelve months ended from 1 January to 31 December

Cost:

At 1 January

Additions through business combinations (note 32.2)
Disposal of subsidiary (note 32.1)
Foreign exchange movements

122,966,917	4,214,362	-	-
-	130,740,009	-	-
(237,502)	-	-	-
(32,355,954)	(11,987,454)	-	-

At 31 December

90,373,461	122,966,917	-	-
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Accumulated impairment:

At 1 January

Additions through business combinations (note 32.2)
Impairment loss during the year
Disposal of subsidiary (note 32.1)
Foreign exchange movements

12,148,485	58,272	-	-
-	274,091	-	-
-	12,676,148	-	-
(237,502)	-	-	-
(3,003,497)	(860,026)	-	-

At 31 December

8,907,486	12,148,485	-	-
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Carrying value:

At 31 December

81,465,975	110,818,432	-	-
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Notes to the Group Annual Financial Statements (continued)

	Group		Company	
Figures in US Dollar	2015	2014	2015	2014

10. Goodwill (continued)

Goodwill acquired on business combination is allocated, at acquisition, to the Cash Generating Units (CGU's) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

Micro lending activities

Bayport Financial Services Ghana Limited	581,820	3,014,792	-	-
Bayport Financial Services (T) Limited	212,041	412,372	-	-
Money Quest Investment (Proprietary) Limited	189,153	246,468	-	-
Bayport Fimsa S.A.S	276,920	482,458	-	-
Bayport Financial Services 2010 (Proprietary) Limited	76,239,303	102,019,670	-	-
Financiera Fortaleza S.A de C.V, SOFOM E.N.R	3,966,738	4,642,672	-	-
	81,465,975	110,818,432	-	-

Goodwill is tested annually for impairment, or more frequently if there are indications that goodwill might be impaired. When testing goodwill for impairment, the recoverable amounts of the cash generating units (CGUs) are determined based on their value in use.

The goodwill arising from the South African operation was assessed for impairment through comparing the discounting of future expected dividend flows to shareholders to the fair value of the assets and liabilities acquired. The value in use calculation is sensitive to the following assumptions:

- Cost of equity discount rate used of 14.9%
- The cash flows were projected over a period of ten years in order to recognise the long term dividend payment expectation of the acquisition. At the end of the forecast period a terminal value was included with a growth expectation which is calculated as 6.8%, being the expected long term inflation rate in South Africa.
- The cash flows attributable to this CGU include professional fees paid by the Company (refer to note 34). The fees charged are a combination of specific services provided and fees relating to standby administrative services. The South African business made a deliberate decision, on behalf of the Group, to maintain excess capacity to firstly deliver support services to the rest of the Group as well as de-risking the Group as a standby servicer.

The other operations were assessed for impairment through the discounting of free cash flows and comparing these to the tangible net asset value of the operations. These free cash flows were discounted at the weighted average cost of capital of each of the operations. The value in use calculations are sensitive to the following assumptions:

- Weighted average cost of capital of each operations ranging from 12% to 14%
- The cash flows were projected over a period of seven years. At the end of the forecast period a terminal value was included with no growth expectation.

No provision for impairment was recognised for the current period for the other operations (9 months 31 December 2014: nil; 12 months 31 December 2014: USD 12,950,239).

Notes to the Group Annual Financial Statements (continued)

	Group		Company	
Figures in US Dollar	2015	2014	2015	2014

11. Deferred tax

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position.

Deferred tax assets	37,796,958	32,024,334	-	-
Deferred tax liabilities	(23,375)	(38,134)	-	-
	37,773,583	31,986,200	-	-

Deferred tax breakdown

Accelerated capital allowances for tax purposes	435,591	(114,243)	-	-
Tax losses available for set off against future taxable income	12,935,195	8,568,363	-	-
Provision for impairment of advances	18,466,586	18,124,611	-	-
Unrealised exchange losses	4,394,276	5,451,391	-	-
Fair value of financial liabilities	(848,151)	(1,235,615)	-	-
Revenue and expense recognition timing differences	2,270,375	1,065,846	-	-
Others	119,711	125,847	-	-
Closing Balance	37,773,583	31,986,200	-	-

Reconciliation of deferred tax - Nine months ended from 1 April to 31 December

At 1 April	25,190,835	-	-
Tax losses available for set off against future taxable income	(8,226,466)	-	-
Originating temporary difference on tangible fixed assets	(1,156)	-	-
Originating temporary difference on provision for impairment of advances	12,956,542	-	-
Originating temporary difference on revenue and expenditure	(593,873)	-	-
Fair value of written off book	4,372,582	-	-
Unrealised exchange losses	(1,712,264)	-	-
At 31 December	31,986,200	-	-

Reconciliation of deferred tax - Twelve months ended from 1 January to 31 December

At 1 January	31,986,200	7,174,298	-	-
On acquisition of subsidiaries (note 32.2)	-	15,862,791	-	-
On disposal of subsidiaries	(239,838)	-	-	-
Tax losses available for set off against future taxable income/(Tax losses utilised)	7,515,398	(7,911,217)	-	-
Originating temporary difference on tangible fixed assets	515,978	33,136	-	-
Originating temporary difference on provision for impairment of advances	5,154,173	13,865,210	-	-
Originating temporary difference on revenue and expenditure	1,696,963	(570,516)	-	-
Fair value of written off book	-	4,486,853	-	-
Fair value of financial liabilities	90,074	-	-	-
Unrealised exchange losses	(8,964,011)	(1,009,214)	-	-
Others	18,646	54,859	-	-
At 31 December	37,773,583	31,986,200	-	-

Notes to the Group Annual Financial Statements (continued)

	Group		Company	
Figures in US Dollar	2015	2014	2015	2014

11. Deferred tax (continued)

Company

At the reporting date, the Company has unused tax losses of USD 16,060,772 (31 December 14: USD 22,228,795) available for offset against future profits. No deferred tax asset has been recognised due to uncertainty regarding recoverability of tax losses which are subject to a five year limitation period.

Financial year

Financial year	Losses carried forward	Expiry date of losses
31 March 2012	2,892,453	31 March 2017
31 March 2013	211,124	31 March 2018
31 March 2014	3,984,730	31 March 2019
31 December 2014	8,972,465	31 December 2019
31 December 2015	-	31 December 2020
	16,060,772	

Notes to the Group Annual Financial Statements (continued)

12. Property and equipment

Group

Cost:

At 1 April 2014

Additions during the period
Additions through business combinations
Disposals
Foreign exchange movements

At 31 December 2014

Buildings	Furniture and Fittings	Motor Vehicles	Office Equipment	IT Equipment	Lease Improvements	Total
2,165,378	3,150,542	4,493,117	4,789,456	7,929,700	4,327,250	26,855,443
-	764,530	1,064,645	678,269	1,152,462	1,208,635	4,868,541
-	52,890	8,400	-	41,412	-	102,702
-	(4,361)	(994,647)	(4,063)	(35,171)	(319,189)	(1,357,431)
(91,192)	(201,297)	(456,784)	(558,727)	(597,524)	(424,161)	(2,329,685)
2,074,186	3,762,304	4,114,731	4,904,935	8,490,879	4,792,535	28,139,570

Accumulated depreciation:

At 1 April 2014

Charge for the period
Depreciation on additions through business combination
Disposals
Foreign exchange movements

At 31 December 2014

167,719	1,929,390	2,360,619	2,690,703	5,458,169	2,339,301	14,945,901
31,365	401,447	647,849	485,681	943,149	791,754	3,301,245
-	25,113	7,945	-	38,893	-	71,951
-	-	(549,272)	(1,038)	(30,808)	(317,857)	(898,975)
(7,509)	(134,011)	(249,342)	(286,203)	(437,414)	(245,981)	(1,360,460)
191,575	2,221,939	2,217,799	2,889,143	5,971,989	2,567,217	16,059,662

Carrying value:

At 31 December 2014

1,882,611	1,540,365	1,896,932	2,015,792	2,518,890	2,225,318	12,079,908
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Notes to the Group Annual Financial Statements (continued)

12. Property and equipment (continued)

Group

Cost:

	Buildings	Furniture and Fittings	Motor Vehicles	Office Equipment	IT Equipment	Lease Improvements	Total
At 1 January 2014	2,785,806	3,225,732	4,825,412	1,611,153	3,907,607	1,115,239	17,470,949
Additions during the year	14,248	930,350	1,262,689	893,007	1,384,169	1,640,675	6,125,138
Additions through business combinations	-	52,890	149,343	3,149,992	4,259,530	2,878,197	10,489,952
Disposals	(397,162)	(20,046)	(1,086,634)	(34,859)	(104,040)	(348,273)	(1,991,014)
Transfers	-	39,082	-	(106,304)	67,222	-	-
Foreign exchange movements	(328,706)	(465,704)	(1,036,079)	(608,054)	(1,023,609)	(493,303)	(3,955,455)
At 31 December 2014	2,074,186	3,762,304	4,114,731	4,904,935	8,490,879	4,792,535	28,139,570
Additions during the year	-	699,552	1,898,908	932,381	1,470,154	1,351,438	6,352,433
Eliminated on disposal of subsidiaries	-	(244,072)	(90,581)	(43,115)	(210,559)	-	(588,327)
Disposals	-	(31,704)	(205,644)	(20,459)	(88,783)	(50,195)	(396,785)
Foreign exchange movements	(868,563)	271,110	(1,496,318)	(2,305,624)	(2,468,663)	(1,151,130)	(8,019,188)
At 31 December 2015	1,205,623	4,457,190	4,221,096	3,468,118	7,193,028	4,942,648	25,487,703

