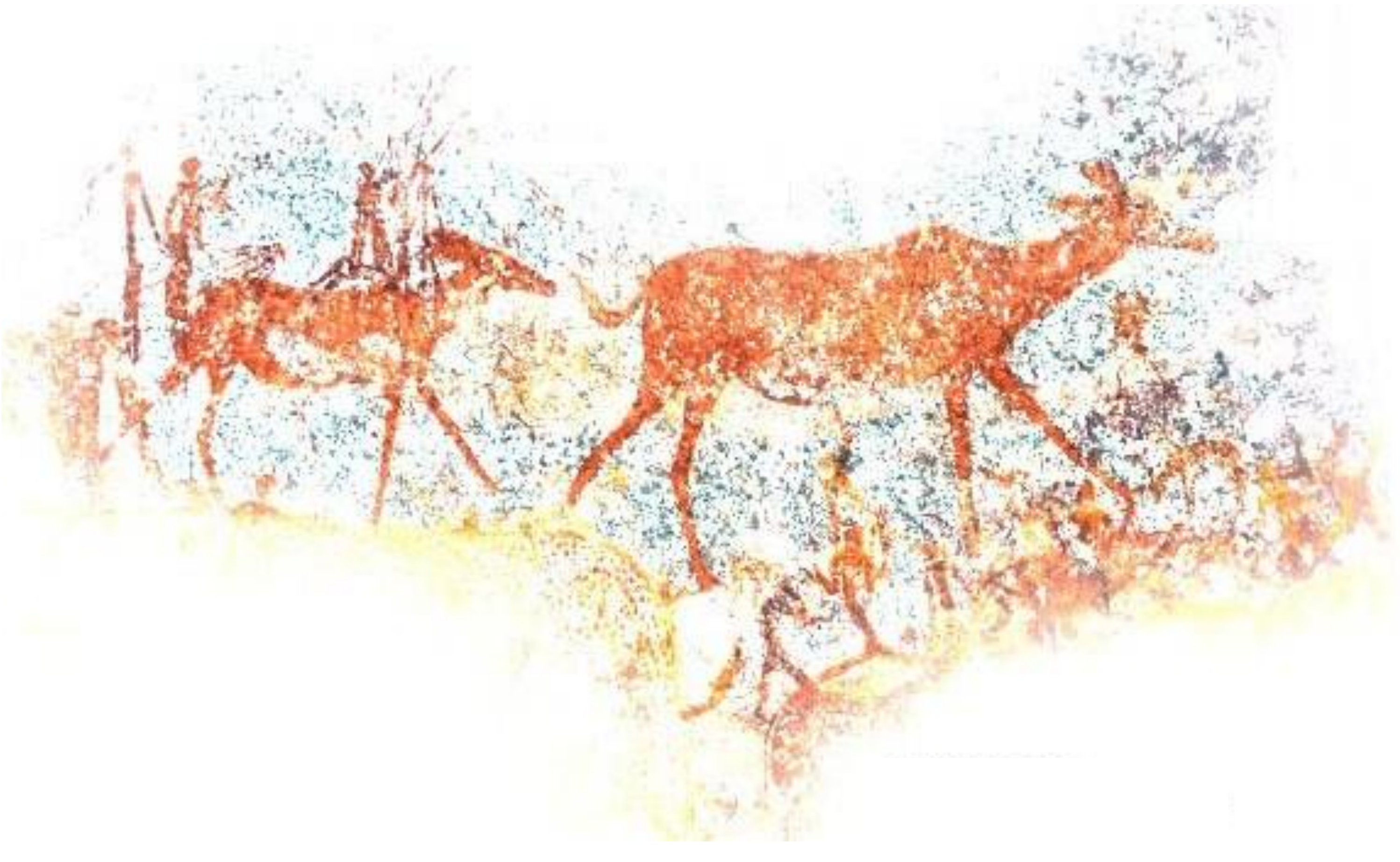
CAMBRIA AFRICA PLC
ANNUAL REPORT
2020



Committed to relentlessly increasing shareholder value.

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Cambria Africa Plc

Results for the year ended 31 August 2020

A Loss Attributable to Cambria Shareholders of $408,000 (0.07 US cents per share) was recorded for FY 2020. The Company's subsidiaries in Zimbabwe continued to operate above breakeven in both EBITDA and accounting profit despite the significant shrinkage in its revenue footprint by 74% from US $4.99 million in 2019 to US $1.32 million 2020. The Company's subsidiaries are expected to continue reporting at breakeven levels in FY 2021. The bulk of the Company's FY 2020 consolidated losses stem from Central Costs of USD $224,000 (4% above 2019 levels), the impact of foreign currency translation losses on monetary assets, and a drop in the value of marketable securities.

Net Equity (NAV) fell by 13% from US $7.39 million in FY 2019 to $6.4 million FY 2020 (1.18 US cents per share). The bulk of this loss was attributable to foreign currency translation losses of $511,000, and impairment to the carrying value of Radar Holdings Limited and Old Mutual Limited shares.

FY 2020 Results highlights:

12 Months (US$'000)	2020	2019	Change
Group:			
- Revenue	1,319	4,996	*(74%)*
- Operating Costs	845	2,155	*(61%)*
- Consolidated EBITDA (before exceptional items)	160	2,047	*(92%)*
- Consolidated (Loss)/Profit after tax	(470)	1,662	*(>100%)*
- (Loss)/Profit after tax attributable to shareholders (excluding minorities)	(408)	1,405	*(>100%)*
- Central costs	224	216	*4%*
- (Loss)/Earnings per share - cents	**(0.07)**	**0.26**	***(>100%)***
- Net Asset Value (NAV)	**6,423**	**7,390**	***(13%)***
- NAV per share - cents	**1.18**	**1.36**	***(13%)***
Weighted average shares in issue ('000)	544,576	544,576	-
Shares in issue at year-end ('000)	544,576	544,576	-
Divisional:			
- Payserv – consolidated profit after tax ("PAT")	34	1,702	*(98%)*
- Payserv – consolidated EBITDA	222	2,030	*(89%)*
- Millchem - EBITDA	140	190	*(29%)*

Group Highlights:

- Net Equity (NAV) decreased by 13% from US $7.39 million (1.36 US cents per share) to US $6.4 million (1.18 US cents per share).
- Group Finance costs rose by 17.6% to $60,000 in FY 2020 from $51,000 in FY 2019 after falling 80% from $252,000 in FY 2018. Finance costs are expected to decrease significantly in FY 2021 following the reduction of loans outstanding by over $400,000 after the end of the reporting period.
- Revenues declined by 74% to $1.32 million while operating costs declined by 61% to $845,000. As a result of careful cost management, the Company has managed to avoid significant losses from the shrinkage of its revenue as a consequence of COVID and its inability to regain traction for its bulk payment and clearing software for banks.
- Cambria's Attributable PAT (Profit After Tax) turned negative at $408,000 (0.07 cents per share) as operations edged towards breakeven and Central Costs associated with its listing and interest expense rose marginally by 4% from $216,000 to $224,000. The balance of the loss was associated with hyperinflationary adjustments, and foreign

currency translation, the loss of value in marketable securities (Old Mutual Limited) and a fair value adjustment to our investment in Radar Holdings Limited.

- Consolidated EBITDA before fair value adjustments to investments and marketable securities remained in positive territory at $160,000 but declined by 92% from $2.05 million in FY 2019.
- Cambria's central costs increased by $8,000 to $224,000 in FY 2020. Cambria's CEO and Directors rendered services to Cambria without compensation during FY 2020.
- The Statement of Comprehensive Income includes a foreign currency translation adjustment (loss) of $511,000 attributable to Cambria.

