Cambria Africa Plc

Annual report 2014

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Annual Report 2014

Results for the year

Following the investment in the Company by Ventures Africa Limited (“VAL”) in April 2015 and the resultant changes to the board of directors, considerable time and resources have been invested in rescuing the financial reporting functions of the Company. The board is confident that the previous factors causing delays in the publications of results have now been satisfactorily addressed ensuring results will be published timeously.

All references to continuing operations relate to the Group’s Payserv Africa (“Payserv”) and Millchem Holdings (“Millchem”) investments and head office activities.

Key events for the 2014 financial year were:

• On 8 May 2014, the Company disposed of the Southerton property, which was previously occupied by Celsys Limited, the Group’s previously owned printing business, for a total consideration of US$0.7 million (before costs and related taxes). The Southerton property had a carrying value of US$1 million as at the previous reporting period;

• On 21 October 2014, in the post balance sheet period, the group disposed of its 100% interest in Lonzim Hotel Holdings Limited (“the Leopard Rock Hotel Group”), the owner of the Leopard Rock Hotel and related entities, for a total consideration of US$2.5 million. Accordingly, the net asset value of the Leopard Rock Hotel Group has been impaired by US$8.9 million at 31 August 2014 to reflect this investment’s net realisable value of US$2.5 million.

• Following the above disposals, the Company’s only remaining assets are Payserv and Millchem.

• The board is of the view that the remaining assets provide significant value creation opportunities to Cambria and its shareholders.

• We are now focussed on:

- Rationalising and simplifying the head office function including head office roles, responsibilities and reporting lines. An aggressive reduction in overheads has been accelarated following the investment by VAL in April 2015;
- Restoring the momentum lost in Millchem by re-establishing key supplier and customer relationships and performing a critical financial and operational analysis of the underlying subsidiaries including Millchem Zambia;
- Accelerating the development of Payserv Zambia to achieve breakeven and profitability; and
- Further enhancing the value of Payserv Africa by replicating its successful technology platforms, products and services in the rest of Sub-Saharan Africa.

Results summary:

- During the year ended 31 August 2014, Payserv Africa and Millchem Holdings combined, grew revenues and gross profit by 11% and 10% year-on-year, respectively.
- The Payserv Africa results were severely impacted by a significant once-off loss (US$0.7 million) on the failed acquisition of CelPay Zambia.
- Cambria’s central costs were reduced by 22.5% when compared to the equivalent period last year. As noted above, a further cost reduction has been implemented after the financial year end.
- Cambria’s EBITDA loss from continuing operations for the year ended 31 August 2014 was US$3.75 million (2013: US$3.58 million).
- The Group recorded a loss from continuing operations of US$5.7 million for the year ended 31 August 2014. The loss from discontinued operations, including the loss on disposal of the Southerton property and the write down of the Company’s investment in the Hotel Group, totalled US$10.2 million.

Introduction

Having been appointed a director in June 2015 and assuming the CEO role with effect from 3 August 2015, this is my first report to shareholders albeit almost a full year after the year under review. With a significant cash equity investment through VAL's subscription in April 2015, my interests as CEO are completely aligned with that of shareholders. Shareholders of Cambria have suffered a tremendous loss of value in their investment in the Company. It is my aim to guide the Company back to profitability and restore shareholder value.

Cambria has undergone a significant restructuring in the last few months; non-core assets have been disposed of and the Company's central overheads have been significantly reduced to be fit-for-purpose. In addition, the Group's financial position has been significantly strengthened following the settlement of the legal dispute with Lonrho.

Despite the diminished relevance of the historical results and management overhaul following VAL's investment in April 2015, commentary on the results for the fiscal year ended 31 August 2014 is provided.

During the 2014 fiscal year, revenues and gross profit of the continuing operations of Cambria, Payserv and Millchem investments, were US$9.4 million (2013: US$8.5 million) and US$5.0 million (2013: US$4.6 million) an increase of 11% and 10% respectively compared to the fiscal year 2013.

Cambria's EBITDA loss from continuing operations for the 2014 financial year was US$3.75 million, an increase of 4.8% from the prior year's EBITDA loss from continuing operations of US$3.58 million. The Group loss for the year is US$5.7 million for continuing operations. Discontinued operations, including loss on disposal of property and write downs, was a loss of US$10.2 million. Cambria's loss per share for the 2014 financial year 19.5c per share, compared to 18.4c per share for the same period last year, an increase of 6% in loss per share.

Main Investments

CONSOLIDATED RESULTS

Cambria's two key investments consist of Payserv and Millchem. These investments jointly had an aggregated performance as shown in the table following:

(US$ THOUSANDS)	2014	2013	GROWTH
Revenues	9,405	8,487	11%
Gross profit	5,017	4,581	10%
Gross margin	53%	54%	(2%)
SG&A	(5,650)	(4,209)	34%
EBITDA	(633)	372	>(100%)
EBITDA margin	(7%)	4%	>(100%)

The following factors significantly impacted EBITDA during the year:

- Once-off costs of US$0.7 million incurred on investigating the acquisition of CelPay Zambia which was not concluded following the discovery of a significant deterioration in the financial position of CelPay Zambia;
- Continued investment in expanding its presence and offering in Zambia by Payserv Africa, the costs of which are expensed in full; and
- Investment by Millchem in two new subsidiaries Millchem Zambia and Millchem Malawi and challenges experienced in the ramp up of these subsidiaries to full trading capacity. Investment in these terrotories have been suspended to refocus on operations in Millchem's core Zimbabwe market.

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Payserv Africa

Payserv provides EDI switching services (Paynet), 'payslip' processing (Autopay) and payroll based micro-finance loan processing (Tradanet).

(US$ THOUSANDS)	2014	2013	GROWTH
Revenues	4,594	4,164	10%
Gross profit	4,196	3,811	10%
Gross margin	91%	91%	-
SG&A	(3,871)	(3,369)	15%
EBITDA	325	442	(26%)
EBITDA Margin	7%	11%	(36%)

Paynet provided Electronic Data Interchange (EDI) services to all the banks and building societies in Zimbabwe, as well as to over 1,500 corporates. Paynet processed 16.4 million transactions (2013: 15.2 million) during the period under review, a 7.9% increase.

Autopay, provided payroll services to more than 150 customers, processed over 313 000 pay slips (2013: 303 000) during the period under review, a 3.3% increase.

Tradanet processed approximately 121,000 (2013: 66,000) loans during the period, representing a value of US$154 million (2013: US$131 million), a 83.3% increase and a 17.5% increase respectively.

During the year under review, Payserv continued to invest significantly into product upgrades, new offerings, entry into the Zambian market, as well as exploration of other geographic markets. These investments have not been capitalised and have therefore directly impacted the income statement during the year under review.

There was an exceptional item of US$0.7 million included in the Payserv Africa results relating to the write-off of transaction costs and loans to CellPay Zambia discussed above.

Millchem Holdings

Millchem is a value-added chemicals distributor with a leading market position in Zimbabwe and a fledgling presence in Zambia and Malawi.

(US$ THOUSANDS)	2014	2013	GROWTH
Revenues	4,811	4,323	11%
Gross profit	821	770	7%
Gross margin	17%	18%	(6%)
SG&A	(1,779)	(840)	>100%
EBITDA	(958)	(70)	>(100%)
EBITDA margin	(20%)	(2%)	>(100%)

Despite the challenging and uncertain business environment during the year, Millchem managed to grow revenue by 11%.

Overheads were negatively impacted by the expansion and investment in establishing Millchem Zambia and Millchem Malawi. Millchem Malawi has been closed after year end while Millchem Zambia is in the process of being disposed of.

Establishing Millchem as a profitable unit is an important priority. The key focus areas will be:

- Strengthening the executive leadership team following departure of senior executives;
- Rebuilding relationships with key customers;
- Re-establishing credit lines with key suppliers; and
- Streamlining overheads and trading efficiencies.

Discontinued operations and central costs

SOUTHERTON PROPERTY

The Southerton property which was occupied by Celsys Limited, the group's previously owned printing business, was disposed of on 8 May 2014 for a total consideration of US$0.7 million (before costs and related taxes). The Southerton property had a carrying value of US$1 million as at the previous financial year.

LONZIM HOTELS LIMITED ("THE LEOPARD ROCK HOTEL GROUP")

The Leopard Rock Hotel Group has been classified by Cambria as held for sale during the past two financial years. During the 2014 financial year, the Leopard Rock Hotel Group generated US$2.0 million in revenue (2013: US$2.3 million) and loss before interest, tax, depreciation and amortisation of US$0.4 million (2013: US$0.7 million, before write downs recognised in the income statement of US$2.8 million).

LONZIM AIR (B.V.I) LIMITED

Through LonZim Air (BVI) Limited Cambria previously owned three aircraft. Over the years a number of disputes arose in relation to these aircraft and certain associated contracts. Cambria has been continuing to pursue recovery of claims related to these disputes. These amounts relate to, inter alia, maintenance reserve and lease charges and related contractual interest, payment of insurance proceeds, deterioration in market value of the aircraft, and the significantly lower amount the Company was able to obtain through a sale, due to the poor condition the aircraft were found to be in.

LonZim Air incurred US$0.8 million in operating losses for the period under review, largely related to extra-ordinary legal expenses related to the above mentioned claims.

CENTRAL COSTS

Cambria incurred US$3.1 million in central EBITDA costs for the period under review, compared to US$4.0 million last year, a reduction of 22.5%.

Included in the above are salaries and benefits paid to the Company's previous CEO and Chairman of US$0.54 million and US$0.13 million, respectively. These amounts include, inter alia, a staff loan of US$0.1 million the previous CEO which, in terms of his staff loan agreement has been waived following the investment by VAL and the change of control in Cambria. Subsequent to year end and VAL's investment, Mr Wisman and Mr Perkins received change in control payments amounting to US$185 500 in total.

At the date of this report, Central EBITDA costs have been further reduced to an estimated annual cost of US$0.7 million from US$3.1 million before VAL's investment.

As new CEO, I will not be collecting compensation or other benefits until such time as the cash flow from the Company's underlying operations supports it.

Events following the end of the period under review

THE LEOPARD ROCK HOTEL GROUP

On 21 October 2014 the Company entered into an agreement to dispose of its shares and loan claims in Lonzim Hotels Limited to VAL for a total consideration of US$2.5 million settled in cash. Lonzim Hotels Limited holds the Leopard Rock Hotel and related subsidiaries.

VAL EQUITY PLACEMENT

On 15 February 2015, the Company entered into a share subscription agreement in terms of which VAL agreed to subscribe and the Company agreed to issue, 107,000,000 ordinary shares of GBP0.0001 each at price of 0.85p per share ("the VAL subscription"). The proceeds from the VAL subscription had by 1 June 2015 been fully expended by the previous management to fund the head office and working capital requirements of the Group.

CHEMICALS & MARKETING COMPANY LIMITED

It was announced on 26 August 2013 that the Company had concluded the acquisition of the entire issued share capital of Malawi chemical distributor Chemicals & Marketing Company Limited ("C&M") and that the related 5.5 million consideration shares ("consideration shares") have been admitted to listing on AIM.

Subsequent to that announcement, and following a more in-depth understanding of the financial affairs of C&M, the Company and the C&M vendors entered into a Disengagement Agreement (dated 29 June 2015) in terms of which the parties agreed that the C&M acquisition will be reversed and the parties be restored to their initial positions.

Events following the end of the period under review (continued)

CHEMICALS & MARKETING COMPANY LIMITED (CONTINUED)

The consideration shares, net of shares sold to satisfy obligations to C&M, will be held as treasury shares.

The Company's subsidiary Millchem Holdings Limited ("MHL"), has provided guarantees to creditors of C&M to the value of US$0.6 million. C&M has undertaken to release MHL from these guarantees and indemnified MHL for any potential related loss.

SALE OF MILLCHEM ZAMBIA

Millchem Holdings has agreed in principle to the sale of the Zambian operations for net asset value estimated to be US$50 thousand. The rights to the name "Millchem Zambia" are not included in the sale.

SETTLEMENT WITH LONRHO

On 3 September 2015, the Company concluded a settlement agreement with Lonrho with respect to the Jet claims and counterclaims ("the claims") between the parties, in terms of which the Company will receive US$4.752 million in full and final settlement of the claims. After outstanding litigation and other associated costs, the net proceeds is estimated to be US$3.5 million and will be applied to Cambria, and its subsidiaries' working capital requirements and debt commitments.

Strategy going forward and closing

The Company is being focused on creating value for shareholders through its investments in Millchem and Payserv. In addition, the Board is in the process of formulating its investment strategy to implement strategic value-creating acquisitions as appropriate opportunities arise. We will continue to focus on Zimbabwe, which we believe provides the best opportunity for successful investment and growth in the short to medium term.

SAMIR SHASHA
CHIEF EXECUTIVE OFFICER
4 SEPTEMBER 2015

Directors

Paul Turner, 68

NON-EXECUTIVE CHAIRMAN

Paul Turner is a Chartered Accountant and past President of the Institute of Chartered Accountants of Zimbabwe. He is a highly respected and knowledgeable member of the Zimbabwean business community. He was a partner at Ernst & Young in Harare, Zimbabwe, for over thirty years and brings an unparalleled level of experience in the structure and operation of businesses in Zimbabwe. Initially appointed to the Cambria board on 1 July 2008, he was appointed as Chairman on 9 July 2015.

Samir Shasha, 55

CHIEF EXECUTIVE OFFICER

Samir Shasha started his involvement in Southern Africa with supplying and leasing trucks for the operations of a transport company focused on relief aid. In 1995 he established S. Shasha & Associates in Zimbabwe and introduced Freightliner Trucks in Southern Africa for the first time. In 2002, S. Shasha & Associates purchased Zimbabwe Online, an Internet Service Provider in Zimbabwe, and took on the role of CEO until 2006. The company was sold to Liquid Telecom in 2012. Mr. Shasha received his Bachelors from Vassar College with Honors in Economics in 1981. Following Ventures Africa Limited's investment in the Company in April 2015, Mr Shasha was appointed to the Cambria board on 3 June 2015 and as CEO on 3 August 2015.

Josephine Petra Watenphul, 34

CHIEF FINANCIAL OFFICER

Josephine Watenphul is a qualified Chartered Accountant (South Africa). She joined the UCS Group Limited ("UCS"), a Johannesburg-based investment holding company in technology and associated businesses listed on the Johannesburg Stock Exchange, in April 2004. In April 2009, Josie was appointed Group CFO, a position which she held until May 2015. During her tenure at UCS, which was later renamed Capitaleye Investments upon delisting in October 2011, Josie assisted in various corporate actions and restructurings. She was appointed to the Cambria board on 17 June 2015.