Accumulated Depreciation:

At 1 January 2014	177,689	1,998,428	2,308,146	837,946	2,479,421	642,544	8,444,174
Charge for the year	43,474	482,245	965,507	801,025	1,265,642	989,783	4,547,676
Additions through business combinations	-	25,113	84,324	1,736,352	2,926,302	1,497,258	6,269,349
Disposals	(4,215)	(12,660)	(612,065)	(24,195)	(63,421)	(324,665)	(1,041,221)
Transfers	-	49,408	-	(48,646)	(762)	-	-
Foreign exchange movements	(25,373)	(320,595)	(528,113)	(413,339)	(635,193)	(237,703)	(2,160,316)
At 31 December 2014	191,575	2,221,939	2,217,799	2,889,143	5,971,989	2,567,217	16,059,662
Charge for the year	20,740	700,767	821,221	471,429	1,181,619	1,058,696	4,254,472
Eliminated on disposal of subsidiaries	-	(138,916)	(70,058)	(4,217)	(185,219)	-	(398,410)
Disposals	-	(27,966)	(183,838)	(12,515)	(78,952)	(38,996)	(342,267)
Foreign exchange movements	(87,749)	12,915	(729,168)	(1,568,568)	(1,637,953)	(708,276)	(4,718,799)
At 31 December 2015	124,566	2,768,739	2,055,956	1,775,272	5,251,484	2,878,641	14,854,658
Carrying value:							
At 31 December 2015	1,081,057	1,688,451	2,165,140	1,692,846	1,941,544	2,064,007	10,633,045
At 31 December 2014	1,882,611	1,540,365	1,896,932	2,015,792	2,518,890	2,225,318	12,079,908

Notes to the Group Annual Financial Statements (continued)

12. Property and equipment (continued)

Pledged as security - Group

Buildings have been pledged in favour of amount due at the reporting date to Bank of Zambia of USD 200,271 (31 December 14: USD 344,552).

Assets subject to finance lease (Net carrying amount) - Group

Motor vehicles
Office equipment

	31 Dec 2015	31 Dec 2014
	722,703	1,093,418
	7,155	16,067
	729,858	1,109,485

Company

Cost:

At 1 April 2014

Additions during the period
Disposals

At 31 December 2014

Additions for the year

At 31 December 2015

	Furniture and Fittings	Office Equipment	IT Equipment	Leasehold Improvements	Total
At 1 April 2014	178,254	62,576	412,758	207,667	861,255
Additions during the period	-	6,594	12,691	-	19,285
Disposals	-	-	(172)	-	(172)
At 31 December 2014	178,254	69,170	425,277	207,667	880,368
Additions for the year	-	3,828	50,215	-	54,043
At 31 December 2015	178,254	72,998	475,492	207,667	934,411

Accumulated depreciation:

At 1 April 2014

Charge for the period
Disposals

At 31 December 2014

Charge for the year

At 31 December 2015

At 1 April 2014	80,992	52,733	245,459	161,941	541,125
Charge for the period	29,506	4,560	85,335	34,289	153,690
Disposals	-	-	(29)	-	(29)
At 31 December 2014	110,498	57,293	330,765	196,230	694,786
Charge for the year	28,731	6,334	101,293	11,437	147,795
At 31 December 2015	139,229	63,627	432,058	207,667	842,581

Carrying value:

At 31 December 2015

At 31 December 2014

At 31 December 2015	39,025	9,371	43,434	-	91,830
At 31 December 2014	67,756	11,877	94,512	11,437	185,582

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

13. Intangible assets

Non - current assets

Group

Cost:

At 1 April 2014

Additions during the period

Disposals

Foreign exchange movements

At 31 December 2014

Accumulated amortisation:

At 1 April 2014

Charge for the period

Disposals

Foreign exchange movements

At 31 December 2014

Carrying value:

At 31 December 2014

Cost:

At 1 January 2014

Additions during the year

Additions through business combinations

Disposals

Foreign exchange movements

At 31 December 2014

Additions during the year

Eliminated on disposal of subsidiaries

Disposals

Foreign exchange movements

At 31 December 2015

Accumulated amortisation:

At 1 January 2014

Charge for the year

Additions through business combinations

Disposals

Foreign exchange movements

At 31 December 2014

Charge for the year

Eliminated on disposal of subsidiaries

Foreign exchange movements

At 31 December 2015

Carrying value:

At 31 December 2015

	Computer Software	Distribution channel	Total
At 1 April 2014	7,882,117	2,321,206	10,203,323
Additions during the period	314,770	-	314,770
Disposals	(298)	-	(298)
Foreign exchange movements	(2,938,801)	(208,157)	(3,146,958)
At 31 December 2014	5,257,788	2,113,049	7,370,837
Accumulated amortisation:			
At 1 April 2014	6,393,128	2,321,206	8,714,334
Charge for the period	715,152	-	715,152
Disposals	(14)	-	(14)
Foreign exchange movements	(2,863,135)	(208,157)	(3,071,292)
At 31 December 2014	4,245,131	2,113,049	6,358,180
Carrying value:			
At 31 December 2014	1,012,657	-	1,012,657
Cost:			
At 1 January 2014	1,023,953	-	1,023,953
Additions during the year	512,960	-	512,960
Additions through business combinations	4,318,928	2,329,434	6,648,362
Disposals	(145,131)	-	(145,131)
Foreign exchange movements	(452,922)	(216,385)	(669,307)
At 31 December 2014	5,257,788	2,113,049	7,370,837
Additions during the year	1,151,415	-	1,151,415
Eliminated on disposal of subsidiaries	(309,007)	-	(309,007)
Disposals	(5,985)	-	(5,985)
Foreign exchange movements	(1,924,045)	(533,967)	(2,458,012)
At 31 December 2015	4,170,166	1,579,082	5,749,248
Accumulated amortisation:			
At 1 January 2014	768,031	-	768,031
Charge for the year	915,696	-	915,696
Additions through business combinations	3,088,494	2,329,434	5,417,928
Disposals	(140,462)	-	(140,462)
Foreign exchange movements	(386,628)	(216,385)	(603,013)
At 31 December 2014	4,245,131	2,113,049	6,358,180
Charge for the year	825,290	-	825,290
Eliminated on disposal of subsidiaries	(265,779)	-	(265,779)
Foreign exchange movements	(1,867,698)	(533,967)	(2,401,665)
At 31 December 2015	2,936,944	1,579,082	4,516,026
Carrying value:			
At 31 December 2015	1,233,222	-	1,233,222

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

13. Intangible assets (continued)

Company

Cost:

At 1 April 2014

Additions during the period

At 31 December 2014

Additions during the year

At 31 December 2015

Computer Software	Distribution channel	Total
595,123	-	595,123
16,503	-	16,503
611,626	-	611,626
15,229	-	15,229
626,855	-	626,855

Accumulated amortisation:

At 1 April 2014

Charge for the period

At 31 December 2014

Charge for the year

At 31 December 2015

453,760	-	453,760
57,177	-	57,177
510,937	-	510,937
60,053	-	60,053
570,990	-	570,990

Carrying value:

At 31 December 2015

At 31 December 2014

55,865	-	55,865
100,689	-	100,689

Notes to the Group Annual Financial Statements (continued)

	Group		Company	
Figures in US Dollar	2015	2014	2015	2014

14. Stated capital

Issued and fully paid ordinary shares of \$0.001 each at par value

Share capital	30,701	24,241	30,701	24,241
Share premium	300,547,833	151,641,442	300,547,833	151,641,442
Share application monies	199,930	-	199,930	-
	300,778,464	151,665,683	300,778,464	151,665,683

Each share has equal rights on distribution of income and capital and is entitled to one vote per share.

	Number of shares	Share capital	Share premium	Total Stated capital
Balance at 1 January 2015	24,240,825	24,241	151,641,442	151,665,683
Issue of shares	6,460,627	6,460	148,906,391	148,912,851
Share application monies	-	-	199,930	199,930
Balance at 31 December 2015	30,701,452	30,701	300,747,763	300,778,464

The Company's shareholding for the year was as shown below:

List of shareholders

		Percentage holding 31 Dec 2015	Percentage holding 31 Dec 2014
Mr Grant Kurland	Director	9.33	11.82
Mr Stuart Stone	Director	-	10.65
Elsworthy Holdings Ltd		11.96	4.44
Kinnevik New Ventures		24.20	30.66
Takwa Holdco Limited		18.31	23.19
Groundsel Investment Ltd		4.94	6.26
Darrow International Services Limited		-	10.71
Public Investment Corporation (SDC) Limited		20.77	-
Kasumu Ltd		8.41	-
Others		2.08	2.27
		100	100

Mr Jonathan Jawno and Mr Roberto Rossi, who are directors of the Company, and Mr Michael Mendelowitz, who is an alternate director of the Company, are contingent discretionary beneficiaries of trusts which hold an interest in Elsworthy Holdings Ltd.

Mr Stuart Stone, who is a director of the Company, is a contingent discretionary beneficiary of a trust which holds an interest in Kasumu Ltd.