Divisional Highlights:

- Payserv Africa's subsidiary, Paynet Zimbabwe, attempted to recover from its dispute with Zimbabwe banks by providing services to EcoCash. Paynet withdrew its services to EcoCash when it became apparent that transaction charges had diminished to an uneconomic level. Subsequent and unrelated to Paynet's withdrawal, EcoCash and other mobile payment operators were barred by the authorities from participation in bulk payments.
- Tradanet (Pvt) Ltd, Paynet Zimbabwe's 51% held subsidiary, continued to provide loan management services to CABS, the country's largest building society. Due to the devaluation of the country's currency from ZWL10.71/USD on 31 August 2019 to ZWL 83.4/USD on 31 August 2020, the salary-based loans and the income from loans, revenues and profits while above breakeven, fell to negligible values in US dollar terms.
- Autopay, Paynet Zimbabwe's payroll processing division, while mending fences with one of its primary suppliers Paywell South Africa, and maintaining profitability, saw a significant shrinkage in its revenue base during the COVID pandemic and lost customers to former employees who had been granted Paywell licensing rights. Subsequent to the end of the Fiscal Year, Autopay has hired a new management team with extensive payroll experience and established an independent contract relationship with payroll managers on a pure profit share basis.
- Millchem exited the industrial chemical sector and focused on the sanitizer sector. While its anticipated penetration in this market through a joint venture with Merken was not as lucrative as hoped, the new focus remains marginally profitable.

Net Equity (Net Asset Value):

Given the lag between the publication of these results as a result of the impact of COVID and the continued and significant shrinkage of the Company's subsidiary operations, the balance of this section will focus on discussing prospects for its subsidiaries in FY 2021 and changes in the Company's NAV since FY 2019 and the expected impact on NAV into FY 2021.

Components of Loss to NAV in 2020

The Group reported a drop of $967,000 in NAV to $6.4 million (1.18 US cents per share) in August 20, compared to $7.39 million (1.36 UD cents per share) at 31 August 2019.

This decrease has been caused by the following material factors:

- Fair value adjustment to the indirect investment in Radar from 40 US cents to 35 US cents per share resulting in a $229,000 reduction to NAV net of minority interests.
- Reduction in the carry value of Old Mutual Limited shares by $50,000 which were suspended on the Zimbabwe Stock Exchange (ZSE).
- Foreign Currency Translation loss of $511,000 from the deterioration of the official bank rate from ZWL 10.71/USD on 31 August 2019 to 83.4/USD on 31 August 2020. The components are as follows:
    - $200,000 translation loss by applying IAS 29 (Financial Accounting in Hyperinflationary Economies) – This adjustment effectively reduced subsidiary profits of US $133,000 to a loss of US $67,000 when the monetary assets generated were translated at ZWL 83.4/USD.
    - $255,000 translation loss against ZWL denominated monetary assets carried forward from the FY 2019 Statement of Financial Position.

  - $56,000 translation loss against funds deposited with the Reserve Bank of Zimbabwe (RBZ) and denominated in ZWL at parity to the US dollar against a time-indeterminate receivable of US $1.39 million from the RBZ.
- A reduction of $74,000 caused by application of IFRS 10, paragraph 23 on the additional interest acquired in Radar.
- Central costs of US $224,000 including interest charges of US$ 47,000 and listing related expenses of US$103,000. The CEO and Directors continue to serve the company without compensation and to reduce interest costs, the majority of loans outstanding to VAL have been repaid (US$ 400,000) subsequent to the end of the Fiscal Year.

Components of NAV at 31 August 2020

The Group NAV of $6.4 million as at the end of FY 2020 consists of the following tangible and intangible assets:
Building and properties valued at $2.5 million. Management believes this is a realizable value in US dollars for the Paynet office headquarters building and the prominently positioned plot adjacent to it. Management believes this valuation remains valid and realizable as at the date of this publication

Indirect shareholding of 9.74% of Radar Holdings Limited (4.98 million shares) valued at US $1.743 million (net of minority interests) or 35 US cents per share. Radar announced a NAV per share as at the end 30 June 2020 of ZWL 3,821. As at 30 June, 67 US cents at the official rate of 57.3582 ZWL/USD and 38.21 US cents per share at the parallel rate of 100 prevailing on that date according marketwatch.co.zw archives. Based on explanation of the adverse audit opinion issued by PWC in respect of the Radar June 2020 Financial Statements, we believe the most accurate valuation of Radar's NAV in USD is to divide by the official rate of ZWL/USD since the official rate was used to obtain the ZWL rates in the Radar Statement of Financial Position. Either way, the per share valuation of 35 US cents on Cambria's Statement of Financial Position is conservative. An excerpt from PWC adverse opinion on the Radar's June 2020 Financial Statement follows (**emphasis added**):

> 'Valuations rely on historical market evidence for calculation inputs. ...market evidence for inputs on buildings including transaction prices for comparable properties, rentals, and costs of construction were available in US$ at 30 June 2019 when the independent valuer performed the valuation. The directors performed the valuation as at 30 June 2020 and used the same USD inputs. In order to determine the ZWL$ values of the property and equipment and investment property as at 30 June 2020, ***US$ inputs were used and then translated into ZWL$ using the closing interbank exchange rate***. The application of a conversion rate to US$ valuation inputs to calculate ZWL$ property value is not an accurate reflection of market dynamics as the risks associated with currency trading do not reflect the risks associated with property trading. In addition, as at 30 June 2020 the US$ inputs for valuation ***were translated using the interbank rate which is not considered an appropriate spot rate for translation*** as required by IAS 21. ***It was not practicable to quantify the financial effects*** of this matter on the financial statements.'

While the above is cryptic, management's conclusion is that the valuation started in US dollars and was converted at an inflated value for ZWL – hence should be converted back by the same inflated value (57.3582 ZWL/USD) yielding a maximum possible value of Cambria's indirectly held Radar Shares of US $3.34 million. This optimistic valuation should be tempered by the fact that Cambria remains a minority shareholder in Hinshaw. Management believes that this valuation continues to be realizable as at the publication of this annual report.

USD Cash and Cash Equivalents – cash net of liabilities outside Zimbabwe totalled $1.4 million at the end of FY 2020 and this number is $1.3 million as at the 31 May 2021. A further US $50,000 was held in cash and US dollar denominated accounts in Zimbabwe. The reduction of debt to VAL by $400,000 after the end of the financial year will significantly reduce interest costs and protect the remaining cash balances outside Zimbabwe. The liquidation of various assets which commenced at the beginning of FY 2021 should net the company a minimum of US $130,000. In valuing the Company's realizable NAV, we are placing a zero value on the remaining net monetary assets in Zimbabwe whose value will be to finance the majority of the subsidiary working capital.

Old Mutual Limited shares – the Company holds 204,047 Old Mutual Limited common shares suspended on the Zimbabwe Stock Exchange (ZSE) and valued on its FY 2020 Statement of Financial Position at US $200,000 based on the closing price of Old Mutual Limited on the ZSE at suspension. Should the Company be able to repatriate these shares to Johannesburg Stock Exchange where it purchased them or UK where these shares continue to trade, their value as at 28 May 2021 based on 73.34 p (LSE) per share is the equivalent of US $211,500. The Company has expressed its displeasure with the lack of proactive shareholder support on the part of Old Mutual Limited (OMU) to reverse the probably illegal suspension of Old Mutual shares on the ZSE which has been tantamount to the confiscation of Cambria's funds. The Company has also approached the Zimbabwe Ministry of Finance and the Reserve Bank of Zimbabwe to request that it be allowed to repatriate the shares it brought into the country to guarantee its intentions to increase its direct and indirect shareholding of Radar Holdings.