Dipak Champaklal Pandya, 56

NON-EXECUTIVE DIRECTOR

Dipak Pandya is a Chartered Accountant and has since March 2009 been the financial controller at Strauss Logistics Limited, a fuel trading and distribution company active in central and southern Africa. Prior to this, Dipak was the financial controller at Playwize Plc, a computer software development company. Dipak was appointed to the Cambria board on 26 June 2015.

Changes to the board

Director resignations:

Name	Ex-position/designation	Date
Tania Sanders	*CFO*	30 Nov 2013
Paul Turner	*Non-executive*	6 May 2015
Edzo Wisman	*CEO*	13 July 2015
Ian Perkins	*Chairman*	14 July 2015

Director appointments:

Name	Position/designation	Date
Samir Shasha	*CEO*	3 June 2015
Josephine Petra Watenphul	*CFO*	17 June 2015
Dipak Champaklal Pandya	*Non-executive director*	26 June 2015
Paul Turner	*Chairman*	9 July 2015

Directors' Responsibility Statement in Respect of the Directors' Report and the Financial Statements.

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. The Directors have elected to prepare the Group and Parent Company financial statements in accordance with International Financial Reporting Standards as adopted by the European Union.

The Group and Parent Company financial statements are required to give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time its financial position. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation governing the preparation and dissemination of financial statements may differ from one jurisdiction to another.

Directors' Report

FOR THE YEAR ENDED 31 AUGUST 2014

The Directors of Cambria Africa Plc (the "Company") and its subsidiaries (together the "Group") submit their report, together with the audited financial statements for the year ended 31 August 2014.

Principal activities

During the year, the Group was an investment company with a portfolio of investments in Zimbabwe, countries surrounding Zimbabwe, as well as the remainder of Sub-Saharan Africa, with a bias towards Southern and Eastern Africa.

Investment Strategy

The Company's investment objective is to provide Shareholders with long term capital appreciation.

While the Company does not have a particular sectoral focus, utilising the investment skills of the Directors and their advisors, the Company seeks to identify individual companies in sectors best positioned to benefit should there be radical improvements in Zimbabwe's economy. The Company may make investments in the tourism, accommodation, infrastructure, transport, commercial and residential property, technology, communications, manufacturing, retail, services, leisure, agricultural and natural resources sectors. The Company may also make investments in businesses outside Zimbabwe and the countries surrounding Zimbabwe as well as the remainder of Sub-Saharan Africa, that have a significant exposure to assets, businesses or operations within the defined region. The Company will only be able to achieve its investment objective in the event the Zimbabwean economy radically improves.

Whilst there will not be any limit on the number or size of investments the Company can make in any sector, the Directors seek to diversify the Company's investments across various sectors in order to mitigate risk and to avoid concentrating the portfolio in any single sector.

The Company's interest in a proposed investment or acquisition may range from a minority position to full ownership. The Company intends to actively manage the operations of the companies it has invested in. Wherever possible the Company will seek to achieve Board control or financial control of its portfolio companies. Indigenisation legislation within Zimbabwe may, however, prevent the Company from acquiring or maintaining a majority control in a Zimbabwean business.

The Directors believe that through their individual and collective experience of investing and managing acquisitions and disposals in Africa, they have the necessary skills to manage the Company and to source deal flow. Prior to any investment decisions being taken by the Board of the Company, a due diligence process is undertaken by the Company's appointed specialist financial and legal advisors.

The Company's investment strategy is dependent upon future radical improvement in the economy of Zimbabwe and expansion into the immediate region. It is therefore possible that a significant period of time may elapse before an investment by the Company will produce any returns and there is no guarantee that the economy in Zimbabwe will improve. Accordingly, the Company may not be able to make any profits and may incur losses.

The Directors intend to seek the consent of the Shareholders for the investment policy on an annual basis. The Company Directors will comply as a matter of policy with the US Office of Foreign Assets Control and the European Union Council Regulation (EC) No. 314/2004 regulations.

Results

The Group made a consolidated loss after non-controlling interests of US$16,138 thousand (2013: loss US$12,048 thousand) during the year and this has been set against reserves.

Business review and development

The Chief Executive's review of operations contains information on developments during the year and key potential future developments.

The requirements of the enhanced business review in relation to strategy and progress thereon are contained in the Chief Executive's review of operations.

The principal risks and uncertainties relate to the revenue generation in the Group's businesses which, being located in Africa, are subject to respective government policies, political stability, general economic conditions in the relevant country and exposure to foreign currency movements.

The Group monitors cash flow as one of its primary key performance indicators. Given current global financial conditions, as

Business review and development (continued)

well as current developments in Zimbabwe, the Directors are carefully monitoring cash resources within the Group and have instigated a number of initiatives to ensure funding will be available to meet obligations as they fall due and for planned projects and ongoing working capital support for its investments.

If such funding cannot be secured, the projects will be delayed or cancelled to ensure that the Group can manage its cash resources for the foreseeable future.

The Group also uses a number of other key performance indicators which are measured at different tiers in the operation. At the top level, the Group tracks revenues, gross profit, EBITDA and cash generation against budget.

The Directors mitigate risk by evaluation of every investment that is made and have therefore developed a risk analysis reporting procedure, which links into the Company's Corporate Governance procedures.

Further information regarding the Group's policies and exposure to financial risk can be found in note 32 to the financial statements.

Share capital

Details of changes to the Company's share capital and share premium during the financial year are contained in note 24 to the financial statements.

Post statement of financial position events

Details of significant events since the reporting date are contained in note 40 to the financial statements.

Corporate Governance

COMPLIANCE WITH THE UK CORPORATE GOVERNANCE CODE

The Directors recognise the value of the UK Corporate Governance Code (formerly the Combined Code on Corporate Governance) and, whilst under AIM rules full compliance is not required, the Directors are considering the recommendations and applicability in respect of the Company insofar as is practicable and appropriate for a public company of its size and will continue to implement appropriate compliance measures.

BOARD OF DIRECTORS

At the date of this report the Board of Directors comprises of two Executive Directors, and two Non-Executive Directors, one of whom is the Chairman.

The Directors are of the opinion that the Board comprises a suitable balance to enable the recommendations of the Code to be implemented to an appropriate level. The Board, through the Chairman and Chief Executive Officer in particular, maintains regular contact with its advisors, and institutional investors in order to ensure that the Board develops an understanding of the views of the major shareholders of the Company.

The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day-to-day management is devolved to the executive management who are charged with consulting the Board on all significant financial and operational matters. Consequently, decisions are made promptly following consultation amongst the Directors and managers concerned, where necessary and appropriate.

All necessary information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively and all Directors have access to independent professional advice at the Company's expense, as and when required.

The Chairman is available to meet with institutional shareholders to discuss any issues and concerns regarding the Group's governance. The Non-Executive Directors can also attend meetings with major shareholders, if requested.

The participation of both private and institutional investors at the Annual General Meeting is welcomed by the Board.

Corporate Governance (continued)

INTERNAL CONTROLS

The Directors acknowledge their responsibility for the Company's and the Group's systems of internal control, which are designed to safeguard the assets of the Group and ensure the reliability of financial information for both internal use and external publication. Overall control is ensured by a regular detailed reporting system covering the state of the Group's financial affairs. The Board has implemented procedures for identifying, evaluating and managing the significant risks that face the Group.

Any system of internal control can provide only reasonable, and not absolute, assurance that material financial irregularities will be detected or that the risk of failure to achieve business objectives is eliminated.

COMMITTEES

After year end and after the VAL subscription, the Board has established the following committees:

AUDIT COMMITTEE

The role of the Audit Committee is to oversee the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures and the Company's financial reporting statements. The Audit Committee's primary objectives include assisting the Directors in meeting their responsibilities in respect of the Company's continuous financial disclosure obligations and overseeing the work of the Company's external auditors. The Audit Committee comprises Paul Turner (Chairman) and Dipak Pandya.

REMUNERATION COMMITTEE

The Remuneration Committee makes recommendations to the Board on the remuneration policy that applies to Executive Directors and senior employees.

The Remuneration Committee comprises Dipak Pandya (Chairman) and Paul Turner.

NOMINATION COMMITTEE

The Nomination Committee is responsible for identifying candidates to fill vacancies on the Board, as and when they arise, and nominate them for approval by the Board. The Nomination Committee comprises Paul Turner (Chairman), Samir Shasha and Dipak Pandya.

Declared substantial shareholdings

The Directors have been advised of the following shareholdings at 30 June 2015 3 per cent or more of the Company's issued share capital:

	NUMBER OF SHARES	PERCENTAGE OF THE ISSUED CAPITAL
Ventures Africa Ltd*	107,000,000	50.55%
Consilium Frontier Equity Fund LP	14,741,456	7.73%
Russell Investments Ltd	14,252,663	6.73%
Jutland Capital Management Ltd	10,102,352	4.77%
Roald Sommersel	7,168,458	3.39%

** Ventures Africa Limited is beneficially owned by Samir Shasha, director and CEO of the Company.*

Directors

Biographical details of all Directors as well dates of appointment and resignation are set out on page 6.

Directors' share interests

The Directors' who were in office at the beginning and end of the financial year, had the following interests in the shares of the Company:

DIRECTORS	AT 31.08.14 NO. OF SHARES	AT 31.08.13 NO. OF SHARES
Ian Perkins*	880,250	880,250
Edzo Wisman*	1,428,705	615,250
Itai Mazaiwana*	Nil	Nil
Tania Sanders*	n/a	92,280
Fred Jones*	615,250	615,250
Paul Turner*	Nil	Nil
Total	2,203,030	2,203,030

** Tania Sanders and Paul Turner resigned as Directors on 10 December 2012 and 6 May 2015 respectively. Itai Mazaiwana and Fred Jones resigned on 24 April 2015. Edzo Wisman and Ian Perkins resigned on 13 July 2015 and 14 July 2015 respectively.*

Share options held by the Directors are detailed in note 25 of the financial statements

All of the above interests are recorded in the Company's Register of Directors' Share and Debenture Interests. No Director has a beneficial interest in the shares or debentures of any of the Company's subsidiary undertakings.

Anti-Corruption and Bribery Policy

The Company has in place an Anti-Corruption and Bribery Policy which has been adopted by the Company across all divisions of the Group. The Board has overall responsibility for ensuring compliance by Directors, employees and other persons associated with the Group with applicable legal and ethical obligations. The Company's Chief Executive Officer has primary and day-to-day responsibility for implementation of the policy. Management at all levels of the Group are responsible for ensuring those reporting to them are made aware of, and understand, the policy. The policy gives guidance on risk identification and the procedures to follow where a risk is identified, together with clear guidelines on gifts, entertainment and donations.

Insurance

The Company has Directors' and Officers' liability insurance cover in place for Group Directors.

Share price performance

Between 1 September 2013 and 31 August 2014 the share price varied between a high of 10.25p and a low of 5.00p. At 31 August 2014 the closing market price of the shares at close of business was 5.38p (2013: 8.25p). On 14 August 2015 the closing price of the shares was 0.82p.

Auditors

A resolution to re-appoint Baker Tilly Isle of Man LLC and to authorise the Directors to fix their remuneration will be proposed at the Annual General Meeting.

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditors are unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

Annual General Meeting

The notice of meeting, together with a form of proxy, will be sent out separately at a later date.

ON BEHALF OF THE BOARD.
PAUL TURNER
CHAIRMAN
4 SEPTEMBER 2015

Report of the Independent Auditors, Baker Tilly Isle of Man LLC, to the members of Cambria Africa Plc

We have audited the Group and Parent Company financial Statements (the "financial statements") of Cambria Africa Plc for the year ended 31 August 2014 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated and Company Statements of Financial Position, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body. Our audit work has been undertaken so that we might state to the Company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 9, the Directors are responsible for the preparation of financial statements that give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider implications for our report.

Report of the Independent Auditors, Baker Tilly Isle of Man LLC, to the members of Cambria Africa Plc (continued)

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Parent Company's affairs as at 31 August 2014 and of the Group's loss for the year then ended; and
- have been properly prepared in accordance with IFRS as adopted by the European Union.

Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the Group's ability to continue as a going concern. The group, which at 31 August 2014 has net liabilities of $1.24m and reported an operating loss of $4.25m for the year, has significant external borrowings which mature during 2016. $5.08m is due for repayment in April 2016 and a further $2.00m is due for repayment in July 2016. Although the directors are taking steps to refinance these loans , these circumstances, along with other matters set out in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

Baker Tilly Isle of Man LLC
Chartered Accountants
2a Lord Street
Douglas
Isle of Man
IM99 1HP
4 September 2015

Consolidated Income Statement
For the year ended 31 August 2014

	NOTE	2014 TOTAL US$'000	2013 TOTAL US$'000
Revenue	5	9,405	8,487
Cost of sales	7	(4,388)	(3,906)
Gross profit		**5,017**	**4,581**
Operating costs	7	(8,513)	(8,647)
Other income		17	289
Net losses on disposal of investments and impairment of assets		(774)	(348)
Operating loss		**(4,253)**	**(4,125)**
Finance income	9	21	282
Finance costs	9	(1,128)	(967)
Net finance costs		**(1,107)**	**(685)**
Loss before tax		**(5,360)**	**(4,810)**
Income tax	10	(319)	(204)
Loss for the period from continuing operations		**(5,679)**	**(5,014)**
Discontinued operations			
Loss for the year from discontinued operations, net of tax	5/11	(10,166)	(6,890)
Loss for the year		**(15,845)**	**(11,904)**
Attributable to:			
Owners of the company		(16,138)	(12,048)
Non-controlling Interests		293	144
Loss for the year		**(15,845)**	**(11,904)**
Earnings per share - all operations			
Basic and diluted loss per share (Cents)	12	(19.5c)	(18.4c)
Earnings per share-continuing operations			
Basic and diluted loss per share (Cents)	12	(7.2c)	(7.6c)

The notes on pages 22 to 64 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 August 2014

	2014	2013
	US$'000	US$'000
Loss for the year	**(15,845)**	**(11,904)**
Other comprehensive income		
Items that will never be reclassified to income statement:		
Revaluation of property, plant and equipment	-	422
Related deferred tax adjustment	-	(110)
Impairment of previously revalued land and buildings in disposal group classified as held for sale	-	(1,873)
Shareholder loans provided for in the prior year	-	(392)
Items that are or may be reclassified to income statement:		
Foreign currency translation differences for overseas operations	12	(1)
Total comprehensive loss for the year	**(15,833)**	**(13,858)**
Attributable to:		
Owners of the company	(16,126)	(14,002)
Non-controlling interest	293	144
Total comprehensive loss for the year	**(15,833)**	**(13,858)**

The notes on pages 22 to 64 are an integral part of these consolidated financial statements