15. Equity settled reserve

At 1 April		240,696	240,696
Recognised on share based incentive scheme		455,095	455,095
At 31 December		695,791	695,791
At 1 January	695,791	200,360	695,791
Issue of shares	(934,758)	-	(934,758)
Recognised on share based incentive scheme	455,109	495,431	455,109
At 31 December	216,142	695,791	216,142

Notes to the Group Annual Financial Statements (continued)

	Group		Company	
Figures in US Dollar	2015	2014	2015	2014

15. Equity settled reserve (continued)

The Company operates a share incentive scheme for senior executives of the Group. Under the scheme, the senior executives were entitled to:

- (a) purchase shares in the Company at market price for cash;
- (b) purchase shares in the Company at market price through loans from the Company. The loans bear interest at a rate of 13% per annum;
- (c) awards of shares for no consideration at different vesting dates subject to the satisfaction of specified performance targets.

Details of purchased shares during the year are as follows:

Number of shares	30,533	14,053	30,533	14,053
Consideration	543,182	250,003	543,182	250,003

Maximum number of gifted shares, vesting in future financial years ending:

31 December 2015	-	24,439	-	24,439
31 December 2016	48,136	48,136	48,136	48,136
31 December 2017	26,884	26,884	26,884	26,884
31 December 2018	26,886	26,886	26,886	26,886
	101,906	126,345	101,906	126,345

16. Other reserves

Investment revaluation reserve

(i)	269,864	20,267,178	19,177,062	28,157,842
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Regulatory and statutory reserves

Regulatory and statutory reserves	(ii)	10,493,588	15,473,047	-	-
Less: attributable to non-controlling interests		(1,229,431)	(2,150,614)	-	-
		9,264,157	13,322,433	-	-

Total other reserves

9,534,021	33,589,611	19,177,062	28,157,842
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(i) Investment revaluation reserve

The investment revaluation reserve represents the cumulative gains arising on the revaluation of available for sale investments that have been recognised in other comprehensive income (refer to note 8).

(ii) Regulatory and statutory reserves

Regulatory credit risk reserves and general reserves relate to impairment provisions on the loan book in excess of what is required per International Financial Reporting Standards compared to Zambian and Ghanaian regulations. Statutory reserves relate to Bank of Ghana's requirements to maintain a minimum capital adequacy ratio.

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar	Group		Company	
	2015	2014	2015	2014
17. Trade and other payables				
Sundry creditors and accruals	23,413,319	22,846,817	3,464,902	2,422,342
Bond interest payable	15,365,608	14,997,630	15,365,608	14,997,630
Withholding tax payable	2,023,138	2,191,756	374	-
	40,802,065	40,036,203	18,830,884	17,419,972

18. Provisions

Current liabilities

Payroll related provisions

At 1 April		3,199,408		772,227
Additions		9,900,170		3,900,925
Utilised during the period		(5,326,527)		(1,657,967)
Foreign exchange movements		(317,538)		-
At 31 December		7,455,513		3,015,185
At 1 January	7,455,513	2,221,390	3,015,185	
Additions through business combinations	-	(337,109)	-	
Additions	3,311,483	11,782,610	(1,965,000)	
Utilised during the year	(6,274,573)	(5,746,509)	(515,550)	
Foreign exchange movements	(1,205,976)	(464,869)	-	
At 31 December	3,286,447	7,455,513	534,635	

Payroll related provisions relates to accruals made for staff and management performance bonuses.

19. Other financial liabilities

Forward exchange contracts	740,228	19,836,481	740,228	19,836,481
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The Company engages into forward foreign exchange contracts with a view to hedge its exposure to movements in SEK/USD exchange rate relating to its bond liabilities denominated in Swedish Krona. The Company targets a strategic objective of 50% coverage of its SEK bonds exposure. Details of the contracts standing as at 31 December 2015 are as follows:

Cash flow hedges	Currency	Trade date	Maturity date	Notional amount
Forward exchange contract 1	SEK	September 2015	March 2016	SEK639 million
Forward exchange contract 2	SEK	October 2015	October 2016	SEK186 million
Forward exchange contract 3	SEK	October 2015	October 2016	SEK800 million

The above forward exchange contracts are classified under Level 2 of the fair value hierarchy.

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar	Group		Company	
	2015	2014	2015	2014
20. Borrowings				
Held at amortised cost				
Corporate Bonds	(i) 405,979,869	387,076,933	366,486,960	355,754,009
Other term loans	(ii) 176,297,652	167,729,851	13,233,590	13,233,590
Loan notes	(iii) 150,304,619	278,853,555	-	-
	732,582,140	833,660,339	379,720,550	368,987,599
Less: Deferred transactions costs	(5,810,554)	(6,221,948)	(5,810,555)	(6,221,948)
	726,771,586	827,438,391	373,909,995	362,765,651

(i) Corporate Bonds

In January 2015 and March 2015, the Company sold Corporate Bonds with a nominal amount of SEK 125,000,000 and SEK 9,000,000 at a coupon rate of 13% payable annually on the anniversary date and are due to be redeemed in June 2017. In October 2015, further Corporate Bonds with nominal amount of SEK 1,100,000 was sold at a coupon rate of 12% payable annually on the anniversary date and are due to be redeemed in October 2018. In November 2015, the Company repaid Corporate Bonds with a nominal amount of SEK 700,000,000. These Bonds constitutes direct, general, unconditional, subordinated and unsecured obligations of the Company. The Bonds are listed on Nasdaq OMX Stockholm AB.

In December 2015, Bayport Financial Services Ghana issued corporate bonds of GHS 78.5 million. The issuance comprised both fixed and floating rate bonds each with a tenor of 3 years. The fixed bonds were issued at an interest rate of 28%, and the floating bonds were issued at 182 days Ghana treasury bill rate (currently 24.5%) plus 4%. The Bonds are listed on the Ghana Alternative Market.

(ii) Other term loans

Other term loans include funding received by the Group from local banks and financial institutions. Terms of the loans vary from 3 months to 10 years and interest rates vary from 6.78% to 33.30% per annum.

(iii) Loan notes

The loan notes are issued by Bayport Securitisation (RF) Limited ("BSL"). BSL is considered as a special purpose entity under IFRS and is consolidated into the Group's results.

Terms of the loans vary from 2 year to 4.5 years and interest rates vary from 9.28% to 15.55% per annum.

Other term loans and loan notes include borrowings of USD 307 million (31 December 2014: USD 406 million) outstanding at the end of reporting date were secured over net advances of the Group. Other securities held by funders are as follows:

- (a) Subordination of preference shares of Bayport Financial Services Uganda Limited for UGX 5,773,660,600 (USD 1.7 million)
- (b) Subordination of loans from Bayport Management Limited to subsidiaries of USD 69.7 million.
- (c) Corporate guarantee from Bayport Management Limited of USD 7.7 million (31 December 2014: USD 1.4 million)
- (d) Lien over cash of USD 1.1 million.
- (e) Bank balances of Bayport Securitisation (RF) Limited amounting to USD 36.4 million have been pledged as security (refer to note 3).

Non-current liabilities

At amortised cost	591,536,952	581,119,703	373,909,995	275,379,388
Current liabilities				
At amortised cost	135,234,634	246,318,688	-	87,386,263
	726,771,586	827,438,391	373,909,995	362,765,651

Remaining term of maturity

On demand or within period not exceeding one year	135,234,634	246,318,688	-	87,386,263
Within a period of more than one year but not exceeding two years	221,992,122	104,060,727	169,608,690	(1,966,818)
Within a period of more than two years but not exceeding five years	369,544,830	476,660,690	204,301,305	277,346,206
In more than five years	-	398,286	-	-
	726,771,586	827,438,391	373,909,995	362,765,651

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar	Group		Company	
	2015	2014	2015	2014
21. Finance lease obligation				
Minimum lease payments due				
- within one year	421,426	598,323	-	-
- in second to fifth year inclusive	356,765	606,246	-	-
	778,191	1,204,569	-	-
Less: future finance charges	(120,876)	(227,710)	-	-
Present value of minimum lease payments	657,315	976,859	-	-
Present value of minimum lease payments due				
Current liabilities	366,648	457,660	-	-
Non-current liabilities	290,667	519,199	-	-
	657,315	976,859	-	-

Finance leases relate to motor vehicles and office equipment with lease terms between 36 to 60 months. The Group has the option to purchase the assets for a nominal amount at the conclusion of the lease agreement.

The interest rates on the finance leases range from 9% to 27%. The fair value of the finance lease liabilities is approximately equal to their carrying amounts. The Group's obligations under finance leases are secured by the lessor's charge over the leased assets (refer to note 12).