Blocked/Legacy funds of US $1.39 million. This asset sits on the books at approximately $16,000 due to the official devaluation of the ZWL from parity to 10.71/USD to the current level of 85/USD. Management successfully negotiated with the Reserve Bank of Zimbabwe the payment at parity of $1.25 million and carried the same on its books at the end of FY 2019 because Cambria had a time determinate commitment from the Reserve Bank Governor, Dr. John Mangudya, which was honoured in full during FY 2020. Hence there is reason to believe that the appropriate and conservative approach of converting these blocked funds at the prevailing exchange rate may be a significant underestimate of their realizable value. The Company intends to negotiate with the RBZ to achieve a win-win outcome.

Goodwill of US $717,000. The Company has a goodwill value of $717,000 on its Statement of Financial Position at the current time. The Company believes this is a fair assessment of its intangible assets. Despite the shrinkage of Paynet's operations, it continues to maintain turnaround opportunities in Tradanet and Autopay when salary levels and market penetration recovers. Further, it has been apparent that Paynet's technology which was deployed by the majority of the country's banks to process bulk salary and merchant payments as well as to clear large transactions between banks on a gross settlement basis, is yet to be substituted by a robust inter-platform technology. This FinTech which processed close to 25 million transactions annually and produced revenues of over $7 million per annum remains the most cost-effective solution for the banking industry. The Board of Paynet has approved licensing an unlabelled version of the product if favourable transaction terms can be established with a reputable licensor.

The above analysis results in an estimated $6,756,000 (1.24 US cents per share) in NAV and $6,039,000 (1.11 US cents per share) in tangible NAV (excluding Goodwill). This estimate can be adversely or positively impacted by the following factors:

- Central costs including interest expenses. These costs will fall in FY 2021 by at least $50,000 from current levels of $224,000 in FY 2020.
- Commercial Property Values in Zimbabwe. Currently property values in US dollars have been buoyant and this may well not be reflected in the Company's property valuations. Much will depend on government's economic and political policies post-COVID lockdowns.
- Recovery of Legacy/Blocked Funds at or near parity – this could add 10 US cents per share to NAV.
- The value of Radar shares. The Company believes that 35 US cents is a fair realizable value for Radar shares but as this is highly corelated to residential property values and activity – much of which is fuelled by diaspora funds – post COVID these values can increase dramatically.
- Monetizing of Payserv Africa's intellectual property through licensing or equity transfer.

Based on the above analysis the Company believes its tangible, intangible and realizable NAV are not subject to significant negative shocks and probably the beneficiary of some positive outcomes.

Cambria Africa Plc

Chief Executive's Report

I would like to use this opportunity to reflect on the history of VAL's investment in Cambria, the outlook for Zimbabwe's economy where a significant part of Cambria's assets are held, and finally what I believe that Cambria's shareholders can look forward to.

With the benefit of hindsight it is still hard to know if the loss of business and shareholder value that Cambria has suffered since the introduction of a local currency in February 2019 could have been avoided. I have personally and beneficially invested US $5.5 million in Cambria Africa since VAL's subscription in 2015 and I know many shareholders have increased their shareholdings during my tenure in tandem. Today the market capitalization of the Company barely hovers around US $2.5 million despite a NAV that is more than double that figure.

Cambria remains with some hard assets and cash, as well as what I believe continues to be valuable intellectual property. While I continue to believe we have a cause for legal action for the events which eliminated us from direct participation in Zimbabwe's payments market, the cost benefit given our financial resources must be questioned without litigation finance.

The original intention of VAL subscribing to Cambria's shares was to leverage an expected resurgence in Zimbabwe's economy, buoyed by the prospects of economic and political reform in 2017. Personally, I remain the beneficial owner of a number of properties, one of which is Leopard Rock Hotel – all these properties are in Zimbabwe. My cash resources have fallen to six figures. The point is not despair. The point is that having never taken compensation from Cambria, my interests have always been and continue to be aligned with all Cambria shareholders.

With COVID impacting employees and businesses across the world, Zimbabwe was no exception. On the other hand nothing that convinced me of the potential that Zimbabwe holds for an explosive economic recovery has changed. The country's natural and human resources are beyond description. If the correct economic prescription is applied, its potential will certainly be realized. On a personal note, I have always felt this would only start to happen once Zimbabwe is invited to and accepts to join the Southern African Common Customs Union (as opposed to free trade pacts). The investment benefits to Zimbabwe would far outweigh the costs of such an outcome which I hope would be an eventuality. Further, truly embracing market economics and preventing anti-competitive behaviour, such as those which put Paynet out of payments business despite its clear advantages for the industry and the consumer, would go a long way in re-establishing long-term investor confidence as opposed to short term opportunism.

I have always remained optimistic that the correct economic solutions will prevail. Unfortunately, the gulf between the market value of Zimbabwe's recently adopted currency, the ZWL and the "auction rate" has perpetuated. The auction rate has unrealistically been managed at a less than 2% variance since the end of Cambria's FY 2020 while the market rate has risen by 25% (an achievement in itself). An auction is meant to allocate resources through a market mechanism and by definition should have minimal regulation or interference with the process. Clearly, the "auction rate" is an allocation at a fixed band based on established priorities as opposed to a market clearing mechanism which would bring the needed efficiencies to trade and finance. Recent legislation limiting the ability of merchants to price goods in US dollars at a rate other than the "auction rate" only emphasizes this incongruity and will exacerbate it.

In my last report, I stated, "As long as Zimbabwe is unable to allow market forces to determine optimal economic allocation, foreign direct investment will elude most sectors of the economy which are not export oriented." This statement remains as valid now as it was then. The special interests which skew this allocation are not justification enough for holding off the prosperity of this otherwise thriving and productive nation.

Despite the failure to leverage market forces to strengthen its economy, Zimbabwe has achieved an admirable record for combatting COVID as the virus devastated its neighbour, South Africa. It has been a leader on the continent in making vaccinations available to its citizens and residents. The country remains in many ways a star of Africa, with agriculture and mining resurging. But for the twist of fate that COVID brought, tourism would also have become an ever stronger pillar of the nation's economy. Agriculture and Mining have contributed significantly to aggregate demand and created new opportunities in the market.

In this context, while it may be too late to impact the earning potential of its subsidiaries, Cambria may well succeed in realizing better values for its assets, while finding opportunities to increase shareholder value and liquidity. This would be a consequence of possible mergers, licensing, joint ventures, and investments which are still within the realm of possibilities. Since the end of FY 2019 the focus has been to stop the downsizing from causing a haemorrhage of expenses. We have successfully – very successfully achieved that objective considering the magnitude of the drop in our revenues. We remain with substantial cash and near cash assets and depending on the opportunities which present themselves, we can invest these assets and more.

I am mindful that realizing our NAV and distributing it might be an option, but I'm personally loathe to removing the potential liquidity and access to investment that a public listing holds. As the Chief Executive of the Company and its largest beneficial shareholder, I fully intend to exhaust all avenues to create value for all shareholders while remaining listed. I intend to work closely with our board which has seen Cambria beat back years of losses and emerge into profitability. To this day Cambria remains EBITDA profitable – a feat it simply never achieved before VAL's involvement. The Company intends to jealously guard and monetize its remaining asset base while exhaustively searching for possible investments which dislocations and disruptions create.

So while we have significantly downsized because we have had to, and we have emphasized the Company's NAV in this report, we have neither withdrawn from, nor do we intend to withdraw from actively pursuing investments and value maximizing strategies. As fellow shareholders, we remain with real and realizable value and many windows of opportunity which can arise from our cash holdings.

SAMIR SHASHA
CEO
16 JUNE 2021

Directors

Paul Turner, 74

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. His past roles bring an unparalleled level of experience in the structure and operation of businesses in Zimbabwe in general, and also valuable insights and experience in corporate governance, financial and statutory reporting. Initially appointed to the Cambria board on 1 July 2008, he was appointed as Chairman on 8 July 2015.