Consolidated Statement of Changes in Equity

For the year ended 31 August 2014

	ATTRIBUTABLE TO OWNERS OF THE COMPANY									
	SHARE CAPITAL	SHARE PREMIUM	RE-VALUA-TION RESERVE	FOREIGN EXCHANGE RESERVE	SHARE BASED PAYMENT RESERVE	RETAINED EARNINGS	NDR	TOTAL	NON- CON-TROLLING INTERESTS	TOTAL EQUITY
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 31 August 2013	**12**	**78,798**	**77**	**(10,641)**	**86**	**(59,752)**	**2,241**	**10,821**	(80)	**10,741**
Loss for the year	-	-	-	-	-	(16,138)	-	**(16,138)**	293	**(15,845)**
Deferred tax adjustment	-	-	-	-	-	-	-	**-**	-	**-**
Foreign currency translation differences for overseas operations	-	-	-	12	-	-	-	**12**	-	**12**
Total comprehensive loss for the year	**-**	**-**	**-**	**12**	**-**	**(16,138)**	**-**	**(16,126)**	**293**	**(15,833)**
Contributions by and distributions to owners of the Company recognised directly in equity										
Deferred tax adjustment	-	-	361	-	-	-	-	**361**	-	**361**
Dividends paid	-	-	-	-	-	-	-	**-**	(204)	**(204)**
Issue of ordinary shares	6	3,689	-	-	-	-	-	**3,695**	-	**3,695**
Share based payment release	-	-	-	-	-	-	-	**-**	-	**-**
Total contributions by and distributions to owners of the Company	**6**	**3,689**	**361**	**-**	**-**	**-**	**-**	**4,056**	**(204)**	**3,852**
Balance at 31 August 2014	**18**	**82,487**	**438**	**(10,629)**	**86**	**(75,890)**	**2,241**	**(1,249)**	**9**	**(1,240)**

The notes on pages 22 to 64 are an integral part of these consolidated financial statements

	ATTRIBUTABLE TO OWNERS OF THE COMPANY									
	SHARE CAPITAL	SHARE PREMIUM	RE-VALUA-TION RESERVE	FOREIGN EXCHANGE RESERVE	SHARE BASED PAYMENT RESERVE	RETAINED EARNINGS	NDR	TOTAL	NON- CON-TROLLING INTERESTS	TOTAL EQUITY
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 31 August 2012	**11**	**77,399**	**3,124**	**(10,629)**	**355**	**(47,312)**	**2,128**	**25,076**	(1,785)	**23,291**
Loss for the year	-	-	-	-	-	(12,048)	-	**(12,048)**	144	**(11,904)**
Adjustment to opening reserves in respect of share-holder loans	-	-	-	-	-	(392)	-	**(392)**	-	**(392)**
Revaluation of property	-	-	422	-	-	-	-	**422**	-	**422**
Deferred tax adjustment	-	-	(110)	-	-	-	-	**(110)**	-	**(110)**
Impairment of (previously revalued) land and buildings in a disposal group classified as held for sale.	-	-	(1,873)	-	-	-	-	**(1,873)**	-	**(1,873)**
Foreign currency translation differences for overseas operations	-	-	-	(1)	-	-	-	**(1)**	-	**(1)**
Total comprehensive loss for the year	**-**	**-**	**(1,561)**	**(1)**	**-**	**(12,440)**	**-**	**(14,002)**	**144**	**(13,858)**
Contributions by and dis-tributions to owners of the Company recognised directly in equity										
Reclassification of reserves	-	-	(621)	-	-	-	621	**-**	-	**-**
Disposal of business	-	-	(865)	(11)	-	-	(508)	**(1,384)**	1,808	**424**
Dividends paid	-	-	-	-	-	-	-	**-**	(247)	**(247)**
Issue of ordinary shares	1	1,399	-	-	-	-	-	**1,400**	-	**1,400**
Share based payment release	-	-	-	-	(269)	-	-	**(269)**	-	**(269)**
Total contributions by and distributions to owners of the Company	**1**	**1,399**	**(1,486)**	**(11)**	**(269)**	**-**	**113**	**(253)**	**1,561**	**1,308**
Balance at 31 August 2013	**12**	**78,798**	**77**	**(10,641)**	**86**	**(59,752)**	**2,241**	**10,821**	**(80)**	**10,741**

The notes on pages 22 to 64 are an integral part of these consolidated financial statements

Consolidated and Company Statement of Financial Position

As at 31 August 2014

	NOTES	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
Assets					
Property, plant and equipment	13	2,705	18	2,881	56
Biological assets		-	-	-	-
Goodwill	15	717	-	717	-
Intangible assets	16	14	-	179	-
Longterm receivables	17	-	-	361	-
Total non-current assets		**3,436**	**18**	**4,138**	**56**
Inventories	19	1,385	-	925	-
Financial assets at fair value through profit or loss	20	66	-	58	-
Trade and other receivables	21	1,408	12,378	814	25,648
Cash and cash equivalents	22	405	38	2,136	1,210
Assets held for sale	5	6,469	-	16,164	-
Total current assets		**9,733**	**12,416**	**20,097**	**26,858**
Total assets		**13,169**	**12,434**	**24,235**	**26,914**
Equity					
Issued share capital	23,24	18	18	12	12
Share premium account	23,24	82,487	82,487	78,798	78,798
Revaluation reserve	23,24	438	-	77	-
Share based payment reserve	23,24,25	86	86	86	86
Foreign exchange reserve	23	(10,629)	(13,186)	(10,641)	(13,186)
Non distributable reserves	23	2,241	-	2,241	-
Retained losses		(75,890)	(65,055)	(59,752)	(45,530)
Equity attributable to owners of company		**(1,249)**	**4,350**	**10,821**	**20,180**
Non-controlling interests		9	-	(80)	-
Total equity		**(1,240)**	**4,350**	**10,741**	**20,180**
Liabilities					
Loans and borrowing	26	6,745	4,685	6,553	4,500
Provisions	27	182	-	203	29
Deferred tax liabilities	28	178	-	553	-
Total non-current liabilities		**7,105**	**4,685**	**7,309**	**4,529**
Bank overdraft	22	-	-	398	-
Current tax liabilities	30	269	-	187	-
Loans and borrowings	29	348	249	94	-
Trade and other payables	30	2,865	3,150	1,322	2,205
Liabilities held for sale	5	3,822	-	4,184	-
Total current liabilities		**7,304**	**3,399**	**6,185**	**2,205**
Total liabilities		**14,409**	**8,084**	**13,494**	**6,734**
Total equity and liabilities		**13,169**	**12,434**	**24,235**	**26,914**

These financial statements were approved by the Board of Directors and authorised for issue on 4 September 2015. They were signed on their behalf by:

MR SAMIR SHASHA
EXECUTIVE DIRECTOR

The notes on pages 22 to 64 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 August 2014

	NOTES	GROUP 2014 US$'000	GROUP 2013 US$'000
Cash used in operations	**31**	**(3,647)**	**(1,379)**
Taxation paid		(287)	(335)
Cash used in operating activities		**(3,934)**	**(1,714)**
Cash flows from investing activities			
Proceeds on disposal of property, plant and equipment		673	20
Purchase of property, plant and equipment		(169)	(400)
Other investing activities		(349)	(361)
Interest received		21	282
Net cash generated by investing activities		**176**	**(459)**
Cash flows from financing activities			
Dividends paid to non-controlling interests		(204)	(247)
Interest paid		(1,174)	(967)
Proceeds from issue of share capital	24	3,694	1,400
Proceeds from drawdown of loans (net of repayments)	26	343	3,594
Net cash generated by financing activities		**2,659**	**3,780**
Net increase/(decrease) in cash and cash equivalents		**(1,099)**	**1,607**
Cash and cash equivalents at 1 September		1,738	131
Net cash and cash equivalents at 31 August	**22**	**639**	**1,738**
Cash and cash equivalents as above comprise the following:			
Cash and cash equivalents		639	2,136
Bank overdraft		-	(398)
Net cash and cash equivalents at 31 August	**22**	**639**	**1,738**

The notes on pages 22 to 64 are an integral part of these consolidated financial statements.

Notes to the Financial Statements
For the year ended 31 August 2014

1. Reporting entity

Cambria Africa Plc (the "Company") is a public limited company listed in the Alternative Investment Market (AIM) and incorporated in the Isle of Man under the Companies Act 2006. The consolidated financial statements of the Group for the year ended 31 August 2014 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

The financial statements were authorised for issue by the Directors on 4 September 2015.

2. Basis of preparation

STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the E.U. On publishing the Company statement of financial position here together with the Group financial statements, the Company complies with the Isle of Man Companies Act 2006 under which there is no requirement to present a company statement of comprehensive income in consolidated financial statements.

NEW AND AMENDED STANDARDS ADOPTED IN THE CURRENT PERIOD

The amendment to IAS19 'Employee Benefits' was adopted in the current period with no changes to accounting policies or restatements required. In addition IFRS 13 'Fair Value Measurement' was adopted which requires additional disclosures to be made in respect of fair values applied by the entity.

NEW AND AMENDED STANDARDS EFFECTIVE FOR FUTURE PERIODS

At the date of authorisation of these financial statements, the following standards and interpretations were in issue but not yet effective and were not applied in these financial statements.

STANDARD/INTERPRETATION		EU EFFECTIVE DATE FOR ANNUAL PERIODS BEGINNING ON OR AFTER
IAS27	Separate financial statements (amended 2011)	1 January 2014
IAS 28	Investments in associates and joint ventures	1 January 2014
IAS 32	Amendment -offsetting financial assets and financial liabilities	1 January 2014
IAS 36	Amendment - recoverable amount disclosures for non-financial assets	1 January 2014
IAS 39	Amendment - novation of derivatives	1 January 2014
IFRS 10	Consolidated financial statements	1 January 2014
IFRS 10	Amendment - investment entities	1 January 2014
IFRS 11	Joint arrangements	1 January 2014
IFRS 12	Disclosure of interests in other entities	1 January 2014
IFRS 12	Amendment - investment entities	1 January 2014
IFRS 10-11-12	Transition guidance (amendments)	1 January 2014
IFRIC 21	Levies	1 January 2014
Diverse IFRS	Annual improvements IFRSs 2011-2013	1 January 2015

BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- biological assets measured at fair value less cost to sell;
- land, buildings and plant and equipment measured at revalued amounts.
- share-based payments measured at fair value.

2. Basis of preparation (continued)

FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated financial statements are presented in United States Dollars, which, with effect from 1 September 2011, is the Company's functional currency. The change in presentational currency made at 1 September 2011 was to better reflect the Group's business activities since cash flows and economic returns are principally denominated in United States Dollars.

USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical judgements in applying accounting policies and assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 14 – Biological assets
- Note 15 – Goodwill
- Note 13 – Property, plant and equipment
- Note 27 – Provisions

By their nature, these estimates and assumptions are subject to an inherent measurement of uncertainty and the effect on the Group's financial statements of changes in estimates in future periods could be significant.

GOING CONCERN

The Group's business activities and financial performance are set out in the Chief Executive's Review on pages 3 to 7. In addition, note 32 to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposure to credit and liquidity risk.

The Board has considered the cash flow forecasts for the ensuing 12 months including the maturity profile of its contractual debt obligations. The Lonrho settlement has improved the Group's cash position and the Board is confident that it will have access to sufficient financial resources for its immediate needs and will be able to refinance its contractual debt obligations. Further relevant information is available in notes 26, 32 and 40.

After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

3. Significant accounting policies

The following accounting policies have been applied consistently by the Group.

(A) BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and Group entities controlled by the Company (its subsidiaries). Control is achieved where the Company has both power and variable returns to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commenced until the date that control ceases.

The interest of non-controlling shareholders is stated at the their proportion of the fair values of the assets and liabilities recognised. Subsequently, losses applicable to the non-controlling interests are allocated against their interests even if doing so causes the non-controlling interests to have a deficit balance.

3. Significant accounting policies (continued)

(A) BASIS OF CONSOLIDATION (CONTINUED)

The results of entities acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal as appropriate. Where necessary, the financial statements of the subsidiaries are adjusted to conform to the Group's accounting policies. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

BUSINESS COMBINATIONS

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition related costs are expensed as incurred unless they relate to the cost of issuing debt or equity securities. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair values at the acquisition date, except for non-current assets that are classified as held for sale in accordance with IFRS 5, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset at the date that control is assumed (the acquisition date) and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities recognised.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in the income statement.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling interests' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

(B) INTANGIBLE ASSETS

GOODWILL

Goodwill arising on consolidation is recognised as an asset. Following initial recognition, goodwill is subject to impairment reviews, at least annually, and measured at cost less accumulated impairment losses. The recoverable amount is estimated at each reporting date.

Any impairment loss is recognised immediately in the income statement and is not subsequently reversed when the carrying amount of the asset exceeds its recoverable amount.

Any impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (groups of units) and then to reduce the carrying amount of other assets in the unit (groups of units) on a pro rata basis.

On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

OTHER INTANGIBLE ASSETS

Other intangible assets are measured initially at cost and are amortised on a straight-line basis over their estimated useful lives. The carrying amount is reduced by any provision for impairment where necessary.

On a business combination, as well as recording separable intangible assets already recognised in the statement of financial position of the acquired entity at their fair value, identifiable intangible assets that are separable or arise from contractual or other legal rights are also included in the acquisition statement of financial position at fair value.

Amortisation of intangible assets is charged over their useful economic life, as follows:-

Licences	5-6 years
Brand name	7 years

(C) FOREIGN CURRENCIES

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which it operates (its functional currency).

3. Significant accounting policies (continued)

(C) FOREIGN CURRENCIES (CONTINUED)

For the purpose of the consolidated financial statements, the results and financial position of each of the Group entities are expressed in United States Dollars, which is the functional currency of the Company, and the presentational currency for the consolidated financial statements.

In preparing the financial statements of the individual Group entities, transactions denominated in foreign currencies are translated into the respective functional currency of the Group entities using the exchange rates prevailing at the dates of transactions.

Non-monetary assets and liabilities are translated at the historic rate. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rates of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the income statement for the year, as either finance income or finance costs depending on whether foreign currency movements are in a net gain or net loss position.

Exchange differences arising on the retranslation of non-monetary items earned at fair value are included within the income statement for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing at the reporting date. Income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate so as to have a material impact on the financial statements during that period, in which case the exchange rates at the date of transactions are used.

Exchange differences arising, if any, are recognised in other comprehensive income and are transferred to the Group's foreign currency translation reserve within equity.

(D) TAXATION

The tax expense represents the sum of current and deferred tax.

CURRENT TAXATION

Current tax is based on taxable profit for the period for the Group. Taxable profit differs from net profit in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

DEFERRED TAXATION

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit. Deferred tax liabilities are recognised for taxable temporary differences arising on the investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with in equity.