Notes to the Group Annual Financial Statements (continued)

	Group			Company	
Figures in US Dollar	12 months ended 31 December 2015	12 months ended 31 December 2014	9 months ended 31 December 2014	12 months ended 31 December 2015	9 months ended 31 December 2014
22. Interest income					
Advances	269,534,317	294,044,265	222,625,560	-	-
Intercompany loans	-	-	-	45,740,259	30,516,440
LTIP interest (note 34)	144,933	133,800	102,785	144,933	102,785
	269,679,250	294,178,065	222,728,345	45,885,192	30,619,225
23. Interest expense					
Interest on bank overdrafts and loans	55,428,942	62,463,852	47,835,212	236,075	1,746,549
Interest on corporate bonds and promissory notes	51,279,617	42,272,199	32,825,526	45,894,999	29,307,030
	106,708,559	104,736,051	80,660,738	46,131,074	31,053,579
24. Fees and commission income					
Administration fees	14,135,619	12,517,309	9,083,745	-	-
Monthly service fees	6,161,402	9,906,655	7,294,465	-	-
Commission income	8,073,522	10,667,631	7,601,838	-	-
	28,370,543	33,091,595	23,980,048	-	-
25. Other income					
Management fees	-	-	-	2,089,688	944,874
Professional fees	-	-	-	4,957,532	898,997
Profit/(loss) on disposal of property, equipment and intangibles	50,215	174,039	75,615	-	(391)
Income from money transfer - Zambia	39,711	132,869	82,074	-	-
Other interest income	2,844,727	2,202,844	1,926,093	409,458	60,940
Sundry income	2,128,344	2,107,393	1,401,929	-	1,286
Gross margin on retail business (i)	732,188	5,355,141	3,983,535	-	-
	5,795,185	9,972,286	7,469,246	7,456,678	1,905,706
(i) Gross margin on retail business					
Sales	3,386,725	18,447,135	13,188,145	-	-
Cost of sales	(2,654,537)	(13,091,994)	(9,204,610)	-	-
Gross margin	732,188	5,355,141	3,983,535	-	-
26. (Profit)/loss before taxation					
(Profit)/loss before taxation for the year/period is stated after (crediting)/charging for the following:					
Cost of inventories expensed	2,654,537	12,953,128	9,075,590	-	-
Depreciation on property and equipment and intangible assets	5,079,762	5,463,372	4,016,397	207,848	210,867
Employee costs	21,178,369	36,921,787	29,523,137	685,177	2,892,187

Notes to the Group Annual Financial Statements (continued)

	Group			Company	
Figures in US Dollar	12 months ended 31 December 2015	12 months ended 31 December 2014	9 months ended 31 December 2014	12 months ended 31 December 2015	9 months ended 31 December 2014
27. Taxation					
Major components of the tax expense					
Current					
Foreign tax	6,035,313	14,541,525	7,084,835	-	-
Withholding tax	7,582,734	5,698,191	4,528,254	7,557,500	4,528,254
Deferred					
Current year	178,641	(10,012,803)	(5,684,599)	-	-
Prior year overstatement	(628,575)	-	-	-	-
	13,168,113	10,226,913	5,928,490	7,557,500	4,528,254
Reconciliation of the tax expense					
The Company is liable to income tax in Mauritius at the rate of 15% (2014: 15%). However, the Company is entitled to a foreign tax credit equivalent to the greater of the actual foreign tax suffered and 80% of the Mauritian tax chargeable with respect to its foreign source income.					
Profit/(loss) before taxation	18,763,674	49,413,186	47,313,705	(86,881,917)	(19,573,647)
Tax at the effective tax rate of 3% (2014: 3%)	562,910	1,482,396	1,419,411	(2,606,458)	(587,209)
Tax effect of adjustments on taxable income					
Tax effect of expenses that are not deductible in determining taxable profit	3,788,624	1,235,699	2,088,365	1,600,531	1,704,513
Effect of different tax rates of subsidiaries operating in other jurisdictions	5,060,759	6,574,263	2,668,671	-	-
Tax effect of withholding tax	7,582,733	5,698,191	4,528,254	7,557,502	4,528,254
Exempt income	(3,279,392)	(5,164,858)	(5,055,617)	(468,676)	(1,354,927)
Adjustment prior year	(3,495,068)	42,323	41,783	-	-
Unutilised tax losses	2,947,547	358,899	237,623	1,474,601	237,623
	13,168,113	10,226,913	5,928,490	7,557,500	4,528,254
Effective tax rate	70%	21%	13%	-	-
28. Exchange differences					
Arising on translating foreign operations	84,652,881	41,354,486	26,749,834	-	-
Arising on translating loans to subsidiaries	71,054,408	32,319,755	20,889,213	-	-
	155,707,289	73,674,241	47,639,047	-	-

Notes to the Group Annual Financial Statements (continued)

	Group			Company	
Figures in US Dollar	12 months ended 31 December 2015	12 months ended 31 December 2014	9 months ended 31 December 2014	12 months ended 31 December 2015	9 months ended 31 December 2014

29. Earnings per share

Basic earnings per share

From continuing operations	0.28	1.67	1.74
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The earnings and weighted average number of shares used in the calculation of basic earnings per share are as follows:

Profit attributable to owners of the company	7,671,925	40,079,393	42,271,164
Earnings used in the calculation of basic earnings per share	7,671,925	40,079,393	42,271,164
Weighted average number of shares for the purpose of basic earnings per share	27,858,671	24,066,067	24,236,012

Diluted earnings per share

From continuing operations	0.28	1.66	1.74
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The earnings and weighted average number of shares used in the calculation of diluted earnings per share are as follows:

Earnings used in the calculation of diluted earnings per share	7,671,925	40,079,393	42,271,164
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The weighted average number of shares for the purpose of diluted earnings per share reconciles to the weighted average number of shares used in the calculation of basic earnings per share as follows:

Weighted average number of shares used in the calculation of basic earnings per share	27,858,671	24,066,067	24,236,012
Share deemed to be of no consideration in respect of:			
- Share incentive schemes	20,163	46,371	26,317
Weighted average shares used in the calculation of diluted earnings per share	27,878,834	24,112,438	24,262,329

Notes to the Group Annual Financial Statements (continued)

	Group			Company	
Figures in US Dollar	12 months ended 31 December 2015	12 months ended 31 December 2014	9 months ended 31 December 2014	12 months ended 31 December 2015	9 months ended 31 December 2014
30. Cash (used in)/generated from operations					
Profit/(loss) before taxation	18,763,674	49,413,186	47,313,705	(86,881,917)	(19,573,647)
Adjustments for:					
Depreciation and amortisation	5,079,763	5,463,372	4,016,397	207,848	210,867
(Profit)/loss on sale of property, equipment and intangible assets	(50,215)	(174,039)	(75,615)	-	391
Foreign exchange (gain)/loss	(9,881,246)	(42,875,640)	(40,766,289)	33,146,013	(40,563,647)
Finance costs recognised in profit or loss	106,708,559	104,736,051	80,660,738	46,131,073	31,053,579
Dividends receivable recognised in profit or loss	(15,728,505)	(22,680,356)	(15,615,808)	(5,651,996)	(1,568,839)
Decrease/(Increase) in provision for credit impairment	33,500,506	(51,324,515)	(54,073,777)	-	-
Impairment loss on investment (note 9)	-	-	-	42,343,463	51,825,359
Impairment loss on goodwill (note 10)	-	12,676,148	-	-	-
Expense recognised in respect of share based payments	455,109	495,431	455,095	455,109	455,095
Changes in working capital:					
Decrease in inventories	1,061,501	5,910,050	3,090,076	-	-
Increase in trade and other receivables	(17,826,425)	(10,242,460)	(15,200,804)	(7,084,490)	(3,222,520)
Increase in gross advances	(156,378,919)	(97,064,679)	(48,545,485)	-	-
Increase/(decrease) in trade and other payables	12,990,178	7,502,922	5,263,652	4,119,910	(1,786,860)
	(21,306,020)	(38,164,529)	(33,478,115)	26,785,013	16,829,778
31. Current tax (assets)/liabilities					
Current tax liabilities	145,452	2,744,893	2,744,893	-	-
Current tax assets	(1,839,438)	(2,564,831)	(2,564,831)	-	-
	(1,693,986)	180,062	180,062	-	-
Balance at beginning of the year/period	180,062	2,052,609	5,090,968	-	-
Current tax for the year recognised in profit or loss (note 27)	13,618,047	20,239,716	11,613,089	7,557,500	4,528,254
On acquisition of subsidiaries (note 32)	-	4,899,387	318,413	-	-
On disposal of subsidiaries (note 32)	(265,772)	-	-	-	-
Foreign exchange movements	799,071	(5,703,369)	(329,865)	-	-
Tax paid	(16,025,394)	(21,308,281)	(16,512,543)	(7,557,500)	(4,528,254)
	(1,693,986)	180,062	180,062	-	-

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

32. Business combinations

32.1 Disposal and incorporation of subsidiaries - 31 December 2015

Disposal of subsidiary - Libraval SAS

On 1 June 2015, the Group disposed of its investment in Libraval S.A.S, a company incorporated in Colombia. The net consideration receivable as at 30 June 2015 is USD 7,878.

Summary of assets and liabilities of subsidiary disposed

	USD
Assets disposed	2,460,690
Liabilities disposed	(2,451,188)
Net asset disposed	9,502

Gain on disposal of subsidiary

Consideration received	7,878
Less: net assets disposed of	(9,502)
Add: Non-controlling interest	1,624
Gain on disposal	-

Net cash outflow on disposal of subsidiary

Consideration received in cash and cash equivalents	7,878
Less: cash and cash equivalent balances disposed	(11,464)
	(3,586)

Disposal of subsidiary - M-Stores Proprietary Limited

On 31 March 2015, BFS 2010 Proprietary Limited sold its 99.5% holding in M-Stores (Proprietary) Limited for an amount of USD 1.4 million. An amount of USD 1.3 million was lent to Highmane for the purpose of purchasing the shares. M-Stores' debtors book and inventory are pledged as security for the loan.