Samir Shasha, 61

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 bachelor's degree from Vassar College with Honours in Economics in 1981. Mr. Shasha brings a wealth of experience to the Board. His skills encompass operational and strategic management experience at executive level with a successful track-record in optimal capital allocation in Zimbabwe and Southern Africa, with experience of operating in the dynamic environment presented by the Zimbabwe economy. Following Ventures Africa Limited's investment in the Company in April 2015, Mr. Shasha was appointed to the Cambria board on 5 June 2015 and as CEO on 3 August 2015.

Josephine Petra Watenphul, 40

NON-EXECUTIVE DIRECTOR

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, Josephine 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, Josephine assisted in various corporate actions and restructurings. Josephine's experience allows her to provide the Board with guidance and input on financial reporting, strategy, corporate governance and corporate transactions in a listed company environment. She was appointed to the Cambria board on 17 June 2015.

Dipak Champaklal Pandya, 62

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 brings extensive financial management and strategic skills to the Board, with an intimate knowledge of the Zimbabwe market and experience in operating business in Southern Africa. He was appointed to the Cambria board on 26 June 2015.

Changes to the Board

No change to the board of directors has occurred during the financial period under review and up to the date of this report.

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

Company law requires the Directors to maintain financial records that are sufficient to show and explain the Group's transactions and will, at any time, enable the financial position of the Group to be determined with reasonable accuracy. 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 Group and 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 2020

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 2020.

Principal activities

During the year, the Group was an investment company with a portfolio of investments in Zimbabwe.

Investing policy

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.

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 tax, discontinued operations and minorities of $408,000 (FY2019: profit $1,405,000) during the year and this has been set against reserves.

Share capital

There were no changes to the Company's share capital and share premium during the financial year. Full details on share capital and share premium are contained in note 20 to the financial statements.

Share price performance

Between 1 September 2019 and 31 August 2020, the share price varied between a closing high of 0.45p and a low of 0.215p (2019: high of 1.63p and low of 0.45p). At 31 August 2020 the market price of the shares at close of business was 0.28p (2019:0.45p) whilst on 9 June 2021 the mid-price of the share was 0.295p.

Substantial shareholdings

The Directors have been advised of the following shareholdings at 9 June 2021 of holding 2.5 per cent or more of the Company's issued share capital:

	NUMBER OF SHARES	PERCENTAGE OFISSUED CAPITAL
Ventures Africa Ltd*	377,000,000	69.2%
Hargreaves Lansdown (Nominees) Ltd	22,683,210	4.2%
Luna Rock Nominees Ltd	16,695,200	3.1%
Luna Nominees Ltd	15,533,020	2.9%

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

Directors

Biographical details of all Directors as well as the dates of appointment and resignation (if applicable) are set out on page 7.

Directors' share interests

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

DIRECTORS	AT 31.08.20 NO. OF SHARES	AT 31.08.19 NO. OF SHARES
Samir Shasha*	377,000,000	377,000,000
Josephine Watenphul	2,500,000	2,500,000
Dipak Pandya	1,000,000	1,000,000
Paul Turner	1,000,000	1,000,000
Total	**381,500,000**	**381,500,000**

**Held indirectly through Ventures Africa Limited*

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.

Auditors

Baker Tilly Isle of Man LLC continues to be the appointed auditors.

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 they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

Post Statement of Financial Position events

Details of significant events since the reporting date are contained in note 33 to the financial statements.

Statement of Compliance with the QCA Corporate Governance Code

As a listed company traded on the AIM market of the London Stock Exchange ("LSE") we recognise the importance of sound Corporate Governance throughout our Group. It is the Board's responsibility to ensure that Cambria is managed for the long-term benefit of all stakeholders, with effective and efficient decision-making. Corporate Governance is an important part of this, reducing risk and adding value to our investments, shareholders and other stakeholders.

In my capacity as Chairman, I have ultimate responsibility for ensuring the Board adopts and implements a recognised Corporate Governance Code in compliance with the AIM Rules requiring all AIM-listed companies to adopt such a Code. The Board has committed to the adoption of, and working to, the Quoted Companies Alliance (QCA) Corporate Governance Code 2018.

The Chief Executive Officer (CEO) has responsibility for the implementation of governance throughout our organisation, commensurate with our size of business and scope of operations.

The QCA Corporate Governance Code 2018 has ten key principles and we set out below how we apply those principles to our business.

Principle 1: Establish a strategy and business model which promotes long-term value for shareholders

Cambria is a long-term active investment company holding investments in Zimbabwe. We currently own two core subsidiaries, Payserv and Millchem. The Company is one of a few AIM listed companies which allows investors to participate in Zimbabwe's unique potential.

Our Board is committed to the creation of long-term shareholder value through our investments and being actively involved in developing investee strategy, optimising their operations and growing their businesses. We adopt a prudent and conservative investment philosophy, balancing expecting returns in the context of identifiable risks.

Our focus on Zimbabwe stems from our belief that Zimbabwe will provide a growing market for our current investments and opportunities which the management team is uniquely positioned to identify and act on.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Board is committed to maintaining good communications and having constructive dialogue with both its institutional and private shareholders. Shareholders are kept informed though our public announcements and corporate website. The Company website also allows shareholders and prospective shareholders to register for automatic news alerts for regulatory announcements.

In addition to the above, the Board encourages direct engagement from our shareholders with our most senior Executives including our CEO, with his direct contact details provided on our website and all company announcements. This is in line with our strategy of shortening the communication distance between Executives and Shareholders.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board recognises that the Company's continued growth and long-term success are reliant on its relations with its stakeholders, both internal (employees and shareholders) and external (customers, service providers, suppliers and advisors).

The Group's employees are considered key in delivering successful growth and as such the Company fosters an open dialogue throughout its workforce. The Company endeavours to keep its workforce informed on the Company's progress. The Company also maintains regular dialogue with its external stakeholders particularly its clients and customers which help drive business development. The Company works closely with its advisors to ensure it operates in conformity of its listing and other regulations in the UK, as well as the social and legal, requirements of Zimbabwe. Our clients and customers are our most important stakeholders and understanding their needs is a crucial element to the growth and long-term success of the Company.

Engaging with our stakeholders strengthens our relationships and helps us make better business decisions to deliver on our commitments.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

AUDIT, RISK AND INTERNAL CONTROLS

FINANCIAL CONTROLS

The Company has an established framework of internal financial controls, the effectiveness of which is regularly reviewed by the Board in light of an ongoing assessment of significant risks facing the Company.

- The Board is responsible for reviewing and approving overall Company strategy, approving operating and capital budgets, and for determining the financial structure of the Company including treasury, tax and dividend policy.
- There are comprehensive procedures for budgeting and planning, for monitoring and reporting to the Board business performance against those budgets, and for forecasting expected performance over the remainder of the financial period. These cover profits, cash flows, capital expenditure and Statement of Financial Position. Monthly results are reported against budget and compared with the prior year, and forecasts for the current financial year are regularly revised in light of actual performance.
- The Company has a consistent system of prior appraisal for investments, overseen by the Board and CEO, with defined financial controls and procedures with which each business area is required to comply.

NON-FINANCIAL CONTROLS

The Board recognises that maintaining sound controls and discipline is critical to managing the downside risks to our strategy. The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group. The principal elements of the Group's internal control system include:

- Close management of the day-to-day activities of the Group by Executive Management.
- An organisational structure with defined levels of responsibility, which promotes entrepreneurial decision-making and rapid implementation while minimising risks. A comprehensive annual budgeting process approved by the Board.
- Detailed monthly reporting of performance against budget.
- Central control over key areas such as capital expenditure authorisation and banking facilities.

The Group continuously reviews its system of internal control to ensure compliance with best practice, while also having regard to its size and the resources available. As part of the Group's review a number of non-financial controls covering areas such as regulatory compliance, business integrity, health and safety, risk management, business continuity and corporate social responsibility (including ethical trading, supplier standards, environmental concerns and employment diversity) have been assessed.