3. Significant accounting policies (continued)

(D) TAXATION (CONTINUED)

Deferred tax assets and liabilities are off set when there is a legally enforceable right to set off current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(E) OTHER INVESTMENTS

Other asset investments are stated at fair value, adjusted for impairment losses.

(F) PROPERTY, PLANT AND EQUIPMENT

Long leasehold land and buildings, plant and machinery, motor vehicles and fixtures and fittings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Any revaluation increase arising on the revaluation of such assets is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such asset is charged as an expense to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset. Depreciation on revalued assets is charged to the income statement. On subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining is transferred directly to retained earnings.

Depreciation is charged straight line so as to write off the cost or valuation of assets, other than land, over their estimated useful lives. The annual rates used for this purpose are:

Freehold buildings	2%
Plant and machinery	10%
Motor vehicles	15%-25%
Fixtures and fittings	15%-25%

The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement for the year.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets, or where shorter, over the relevant lease term. No depreciation is provided on freehold land.

Property, plant and equipment identified for disposal are reclassified as assets held for resale.

(G) BIOLOGICAL ASSETS

Biological assets which consist of living animals (game) are measured on initial recognition and at subsequent reporting dates at fair value less estimated costs to sell, unless fair value cannot be reliably measured. All costs related to biological assets that are measured at fair value are recognised as expenses when incurred, other than costs to purchase biological assets.

(H) IMPAIRMENT OF ASSETS EXCLUDING GOODWILL

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount in which case the reversal of the impairment loss is treated as a revaluation decrease.

3. Significant accounting policies (continued)

(H) IMPAIRMENT OF ASSETS EXCLUDING GOODWILL (CONTINUED)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(I) FINANCIAL INSTRUMENTS

Non-derivative financial instruments comprise investments in equity, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables. Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in 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. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

TRADE RECEIVABLES

Trade receivables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated recoverable amounts are recognised in profit or loss when there is objective evidence the asset is impaired.

TRADE PAYABLES

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

FINANCIAL LIABILITIES

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

CAPITAL MANAGEMENT

The new Board's objective, following the poor results of the last few years, is to restore and rebuild the group's capital base to maintain investor, creditor and market confidence and to sustain future development of the business.

BANK BORROWINGS

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an amortised cost basis to the income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

EQUITY INSTRUMENTS

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(J) INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable direct expenditure and attributable overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

(K) SHARE BASED PAYMENTS

The Group provides benefits to certain employees (including senior executives) of the Group in the form of share based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions). The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black-Scholes model. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

3. Significant accounting policies (continued)

(K) SHARE BASED PAYMENTS (CONTINUED)

The grant date fair value of options granted to employees is recognised as an employee expense with a corresponding increase in equity over the period the employees become unconditionally entitled to the options.

(L) INTEREST-BEARING BORROWINGS

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

(M) DIVIDENDS

Interim dividends are recognised as a liability in the period in which they are proposed and declared. Final dividends are recognised when approved by the shareholders.

(N) PROVISIONS

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(O) REVENUE RECOGNITION

Revenue is derived from the sale of goods and services and is measured at the fair value of consideration received or receivable after deducting discounts, volume rebates, value-added tax and other sales taxes. A sale of goods and services is recognised when recovery of the consideration is probable, there is no continuing management involvement with the goods and services and the amount of revenue can be measured reliably.

A sale of goods is recognised when the significant risks and rewards of ownership have passed to the buyer, the associated costs and possible return of goods can be estimated reliably. This is when title and insurance risk have passed to the customer and the goods have been delivered to a contractually agreed location. A sale of services is recognised when the service has been rendered.

(P) LEASES

Leases are classified according to the substance of the transaction. A lease that transfers substantially all the risks and rewards of ownership to the lessee is classified as a finance lease. All other leases are classified as operating leases.

FINANCE LEASES

Finance leases are capitalised at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability is shown as a finance lease obligation to the lessor. Leasing repayments comprise both a capital and finance element. The finance element is written off to the income statement so as to produce an approximately constant periodic rate of charge on the outstanding obligations. Such assets are depreciated over the shorter of their estimated useful lives and the period of the lease.

OPERATING LEASES

Operating lease rentals are charged to the income statement on a straight line basis over the period of the lease.

(Q) BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the income statement in the period in which they are incurred.

(R) LOSS PER SHARE

Basic loss per share is calculated based on the weighted average number of ordinary shares outstanding during the year. Diluted loss per share is based upon the weighted average number of shares in issue throughout the year, adjusted for the dilutive effect of potential ordinary shares. The only potential ordinary shares in issue are employee share options.

3. Significant accounting policies (continued)

(S) SEGMENT REPORTING

A segment is a distinguishable component of the Group that is engaged either in providing products or 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.

(T) ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

ASSETS HELD FOR SALE

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale or held-for-distribution if it is highly probable that they will be recovered primarily through sale or distribution rather than through continuing use.

Immediately before classification as held-for-sale or held-for-distribution, the assets, or components of a disposal group, are remeasured in accordance with the Group's other accounting policies.

Thereafter, generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held-for-sale or held-for-distribution, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

DISCONTINUED OPERATIONS

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held-for-sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

4. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

INVENTORIES

The fair value of inventories acquired in a business combination is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

EQUITY AND DEBT SECURITIES

The fair values of investments for equity and debt securities are determined with reference to their quoted closing bid price at the measurement date. Subsequent to initial recognition, the fair values of held-to-maturity investments are determined for disclosure purposes only.

4. Determination of fair values (continued)

TRADE AND OTHER RECEIVABLES

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

PROPERTY, PLANT AND EQUIPMENT

The fair value of property, plant and equipment recognised as a result of a business combination is the estimated amount for which property could be exchanged on the acquisition date between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably. The fair value of items of plant, equipment, fixtures and fittings is based on the market approach and cost approaches using quoted market prices for similar items when available and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

INVESTMENT PROPERTY

An external independent valuation company having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's property portfolio. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably.

In the absence of current prices in an active market, the valuations are prepared by considering the estimated rental value of the property. A market yield is applied to the estimated rental value to arrive at the gross property valuation. When actual rents differ materially from the estimated rental value, adjustments are made to reflect actual rents.

Due to the unique nature of a number of properties within the Group's portfolio, external valuations are obtained, however the Directors also review the valuations and may determine the need for impairment for the financial statements given their own knowledge of the properties and in particular where there has been interest from third parties in purchasing the properties, the Directors may refer to amounts offered for purchase.

5. Segment reporting

Segment information is presented in respect of the Group's business segments based on the Group's management and internal reporting structure. The results of the business segments are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Inter-segment pricing is determined on an arm's length basis and inter-segment revenue is eliminated.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly interest-bearing loans, borrowings and expenses, and corporate assets and expenses primarily relating to Company's head office.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

GEOGRAPHICAL SEGMENTS

Support services and industrial chemicals operate primarily in Zimbabwe, with industrial chemicals start up operations commencing in the period under review in bordering countries in Sub-Saharan Africa. Separate geographical analysis is therefore not presented.

BUSINESS SEGMENTS

For management purposes, continuing operations are organised into three main business segments.

- Outsource and IT services - includes payments and business process outsourcing and payroll services
- Industrial chemicals - includes the manufacture and distribution of industrial solvents and mining chemicals
- Head office

In addition, the following segments are reported separately as discontinued operations: Hotels; Aviation; IT hardware and outsource service including pharmaceutical outsourcing, and commercial printing.

5. Segment reporting (continued)

CONTINUING OPERATIONS

FOR THE YEAR ENDED 31 AUGUST 2014	INDUSTRIAL CHEMICALS	OUTSOURCE AND IT SERVICES	HEAD OFFICE	TOTAL
	US$'000	US$'000	US$'000	US$'000
Revenue	4,811	4,609	-	9,420
Inter-segment revenue	-	(15)	-	(15)
Revenue from external customers	**4,811**	**4,594**	**-**	**9,405**
Cost of sales to external customers	(3,990)	(398)	-	(4,388)
Gross profit	**821**	**4,196**	**-**	**5,017**
Operating costs	(1,786)	(3,176)	(3,115)	(8,077)
Other operating income	2	14	-	16
Impairment of assets	-	(709)	-	(709)
Depreciation	(45)	(175)	(77)	(297)
Amortisation	(1)	(25)	(178)	(204)
Operating loss for the year	**(1,009)**	**125**	**(3,370)**	**(4,254)**
Finance income	9	13	(1)	21
Finance expense	(42)	(327)	(758)	(1,127)
Income tax expense	-	(317)	(2)	(319)
Loss for the year	**(1,042)**	**(506)**	**(4,131)**	**(5,679)**
EBITDA *	*** (958)**	**325**	**(3,115)**	**(3,748)**

CONTINUING OPERATIONS

FOR THE YEAR ENDED 31 AUGUST 2013	INDUSTRIAL CHEMICALS	OUTSOURCE AND IT SERVICES	HEAD OFFICE	TOTAL
	US$'000	US$'000	US$'000	US$'000
Revenue	4,323	4,186	-	8,509
Inter-segment revenue	-	(22)	-	(22)
Revenue from external customers	**4,323**	**4,164**	**-**	**8,487**
Cost of sales to external customers	(3,553)	(353)	-	(3,906)
Gross profit	**770**	**3,811**	**-**	**4,581**
Operating costs	(1,236)	(3,369)	(3,212)	(7,817)
Impairment of assets	392	-	(740)	(348)
Depreciation	(37)	(164)	(48)	(249)
Amortisation	(1)	(291)	-	(292)
Operating loss for the year	**(112)**	**(13)**	**(4,000)**	**(4,125)**
Finance income	2	84	196	282
Finance expense	(92)	(120)	(755)	(967)
Income tax expense	-	(204)	-	(204)
Loss for the year	**(202)**	**(253)**	**(4,559)**	**(5,014)**
EBITDA *	*** (70)**	**442**	**(3,952)**	**(3,580)**

** Earnings Before Interest, Taxation, Depreciation and Amortisation. Adjusted for depreciation included in cost of sales*

5. Segment reporting (continued)

DISCONTINUED OPERATIONS

FOR THE YEAR ENDED 31 AUGUST 2014	HOTELS	AVIATION	PRINTING & PROPS	OUTSOURCE AND IT SERVICES	TOTAL
	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue	2,032	-	27	-	2,059
Inter segment revenue	4	-	-	-	4
Revenue from external customers	**2,036**	**-**	**27**	**-**	**2,063**
Cost of sales to external customers	(488)	-	-	-	(488)
Gross profit	**1,548**	**-**	**27**	**-**	**1,575**
Operating costs	(1,983)	(802)	(14)	-	(2,799)
Other operating income	64	-	29	-	93
(Impairment)/write-back of PPE and receivables	(8,818)	-	-	-	(8,818)
Loss on disposal of property	-	-	(357)	-	(357)
Depreciation	-	-	-	-	-
Amortisation	-	-	-	-	-
Operating (loss)/profit	**(9,189)**	**(802)**	**(315)**	**-**	**(10,306)**
Finance income	-	-	-	-	-
Finance expense	(46)	-	-	-	(46)
Income tax credit/(expense)	223	-	(37)	-	186
(Loss)/profit for the year	**(9,012)**	**(802)**	**(352)**	**-**	**(10,166)**
EBITDA*	**(371)**	**(802)**	**(344)**	**-**	**(1,488)**

DISCONTINUED OPERATIONS

FOR THE YEAR ENDED 31 AUGUST 2013	HOTELS	AVIATION	PRINTING & PROPS	OUTSOURCE AND IT SERVICES	TOTAL
	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue	2,257	-	1,807	653	4,717
Inter segment revenue	(4)	-	(51)	(2)	(57)
Revenue from external customers	**2,253**	**-**	**1,756**	**651**	**4,660**
Cost of sales to external customers	(505)	-	(1,115)	(531)	(2,151)
Gross profit	**1,748**	**-**	**641**	**120**	**2,509**
Operating costs	(2,317)	(205)	(5,241)	(281)	(8,044)
(Impairment)/write-back of PPE and receivables	(2,084)	-	2,081	362	359
Impairment of intangibles	(825)	-	-	-	(825)
Depreciation	(574)	-	(33)	(11)	(618)
Amortisation	(347)	-	(2)	(5)	(354)
Operating (loss)/profit	**(4,399)**	**(205)**	**(2,554)**	**185**	**(6,973)**
Finance income	-	-	-	1	1
Finance expense	(81)	-	(13)	(2)	(96)
Income tax credit/(expense)	212	-	(34)	-	178
(Loss)/profit for the year	**(4,268)**	**(205)**	**(2,601)**	**184**	**(6,890)**
EBITDA*	**(3,487)**	**(205)**	**(2,519)**	**201**	**(6,001)**

** Earnings Before Interest, Taxation, Depreciation and Amortisation.*

5. Segment reporting (continued)

CONTINUING OPERATIONS

FOR THE YEAR ENDED 31 AUGUST 2014	INDUSTRIAL CHEMICALS	OUTSOURCE AND IT SERVICES	HEAD OFFICE	TOTAL
	US$'000	US$'000	US$'000	US$'000
Segment assets	2,528	930	3,242	6,700
Segment liabilities	1,037	2,916	6,635	10,588
Capital expenditure	99	40	9	148

FOR THE YEAR ENDED 31 AUGUST 2013	INDUSTRIAL CHEMICALS	OUTSOURCE AND IT SERVICES	HEAD OFFICE	*Restated* TOTAL
	US$'000	US$'000	US$'000	US$'000
Segment assets	1,961	4,850	1,297	8,108
Segment liabilities	766	3,454	5,127	9,347
Capital expenditure	26	265	38	329

ASSETS AND LIABILITIES HELD FOR SALE

FOR THE YEAR ENDED 31 AUGUST 2014	NOTE	HOTELS	PRINTING	TOTAL
		US$'000	US$'000	US$'000
Property, plant and equipment		5,973	-	5,973
Biological assets	14	69	-	69
Inventories		125	-	125
Trade and other receivables		65	3	68
Cash and cash equivalents		55	179	234
Total assets held for sale		**6,287**	**182**	**6,469**
Trade and other payables and ST loan		582	35	617
Provisions		127	-	127
Deferred tax liabilities		3,078	-	3,078
Total liabilities held for sale		**3,787**	**35**	**3,822**
Net assets of disposal groups held for sale		**2,500**	**147**	**2,647**

At 31 August 2014, the Group considered its Hotel and the remaining assets of its printing and property division as being held for sale. They are therefore presented within discontinued operations. Income and expenses of discontinued operations are reported separately from those of continuing operations in 2014 and 2013. Held for sale assets are stated at their expected proceeds less costs to sell; previously revalued land and building assets, and hotel intangible assets have been impaired to bring the held for sale disposal groups to their expected held for sale realisable value. The Group's shares in Leopard Rock Hotel were disposed of subsequent to year end for $2.5 million. The value of the Group's investment has been impaired to its realisible net asset value.