Summary of assets and liabilities disposed

	USD
Assets disposed	3,575,197
Liabilities disposed	(2,070,181)
Net assets disposed	1,505,016

Consideration received

Consideration received in cash and cash equivalents	18,990
Deferred sales proceeds	1,343,351
Total consideration received	1,362,341

Loss on disposal of subsidiary

Consideration received	1,362,341
Net assets disposed	(1,505,016)
Loss on disposal	(142,675)

Net cash outflow on disposal of subsidiary

Consideration received in cash and cash equivalents	18,990
Less: cash and cash equivalent balances disposed	(161,665)
	(142,675)

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

32. Business combinations (continued)

32.1 Disposal and incorporation of subsidiaries - 31 December 2015 (continued)

Incorporation of subsidiaries - Bayport LatAm Investments B.V and Bayport LatAm Investments Cooperatief U.A

In September 2015, the group incorporated Bayport LatAm Investments B.V and Bayport LatAm Investments Cooperatief U.A, registered in Netherlands. The companies are investment holding companies.

32.2 Acquisition of subsidiaries - 31 December 2014

Acquisition of Bayport Financial Services 2010 (Proprietary) Limited and Zenthyme Investments (Proprietary) Limited

In January 2014, the Company acquired 100% of the voting share capital of Bayport Financial Services 2010 (Proprietary) Limited ('BFS') and Zenthyme Investments (Proprietary) Limited ('Zenthyme'), two private limited companies registered in South Africa. The two companies are involved in the provision of unsecured credit, cellular handset, airtime agreements and related products.

Assets acquired and liabilities recognised at the date of acquisition

Assets

	USD
Cash and cash equivalents	23,536,400
Net advances	343,847,148
Trade and other receivables	10,664,188
Other investments (note 8)	43,938,584
Inventories	7,246,940
Current tax receivable (note 31)	2,615,890
Deferred tax assets (note 9)	15,862,791
Property and equipment	4,189,852
Intangible assets	1,230,434
	453,132,227

Liabilities

	USD
Trade and other payables	8,738,586
Borrowings	408,748,577
Current tax liabilities (note 31)	7,196,864
	424,684,027

Goodwill arising at acquisition

	USD
Consideration	154,028,039
Less: fair value of identifiable net assets acquired	(28,448,200)
Less: non-controlling interest acquired	(58,719)
	125,521,120

Net cash outflow on acquisition of subsidiaries

	USD
Consideration paid in cash	154,028,039
Less: cash and cash equivalent balances acquired	(23,536,400)
	130,491,639

Impact on acquisition on the results of the Group

Interest income for the year ended 31 December 2014 includes USD 130,603,433 in respect of the acquired businesses of BFS and Zenthyme and this resulted in profit of USD 5,352,076 included in the Group's results.

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

32. Business combinations (continued)

32.2 Acquisition of subsidiaries - 31 December 2014 (continued)

Acquisition of Financiera Fortaleza, S.A De C.V. SOFOM, E.N.R

In November 2014, Actvest Mexico, a wholly owned company of the Group, acquired 60% of the share capital of Financiera Fortaleza, S.A de C.V., SOFOM, E.N.R ("FF"), a private limited company registered in Mexico. The company is involved in the provision of financial services.

Assets acquired and liabilities recognised at the date of acquisition

Assets

	USD
Cash and cash equivalents	2,023,407
Net advances	10,378,449
Trade and other receivables	1,886,773
Property and equipment	30,751
	14,319,380

Liabilities

Trade and other payables	816,002
Borrowings	7,131,016
Current tax liabilities (note 31)	318,413
	8,265,431

Goodwill arising at acquisition

Consideration transferred	8,577,167
Less: fair value of identifiable net assets acquired	(3,632,369)
	4,944,798

Net cash outflow on acquisition of subsidiaries

Consideration paid in cash	8,577,167
Less: cash and cash equivalent balances acquired	(2,023,407)
	6,553,760

Included in the profit for the year ended 31 December 2014 are losses of USD 105,930 attributable to the additional businesses generated by FF. Interest income for the year includes USD 437,944 in respect of the acquired subsidiary.

Notes to the Group Annual Financial Statements (continued)

	Group			Company	
Figures in US Dollar	12 months ended 31 December 2015	12 months ended 31 December 2014	9 months ended 31 December 2014	12 months ended 31 December 2015	9 months ended 31 December 2014

33. Commitments

Operating leases – as lessee

Operating lease relate to leases of office premises with use term of between 1 and 5 years. Neither the Group nor the Company has an option to purchase the leased office premises at the expiry of the lease periods.

Future minimum payments under non-cancellable operating leases on premises:

- Within one year	3,931,012	4,055,489	4,055,489	91,720	91,720
- In second to fifth year inclusive	4,200,825	6,385,765	6,385,765	170,491	170,491
- After five years	80,710	103,835	103,835	-	-
	8,212,547	10,545,089	10,545,089	262,211	262,211

Payments recognised as an expense

Operating lease charges	5,395,940	5,476,554	4,189,783	107,758	99,467
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34. Related parties

Relationships

(i) Subsidiaries

Refer to note 9

Entities under common shareholding

Bayport Holdings (South Africa) (Proprietary) Limited
Actvest (Proprietary) Limited

Other shareholders of subsidiaries

Ghana Mineworkers Union
Whatana Investments SA
Mr Justin Chola

(ii) Related party balances

Refer to note 5 and 6 for details of amounts due from/(to) related parties.

(iii) Transactions with shareholders of the Company

Interest receivable from loan under share incentive scheme	(144,932)	(133,800)	(102,785)	(144,932)	(102,785)
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(iv) Transactions with shareholders of subsidiaries

Interest received from shareholders

Ghana Mineworkers Union	(1,783)	(1,711)	(1,285)	(1,783)	(1,285)
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(v) Transactions with entities under common shareholding

Professional fees paid

Actvest (Proprietary) Limited	10,608,757	-	7,788,211	8,263,547	-
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Professional fees received

Actvest (Proprietary) Limited	-	(122,713)	-	-	-
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Interest received

Actvest (Proprietary) Limited	(554,803)	(112,905)	(112,905)	-	-
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Interest paid

Actvest (Proprietary) Limited	502,453	162,104	162,104	-	-
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Notes to the Group Annual Financial Statements (continued)

	Group			Company	
Figures in US Dollar	12 months ended 31 December 2015	12 months ended 31 December 2014	9 months ended 31 December 2014	12 months ended 31 December 2015	9 months ended 31 December 2014

34. Related parties (continued)

(v) Transactions with entities under common shareholding (continued)

Cost recoveries

Actvest (Proprietary) Limited	1,529,282	1,070,265	1,060,293	-	-
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Income received from debt factoring

Actvest (Proprietary) Limited	(168,079)	-	-	(168,079)	-
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Please refer to Note 6(ii) and 6(v) for details of the debt factoring.

Deposit paid for lending software under development

Actvest (Proprietary) Limited	1,045,282	1,314,689	1,114,969	-	-
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(vi) Transaction with key management personnel

Sale of assets

Mr Justin Chola - Director/Shareholder	-	465,282	53,495	-	-
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(vii) Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. These transactions are:

Interest received

Bayport Financial Services Limited (Zambia)	-	-	-	(20,328,505)	(13,761,402)
Bayport Financial Services Uganda Limited	-	-	-	(2,227,974)	(1,974,644)
Bayport Financial Services (T) Limited	-	-	-	(5,793,538)	(2,538,300)
Bayport Financial Services Ghana Limited	-	-	-	(2,669,785)	(1,625,458)
Money Quest Investments (Proprietary) Limited	-	-	-	(3,487,278)	(3,140,941)
CFC Savings and Loans Limited	-	-	-	(3,116,663)	(1,404,320)
Bayport Fimsa S.A.S	-	-	-	(6,183,781)	(6,031,811)
Actvest Mexico SAPI de CV, SOFOM, ENR	-	-	-	(356,858)	(39,559)
Bayport Financial Services Mocambique (MCB) SA	-	-	-	(544,401)	-
Financiera Fortaleza, SA de CV, SOFOM, ENR	-	-	-	(721,293)	-
Bayport Latam Investments Cooperatief U.A	-	-	-	(488,848)	-
Bayport Financial Services 2010 (Pty) Ltd	-	-	-	(335,621)	-
	-	-	-	(46,254,545)	(30,516,435)

Management fees received

Bayport Financial Services Limited (Zambia)	-	-	-	(2,089,688)	(944,874)
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Professional fees received

Bayport Financial Services Mocambique (MCB) SA	-	-	-	(4,957,532)	(898,997)
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Professional fees paid

Cashfoundry Limited	-	-	-	2,953,038	3,085,694
Actvest Limited (Mauritius)	-	-	-	23,871	-
Bayport Latin America Holding Limited	-	-	-	13,364	-
	-	-	-	2,990,273	3,085,694

Notes to the Group Annual Financial Statements (continued)

	Group			Company	
Figures in US Dollar	12 months ended 31 December 2015	12 months ended 31 December 2014	9 months ended 31 December 2014	12 months ended 31 December 2015	9 months ended 31 December 2014

34. Related parties (continued)

(vii) Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. (continued)

Management fees paid

Bayport Financial Services 2010 (Proprietary)
Limited

-	-	-	8,271,539	-
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(viii) Compensation of directors and other key management personnel

Short term benefits	13,614,646	15,470,679	10,572,839	714,703	1,391,788
Post-employment benefits	273,043	230,474	143,609	-	-
Share-based payments	494,995	538,650	493,992	455,109	455,095
	14,382,684	16,239,803	11,210,440	1,169,812	1,846,883

(ix) Professional fees payable to management entity

DTOS Ltd	59,083	39,466	30,666	59,083	30,666
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Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar	Group		Company	
	2015	2014	2015	2014

35. Risk management

35.1. Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to investors.