Principle 5: Maintaining the Board as a well-functioning, balanced team led by the Chair

The Board comprises the CEO and three Non-Executive Directors, including the Non-Executive Chairman. The Board will meet periodically or at any other deemed time necessary for the good management of the business and at a location agreed between the Board members.

The Non-Executive Directors, Paul Turner, Dipak Pandya and Josephine Watenphul, are all considered independent directors not withstanding Paul Turner's length of service and role as Chairman.

The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Company on the other, to enable it to discharge its duties and responsibilities effectively. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational.

DIRECTORS' CONFLICT OF INTEREST

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

Principle 6: Ensure that between them the Directors have the necessary up to date experience, skills and capabilities

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience, including in the areas of fin-tech, information technology, distribution, finance, business development, trading, and marketing. All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The business reports monthly on its subsidiaries' performance against their agreed budgets, and the CEO reviews the monthly reports on performance and any significant variances are reviewed.

All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board considers evaluation of its performance and individual directors to be an integral part of Corporate Governance to ensure it has the necessary skills, experience and abilities to fulfil its responsibilities. The goal of the Board evaluation process is to identify and address opportunities for improving the performance of the board and to solicit honest, genuine and constructive feedback.

The Board considers the evaluation process is best carried out internally given the Company's current size.

The internal evaluation process includes the following aspects which are subject to review annually or as required by circumstances:

a) Board Evaluation

- Board composition in terms of skills, experience and balance
- Board cohesion
- Board operational effectiveness and decision making
- Board meetings conduct and content and quality of information
- The Board's engagement with shareholders and other stakeholders
- The corporate vision and business plan

b) Individual Director Evaluation

- Executive Director performance in executive role
- Executive Director performance and contribution to the Board
- Non-Executive Director performance and contribution to the Board
- Non-Executive Director's independence and time served
- All Directors' attendance at Board and Committee meetings

The Board will, as a whole or in part as appropriate, undertake the evaluation process aided by the Chairman, CEO and Non-Executive Directors. The Chairman is responsible in ensuring the evaluation process is 'fit for purpose', as well as dealing with matters raised during the process. The Chairman will keep under review the frequency, scope and mechanisms for the evaluation process and amend the process as required.

Where deficiencies are identified these will be addressed in a constructive manner. The evaluation process will be focused on the improvement of Board performance, through open and constructive dialogue and the development and implementation of action plans.

Succession planning is a vital task for boards and the management of succession planning represents a key measure of the effectiveness of the Board.

Principle 8: Promote a culture that is based on ethical values and behaviours

The Board recognises that a corporate culture based on sound ethical values and behaviours is an asset and a likely competitive advantage. The Board aims to lead by example and do what is in the best interests of the Company.

Conducting its business in an ethical, professional and responsible manner, treating our employees, clients, suppliers and business partners with equal courtesy and respect at all times, are non-negotiables adopted by the Board and visible in the actions and decisions of the CEO and the rest of the management team. It is a key element in every aspect of the Group's businesses, including recruitment, nominations, training and engagement. The Group's performance and reward system endorses the desired ethical behaviours across the Company.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board is responsible for the long-term success of the Company. The Board is intimately involved in all material decisions of the Company and its subsidiaries. It is responsible for overall Group and subsidiary strategy, approval of major investments; approval of the annual and interim results; annual budgets; dividend policy, and Board structure. It monitors the exposure to key business risks and reviews the strategic direction of all subsidiaries, their annual budgets and their performance in relation to those budgets. There is a clear division of responsibility at the head of the Company. The Chairman is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction. The CEO is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Company.

The CEO is responsible for formulation of the proposed strategic focus for submission to the Board, the day-to-day management of the Group's businesses and its overall trading, operational and financial performance in fulfillment of that strategy, as well as plans and budgets approved by the Board of Directors. He also manages and oversees key risks, management development and corporate responsibility programmes. The controls applied in respect of financial and non-financial matters are set out earlier in this document, and the effectiveness of these controls is regularly reported to the Board.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board is committed to maintaining good communication and having constructive dialogue with all of its stakeholders, including shareholders, providing them with access to information to enable them to come to informed decisions about the Company.

The Investor Relations section of the Company's website provides all required regulatory information as well as additional information shareholders may find helpful including: information on Board Members, Advisors and Significant Shareholdings, a historical list of the Company's Announcements, Corporate Governance information, the Company's publications including historic Annual Reports and Notices of General Meetings, together with Share Price information and interactive Charting facilities to assist shareholders analyse performance.

Results of shareholder meetings and details of votes cast will be publicly announced through the regulatory system and displayed on the Company's website with suitable explanations of any actions undertaken as a result of any significant votes against resolutions.

Given the size of the Company, separate Audit committee meetings have not been held and an Audit committee or similar report was not produced. Instead the related issues were dealt with by the Company's Board. Since, the Directors did not receive any Remuneration during the year, no Remuneration Committee meeting was held and no Directors' Remuneration report was applicable.

ON BEHALF OF THE BOARD.
PAUL TURNER
CHAIRMAN
16 JUNE 2021

Report of the Independent Auditors

For the year ended 31 August 2020

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

OPINION

We have audited the financial statements of Cambria Africa Plc (the 'Parent company') and its subsidiaries (the 'Group') for the year ended 31 August 2020 which comprise the Consolidated and Company Statements of Profit or Loss, the Consolidated and Company Statements of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Cash Flows and related notes to the financial statements, including a summary of significant accounting policies. 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.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Parent Company's affairs as at 31 August 2020, and of the loss for the year then ended; and
- have been properly prepared in accordance with IFRSs as adopted by the European Union.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention to the "Functional and Presentational Currency and the effect of Hyperinflation" section of Note 2 of the financial statements which describes the effects of the change in functional currency of a number of the Group entities and the subsequent hyperinflationary conditions which have prevailed during the financial year. Our opinion is not modified in relation to these matters.

We note the disclosure made by the Directors in relation to the Goodwill value that is recognised in the Consolidated Statement of Financial Position. We draw attention to Note 12 in relation to this issue. The model used by management in relation to the assessment for impairment is based upon the unaudited management accounts of Paynet Zimbabwe for the 8-month period following the financial year end (to 30 April 2021), to create a forward-looking valuation. If the Group does not achieve the levels of profitability predicted, then the need for an impairment of this figure may arise. Our opinion is not modified in relation to this matter.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chief Executive's Report and the Directors' Report.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group of the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with the terms of our engagement letter dated 21 January 2021. 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.

BAKER TILLY ISLE OF MAN LLC, CHARTERED ACCOUNTANTS,
P O BOX 95
2A LORD STREET DOUGLAS ISLE OF MAN IM99 1HP
16 JUNE 2021

Consolidated Statement of Profit or Loss

For the year ended 31 August 2020

	NOTE	GROUP 2020 TOTAL US$'000	GROUP 2019 TOTAL US$'000
Revenue	5	1,319	4,996
Cost of sales	6	(519)	(983)
Gross profit		**800**	**4,013**
Operating costs	6	(845)	(2,155)
Other income		55	66
Exceptionals		(375)	(72)
Operating (Loss)/Profit		**(365)**	**1,852**
Finance income	8	1	11
Finance costs	8	(60)	(51)
Net finance costs		**(59)**	**(40)**
(Loss)/Profit before tax		**(424)**	**1,812**
Income tax	9	(46)	(150)
(Loss) / Profit for the period from continuing operations		**(470)**	**1,662**
Discontinued operations			
Profit for the year from discontinued operations, net of tax	5	-	-
(Loss) / Profit for the year		**(470)**	**1,662**
Attributable to:			
Owners of the company		(408)	1,405
Non-controlling Interests		(62)	257
(Loss)/Profit for the year		**(470)**	**1,662**
(Loss)/Earnings per share - all operations			
Basic and diluted (loss)/earnings per share (cents)	10	**(0.07c)**	**026c**
(Loss)/Earnings per share - continuing operations			
Basic and diluted (loss)/earnings per share (cents)	10	**(0.07c)**	**0.26c**
(Loss)/Earnings per share - discontinued operations			
Basic and diluted earnings per share (cents)	10	-	-

The notes on pages 26 to 63 are an integral part of these consolidated financial statements.