5. Segment reporting (continued)

ASSETS AND LIABILITIES HELD FOR SALE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013	NOTE	HOTELS US$'000	PRINTING US$'000	TOTAL US$'000
Property, plant and equipment		14,764	1,000	15,764
Biological assets	14	67	-	67
Inventories		135	-	135
Trade and other receivables and ST loan		75	13	88
Cash and cash equivalents		110	-	110
Total assets held for sale		**15,151**	**1,013**	**16,164**
Trade and other payables		790	33	823
Provisions		60	-	60
Deferred tax liabilities		3,301	-	3,301
Total liabilities held for sale		**4,151**	**33**	**4,184**
Net assets of disposal groups held for sale		**11,000**	**980**	**11,980**

6. Acquisition and incorporation of subsidiaries

MILLCHEM LILONGWE MALAWI LIMITED

During the financial year (18 November 2013), the group incorporated a new entity, Millchem Lilongwe Limited and subscribed for 100% of the issued shares and voting interests in the company for a total consideration of US$10 thousand. This investment facilitated the Group's entry into the Malawi Chemicals distribution market.

Post-acquisition and incorporation to 31 August 2014, the new subsidiary, in total, contributed US$47.4 thousand to revenue and incurred a loss of US$14.7 thousand.

7. Group net operating costs

	2014 US$'000	2013 US$'000
Cost of sales	4,388	3,906
Administrative expenses	7,311	8,647
Net operating costs	**11,699**	**12,553**

Administrative expenses include management related overheads for operations and head office.

	2014 US$'000	2013 US$'000
Operating costs include:		
Depreciation of property, plant and equipment	297	249
Depreciation of property plant and equipment in cost of sales	5	4
Amortisation	204	291
Operating lease rentals:		
Land and buildings	404	253
Personnel expenses	4,003	3,718
Gain/(loss) on investments	66	4
Auditors remuneration		
Fees Payable to the Company Auditors for:		
Current year audit of the Group's financial statements	121	113
Prior year audit of the Group's financial statements	(36)	115
Current year audit of the Company's subsidiaries pursuant to legislation	-	65
Prior year audit of the Company's subsidiaries pursuant to legislation	31	31
Total audit fees	**116**	**324**

8. Personnel expenses

The aggregate remuneration comprised (including Executive Directors):

	2014 US$'000	2013 US$'000
Wages and salaries	3,898	3,644
Compulsory social security contributions	105	74
Total personnel expenses	**4,003**	**3,718**
Of which: Remuneration of Group Executive Directors		
Directors' emoluments (see note 39)	850	783

The average number of employees (including Executive Directors) in continuing operations was:

	2014 Number	2013 Number
Outsource and IT services	62	59
Industrial chemicals	30	24
Head Office	6	10
Total	**98**	**93**

9. Net finance (costs)/income

	2014 US$'000	2013 US$'000
Recognised in income statement:		
Bank interest receivable	13	9
Loan interest receivable	8	273
Finance income	**21**	**282**
Bank interest payable	(43)	(212)
Loan interest payables	(1,085)	(755)
Finance costs	**(1,128)**	**(967)**
Net finance costs	**(1,107)**	**(685)**

10. Taxation

	2014 US$'000	2013 US$'000
Income tax recognised in the income statement		
Current tax expense		
Current period	333	216
Deferred tax credit		
Origination and reversal of temporary differences	(14)	(12)
Total income tax charge in income statement	**319**	**204**

10. Taxation (continued)

RECONCILIATION OF EFFECTIVE TAX RATE

	2014 US$000	2013 US$000
Loss before tax	(5,360)	(4,810)
Income tax using the Zimbabwean corporation tax rate 25.75% (2013: 25.75%)	(1,380)	(1,239)
Net losses where no group relief is available	1,699	1,443
Total income tax charge in income statement	**319**	**204**

DEFERRED TAX

	2014 US$'000	2013 US$'000
Relating to losses in subsidiaries	(14)	(12)
	(14)	**(12)**

Corporation tax is calculated as 25.75% (2013: 25.75%) of the estimated assessable loss for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

Deferred tax assets are only recognised to the extent that there are available offsetting deferred tax liabilities, unless the entity is reasonably assured of earning sufficient future profits to offset against any future tax liabilities.

11. Disposals and discontinued operations

The following entities are classified as held for disposal:

- Medalspot Enterprises (Private) Limited
- LonZim Hotels Limited and its subsidiaries
- Lonzim Air, to where the Group's Lohnro litigation expenditure is allocated

The financial effect of these discontinued operations on the profit or loss and financial position is shown in the operating segment disclosures in note 5.

CASH FLOWS FROM (USED IN) DISCONTINUED OPERATIONS

	2014 US$'000	2013 US$'000
Net cash used in operating activities	(386)	(6,894)
Net cash (used in)/generated by investing activities	621	(69)
Net cash (used in)/generated by financing activities	(111)	5,521
Net cash flows for the year	**124**	**(1,442)**
Cash and cash equivalents held for sale	**234**	**110**

12. Loss per share

The calculation of basic and diluted earnings per share at 31 August 2014 has been based on the loss attributable to ordinary shareholders for continuing and discontinued operations at a weighted average number of ordinary shares outstanding during the period as detailed in the table below:

LOSS ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

	2014 EARNINGS PER SHARE US$'CENTS	2014 US$'000	2013 EARNINGS PER SHARE US$'CENTS	2013 US$'000
Loss for the purposes of basic loss and dilutive per share being net loss attributable to equity holders of the parent*	(19.5)	(16,138)	(18.4)	(12,048)
Loss for the purposes of basic loss and dilutive per share being net loss attributable to equity holders of the parent				
- continuing operations	(7.2)	(5,972)	(7.6)	(5,158)
- discontinued operations	(12.3)	(10,166)	(10.8)	(6,890)

WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

	NOTE	2014 000'S	2013 000'S
Weighted average number of ordinary shares for the purposes of basic and dilutive loss per share for all calculations*		82,707	65,419
Actual number of shares outstanding at the end of the period	24	99,155	66,749

**In the current and prior year the effect of the share options (note 25) were anti-dilutive as the share options were, at all times, priced above the trading value of the shares.*

13. Property, plant and equipment

2014 GROUP	FREEHOLD LAND & BUILDINGS US$'000	PLANT & MACHINERY US$'000	MOTOR VEHICLES US$'000	FURNITURE FIXTURES & FITTINGS US$'000	TOTAL US$'000
Cost or valuation					
At 1 September 2013	2,304	71	801	944	4,120
Additions in year	13	-	80	55	148
Disposals in year	-	-	(88)	(12)	(100)
Revaluation	-	-	(4)	-	(4)
Other	-	-	(7)	-	(7)
Balance at 31 August 2014	**2,317**	**71**	**782**	**987**	**4,157**
Accumulated depreciation					
At 1 September 2013	(3)	(36)	(449)	(751)	(1,239)
Additions in year	-	-	(13)	(2)	(15)
Disposals in year	-	-	80	9	89
Depreciation charge for the year	(31)	(5)	(146)	(105)	(287)
Revaluation	-	-	-	-	-
Other	-	-	-	-	-
Balance at 31 August 2014	**(34)**	**(41)**	**(528)**	**(849)**	**(1,452)**
Carrying amounts					
At 31 August 2014	2,283	30	254	138	2,705
At 31 August 2013	2,301	35	352	193	2,881

2013 GROUP	FREEHOLD LAND & BUILDINGS US$'000	PLANT & MACHINERY US$'000	MOTOR VEHICLES US$'000	FURNITURE FIXTURES & FITTINGS US$'000	TOTAL US$'000
Cost or valuation					
At 1 September 2012	22,258	1,435	918	2,704	27,315
Additions in year	14	15	260	111	400
Disposals in year	-	(55)	(108)	(23)	(186)
Sale of subsidiary	(207)	(1,324)	(84)	(209)	(1,824)
Revaluation	(838)	-	-	-	(838)
Transfer to intangible assets	-	-	-	(76)	(76)
Transferred to held for sale	(18,923)	-	(185)	(1,563)	(20,671)
Balance at 31 August 2013	**2,304**	**71**	**801**	**944**	**4,120**
Accumulated depreciation					
At 1 September 2012	(132)	(254)	(504)	(1,175)	(2,065)
Disposals in year	-	16	45	12	73
Sale of subsidiary	84	324	51	129	588
Depreciation written back on revaluation	116	-	-	-	116
Depreciation charge for the year	(398)	(122)	(188)	(310)	(1,018)
Transfer to intangible assets	-	-	-	15	15
Transferred to held for sale	327	-	147	578	1,052
Balance at 31 August 2013	**(3)**	**(36)**	**(449)**	**(751)**	**(1,239)**
Carrying amounts					
At 31 August 2013	2,301	35	352	193	2,881
At 31 August 2012	22,126	1,181	414	1,529	25,250

13. Property, plant and equipment (continued)

Valuations

LE HAR (PRIVATE) LIMITED

VALUATION – PROPERTY

An external, professional and independent valuer with appropriate and recognised qualifications, T.W.R.E Zimbabwe (Pvt) Limited, carried out a valuation of the freehold land and buildings as at 31 August 2013 with reference to observed market evidence. The directors considered this value to still be an accurate reflection of the fair value at 31 August 2014 being US$2,300 thousand (2013: US$2, 300 thousand). The Directors consider the fair value at the reporting date to not be materially different from the carrying value.

Valuations within discontinued operations

LEOPARD ROCK HOTEL COMPANY (PRIVATE) LIMITED AND EASTINTEG INVESTMENTS (PRIVATE) LIMITED

IMPAIRMENT

After year end on 21 October 2014, the Group sold all its shares in Lonzim Hotels Ltd, which holds the entire issued share capital of Leopard Rock Hotel Company (Private) Limited and Eastinteg Investments (Private) Limited, for a total consideration of $2,500 thousand.

The land and buildings held by the Leopard Rock Hotel Company (Private) Limited and by Eastinteg Investments (Private) Limited form part of the Hotel disposal group held for sale at the year end. This disposal group has been impaired to bring its carrying value down to its expected realisable value.

14. Biological assets

Included in discontinued operations are biological assets as detailed below.

	GROUP 2014 US$'000	GROUP 2013 US$'000
Balance at 1 September	67	83
Acquired during the year	-	-
Increase/(decrease) due to births/(deaths)	2	2
Loss on fair valuation during the year	-	(18)
Total*	**69**	**67**

**Included in Assets Held for Sale in the Statement of Financial Position.*

Biological assets which consist of 280 (2013: 276) living animals for game viewing at the Leopard Rock Hotel are valued with the assistance of African Wildlife Management and Conservation and their values are deemed as acceptable.

15. Goodwill

As at 31 August 2014, the consolidated statement of financial position included goodwill of US$717 thousand (2013: US$717 thousand). Goodwill is allocated to the Group's cash-generating units ("CGUs"), or groups of cash-generating units, that are expected to benefit from the synergies of the business combination that gave rise to the goodwill as follows:

CASH GENERATING UNIT (CGU)	ORIGINAL COST	COST AT 1 SEPTEMBER 2013	CARRYING VALUE AT 1 SEPTEMBER 2013	ACCELERATED WRITE-OFF	CARRYING VALUE AT 31 AUGUST 2014
	US$'000	US$'000	US$'000	US$'000	US$'000
Paynet Limited	717	717	717	-	717
Total	**717**	**717**	**717**	**-**	**717**

ESTIMATES AND JUDGEMENTS

The following assumptions are held in the assessment on the impairment or otherwise of goodwill:

- Growth rates are based on a range of growth rates that reflect the products, industries and countries in which the relevant CGU or group of CGUs operate. Growth rates have been calculated based on management's expected forecast volumes and market share increases on normalisation of the Zimbabwean economy.
- The key assumptions on which the cash flow projections for the most recent forecast are based relate to discount rates, growth rates, expected changes in selling prices and direct costs.
- The cash flow projections have been discounted using rates based on the Group's pre-tax weighted average cost of capital. The rate used was 15%.
- The growth rates applied in the value in use calculations for goodwill allocated to each of the CGUs or groups of CGUs that is significant to the total carrying amount of goodwill were in a range between 0% and 5%.
- Changes in selling price and direct costs are based on past results and expectations of future changes in the market.
- In respect of the value in use calculations, cash flows have been considered for both the conservative and the full forecast potential of future cash-flows with no impact to the valuation of goodwill.

IMPAIRMENT LOSS

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

The Directors believe that the value of the Group's investments are long term and will only be realised on the full recovery of the Zimbabwean economy. The Directors do not believe any further impairment to goodwill is necessary in the current period.

16. Intangible assets

	ORIGINAL COST US$'000	NET BOOK VALUE AT 1 SEPTEMBER 2013 US$'000	RECLASSIFIED FROM TANGIBLE ASSETS	AMORTISATION US$'000	CLOSING BALANCE AT 31 AUGUST 2014 US$'000
Payserv software licences	1,425	179	-	(165)	14
Total	**1,425**	**179**	**-**	**(165)**	**14**

AMORTISATION

The amortisation charge is recognised within administration expenses (note 7) in the income statement. The remaining amortisation period at 31 August 2014 was 6.5 months for other intangibles. The Group tests other intangible assets for impairment if there are indications that they might be impaired.

The amortisation periods for other intangible assets are:

Software licences	3-6 years

17. Long-term receivables

	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
Celpay International BV receivable	709	-	361	-
Impairment of Celpay International BV receivable	(709)	-	-	-
ForgetMe Not Africa (BVI) Limited sale proceeds	250	-	250	-
Provision against sale proceeds	(250)	-	(250)	-
Total	**-**	**-**	**361**	**-**

Celpay International BV

On 29 April 2013, the Group entered into a memorandum of understanding with Celpay International BV ("Celpay"), whereby Paynet Limited agreed inter alia to provide working capital funding, while carrying out due diligence on the company, which capital would be repayable to Paynet Limited, either on termination of the contract or through a change in shareholding of Celpay. During the financial year a further $348 thousand was advanced to Celpay. The full amount was s impaired in the current financial year following a significant deterioration in the financial affairs of Celpay leading to the withdrawal by the Company from the proposed acquisition of Celpay.

ForgetMeNot Africa (BVI)

The proceeds on sale of shares of ForgetMeNot Africa (BVI) Limited on 14 February 2013, were receivable based on various defined milestones but no later than the second anniversary of the agreement. Given that these milestones have not been achieved and the weak financial position of ForgetMeNot Africa (BVI) Limited, the Directors determined that it would be appropriate to provide fully against the receivable.

18. Investments in subsidiaries and associates

The Company has investments in the following subsidiaries which principally affected the profits or net assets of the Company. The direct investments in subsidiaries held by the Company are stated at cost. This is subject to impairment testing.