The capital structure of the Group consists of equity attributable to shareholders comprising stated capital, other reserves, retained earnings and non-controlling interests and net debt which includes borrowings, bank overdrafts and finance lease obligation disclosed in notes 20 and 21, offset by cash and cash equivalents disclosed in note 3. The Group reviews the capital structure on a regular basis. The Group is not subject to any externally imposed capital requirements except for Bayport Financial Services Ghana, CFC Saving and Loans Limited and Bayport Financial Services Zambia where the subsidiaries are required to maintain a minimum capital adequacy ratio of 10% and Bayport Financial Services Mozambique (MCB) SA, where the subsidiary is required to maintain a minimum capital adequacy ratio of 8%.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the net debt to total capital ratio for the Group.

The net debt to total capital ratio for the Group at 31 Dec 2015 and 31 Dec 2014 respectively were as follows:

Total borrowings

Finance lease obligation (note 21)

Borrowings (note 20)

Less: Cash and cash equivalents (note 3)

Net debt

Total equity

Total capital

Net debt to capital

657,315	976,859
726,771,586	827,438,391
727,428,901	828,415,250
(74,881,014)	(56,682,661)
652,547,887	771,732,589
187,713,066	214,141,585
840,260,953	985,874,174

78 % 78 %

35.2. Categories of financial instruments

Financial assets

Loans and receivables

Cash and cash equivalents

Net advances

Trade and other receivables

Amount due from related parties

Available for sale investment

Other financial assets

85,852,593	65,839,650	21,603,279	24,417,798
695,819,695	808,938,674	-	-
17,269,258	15,480,484	1,351,692	3,786,157
7,349,997	7,055,394	264,826,800	252,446,999
34,119,472	60,512,189	19,202,062	28,182,842
840,411,015	957,826,391	306,983,833	308,833,796

Financial liabilities

At amortised cost

Finance lease obligation

Bank overdraft

Trade and other payables

Borrowings

Amount due to related parties

Fair value through profit or loss

Other financial liabilities

657,315	976,859	-	-
10,971,579	9,156,989	-	-
37,305,099	37,844,447	18,830,884	17,419,972
732,582,141	833,660,339	379,720,550	368,987,599
6,659,846	3,210,967	20,703,348	759,574
740,228	19,836,481	740,228	19,836,481
788,916,208	904,686,082	419,995,010	407,003,626

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

35. Risk management (continued)

35.3. Financial risk management

The Group and Company's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Group and Company's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group and Company's financial performance.

The Group's overall risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group and Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by management under policies approved by the Board of Directors. Management identifies, evaluates and manages financial risks in close co-operation with the company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and non-derivative financial instruments. In addition, internal audit is responsible for the independent review of risk management and the control environment. The most important type of risk are credit risk, liquidity risk, market risk and other operational risk. Market risk includes currency risk and interest rate risk.

35.4. Liquidity risk

The table below analyses assets and liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the entity. It is unusual for financial institutions ever to be completely matched since business transacted is often uncertain terms and of different types. An unmatched position potentially enhances profitability, but can also increase the risk of losses.

The maturity of assets and liabilities to replace, at an acceptance cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the entity and its exposure to changes in interest rates and exchange rates.

Group

31 Dec 2015	0-3 months	4-12 months	1-5 years	Total
Financial assets				
Cash and cash equivalents	85,352,593	500,000	-	85,852,593
Net advances	189,248,248	351,130,296	892,426,088	1,432,804,632
Trade and other receivables	16,080,204	1,189,054	-	17,269,258
Amount due from related parties	1,957,582	346,334	5,046,081	7,349,997
Other financial assets	6,284,607	8,575,753	19,259,112	34,119,472
Cash flows from financial assets	298,923,234	361,741,437	916,731,281	1,577,395,952
Financial Liabilities				
Finance lease obligation	112,307	309,119	356,765	778,191
Bank overdraft	10,971,579	-	-	10,971,579
Trade and other payables	18,649,911	279,417	135,501	19,064,829
Borrowings	47,332,811	170,515,029	725,769,452	943,617,292
Amount due to related parties	3,920,728	2,739,118	-	6,659,846
Other financial liabilities	-	740,228	-	740,228
Cash flows from financial liabilities	80,987,336	174,582,911	726,261,718	981,831,965
Net Liquidity gap	217,935,898	187,158,526	190,469,563	595,563,987
31 Dec 2014	0-3 months	4-12 months	1- 5 years	Total
Cash flows from financial assets	281,724,268	427,910,496	1,122,185,858	1,831,820,622
Cash flows from financial liabilities	(80,646,790)	(307,064,674)	(744,251,297)	(1,131,962,761)
Net Liquidity gap	201,077,478	120,845,822	377,934,561	699,857,861

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

35. Risk management (continued)

35.4. Liquidity risk (continued)

Company

31 Dec 2015

Financial assets

	0-3 months	4-12 months	1-5 years	Total
Cash and cash equivalents	21,103,279	500,000	-	21,603,279
Trade and other receivables	162,521	1,189,054	-	1,351,575
Amount due from related parties	45,878,677	136,796,073	156,509,456	339,184,206
Other financial assets	2,484,443	3,992,675	12,724,944	19,202,062

Cash flows from financial assets

69,628,920	142,477,802	169,234,400	381,341,122
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Financial liabilities

Trade and other payables	803,232	-	-	803,232
Borrowings	-	46,634,816	465,288,187	511,923,003
Amount due to related parties	11,417,422	5,001,895	9,451,579	25,870,896
Other financial liabilities	-	740,228	-	740,228

Cash flows from financial liabilities

12,220,654	52,376,939	474,739,766	539,337,359
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Net liquidity gap

57,408,266	90,100,863	(305,505,366)	(157,996,237)
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31 Dec 2014

Cash flows from financial assets	66,113,085	142,788,226	130,442,881	339,344,192
Cash flows from financial liabilities	(1,262,019)	(157,575,936)	(372,532,209)	(531,370,164)

Net Liquidity gap

64,851,066	(14,787,710)	(242,089,328)	(192,025,972)
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As a function of the capital structure, one of the Company's subsidiaries, Bayport Financial Services 2010 Proprietary Limited, has regular debt redemption needs that require access to the wholesale debt markets. There is currently uncertainty as to the available liquidity in these debt markets. The directors have considered this potential difficulty and believe that there is no going concern risk at present. In performing this assessment, the directors have considered all available information about future funding prospects, the possible outcomes of the events and changes in conditions and realistically possible responses to such events and conditions that will be available to the directors.

35.5. Interest rate risk

The objective of the entity's interest rate risk management process is to manage and control interest rate exposure in order to optimise return on risk while maintaining a market profile consistent with the entity's mission.

Interest rate risk is the risk that movements in interest rates will reduce the entity's income or capital.

A principal part of the entity's management of interest rate risk is to monitor the sensitivity of projected net interest income under varying interest rate scenarios (simulation modelling). The entity aims, through its management of interest rate risk, to mitigate the impact of prospective interest rate movements which could reduce future earnings and capital.

Sensitivity analysis - Increase/decrease of 10% in net interest margin

The interest rate risks sensitivity analysis is based on the following assumptions.

- Changes in the market interest rates affect the interest income or expenses of variable financial instrument
- Changes in the market interest rates only affect interest income or expenses in relation to financial instruments with fixed interest rates if these are recognised at their fair values
- The interest rate changes will have an effect on interest sensitive assets and liabilities and hence simulation modelling is applied to financial instruments which are quoted at variable interest rates
- The projections make other assumptions including that all positions run to maturity.

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

35. Risk management (continued)

35.5. Interest rate risk (continued)

The table below sets out the impact on current profit after taxation and equity of an incremental 10% parallel fall or rise on all yield curves at the beginning of the current financial period beginning on 01 April 2014 / 01 January 2014 and 01 January 2015.

Group

12 months ended 31 December 2015

	Amount	Scenario 1 Effect after 10% increase in variable interest rates	Scenario 2 Effect after 10% decrease in variable interest rates
Profit after tax	5,595,561	1,904,081	9,287,041
Equity	187,713,066	184,021,586	191,404,546

12 months ended 31 December 2014

	Amount	Scenario 1 Effect after 10% increase in variable interest rates	Scenario 2 Effect after 10% decrease in variable interest rates
Profit after tax	39,186,273	35,826,185	42,546,361
Equity	214,141,585	210,781,497	217,501,673

9 months ended 31 December 2014

	Amount	Scenario 1 Effect after 10% increase in variable interest rates	Scenario 2 Effect after 10% decrease in variable interest rates
Profit after tax	41,385,215	38,634,369	44,136,061
Equity	214,141,585	211,390,739	216,892,431

Assuming no management actions an increase in interest rates would decrease the Group's profit after tax for the year by USD 3,691,480 (12m ended 31 Dec 2014: USD 3,360,088; 9m ended 31 Dec 2014: USD 2,750,846) and equity by USD 3,691,480 (12m ended 31 Dec 2014: USD 3,360,088; 9m ended 31 Dec 2014: USD 2,750,846), while a fall would increase profit after tax and equity by the same amounts.