Company Statement of Profit or Loss

For the year ended 31 August 2020

	COMPANY 2020 TOTAL US$'000	COMPANY 2019 TOTAL US$'000
Revenue	-	72
Cost of sales	-	-
Gross profit	**-**	**72**
Operating costs	(224)	(207)
Other income	22	35
Exceptionals	(188)	683
Operating (loss) /profit	**(390)**	**583**
Finance income	-	-
Finance costs	(47)	(43)
Net finance costs	**(47)**	**(43)**
(Loss)/Profit before tax	**(437)**	**540**
Income tax	-	-
(Loss) / Profit for the period from continuing operations	**(437)**	**540**
Discontinued operations		
Profit /(loss) for the year from discontinued operations, net of tax	-	-
(Loss) / Profit for the year	**(437)**	**540**
Attributable to:		
Owners of the company	(437)	540
Non-controlling Interests	-	-
(Loss)/Profit for the year	**(437)**	**540**
(Loss) / Earnings per share - all operations		
Basic and diluted (loss)/earnings per share (cents)	**(0.08c)**	**0.10c**
(Loss) / Earnings per share - continuing operations		
Basic and diluted (loss)/earnings per share (cents)	**(0.08c)**	**0.10c**
(Loss) / Earnings per share - discontinued operations		
Basic and diluted (loss)/earnings per share (cents)	-	-

The notes on pages 26 to 63 are an integral part of these consolidated financial statements.

Consolidated & Company Statements of Comprehensive Income

For the year ended 31 August 2020

Consolidated

	GROUP 2020 US$'000	GROUP 2019 US$'000
(Loss)/Profit for the year	**(470)**	**1,662**
Other comprehensive income		
Items that will not be reclassified to Statement of Profit or Loss:		
Increase in investment in subsidiary – impact on equity	(74)	(164)
Foreign currency translation differences for overseas operations	(511)	251
Total comprehensive (loss)/profit for the year	**(1,055)**	**1,749**
Attributable to:		
Owners of the company	(993)	1,492
Non-controlling interest	(62)	257
Total comprehensive (loss)/ profit for the year	**(1,055)**	**1,749**

Company

	COMPANY 2020 US$'000	COMPANY 2019 US$'000
(Loss)/Profit for the year	**(437)**	**540**
Other comprehensive income		
Items that will not be reclassified to Statement of Profit or Loss:		
Foreign currency translation differences for overseas operations	-	-
Total comprehensive (loss)/ profit for the year	**(437)**	**540**
Attributable to:		
Owners of the company	(437)	540
Non-controlling interest	-	-
Total comprehensive (loss)/profit for the year	**(437)**	**540**

The notes on pages 26 to 63 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 August 2020

	SHARE CAPITAL	SHARE PREMIUM	REVALUATION RESERVE	FOREIGN EXCHANGE RESERVE	ACCUMULATED LOSSES	NDR	TOTAL	NON-CONTROLLING INTERESTS	TOTAL
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 1 September 2019	**77**	**88,459**	**-**	**(10,251)**	**(73,266)**	**2,371**	**7,390**	**747**	**8,137**
(Loss) for the period	-	-	-	-	(408)	-	(408)	(62)	(470)
Increase in investment in subsidiary - impact on equity	-	-	-	-	(74)	-	(74)	(137)	(211)
Foreign currency translation differences for overseas operations	-	-	-	(511)	-	-	(511)	-	(511)
Foreign currency translation differences for overseas operations - NCI	-	-	-	26		-	26	(26)	-
Total comprehensive loss for the year	**-**	**-**	**-**	**(485)**	**(482)**	**-**	**(967)**	**(225)**	**(1,192)**
Contributions by/distributions to owners of the Company recognised directly in equity									
Dividends paid to minorities	-	-	-	-	-	-	-	(26)	(26)
Total contributions by and distributions to owners of the Company	**-**							**(26)**	**(26)**
Balance at 31 August 2020	**77**	**88,459**	**-**	**(10,736)**	**(73,748)**	**2,371**	**6,423**	**496**	**6,919**

	SHARE CAPITAL	SHARE PREMIUM	RE-VALUATION RESERVE	FOREIGN EXCHANGE RESERVE	ACCUMULATED LOSSES	NDR	TOTAL	NON-CONTROLLING INTERESTS	TOTAL
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 1 September 2018	**77**	**88,459**	**602**	**(10,645)**	**(75,109)**	**2,371**	**5,755**	**991**	**6,746**
Profit for the period	-	-	-	-	1,405	-	1,405	257	1,662
Increase in investment in subsidiaries - impact on equity	-	-	-	-	(164)	-	(164)	(235)	(399)
Transfers between reserves			(602)		602		-		
Foreign currency translation differences for overseas operations	-	-	-	251	-	-	251	-	251
Foreign currency translation differences for overseas operations - (NCI)	-	-	-	143	-	-	143	(143)	-
Total comprehensive loss for the year	**-**	**-**	**(602)**	**394**	**1,843**	**-**	**1,635**	**(121)**	**1,514**
Contributions by/distributions to owners of the Company recognised directly in equity									
Dividends paid to minorities	-	-	-	-	-	-	-	(123)	(123)
Total contributions by and distributions to owners of the Company	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(123)**	**(123)**
Balance at 31 August 2019	**77**	**88,459**	**-**	**(10,251)**	**(73,266)**	**2,371**	**7,390**	**747**	**8,137**

The notes on pages 26 to 63 are an integral part of these consolidated financial statements.

Company Statement of Changes in Equity

For the year ended 31 August 2020

	SHARE CAPITAL US$'000	SHARE PREMIUM US$'000	FOREIGN EXCHANGE RESERVE US$'000	ACCUMULATED LOSSES US$'000	TOTAL EQUITY US$'000
Balance at 1 September 2019	**77**	**88,459**	**(13,186)**	**(73,052)**	**2,298**
Foreign Currency revaluation on overseas operations	-	-	-	-	-
(Loss) for the year	-	-	-	(437)	(437)
Total comprehensive loss for the year	**-**	**-**	**-**	**(437)**	**(437)**
Balance at 31 August 2020	**77**	**88,459**	**(13,186)**	**(73,489)**	**1,861**

	SHARE CAPITAL US$'000	SHARE PREMIUM US$'000	FOREIGN EXCHANGE RESERVE US$'000	ACCUMULATED LOSSES US$'000	TOTAL EQUITY US$'000
Balance at 1 September 2018	**77**	**88,459**	**(13,186)**	**(73,592)**	**1,758**
Profit for the year	-	-	-	540	540
Total comprehensive profit for the year	**-**	**-**	**-**	**540**	**540**
Balance at 31 August 2019	**77**	**88,459**	**(13,186)**	**(73,052)**	**2,298**

The notes on pages 26 to 63 are an integral part of these consolidated financial statements.