CONTINUING OPERATIONS

	COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	
		2014	2013
African Solutions Limited	Mauritius	100%	100%
Autopay (Pvt) Limited	Zimbabwe	100%	100%
Gardoserve (Pvt) Limited	Zimbabwe	100%	100%
Le Har (Pvt) Limited	Zimbabwe	100%	100%
LonZim Enterprises Limited	United Kingdom	100%	100%
LonZim Holdings Limited +	Isle of Man	100%	100%
Millchem Africa Limited	Isle of Man	100%	100%
Millchem Holdings Limited *	Isle of Man	100%	100%
Millchem Zambia Limited	Zambia	100%	100%
MillChem (Lilongwe) Limited	Malawi	100%	-
MSA Chemicals (Pty) Limited	South Africa	100%	100%
MSA Sourcing BV	Netherlands	100%	100%
Para Meter Computers (Pvt) Limited	Zimbabwe	100%	100%
Paynet Limited	Mauritius	100%	100%
Paynet Zimbabwe (Pvt) Limited	Zimbabwe	100%	100%
Payserv (Pvt) Limited	Zimbabwe	100%	100%
Payserve Africa Limited (previously Paynet Limited)	Mauritius	100%	100%
Payserv Zimbabwe (Pvt) Limited **	Zimbabwe	100%	100%
Payserv Zambia Limited	Zambia	100%	100%
Tradanet (Pvt) Limited	Zimbabwe	51%	51%
Yellowwood Projects (Pvt) Limited	Zimbabwe	100%	100%

+ Held directly by Cambria Africa Plc.

** Previously LonZim Properties Limited*

*** Previously Lanuarna Enterprises (Private) Limited*

18. Investments in subsidiaries and associates (continued)

DISCONTINUED OPERATIONS

	COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	
		2014	2013
Chenyakwaremba Farm (Pvt) Limited ++	Zimbabwe	100%	100%
Eastinteg Investments (Pvt) Ltd ++	Zimbabwe	100%	100%
Leopard Rock Hotel Company (Pvt) Limited ++	Zimbabwe	100%	100%
Linus Business Options (Pvt) Limited ++	Zimbabwe	100%	100%
LonZim Agribusiness (BVI) Limited ++	British Virgin Islands	100%	100%
LonZim Air (BVI) Limited	British Virgin Islands	100%	100%
LonZim Hotels Limited ++	Isle of Man	100%	100%
Lyons Africa Holdings BV ++	Netherlands	100%	100%
Lyons Africa Holdings Limited ++	United Kingdom	100%	100%
Medalspot Enterprises (Pvt) Limited ++	Zimbabwe	100%	100%
Morningdale Properties Limited ++	Zimbabwe	100%	100%
Panafmed (Pty) Limited	South Africa	51%	51%
Quickvest525 (Pty) Limited	South Africa	100%	100%
Quintech Investments (Pvt) Limited	Zimbabwe	100%	100%
Southern Africa Management Services Limited	Mauritius	100%	100%
W S Foods (Pty) Limited ++	South Africa	100%	100%

++ Held for Sale

19. Inventory

	GROUP 2014 US$'000	GROUP 2013 US$'000
Raw materials and consumables	213	361
Work in progress	-	-
Goods in transit	453	25
Finished goods	719	539
Total	**1,385**	**925**

20. Financial assets at fair value through profit or loss

CONTINUING OPERATIONS

	GROUP 2014 US$'000	GROUP 2013 US$'000
Quoted investments portfolio	66	58
Total	**66**	**58**

QUOTED INVESTMENTS PORTFOLIO:	GROUP 2014 US$'000	GROUP 2013 US$'000
Balance at 1 September	58	42
Acquired during the year	-	2
Disposed during the year	-	(5)
Gain/(loss) on fair valuation during the year	8	19
At end of the year	**66**	**58**

The portfolio is managed by an asset management company who makes the decisions regarding the sale and purchase of shares. This investment is held at fair value. The portfolio, which was purchased in "payment" of a trade vendor liability which could not be settled due to Zimbabwe foreign currency constraints at the time, is callable at the option of the vendor. See note 26.

21. Trade and other receivables

	NOTE	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
Amounts owed by Group undertakings		-	12,181	-	25,617
Trade receivables		902	-	619	-
Other receivables		213	110	80	-
ATDM sale proceeds – current portion	17	-	-	-	-
ATDM shareholder loan account – current portion	17	-	-	-	-
Prepayments and accrued income		293	87	115	31
Total		**1,408**	**12,378**	**814**	**25,648**

No interest is charged on receivables.

The Directors consider the carrying amount of trade and other receivables approximates their fair value. In determining the recoverability of the trade receivable, the Group considers any change in the credit quality of trade receivables from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

CREDIT RISK

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cashflows.

22. Cash and cash equivalents

	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
Bank balances	405	38	2,136	1,210
Bank overdrafts	-	-	(398)	-
Net cash and cash equivalents	**405**	**38**	**1,738**	**1,210**
Net cash included in held for sale	234	-	110	-
Total cash and cash equivalents in statement of financial position	**639**	**38**	**1,838**	**1,210**

23. Capital and reserves

REVALUATION RESERVE

The revaluation reserve relates to property, plant and equipment which has been revalued in the Zimbabwean subsidiary Payserv Zimbabwe (Private) Limited ("Payserv") and Le Har (Private) Limited, which holds the property from which Payserv operates.

FOREIGN EXCHANGE RESERVE

This reserve arises on translation of subsidiary entities where their functional currency is not United States Dollars, the presentational currency of the Group. The Company foreign exchange currency reserve relates to the translation of net assets due to a change in the functional currency of the Company from Pounds Sterling to United States Dollars as at 1 September 2011.

SHARE BASED PAYMENT RESERVE

The share based payment reserve comprises of the charges arising from the calculation of the share based payment posted to the income statement in 2008 and 2012, and partially released on expiration of options never exercised, in 2013, restated to US$ at closing rates (see note 25).

NON DISTRIBUTABLE RESERVE

The non distributable reserve arises on the restatement of the assets and liabilities on dollarisation in Zimbabwe. Amounts held within this reserve are ring fenced from retained earnings. Distributions can only be made from retained earnings and not from the non distributable reserve. Amounts transferred to the non distributable reserve are determined by the directors as necessary, unless specifically required to do so as part of any financing arrangements.

24. Share capital & share premium

	ORDINARY SHARES 2014		ORDINARY SHARES 2013	
	NUMBER	US$'000	NUMBER	US$'000
Issued and fully paid				
At 1 September 2013	66,749,023	12	58,133,908	11
Issued in period	32,406,139	6	8,615,115	1
At 31 August 2014	**99,155,162**	**18**	**66,749,023**	**12**

The Group has also issued share options (see note 25). At 31 August 2014, 1,000,000 shares were held in reserve to issue in the event that these options are exercised. At 10 December 2012, 500,000 utilised share options expired and were not renewed.

No warrants were granted during the current financial year. The following warrants over the ordinary shares of the Company were granted in in the previous financial year ended 31 August 2013:

HOLDER	DATE OF GRANT	NUMBER OF WARRANTS GRANTED	WARRANT PRICE	PERIOD DURING WHICH EXERCISABLE	MARKET PRICE PER SHARE AT DATE OF GRANT
Consilium Corporate Recovery Master Fund Limited	18.02.2013	3,000,000	13p	06.12.2012 - 06.12.2015	10.25p
Consilium Corporate Recovery Master Fund Limited	18.02.2013	5,000,000	13p	18.02.2013 - 18.02.2016	9.63p

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

The Directors are authorised in any period between consecutive annual general meetings, to allot any number of ordinary shares on such terms as they shall, in their discretion, determine up to such maximum number as represents 50 per cent of the issued share capital at the beginning of such period. Further ordinary shares may be allotted on terms determined by the Directors but subject to the pre-emption rights prescribed by Section 36 of the Isle of Man Companies Act 2006.

24. Share capital & share premium (continued)

SHARE PREMIUM

The share premium represents the value of the premium arising on shares issued as follows:

6 March 2014	4,133,333 ordinary shares at a price of 7.5p per share (US$ 508 thousand).
4 March 2014	28,272,806 ordinary shares at a price of 7.5p per share (US$ 3,475 thousand).
1 Oct 2012	8,615,115 ordinary shares at a price of 10p per share (US$1,400 thousand).
16 Sep 2011	3,988,439 ordinary shares at a price of 23p per share (US$1,448 thousand).
10 Dec 2010	17,813,944 ordinary shares at a price of 28p per share net of issue costs of £143 thousand (US$7,646 thousand).
9 Dec 2009	4,255,525 ordinary shares at a price of 27.5p per share net of issue costs of £58 thousand (US$1,820 thousand).
14 Jul 2009	Cost of purchasing and cancelling 4,374,000 shares at 30.5p per share (US$2,174 thousand).
11 Dec 2007	36,450,000 ordinary shares at a price of 100p per share net of issue costs of £2,753 thousand (US$68,659 thousand).

25. Share options

The following share options over ordinary shares have been granted over the last 5 years under an Unapproved Share Option scheme:

NAME	DATE OF GRANT	NUMBER OF SHARE OPTIONS GRANTED	EXERCISE PRICE	PERIOD DURING WHICH EXERCIS-ABLE	MARKET PRICE PER SHARE AT DATE OF GRANT
Edzo Wisman	10.03.2011	500,000	30p	01.07.2011 – 30.06.2016	21.75p
Edzo Wisman	10.03.2011	500,000	30p	01.07.2012 – 30.06.2017	21.75p
Total		**1,000,000**			
OPTIONS EXPIRED IN THE PRIOR PERIOD					
Paul Heber	11.12.2007	500,000	150p	11.12.2007 - 10.12.2012	100p

In accordance with IFRS 2 'Share-based payments' the equity settled share options granted have been measured (at the time of grant) at fair value and recognised as an expense in the income statement with a corresponding increase in equity (other reserves). The fair value of the options granted has been estimated at the date of grant using the Black-Scholes option pricing model. The estimated value of the options granted on 11 December 2007 was £165 thousand (US$270 thousand). The estimated value of the options granted on 10 March 2011 was £53 thousand (US$85 thousand).

Options may be exercised in whole or in part until the expiry of the exercise period. Holders of the options are entitled to receive notice of certain proposed transactions or events of the Company which may dilute or otherwise affect their options, and may exercise or be deemed to have exercised their options prior to the occurrence thereof. The Company shall keep available sufficient authorised but unissued share capital to satisfy the exercise of the options. Ordinary Shares issued pursuant to an exercise of the options shall rank pari passu in all respects with the Company's existing Ordinary Shares save as regards any rights attaching by reference to a record date prior to the receipt by the Company of the notice of exercise of options. The Company shall apply to admit to trading on AIM the Ordinary Shares issued pursuant to the exercise of options.

The following assumptions have been used at the date of grant:

	DATE GRANT 10 MARCH 2011	DATE OF GRANT 10 MARCH 2011	DATE OF GRANT 11 DECEMBER 2007
Number of shares	500,000	500,000	500,000
Share price at vesting date (Date of Grant)	21.75p	21.75p	100p
Exercise price	30p	30p	150p
Expected volatility	30.2%	30.2%	44.0%
Expected life	5.4 years	6.4 years	5.0 years
Expected dividends	0.00%	0.00%	0.00%
Risk-free interest rate	5.00%	5.00%	5.00%

Volatility has been calculated by reference to industry indices at vesting dates.

All share options vested at date of grant and the basis of settlement is in shares of the company.

Share options which expired on 10 December 2012, expired without being renewed.

25. Share options (continued)

The number and weighted average exercise price of share options are as follows:

	WEIGHTED AVERAGE EXERCISE PRICE PENCE	NUMBER OF OPTIONS
Outstanding and exercisable at 31 August 2013	30	1,000,000
Outstanding and exercisable at 31 August 2014	**30**	**1,000,000**

The Directors are authorised to grant options over the Ordinary Shares on such terms as they shall in their discretion determine up to such maximum number as represents 10 per cent of the number of Ordinary Shares as was in issue at the date of the Company's most recent annual general meeting. 99,155,162 Ordinary Shares were in issue at the annual general meeting of 23 April 2014.

26. Loans and borrowings - long term

	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
Consilium facility	4,685	4,685	4,500	4,500
Nurture Paynet	2,000	-	2,000	-
Other trade payables	60	-	53	-
Total	**6,745**	**4,685**	**6,553**	**4,500**

On 9 March 2012, the Company entered into a secured loan facility agreemen with Consilium Corporate Recovery Master Fund Ltd for US$2,000 thousand. On the same date, the Company entered into a short term secured loan facility agreement with Consilium Emerging Markets Absolute Return Master Fund Ltd for US$1,000 thousand respectively ("Consilium"). Both these loans were secured by a fixed and floating charge over the assets of the Group.

On 6 December 2012, the Company entered an agreement with Consilium to extend the maturity of the short term facility to 8 March 2014. Consilium simultaneously agreed to lift the general charge over the assets of the Group for 3,000,000 warrants over the ordinary shares of the company as disclosed in note 24.

On 18 February 2013, the Company entered into a further secured loan agreement with Consilium for US$1,500 thousand for 5,000,000 warrants, as disclosed in note 24. This facility expires in tandem with all the Consilium debt on 8 March 2014. The total Consilium facility carries a 15% annualised interest rate and fees as follows: 2% first anniversary fee and 2% repayment charge. It carried a 2% drawdown fee.

On 1 May 2013, the Company and Consilium agreed to extend the maturity of the debt facility to 30 April 2016.

The debt facility was further amended to allow, with effect from 1 July 2014, for interest to be capitilized and, with effect from 1 August 2014, for a reduction in interest rate from 15% p.a to 8% p.a.

In the event of default, Consilium shall have the option to convert all, or any portion of the outstanding indebtedness at the time of default into shares in Cambria at a 15% discount to the share price at the date of the facility agreements. The option price is 14.50p.

The Consilium Corporate Recovery Master Fund Ltd and Consilium Emerging Markets Absolute Master Fund Ltd share the same investment manager as Consilium Emerging Markets Absolute Return Master Fund Ltd, a substantial shareholder of Cambria, and the transactions are therefore deemed a related party transaction for the purpose of the AIM Rules for Companies.

26. Loans and Borrowings - long term (continued)

On 8 May 2013, the Company executed agreements with Cerulean (Mauritius) PCC, ("Nisela") a special purpose vehicle created by a subsidiary of Nisela Capital relating to the placement of US$2,000 thousand secured, convertible debt into Payserv Africa Limited (previously named Paynet Limited), its investee company. The conversion feature with the debt represents and embedded derivative for accounting purposes. Included within the loan balance above is an amount of $91 thousand representing the value of the conversion feature.