Company

12 months ended 31 December 2015

	Amount	Scenario 1 Effect after 10% increase in variable interest rates	Scenario 2 Effect after 10% decrease in variable interest rates
Loss after tax	(94,439,417)	(94,439,417)	(94,439,417)
Equity	172,983,318	172,983,318	172,983,318

9 months ended 31 December 2014

	Amount	Scenario 1 Effect after 10% increase in variable interest rates	Scenario 2 Effect after 10% decrease in variable interest rates
Loss after tax	(24,101,901)	(24,101,901)	(24,101,901)
Equity	129,472,897	129,472,897	129,472,897

Assuming no management actions an increase or decrease in interest rates would have no impact in the Company's loss after tax for the year and equity as the Company has no significant interest-bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rates.

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

35. Risk management (continued)

35.6. Credit risk

The Group takes on exposure to credit risk, which is the risk that a counter party will be unable to pay amounts in full when due. Impairment provisions are provided for losses that have been incurred at the reporting date. Significant changes in the economy, or in the health of a particular industry segment that represents a concentration in the entity's portfolio, could result in losses that are different from those provided for at the reporting date. Management, therefore carefully manages its exposure to credit risk.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or group of borrowers, and to geographical and industry segments.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

35.7. Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Consequently the Group is exposed to the risk that the carrying amounts of foreign currency denominated assets and liabilities may change due to fluctuations in foreign exchange rates.

The currency profile of the financial assets and financial liabilities is summarised as follows:

	31 Dec 2015		31 Dec 2014	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Group				
Currency				
South African Rand	290,096,475	191,261,723	382,570,584	326,472,805
Zambian Kwacha	149,033,347	38,832,316	190,867,226	52,672,551
Ghanaian Cedi	94,752,629	41,325,513	85,033,239	23,560,009
Uganda Shilling	24,983,027	7,916,660	32,402,515	5,673,269
Tanzanian Shilling	55,682,433	16,405,148	55,950,501	16,585,843
United States Dollar	48,654,604	218,164,346	52,899,465	295,700,459
Colombian Peso	76,845,622	50,111,510	88,458,980	35,732,168
Botswana Pula	38,952,979	21,733,773	39,587,660	17,647,194
Swedish Krona	24,894	188,724,367	4,455,332	116,805,859
Pound Sterling	193,893	687	346,626	150,539
Mauritian Rupee	55,932	-	136,810	6,646
Mozambican Metical	39,266,487	7,130,845	13,065,665	5,650,223
Mexican Pesos	21,868,693	7,309,320	12,051,788	8,028,517
	840,411,015	788,916,208	957,826,391	904,686,082
	31 Dec 2015		31 Dec 2014	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Company				
Currency				
South African Rand	15,742,249	3,951,252	2,897,581	-
Zambian Kwacha	72,680,925	-	72,472,523	-
United States Dollar	218,479,833	226,330,392	228,871,550	290,191,121
Botswana Pula	-	982,316	-	-
Swedish Krona	24,894	188,724,367	4,455,332	116,805,859
Mauritian Rupee	55,932	6,683	136,810	6,646
	306,983,833	419,995,010	308,833,796	407,003,626

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

35. Risk management (continued)

35.7. Foreign exchange risk (continued)

The objective of the Group's foreign exchange risk management is to manage and control foreign exchange exposure in order to optimise return on risk while maintaining a market profile consistent with the entity's mission.

Foreign exchange risk is the risk that movements in foreign exchange rates will reduce the entity's income or capital.

A principal part of the entity's management of foreign exchange risk is to monitor the sensitivity of future earnings and capital to varying foreign exchange rates. The entity aims, through its management of foreign exchange risk, to mitigate the impact of foreign exchange fluctuations which could reduce future earnings and capital.

Foreign exchange risks - appreciation/depreciation of USD against other currencies by 10%

The foreign exchange risks sensitivity analysis is based on the following assumptions:

- Foreign exchange exposures represent net currency positions of all currencies other than US Dollar.
- The currency sensitivity analysis is based on the assumption that all net currency positions are highly effective.
- The base currencies which the entity's business are transacted is US Dollar.

The table below sets out the impact on current earnings of an incremental 10% parallel fall or rise in all foreign currencies at the beginning of the current financial period from 01 April/1 January.

Assuming no management actions, a series of such rise and fall would impact the future earnings and capital as illustrated in the table below.

Group

12 months ended 31 December 2015

	Amount	Scenario 1 Effect after 10% appreciation in USD	Scenario 2 Effect after 10% depreciation in USD
Profit after tax	5,595,561	14,977,775	(3,786,653)
Equity	187,713,066	173,339,907	202,086,225

12 months ended 31 December 2014

	Amount	Scenario 1 Effect after 10% appreciation in USD	Scenario 2 Effect after 10% depreciation in USD
Profit after tax	39,186,273	36,329,603	42,042,943
Equity	214,141,585	192,554,573	235,728,597

9 months ended 31 December 2014

	Amount	Scenario 1 Effect after 10% appreciation in USD	Scenario 2 Effect after 10% depreciation in USD
Profit after tax	41,385,215	38,528,545	44,241,885
Equity	214,141,585	192,554,573	235,728,597

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

35. Risk management (continued)

35.7. Foreign exchange risk (continued)

Assuming no management actions, an appreciation in the US Dollar would increase profit after tax for the year by USD 9,382,214 (12 months ended 31 Dec 14: a decrease of USD 2,856,670; 9 months ended 31 Dec 2014: a decrease of USD 2,856,670) and decrease equity by USD 14,373,159 (12 months ended 31 Dec 14: a decrease of USD 21,587,012; 9 months ended 31 Dec 2014: a decrease of USD 21,587,012), while a depreciation would decrease profit after tax and equity by the same amounts.

Company

12 months 31 December 2015

	Amount	Scenario 1 Effect after 10% appreciation in USD	Scenario 2 Effect after 10% depreciation in USD
Loss after tax	(94,439,417)	(83,923,355)	(104,955,479)
Equity	172,983,318	183,499,380	162,467,256

9 months 31 December 2014

	Amount	Scenario 1 Effect after 10% appreciation in USD	Scenario 2 Effect after 10% depreciation in USD
Loss after tax	(24,101,901)	(20,416,875)	(27,786,927)
Equity	129,472,897	133,157,923	125,787,871

Assuming no management actions, an appreciation in the US Dollar would increase profit after tax for the year by USD 10,516,062 (31 Dec 14: USD 3,685,026) and increase equity by USD 10,516,062 (31 Dec 14: USD 3,685,026), while a depreciation would decrease profit after tax and equity by the same amounts.

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

35. Risk management (continued)

35.8. Fair value of financial instruments

The Group's and Company's available for sale investments (refer to note 8) are measured at fair value on a recurring basis at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined:

Financial assets	Fair value		Fair value hierarchy	Valuation techniques	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	31 December 2015	31 December 2014				
Investment in Guardrisk Ltd (i)	19,202,053	28,182,842	Level 3	Discounted cash flow	Collection rates	The higher the collection rates, the higher the fair value
					Exchange rates	An appreciation in USD will reduce the fair value
					Discount rate of 9.83%	The higher the discount rate, the lower the fair value
Investment in HBA Proprietary Limited (ii)	14,917,419	32,329,347	Level 3	Discounted cash flow	Claims ratio	The higher the claims ratio, the lower the fair value
					Risk-free yield curve	The higher the risk free yield curve, the lower the fair value
					Return on assets	The higher the return on assets, the higher the fair value

The reconciliation for Level 3 Fair Value Measures is disclosed in note 8.

(i) Investment in Guardrisk Ltd - sensitivity analysis

If all of the above unobservable inputs to the valuation model were simultaneously 10% higher/(lower) while all other variables were held constant, the carrying amount of the investment for the Group and Company would increase/(decrease) by USD 4.1 million (31 Dec 2014: USD 7.8 million).

(ii) Investment in HBA Proprietary Limited - sensitivity analysis

If all of the above unobservable inputs to the valuation model were simultaneously 10% higher/(lower) while all other variables were held constant, the carrying amount of the investment would increase/(decrease) by USD 0.6 million (31 Dec 2014: USD 1.0 million).

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 are observable for the assets or liability, either (ie. as prices) or indirectly (ie. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

36. Events after the reporting period

The Company secured a funding facility of USD 250 million in December 2015 from Overseas Private Investment Corporation ("OPIC"). The first drawdown of USD 25 million was effected in January 2016.

A decision has been taken by the Group to merge Bayport Financial Services Ghana Limited and CFC Savings and Loans Limited and at the date of authorisation of the group financial statements, the merger procedures have already been initiated.

37. Segmental reporting

Pursuant to the management approach to segment reporting of IFRS 8, operating segments are reported in accordance with the internal reporting provided to the Joint Group Chief Executive Officers (the Chief Operating Decision-Makers), who are responsible for allocating resources to the reportable segments and assessing performance. Excluding the holding company, which is based in Mauritius, the Group operates in five geographical regions, which makes up the reportable segments. All operating segments used by the Group meet the definition of a reportable segment under IFRS 8.