Consolidated and Company Statement of Financial Position

As at 31 August 2020

	NOTES	GROUP 2020 US$'000	COMPANY 2020 US$'000	GROUP 2019 US$'000	COMPANY 2019 US$'000
Property, plant and equipment	11	2,604	-	2,757	-
Goodwill	12	717	-	717	-
Intangible assets	13	1	-	2	-
Investments in subsidiaries and investments at fair value	14	2,228	-	2,546	-
Financial assets at fair value through profit and loss	16	201	201	-	-
Total non-current assets		**5,751**	**201**	**6,022**	**-**
Inventories	15	102	-	286	-
Financial assets at fair value through profit and loss	16	16	-	496	478
Trade and other receivables	17	151	3,069	481	3,095
Cash and cash equivalents	18	1,896	233	1,920	447
Total current assets		**2,165**	**3,302**	**3,183**	**4,020**
Total assets		**7,916**	**3,503**	**9,205**	**4,020**
Equity					
Issued share capital	20	77	77	77	77
Share premium account	20	88,459	88,459	88,459	88,459
Revaluation reserve	19	-	-	-	-
Foreign exchange reserve	19	(10,736)	(13,186)	(10,251)	(13,186)
Non-distributable reserves	19	2,371	-	2,371	-
Accumulated losses		(73,748)	(73,489)	(73,266)	(73,052)
Equity attributable to owners of the company		**6,423**	**1,861**	**7,390**	**2,298**
Non-controlling interests		496	-	747	-
Total equity		**6,919**	**1,861**	**8,137**	**2,298**
Liabilities					
Loans and borrowings	22	-	-	49	-
Trade and other payables	22	22	-	18	-
Provisions	23	1	-	8	-
Deferred tax liabilities	24	193	-	204	
Total non-current liabilities		**216**	**-**	**279**	**-**
Current tax liabilities	26	38	-	24	-
Loans and borrowings	25	509	500	503	443
Trade and other payables	26	234	1,142	262	1,279
Total current liabilities		**781**	**1,642**	**789**	**1,722**
Total liabilities		**997**	**1,642**	**1,068**	**1,722**
Total equity and liabilities		**7,916**	**3,503**	**9,205**	**4,020**

These financial statements were approved by the Board of Directors and authorised for issue on 16 June 2021. They were signed on their behalf by:

MR. S SHASHA
EXECUTIVE DIRECTOR

The notes on pages 26 to 63 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

As at 31 August 2020

	NOTES	GROUP 2020 US$'000	GROUP 2019 US$'000
Cash generated from operations	27	**605**	**70**
Taxation (paid)		(43)	(621)
Cash generated from/(utilised in) operating activities		**562**	**(551)**
Cash flows from investing activities			
Proceeds on disposal of property, plant and equipment		37	53
Purchase of property, plant and equipment		-	(18)
Net proceeds from marketable securities		226	-
Other investing activities		(210)	(844)
Interest received		1	11
Net cash generated/(utilised in) investing activities		**54**	**(798)**
Cash flows from financing activities			
Dividends paid to non-controlling interests		(26)	(123)
Interest paid		(60)	(51)
Proceeds from issue of share capital		-	-
Loans repaid	22, 25	(88)	(277)
Proceeds from drawdown of loans	22, 25	45	210
Net cash (utilised) by financing activities		**(129)**	**(241)**
Net increase/(decrease) in cash and cash equivalents		**487**	**(1,590)**
Cash and cash equivalents at the beginning of the Period		1,920	3,259
Foreign exchange		(511)	251
Net cash and cash equivalents at 31 August	18	**1,896**	**1,920**
Cash and cash equivalents as above comprise the following			
Cash and cash equivalents attributable to continuing operations		1,896	1,920
Net cash and cash equivalents at 31 August	18	**1,896**	**1,920**

The notes on pages 26 to 63 are an integral part of these consolidated financial statements.

Company Statement of Cash Flows

For the year ended 31 August 2020

	NOTES	COMPANY 2020 US$'000	COMPANY 2019 US$'000
Cash (utilized in)/generated from operations	27	**(450)**	**145**
Taxation paid		-	-
Cash (utilized in)/generated from operating activities		**(450)**	**145**
Cash flows from investing activities			
Net proceeds from marketable securities		226	(443)
Net cash generated from/(utilised in) investing activities		**226**	**(443)**
Cash flows from financing activities			
Interest paid		(47)	-
Proceeds from new borrowings	22,25	57	-
Loans repaid	22, 25	-	(13)
Net cash generated from/(utilised in) by financing activities		**10**	**(13)**
Net (decrease) in cash and cash equivalents		**(214)**	**(311)**
Cash and cash equivalents at the beginning of the Period		447	758
Foreign exchange		-	-
Net cash and cash equivalents at 31 August	18	**233**	**447**
Cash and cash equivalents as above comprise the following			
Cash and cash equivalents attributable to continuing operations		233	447
Net cash and cash equivalents at 31 August	18	**233**	**447**

The notes on pages 26 to 63 are an integral part of these consolidated financial statements.

Notes to the Financial Statements

For the year ended 31 August 2020

1. Reporting entity

Cambria Africa Plc (the "Company") is a public limited company listed on the Alternative Investment Market (AIM) and incorporated and domiciled in the Isle of Man under the Companies Act 2006. The consolidated financial statements of the Group for the year ended 31 August 2020 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

The majority shareholder is Ventures Africa Limited, the ultimate controlling entity is S Shasha and Associates and the ultimate beneficial owner Mr. S Shasha.

The financial statements were authorised for issue by the Directors on 16 June 2021.

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, and the Isle of Man Companies Act 2006.

ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

NEW AMENDMENTS TO IFRS'S THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR.

In the current year, the Group has applied new and several amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2019.

ADOPTION OF IFRS 16

From 1 September 2019, the Group has accounted for leases under the new IFRS standard issued called IFRS 16 Leases, using the modified retrospective approach. Since the Group has no long-term leases, this adoption has had no impact on its results for the current year or prior year. Accordingly, no disclosure as to the impact and practical expedients applied on adoption are included in these annual financial statements.

For any new contracts entered on or after 1 September 2019, the Group considers whether a contract is, or contains a lease as defined as 'a contract, or part of a contract, that conveys the right to use an asset (underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets the three key evaluations which are whether:

Where relevant, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from the lease are initially measured on a present value basis

- The contract contains an identified asset which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group,
- The Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering the rights within the defined scope of the contract,
- The Group has the right to direct the use if the identified asset throughout the period of use.

To apply this definition the Group assesses whether the contract meets the three key evaluations which are whether:

Where relevant, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from the lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments including in-substance fixed payments, less any lease incentives receivable,
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date.

Notes to the Financial Statements

For the year ended 31 August 2020

Where relevant, lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in Groups, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset or similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right of use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs; and
- Restoration costs

The-right-of-use are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life. While the Group revalues its land and buildings that are presented within the property, plant and equipment, it does not do so for the right of use buildings held by the Group.

Payments associated with the short-term leases of equipment and vehicles and all leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less. Low value assets comprise IT equipment and small items of furniture.

AMENDMENTS TO IFRS 9 PREPAYMENT FEATURES WITH NEGATIVE COMPENSATION

The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the 'solely payments of principal and interest' (SPPI) condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, financial assets with prepayment features with negative compensation do not automatically fail SPPI.

The application of these amendments has had no effect on the Group's consolidated financial statements as there were no such transactions.

AMENDMENTS TO IAS28 LONG-TERM INTERESTS IN ASSOCIATES AND JOINT VENTURES

The Group has adopted the amendments to IAS 28 for the first time in the current year. The amendment clarifies that IFRS 9, including its impairment requirements, applies to other financial instruments in an associate or joint venture to which the equity method is not applied. These include long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture. The Group applies IFRS 9 to such long-term interests before it applies IAS 28. In applying IFRS 9, the Group does not take account of any adjustments to the carrying amount of long-term interests required by IAS 28 (i.e., adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

The application of these amendments has had no effect on the Group's consolidated financial statements as there were no such transactions.

AMMENDMENTS TO IAS19 EMPLOYEE BENEFITS PLAN AMENDMENT, CURTAILMENT OR SETTLEMENT

The Group has adopted the amendments of IAS 19 for the first time in the current year. The amendments clarify that the past service cost (or of the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the asset ceiling (that may arise when the defined benefit plan is in a surplus position). IAS 19 is now clear that the change in the effect of the asset ceiling that may result from the plan amendment (or curtailment or settlement) is determined in a second step and is recognised in the normal manner in other comprehensive income.