The Nisela secured loan facility carries a 15% coupon, matures on 17 July 2016, and is convertible into 21.3% of Payserv Africa Limited's ordinary share capital at the option of the lender at any time between 17 July 2014 and 12 July 2016. The loan facility is convertible at the election of Nisela if there is a change in control in the shareholders or Board of Directors of the beneficial owners of Payserv Africa Limited or if there is an initial public offering of the ordinary shares in Payserv Africa Limited on a securities exchange.

The Nisela facility is secured over the shares in Le Har (Private) Ltd (which holds the property in Mount Pleasant, Harare) and by the cession of the entire portfolio of Payserv Africa Limited's trade debtors as existed at the date of the agreement and in the future.

Other non-current trade payables are in respect of historic Paywell software licence fees with the Payserv Group, which could not be remitted due to Zimbabwe foreign currency constraints at the time. The amounts due were invested in a listed portfolio (see note 20).

27. Provisions

	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
Provisions	182	-	203	29
Total	**182**	**-**	**203**	**29**

Provisions at 31 August 2014, are in respect of the maximum Leave Pay and Retirement Gratuity, which may become payable by individual companies on termination of employment.

28. Deferred tax liability

RECOGNISED DEFERRED LIABILITY

The following are the major deferred tax liabilities recognised by the Group and movements thereon during the current year.

GROUP	2014		2013	
	ACCELERATED TAX DEPRECIATION US$'000	TOTAL US$'000	ACCELERATED TAX DEPRECIATION US$'000	TOTAL US$'000
At 1 September	553	553	4,108	4,108
Recognised directly in reserves	(360)	(360)	(111)	(111)
Other movements	(15)	(15)	(12)	(12)
Disposal of subsidiaries	-	-	(131)	(131)
Transfer to held for sale disposal group	-	-	(3,301)	(3,301)
At 31 August	**178**	**178**	**553**	**553**

Deferred tax assets off set against deferred tax liabilities in the period were US$ nil (2013:US$ nil).

29. Loans and borrowings - short term

	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
ValueChem BV	96	-	-	-
Loan from related parties: Edzo Wisman and Ian Perkins (directors)	249	249	-	-
Finance Leases	3	-	94	-
Total	**348**	**249**	**94**	**-**

On 27 May 2014, MillChem Holdings Limited entered into a Bridge Financing Agreement with ValuChem BV for a short term loan facility of up to $100 thousand. The balance at 31 August 2014 was $96 thousand, carries interest at 9% per annum and is repayable within 180 days of drawdown. The ValueChem loan is unsecured.

On 19 August 2014, Mr Ian Perkins and Mr Edzo Wisman advanced a US$ equivalent amount of US$ 249 thousand under a short term loan facility to the Company. The loan bears a flat cost of GBP of 1.3 thousand (US$ 2.2 thousand) and is repayable on 30 September 2014. Interest of 5% per month applies in the event of default. The loan is unsecured.

30. Trade and other payables

	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
Trade payables	1,964	2,720	861	-
Non trade payables and accrued expenses	901	432	461	2,205
Total	**2,865**	**3,152**	**1,322**	**2,205**
Current tax liability	269	-	187	-
Total	**3,134**	**3,152**	**1,509**	**2,205**

Trade payables and accruals principally comprise amounts outstanding for trade purchases and on-going costs.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

31. Notes to the statement of cash flows

	GROUP 2014 US$'000	GROUP 2013 US$'000
Loss for the year	**(15,845)**	**(11,904)**
*Adjusted for *:*		
Amortisation of intangible assets	204	608
Impairment of goodwill	-	-
Impairment of held for sale assets	8,818	2,807
Depreciation of property, plant and equipment	302	871
Loss on sale of property, plant and equipment	339	93
Impairment of long term receivables	709	-
Impairment of current assets	-	626
Valuation adjustments to inventories, receivables and other assets	84	49
Loss on disposal of subsidiaries	-	1,823
Finance income	(21)	(283)
Finance costs	1,174	1,063
Share based payment reserve	-	(269)
Increase/(decrease) in provisions	46	102
Income tax charge	133	204
Foreign exchange	-	-
Operating cash flows before movements in working capital	**(4,057)**	**(4,210)**
Increase in inventories	(450)	(329)
Decrease/(increase) in trade and other receivables	(574)	308
Decrease in trade and other payables	1,434	(850)
Decrease/(increase) in long term receivables	-	3,702
Cash used in operations	**(3,647)**	**(1,379)**

***** All amounts include both continuing and discontinued. Cash flows for discontinued operations are given in note 11.

32. Financial instruments

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk (comprises: foreign currency risk and interest rate risk)

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

RISK MANAGEMENT FRAMEWORK

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

32. Financial instruments (continued)

CREDIT RISK MANAGEMENT

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased. The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit- ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained. At the reporting date, there were no significant credit risks.

EXPOSURE TO CREDIT RISK

The carrying amount of financial assets represents the maximum credit exposure. Therefore, the Group and Company's maximum exposure to credit risk at the reporting date, being the total of the carrying amount of financial assets, excluding equity investments is shown in the table below.

	NOTE	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
Cash and cash equivalents	22	639	38	1,838	1,210
Trade and other receivables	5,17,21	1,476	197	1,263	31
Shareholder loan receivables	21	-	12,181	-	25,617
Other investments	20	66	-	58	-
Total		**2,181**	**12,416**	**3,159**	**26,858**

The maximum exposure to credit risk for trade and other receivables at the reporting date by geographic region was:

	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
United Kingdom	235	235	31	24,760
Southern Africa	1,946	12,073	1,229	818
Mauritius	-	65	-	67
Europe	-	43	3	3
Total	**2,181**	**12,416**	**1,263**	**25,648**

32. Financial instruments (continued)

The maximum exposure to credit risk for trade and other receivables (excluding trade creditors which are linked to listed investments per contract with the supplier - see note 20 US$66 thousand (2013: US$58 thousand)) at the reporting date by type of counterparty was:

	GROUP 2014 US$'000	COMPANY 2014 US$'000	GROUP 2013 US$'000	COMPANY 2013 US$'000
Trade customers and sundry receivables	1,408	197	902	31
Sale of investment proceeds (note 17 and 21)	-	-	361	-
Amounts owed by Group undertakings	-	12,181	-	25,617
Total	**1,408**	**12,378**	**1,263**	**25,648**

The ageing of trade and other receivables at the reporting date was:

	GROUP			COMPANY		
	GROSS 2014 US$'000	IMPAIRMENT 2014 US$'000	TOTAL 2014 US$'000	GROSS 2014 US$'000	IMPAIRMENT 2014 US$'000	TOTAL 2014 US$'000
Neither past nor impaired	1,096	-	1,096	12,378	-	12,378
Past due 1-30 days	274	-	274	-	-	-
Past due 31-60 days	43	(9)	34	-	-	-
Past due 61-90 days	30	(26)	4	-	-	-
Past due 91-days +	33	(33)	-	-	-	-
Total	**1,476**	**(68)**	**1,408**	**12,378**	**-**	**12,378**

Based on the Group's monitoring of customer credit risk, the Group believes that no further impairment allowance is necessary in respect of trade receivables not past due.

LIQUIDITY RISK MANAGEMENT

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash and another financial asset.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long term funding and liquidity management requirements.

The new board plans to manage liquidity risk by raising adequate reserves, banking facilities and reserve borrowing facilities and by regularly monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

32. Financial instruments (continued)

LIQUIDITY RISK MANAGEMENT (CONTINUED)

The following are the contractual, undiscounted maturities of financial liabilities, including estimated interest payments and excluding the effect of netting arrangements:

GROUP	CONTRACTUAL CASH FLOWS 2014			CONTRACTUAL CASH FLOWS 2013		
	CARRYING AMOUNT US$'000	1 YEAR OR LESS US$'000	2 TO < 5 YEARS US$'000	CARRYING AMOUNT US$'000	1 YEAR OR LESS US$'000	1 TO < 5 YEARS US$'000
Bank overdrafts	-	-	-	398	398	-
Trade and other payables	3,482	3,482	-	1,546	1,546	-
Loans and borrowings	7,093	735	7,454	6,647	1,082	5,565
Total	**10,575**	**4,217**	**7,454**	**8,591**	**3,026**	**5,565**

COMPANY	CONTRACTUAL CASH FLOWS 2014			CONTRACTUAL CASH FLOWS 2013		
	CARRYING AMOUNT US$'000	1 YEAR OR LESS US$'000	2 TO < 5 YEARS US$'000	CARRYING AMOUNT US$'000	1 YEAR OR LESS US$'000	1 TO < 5 YEARS US$'000
Trade and other payables	-	-	-	598	598	-
Shareholder loan payables	1,615	1,615	-	1,607	1,607	-
Loans and borrowings (note 26)	4,934	435	5,167	4,500	666	3,834
Total	**6,549**	**2,050**	**5,167**	**6,705**	**2,871**	**3,834**

As disclosed in note 26 the loans and borrowings amounts due to Consilium are secured by a fixed and floating charge over the assets of the Group. In the event of default, Consilium shall have the option to convert all, or any portion of the outstanding indebtedness at the time of default into shares in Cambria at a 15% discount to the share price at the date of the facility agreements. The effective option price is 14.50p.

It is not expected that the cash flows included in the maturity analysis will occur significantly earlier, or at significantly different amounts.

FOREIGN CURRENCY RISK MANAGEMENT

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than United States Dollars. The currencies giving rise to this risk are primarily the Pound Sterling, Euro , Zambian Kwacha, Malawian Kwacha and the South African Rand. In respect of other monetary assets and liabilities held in currencies other than United States Dollars, the Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances. The following significant exchange rates applied during the year:

	AVERAGE RATE 2014	REPORTING DATE SPOT RATE 2014	AVERAGE RATE 2013	REPORTING DATE SPOT RATE 2013
Pounds Sterling (GBP)	0.61	0.60	0.64	0.65
Euro (EUR)	0.73	0.76	0.76	0.76
Zambian Kwacha (ZMW)	5.87	6.02	5.14	5.35
South African Rand (ZAR)	10.49	10.66	9.11	8.99
Malawian Kwacha (MWK)	396.50	394.10	9.11	8.99

32. Financial instruments (continued)

FOREIGN CURRENCY RISK MANAGEMENT (CONTINUED)

The Company does not have any exposure to currency forward exchange contracts at the reporting date (2013: US$nil).

SENSITIVITY ANALYSIS

In managing foreign currency risks the Group aims to reduce the impact of short and long-term fluctuations on the Group's earnings. A 10 percent strengthening/weakening of the listed currencies against the USD at 31 August 2014 would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. This analysis is performed on the same basis for 2013 and assumes that all other variables remain the same.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date and their sensitivity is as follows:

31 AUGUST 2014	EXPOSURE IN FINANCIAL STATEMENT POSITION US$'000	STRENGTHENING PROFIT OR LOSS US$'000	WEAKENING PROFIT OR LOSS US$'000
Pounds Sterling (GBP)	(1,769)	96	(96)
Euro (EUR)	(11)	1	1
South African Rand (ZAR)	(55)	1	1
Zambian Kwacha (ZMW)	110	1	1
Malawian Kwacha (MWA)	12	-	-
31 AUGUST 2013			
Pounds Sterling (GBP)	(290)	17	(17)
Euro (EUR)	13	(1)	1
South African Rand (ZAR)	(53)	1	(1)
Zambian Kwacha (ZMW)	22	-	-

INTEREST RATE RISK MANAGEMENT

Due to the liquidity constraints in the Zimbabwean economy, the consequential interest rate risk the Group would be subject to if it relied solely on short term Zimbabwean sourced borrowings, would be marked. The Group has, where possible, secured one year fixed interest rate overdraft and loan agreements with its bankers in Zimbabwe. Additionally, the Company has, mitigated its interest rate risk, by entering into a number of long term, offshore facility agreements with fixed rates of interest.

32. Financial instruments (continued)

The Group does not account for any fixed rate financial assets or liabilities at fair value through profit or loss. At the reporting date the interest rate profile of the Group's interest bearing financial instruments was as follows :

CARRYING VALUE	2014 US$'000	2013 US$'000
FIXED RATE INSTRUMENTS		
Financial assets	-	-
Financial liabilities	(7,033)	(6,594)
Total	**(7,033)**	**(6,594)**
VARIABLE RATE INSTRUMENTS		
Financial assets	639	2,136
Financial liabilities	-	(398)
Total	**639**	**1,738**

CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares, retained earnings and non-controlling interests of the Group. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity, excluding non-redeemable preference shares and non-controlling interests. The Board of Directors also monitors the level of dividends to ordinary shareholders.

Currently management is discussing alternatives for extending the Group's share option programme beyond key management and other senior employees. No decisions have been made.

The Board seeks to maintain a balance between higher returns that might be possible with high levels of borrowings and the advantages and security afforded by a sound capital position. The Group's target is to achieve a long term return on capital above 20%. In 2014 the return was >(100%), (2013: (13%)). In comparison the weighted average interest expense on interest bearing borrowings (excluding liabilities with imputed interest) was 16.4% (2013: 15%).

32. Financial instruments (continued)

FAIR VALUES

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position are as follows:

GROUP	LOANS AND RECEIVABLES 2014 US$'000	CARRYING AMOUNT 2014 US$'000	FAIR VALUE 2014 US$'000
Cash and cash equivalents (net of bank overdraft)	639	639	639
Trade and other receivables	1,476	1,476	1,476
Other investments	66	66	66
Trade and other payables	(3,542)	(3,542)	(3,542)
Loans and borrowings	(7,033)	(7,033)	(7,033)
Total	**(8,394)**	**(8,394)**	**(8,394)**

GROUP	LOANS AND RECEIVABLES 2013 US$'000	CARRYING AMOUNT 2013 US$'000	FAIR VALUE 2013 US$'000
Cash and cash equivalents (net of bank overdraft)	1,738	1,738	1,738
Trade and other receivables	12,724	12,724	12,724
Other investments	58	58	58
Trade and other payables	(1,546)	(1,546)	(1,546)
Loans and borrowings	(6,647)	(6,647)	(6,647)
Total	**6,327**	**6,327**	**6,327**

COMPANY	LOANS AND RECEIVABLES 2014 US$'000	CARRYING AMOUNT 2014 US$'000	FAIR VALUE 2014 US$'000
Cash and cash equivalents (net of bank overdraft)	38	38	38
Trade and other receivables	12,378	12,378	12,378
Trade and other payables	(3,152)	(3,152)	(3,152)
Loans and borrowings	(4,934)	(4,934)	(4,934)
Total	**4,330**	**4,330**	**4,330**

COMPANY	LOANS AND RECEIV-ABLES 2013 US$'000	CARRYING AMOUNT 2013 US$'000	FAIR VALUE 2013 US$'000
Cash and cash equivalents (net of bank overdraft)	1,210	1,210	1,210
Trade and other receivables	25,648	25,648	25,648
Trade and other payables	(2,205)	(2,205)	(2,205)
Loans and borrowings	(4,500)	(4,500)	(4,500)
Total	**20,153**	**20,153**	**20,153**

32. Financial instruments (continued)

THE FAIR VALUE OF ASSETS AND LIABILITIES CAN BE CLASSED IN THREE LEVELS.