Other than those segmental information already disclosed, the Chief Operating Decision Makers does not consider any other information as material.

The reportable segments are made up as follows:

- (a) Southern Africa: operations in South Africa, Zambia, Botswana and Mozambique
- (b) West Africa: operations in Ghana
- (c) East Africa: operations in Tanzania and Uganda
- (d) Latin America: operations in Colombia and Mexico
- (e) Europe: operations in the United Kingdom
- (f) Mauritius: includes Bayport Management Ltd, Actvest Limited and Bayport Latin America Holdings Ltd and operations in Netherlands.

Interest income from BFS SA, Zambia and Ghana amounts to USD 85 million (12 months ended 31 December 2014: 131 million; 9 months ended 31 December 2014: 98 million); USD 63 million (12 months ended 31 December 2014: 52 million; 9 months ended 31 December 2014: 40 million) and USD 29 million (12 months ended 31 December 2014: 27 million; 9 months ended 31 December 2014: 20 million) respectively.

The client base of the group is diversified and there is no reliance on customers where revenue from transactions would exceed more than 10% of the Group's revenue.

Segmental reporting \$'000 Year ended 31 Dec 2015

	Southern Africa	West Africa	East Africa	Latin America	Europe	Mauritius	Eliminatio ns	Group
Income statement								
Interest income	170,386	40,348	31,949	26,851	-	46,400	(46,255)	269,679
Interest expense	(70,237)	(12,388)	(11,419)	(12,812)	-	(46,620)	46,767	(106,709)
Net interest income/(loss)	100,149	27,960	20,530	14,039	-	(220)	512	162,970
Fees and commission income	22,425	2,178	1,566	2,202	-	-	-	28,371
Dividend income	10,077	-	-	-	-	5,941	(289)	15,729
Other income	11,034	245	508	2,114	2,953	7,490	(18,549)	5,795
Non interest income	43,536	2,423	2,074	4,316	2,953	13,431	(18,838)	49,895
Operating income/(loss)	143,685	30,383	22,604	18,355	2,953	13,211	(18,326)	212,865
Operating expenses	(78,027)	(21,029)	(15,263)	(17,173)	(2,760)	(15,462)	18,255	(131,459)
Foreign exchange (loss)/gain	(12,989)	(6,898)	(9,000)	(12,867)	-	(41,967)	84,595	874
Pre-provision income/(loss)	52,669	2,456	(1,659)	(11,685)	193	(44,218)	84,524	82,280
Impairment on loans and advances	(40,061)	(5,293)	(6,866)	(11,296)	-	-	-	(63,516)
Impairment loss on investment	-	-	-	-	-	(42,343)	42,343	-
Profit/(Loss) before taxation	12,608	(2,837)	(8,525)	(22,981)	193	(86,561)	126,867	18,764
Taxation								(13,168)
Profit for the year								5,596

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

37. Segmental reporting (continued)

Segmental Reporting \$'000 Year ended 31 Dec 2015

	Southern Africa	West Africa	East Africa	Latin America	Europe	Mauritius	Eliminatio ns	Group
Balance sheet								
Net advances	436,214	86,161	76,792	92,209	-	-	-	691,376
Other assets	139,328	21,916	12,678	35,204	1,340	610,728	(534,799)	286,395
Total assets	575,542	108,077	89,470	127,413	1,340	610,728	(534,799)	977,771
Borrowings and overdrafts	378,646	62,655	67,050	107,154	-	393,910	(271,014)	738,401
Other liabilities	17,408	11,815	3,758	6,624	209	26,537	(14,694)	51,657
Total liabilities	396,054	74,470	70,808	113,778	209	420,447	(285,708)	790,058

Segmental reporting \$'000 Year ended 31 Dec 2014

	Southern Africa	West Africa	East Africa	Latin America	Europe	Mauritius	Eliminati ons	Group
Income statement								
Interest income	197,856	36,448	35,645	24,095	-	39,267	(39,133)	294,178
Interest expense	(74,576)	(9,115)	(9,002)	(10,457)	-	(40,741)	39,155	(104,736)
Net interest income/(loss)	123,280	27,333	26,643	13,638	-	(1,474)	22	189,442
Fees and commission income	28,039	1,925	1,843	1,285	-	-	-	33,092
Dividend income	18,319	-	-	-	-	4,668	(307)	22,680
Other income	7,782	435	1,254	372	3,086	2,177	(5,134)	9,972
Non interest income	54,140	2,360	3,097	1,657	3,086	6,845	(5,441)	65,744
Net operating income	177,420	29,693	29,740	15,295	3,086	5,371	(5,419)	255,186
Operating expenses	(83,710)	(17,932)	(15,472)	(11,450)	(2,884)	(12,984)	5,142	(139,290)
Foreign exchange (loss)/gain	(10,563)	(10,794)	(3,151)	(12,568)	-	38,935	39,527	41,386
Pre-provision income/(loss)	83,147	967	11,117	(8,723)	202	31,322	39,250	157,282
Impairment on loans and advances	(81,688)	(6,080)	(5,640)	(1,785)	-	-	-	(95,193)
Impairment loss on investment	-	-	-	-	-	(51,825)	51,825	-
Impairment of goodwill	-	-	-	-	-	-	(12,676)	(12,676)
Profit/(Loss) before taxation	1,459	(5,113)	5,477	(10,508)	202	(20,503)	78,399	49,413
Taxation								(10,227)
Profit for the year								39,186
Balance sheet								
Net advances	539,489	83,968	85,182	95,478	-	-	-	804,117
Other assets	158,253	12,412	9,650	13,987	1,247	533,260	(407,890)	320,919
Total assets	697,742	96,380	94,832	109,465	1,247	533,260	(407,890)	1,125,036
Borrowings and overdrafts	509,206	59,657	58,246	95,371	-	362,766	(247,674)	837,572
Other liabilities	17,509	7,293	5,954	5,244	215	41,021	(3,914)	73,322
Total liabilities	526,715	66,950	64,200	100,615	215	403,787	(251,588)	910,894

Notes to the Group Annual Financial Statements (continued)

Figures in US Dollar

37. Segmental reporting (continued)

Segmental reporting \$'000 9 months ended 31 Dec 2014

	Southern Africa	West Africa	East Africa	Latin America	Europe	Mauritius	Eliminatio ns	Group
Income statement								
Interest income	150,311	26,725	26,739	18,953	-	30,516	(30,516)	222,728
Interest expense	(57,934)	(7,011)	(6,990)	(8,178)	-	(31,054)	30,506	(80,661)
Net interest income/(loss)	92,377	19,714	19,749	10,775	-	(538)	(10)	142,067
Fees and commission income	20,109	1,435	1,372	1,064	-	-	-	23,980
Dividend income	13,409	-	-	-	-	1,569	638	15,616
Other income	5,835	369	798	303	2,363	2,009	(4,208)	7,469
Non interest income	39,353	1,804	2,170	1,367	2,363	3,578	(3,570)	47,065
Net operating income	131,730	21,518	21,919	12,142	2,363	3,040	(3,580)	189,132
Operating expenses	(62,832)	(13,858)	(11,851)	(9,216)	(2,208)	(10,479)	4,258	(106,186)
Foreign exchange (loss)/gain	(4,807)	(5,230)	(2,687)	(11,693)	-	39,668	24,421	39,672
Pre-provision income/(loss)	64,091	2,430	7,381	(8,767)	155	32,229	25,099	122,618
Impairment on loans and advances	(62,590)	(5,772)	(5,350)	(1,593)	-	-	-	(75,305)
Impairment loss on investment	-	-	-	-	-	(51,825)	51,825	-
Profit/(Loss) before taxation	1,501	(3,342)	2,031	(10,360)	155	(19,596)	76,924	47,313
Taxation								(5,928)
Profit for the period								41,385
Balance sheet								
Net advances	539,489	83,968	85,182	95,478	-	-	-	804,117
Other assets	158,253	12,412	9,650	13,987	1,247	533,260	(407,890)	320,919
Total assets	697,742	96,380	94,832	109,465	1,247	533,260	(407,890)	1,125,036
Borrowings and overdrafts	509,206	59,657	58,246	95,371	-	362,766	(247,674)	837,572
Other liabilities	17,509	7,293	5,954	5,244	215	41,021	(3,914)	73,322
Total liabilities	526,715	66,950	64,200	100,615	215	403,787	(251,588)	910,894

38. Financial Summary

Group	12 months ending 31 December 2015	12 months ending 31 December 2014	9 months ending 31 December 2014	12 months ended 31 March 2014
Income statement				
Net interest income	162,970,691	189,442,014	142,067,607	126,380,562
Profit for the year/period	5,595,561	39,186,273	41,385,215	16,613,232
Profit attributable to owners of the company	7,671,925	40,079,393	42,271,164	13,724,313
Statement of financial position				
Net advances	691,375,549	804,116,862	804,116,862	768,089,662
Other assets	286,395,410	320,919,153	320,919,153	342,346,136
Total assets	977,770,959	1,125,036,015	1,125,036,015	1,110,435,798
Total equity	187,713,066	214,141,585	214,141,585	210,199,054
Total liabilities	790,057,893	910,894,430	910,894,430	900,236,744
Total equity and liabilities	977,770,959	1,125,036,015	1,125,036,015	1,110,435,798