Level 1	Fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Fair values measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3	Fair values measured using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at 31 August 2014, the Group holds the following investment at fair value:

GROUP	LEVEL 1 2014 US$'000	LEVEL 2 2014 US$'000	LEVEL 3 2014 US$'000	TOTAL 2014 US$'000
Quoted investments portfolio	66	-	-	66
Total	**66**	**-**	**-**	**66**

GROUP	LEVEL 1 2013 US$'000	LEVEL 2 2013 US$'000	LEVEL 3 2013 US$'000	TOTAL 2013 US$'000
Quoted investments portfolio	58	-	-	58
Total	**58**	**-**	**-**	**58**

ESTIMATION OF FAIR VALUES

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the above table.

CASH AND CASH EQUIVALENTS (NET OF BANK OVERDRAFT)

Fair value approximates its carrying amount largely due to the short-term maturities of this instrument.

LOANS AND BORROWINGS

Fair value has been derived from quoted prices.

TRADE RECEIVABLES AND PAYABLES

For receivables and payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value.

LOANS AND BORROWINGS

Fair value has been derived from quoted prices.

OTHER INVESTMENTS

Fair value has been derived from quoted prices.

33. Operating leases

LEASES AS LESSEE

At the reporting date, the Group had the following outstanding annual commitments for future minimum lease payments under non-cancellable operating leases:

Operating lease commitments	*US$'000*
Payable in next 12 months	143
Payable in 1 to 5 years	80
Payable thereafter (> 5 years)	-
Total	**223**

During the year ended 31 August 2014, US$405 thousand (2013: US$253 thousand, as restated) was recognised as an expense in the income statement in respect of operating leases. Operating lease payments represents rentals payable by the Group for certain of its properties. Leases are negotiated for a minimum term of 1 year and rentals are fixed for the period.

LEASES AS LESSOR

At the reporting date, the Group had US$nil (2013: US$15 thousand) outstanding annual commitments for future minimum lease receipts under operating leases. The amounts related to 2013 were not non-cancellable leases and amounts were receivable to 31 December 2013. During the year ended 31 August 2014, US$27 thousand (2013: US$3 thousand as restated) was received under lease agreements.

34. Finance leases

	GROUP 2014	*GROUP 2013*
CREDFIN LOAN	*US$'000*	*US$'000*
Minimum lease payments	4	122
Finance cost	(1)	(28)
Present value	**3**	**94**

The above current financial liability, measured at amortised cost is secured by a finance lease agreement in respect of motor vehicles. Ownership will transfer to Paynet Zimbabwe (Pvt) Ltd, after payment of the nominal amount. Interest is charged at 28.27% per annum for one agreement and 25.7% for the other.

35. Income statement of Cambria Africa Plc

There is no requirement under the Isle of Man Companies Act 2006 to present a company income statement. The loss for the year to 31 August 2014 was US$19,156 thousand (2013: US$4,662 thousand).

36. Capital commitments

The capital commitments at 31 August 2014 totalled US$nil (2013: US$nil).

37. Guarantees

No guarantees were provided by the group at 31 August 2014 other than those disclosed under note 40: post-balance sheet events.

38. Contingent liabilities and assets

CONTINGENT LIABILITIES

On 30 July 2013, the Group, pursuant to its disposal of Blueberry International Limited, ("Blueberry"), provided warranties to the Purchaser, relating to the disclosure of assets and liabilities and certain representations made during the sale process. These warranties remain in force and effect until 30 September 2014 in respect of a General Warranty Claim and 30 September 2015, for a Fundamental Warranty Claim. The liability of the Group in respect of the aggregate of all warranty claims shall not be less than US$25 thousand for a single claim and US$50 thousand in aggregate and all claims shall not in total exceed US$1,000 thousand. To the date of the report, no formal warranty claim has been lodged by the Purchaser.

On 26 August 2011, the Group, pursuant to its disposal of Sol Aviation (Pvt) Ltd, ("Sol Aviation") entered into a Memorandum of Understanding with the purchaser, whereby the purchaser would be fully indemnified in respect of any claim, made either by Royal Khmer Airlines International (Pte) Limited ("Royal Khmer") or Fly540 Aviation Limited ("Fly540") pursuant to the Memorandum of Understanding entered into by Sol Aviation and Royal Khmer and a licence agreement entered into between Sol Aviation and Fly540. To the date of this report no claims have been lodged under this indemnity against the Group.

38. Contingent liabilities and assets (continued)

CONTINGENT LIABILITIES (CONTINUED)

On 16 August 2012, the Group, pursuant to its disposal of the scrap remains of the aircraft owned by LonZim Air (BVI) Limited, indemnified the purchaser, against any claims or costs arising in connection with any claim made by 540 (Uganda) Limited against Lonzim Air (BVI) Limited to a maximum value of US$50 thousand.

On 21 October 2014, the Group, pursuant to its disposal of Lonzim Hotels Limited, provided warranties relating to matters fairly disclosed to the Purchaser in terms of the relevant sale and purchase agreement and the related disclosure letter and/or due diligence data room. General warranties remain in force and effect until 31 August 2015 and Title warranties remain in force and effect until 21 October 2016. The liability of the Group in respect of the aggregate of all Title warranties shall not exceed $2 000 thousand; and in respect of the aggregate of all General warranties, shall not exceed $350 thousand. The Group will have no liabiilty in respect of General warranty claims in aggregate less than $100 thousand and General warranty claims shall not be less than US$25 thousand for a single claim. To the date of the report, no formal warranty claim has been lodged by the Purchaser.

39. Related parties

IDENTITY OF RELATED PARTIES

The Group has a related party relationship with its subsidiaries (see note 18), and with its Directors and executive officers.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. All related party transactions are conducted on terms equivalent to arms length transactions.

GROUP AND COMPANY

TRANSACTIONS WITH ENTITIES WITH SIGNIFICANT INFLUENCE OVER THE ENTITY

At the date of listing on AIM, 11 December 2007, the Company issued shares to the value of US$14,854 thousand (£7,290 thousand) to Lonrho Plc in exchange for Lonrho Plc entering into a non-compete agreement. The agreement covered a period of five and a half years and had been initially recognised as an intangible asset with a valuation of US$14,854 thousand (£7,290 thousand). The book value of this intangible asset which was being amortised over the period of the agreement, was fully written off in 2012.

On 12 September 2012, the company was advised that Lonrho Plc had disposed of its 22% shareholding in the Company to an interest of less than 3%, the minimum notification threshold.

On 18 July 2013, the Company entered into a Settlement Agreement with Lonrho Plc, whereby Cambria Africa Plc received US$2,665 thousand, in settlement of various claims and receivables balances, claims related to the Management Services and Continuing Relationship Agreement between the Company and Lonrho Plc, claims relating to the Hotel Refurbishment and Management Agreement between LonZim Hotels Limited and Lonrho Hotels Management Services (BVI) Limited (“LHMS”) (“Hotel Management Agreement”), the early termination of the Hotel Management Agreement, and other claims between the Company and its subsidiaries and Lonrho Plc Group companies. The Group loss on the settlement agreement, before amounts provided for in the prior period was US$348 thousand. This amount was recognised in previous reporting periods.

39. Related parties (continued)

During the period Itai Mazaiwana, a director of the Company, provided additional consultancy services to the Company amounting to US$25 thousand (2013: US$13 thousand). At 31 August 2014, the amount payable to Itai Mazaiwana was US$1 thousand (2013: US$nil).

At 31 August 2014, the following amounts were payable to Directors in respect of Directors fees : Edzo Wisman US$45.6 thousand (2013: US$13 thousand), Ian Perkins US$13.5 thousand (2013: US$nil), Fred Jones $3.3 thousand (2013: US$ nil) and Paul Turner $8.3 thousand (2013: US$ nil).

Consilium through the Consilium Corporate Recovery Master Fund Ltd and the Consilium Emerging Markets Absolute Return Master Fund Ltd (jointly "Consilium"), is a substantial shareholders of Cambria. Consilium has provided loan funding to the Group (see note 26). Interest and Fees paid during the period amounted to US$758 thousand (2013: US$755 thousand).

TRANSACTIONS WITH SUBSIDIARY ENTITIES WITHIN THE GROUP

Leopard Rock Hotel Company (Private) Limited ("LRH")

LRH, a former 100% subsidiary of the Group, provided hospitality services to the Group amounting to US$4thousand (2013: US$4 thousand). All charges were at market value, arms length rates.

Diospyros Investments (Private) Limited – T/A CES Zimbabwe ("CES")

CES was until 31 August 2013, a 100% subsidiary of the Group. CES provided IT hardware and IT maintenance services to Group companies amounting to US$25 thousand in the year ended 31 August 2013.

39. Related parties (continued)

TRANSACTIONS WITH SUBSIDIARY ENTITIES WITHIN THE GROUP (CONTINUED)

Paynet Zimbabwe (Private) Limited ("Paynet Zimbabwe")

Paynet Zimbabwe, a 100% subsidiary of the Group provides services including payroll processing, software licensing, training and utility and property sublets to fellow subsidiaries which amounted to US$15 thousand (2013: US$21 thousand). All charges were at market value, arms length rates.

Paynet Zimbabwe holds a licence to use, sell and develop software owned by Paynet Limited and uses the Paywell software through a licence with fellow subsidiary African Solutions Limited. Total licence fees paid in the period were US$824 thousand (2013: US$772 thousand).

MSA Sourcing BV

MSA Sourcing BV acts as the sourcing agent for the MillCehm Group in respect of certain chemical supplies. Chemicals to the value of $922 thousand were so supplied to Millchem subsidaires.

39. Related parties (continued)

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL (CONTINUED)

Key management personnel are the holding Company Directors and executive officers. Edzo Wisman a former Executive Director, participates in the share option scheme. Other Directors and key personnel are eligible to participate in the share option scheme (see note 25).
Total remuneration is included in "personnel expenses" (see note 8).

	TOTAL 2014 US$000	TOTAL 2013 US$000
E Wisman	495	317
T Sanders	89	237
I Perkins	133	120
P Turner	50	50
I Mazaiwana	63	38
F Jones	20	15
P Heber	-	6
Total	**850**	**783**

Included in the above are salaries and benefits paid to Mressrs. Wisman and Perkins the Company's previous CEO and - Chairman, of US$ 0.495 million and US$0.133 million, respectively. These amounts included, inter alia, a staff loan of US$0.1 million to Mr. Wisman which, in terms of his amended staff loan agreement has been waived following the investment by VAL and the change of control in Cambria subsequent to the reporting date (April 2015). Also, following the change of control, Messrs Wisman and Perkins received change in control payments combined amounting to US$185 500, which will be included in the financial results for the following year.

On 19 August 2014, Messrs. Wisman and Perkins advanced a US$ equivalent amount of US$249 thousand under a short term loan facility to the Company. The loan bears a flat cost of GBP of 1.3 thousand (US$ 2.2 thousand) and is repayable on 30 September 2014. Interest of 5% per month applies in the event of default. The loan is unsecured.

40. Events after the reporting date

Disposal of Lonzim Hotels Limited

On 21 October 2014 the Company entered into agreement to dispose if its shares and claims in Lonzim Hotels Limited to Ventures Africa Investments Limited ("VAL") for a total consideration of US$2,500 thousand settled in cash. Lonzim Hotels Limited holds the Leopard Rock Hotel and related subsidiaries.

Cancellation of Chemicals & Marketing Company Limited ("C&M") acquisition

It was announced on 26 August 2013 that the Company had concluded the acquisition of the entire issued share capital of Malawi chemical distributor Chemicals & Marketing Company Limited ("C&M") and that the related 5.5 million consideration shares ("consideration shares") have been admitted to listing on AIM.

Subsequent to that announcement, and following a more in-depth understanding of the financial affairs of C&M, the Company and the C&M vendors entered into a Disengagement Agreement (dated 29 June 2015) in terms of which the parties agreed that the C&M acquisition will be reversed and the parties be restored to their initial positions.

The consideration shares, net of shares sold to satisfy obligations to C&M, will be held as treasury shares.

The Company's subsidiary MillChem Holdings Limited ("MHL"), has provided guarantees to creditors of C&M to the value of $592 thousand. C&M has undertaken to release MHL from these guarantees and indemnified MHL against any related loss

VAL subscription

On 15 February 2015, the Company entered into a share subscription agreement in terms of which VAL agreed to subscribe and the Company agreed to issue, 107,000,000 ordinary shares of GBP0.0001 each at price of 0.85p per share.

Jet claims - settlement with Lonrho

On 3 September 2015 the Company concluded a settlement agreement with Lonrho with respect to the Jetclaims and counterclaims ("the claims") between the parties, in terms of which the Company will receive US$4.752 million in full and final settlement of the claims. After outstanding litigation and other associated costs, the net proceeds is estimated to be US$3.5 million and will be applied to Cambria, and its subsidiaries' working capital requirements and debt commitments.

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Shareholder Information

For the year ended 31 August 2014

Analysis of ordinary shareholdings as at 3 July 2015

Note: the shareholding analysis has been performed on 3 July 2015, incorporating changes since the year end of 31 August 2014

	NUMBER OF HOLDERS	% OF TOTAL HOLDERS	NUMBER OF SHARES	% OF TOTAL SHARES
Category of shareholder				
Private shareholder	90	38.6%	18,718 323	8.8%
Banks, nominees and other corporate bodies	143	61.4%	192,936,839	91.2%
Total	**233**	**100.0%**	**211,655 162**	**100.0%**
Shareholding range				
1 – 5,000	80	34.3%	193 633	0.1%
5,001 – 50,000	58	24.9%	1 113 258	0.5%
50,001 – 500,000	54	23.2%	8 895 710	4.2%
500,001 – 5,000,000	35	15.0%	50 675 947	23.9%
5,000,001 – 50,000,000	5	2.1%	43 776 614	20.7%
50,000,001 – 150,000,000	1	0.4%	107 000 000	50.6%
Total	**233**	**100.0%**	**211 655 162**	**100.0%**

REGISTRARS

All administrative enquiries relating to shareholdings, such as queries concerning dividend payments, notification of change of address or the loss of a share certificate, should be addressed to the Company's registrars.

UNSOLICITED MAIL

As the Company's share register is, by law, open to public inspection, shareholders may receive unsolicited mail from organisations that use it as a mailing list. Shareholders wishing to limit the amount of such mail should write to the Mailing Preference Society, Freepost 29 Lon20771, London W1E 0ZT.

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