Notes to the Financial Statements

For the year ended 31 August 2020

The application of these amendments has had no effect on the Group's consolidated financial statements as there were no such transactions.

IFRIC 23 UNCERTAINTY OVER INCOME TAX TREATMENTS

The Group has adopted IFRIC 23 for the first time in the current year. IFRIC 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires the Group to:

- determine whether uncertain tax positions are assessed separately or as a group; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:
- If yes, the Group should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.
- If no, the Group should reflect the effect of uncertainty in determining its accounting tax position using either the most likely amount or the expected value method.

ANNUAL IMPROVEMENTS TO IFRS'S 2015 – 2017 CYCLE AMENDMENTS

The Group has adopted the amendments included in the Annual Improvements to IFRS Standards 2015–2017 Cycle for the first time in the current year.

The Annual Improvements include amendments to four Standards:

IAS 12 INCOME TAXES

The amendments clarify that the Group should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the Group originally recognised the transactions that generated the distributable profits.

This is the case irrespective of whether different tax rates apply to distributed and undistributed profits.

IAS 23 BORROWING COSTS

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

IFRS 3 BUSINESS COMBINATIONS

The amendments clarify that when the Group obtains control of a business that is a joint operation, the Group applies the requirements for a business combination achieved in stages, including remeasuring its previously held interest in the joint operation at fair value.

IFRS 11 JOINT ARRANGEMENTS

The amendments clarify that when a party that participates in, but does not have joint control of, a joint operation that is a business obtains joint control of such a joint operation, the Group does not remeasure its previously held interest in the joint operation.

Notes to the Financial Statements

For the year ended 31 August 2020

NEW AND REVISED IFRS'S IN ISSUE BUT NOY YET EFFECTIVE

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

Amendments to IFRS 3	Definition of a business (1)
Amendments to IAS 1 and IAS 8	Definition of material (1)
IFRS 17	Insurance Contracts (2)
IFRS 10 and IAS 28 (amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (3).

1. Effective for annual periods beginning on or after 1 January 2020, with earlier application permitted.
2. Effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.
3. Effective for annual periods beginning on or after a date to be determined.

IFRS 17 INSURANCE CONTRACTS

The new Standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

The Standard outlines a General Model, which is modified for insurance contracts with direct participation features, described as the Variable Fee Approach.

The General Model is simplified if certain criteria are met by measuring the liability for remaining coverage using the Premium Allocation Approach. The General Model will use current assumptions to estimate the amount, timing and uncertainty of future cash flows and it will explicitly measure the cost of that uncertainty, it considers market interest rates and the impact of policyholders' options and guarantees

The implementation of the Standard is likely to bring significant changes to an entity's processes and systems, and will require much greater co-ordination between many functions of the business.

The Standard is effective for annual reporting periods beginning on or after 1 January 2021, with early application permitted. It is applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start if the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

The directors of the Company do not anticipate that the application of the Standard in the future will have an impact on the Group's consolidated financial statements.

IFRS 10 and IAS 28 (AMENDMENTS) SALE OR CONTRIBUTION OF ASSETS BETWEEN AN INVESTOR AND ITS ASSOCIATE OR JOINT VENTURE

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture.

Similarly, gains and losses resulting from the re-measurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture. The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted.

The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

Notes to the Financial Statements

For the year ended 31 August 2020

AMENDMENTS TO IAS 1 AND IAS 8 DEFINITION OF MATERIAL

The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence.

The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of material or refer to the term 'material' to ensure consistency.

The amendments are applied prospectively for annual periods beginning on or after 1 January 2020, with earlier application permitted.

The directors of the Group do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements

AMENDMENTS TO IFRS 3 DEFINITION OF A BUSINESS

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after the first annual reporting period beginning on or after 1 January 2020, with early application permitted.

The directors of the Group do not anticipate that the application of the amendments in the future will have an impact on the consolidated financial statements

BASIS OF MEASUREMENT

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

- land and buildings measured at revalued amounts.

FUNCTIONAL AND PRESENTATIONAL CURRENCY AND THE EFFECT OF HYPERINFLATION

In February 2019 the Group's Zimbabwean entities experienced a change in functional currency from USD to ZWL with effect The Group carried out an assessment of change in functional currency which included consideration of whether the various modes of settlement may represent different forms of currency. In doing so, management considered parameters set in IAS 21 as follows:

- The currency that mainly influences the sales prices for goods and services,
- The currency of competitive forces and regulations that mainly determines the sales prices of goods and services,
- The currency that mainly influences labour, material and other costs of providing goods and services (normally the currency in which such costs are denoted and settled),
- The currency in which funds from financing activities are generated, and
- The currency in which receipts from operating activities are usually retained.

Since 2009, Zimbabwe has been under a multi-currency system, under which the USD has emerged as the currency of reference for business and government. New legislation was promulgated in the form of Statutory Instruments 133 of 2016 and 122a of 2017 which prescribed bond notes and coins issued by the Reserve Bank of Zimbabwe as legal tender with a 1:1 parity with the USD. With the acute shortage of USD cash and other foreign currencies in the country, increases in the utilisation of different

Notes to the Financial Statements

For the year ended 31 August 2020

modes of payment for goods and services such as settlement via the Real Time Gross Settlement (RTGS) system overseen by the Reserve Bank of Zimbabwe (RBZ), Point of sale machines (POS) and mobile money platforms, were observed.

In October 2018 the Central Bank through the Exchange Control directive RT120 introduced the separation of bank accounts into Nostro foreign currency account (herein referred as Nostro) and the existing foreign currency accounts for domestic purposes. These Nostro accounts are held with financial institutions operating in Zimbabwe in which money in the form of foreign currency is deposited from offshore or domestic sources. The separation of the pre-existing FCA and Nostro accounts suggests that in substance the values were not equal. Since the 1st of October 2018, Zimbabwe witnessed significant changes in the economy, with the economy being characterized by a highly inflationary environment. Whereas the official position from Government was that the Bond note and RTGS balances had a value of 1:1 to the United States of America Dollar, the foreign exchange premiums on the parallel market ranged between 1.40 to 4.0 during the reporting period to end of February 2019.

During the year the Reserve Bank of Zimbabwe replaced the interbank market with a weekly foreign exchange auction system which became operational from the 23rd of June 2020 to determine the Zimbabwean dollar (ZWL) exchange rate.

The Consolidated Financial Statements are presented in US Dollars (USD), the Group's presentational currency. With effect from 22 February 2019, all its Zimbabwe subsidiaries have adopted the US Dollar as presentational currency with Zimbabwe's Dollar (ZWL) as the functional currency.

Up to 22 February 2019, all cumulative Statement of Profit or Loss transactions, assets, liabilities and equity balances were translated at ZWL1.00:USD1.00 and any local transactions thereafter treated as ZWL transactions. For the Company's USD reporting purposes, transactions up to 22 February 2019 were maintained in USD. In accordance with guidance issued by the PAAB of Zimbabwe, the country is a hyperinflationary economy effecting reporting periods ending after 01 July 2019. Accordingly, all ZWL transactions after 22 February 2019 were first adjusted for Hyperinflationary conditions in terms of IAS 29 using historic cost basis and official inflation price indexes published by the Reserve Bank of Zimbabwe, before translation at the official interbank rate at the financial year end. The net monetary gain/loss was not material and is included directly in reserves. At 31 August 2020, all monetary ZWL asset and liability balances of its Zimbabwe subsidiaries were converted at the closing auction rate. Non-monetary assets were recorded in accordance with the provisions of IAS 29 before conversion at the year-end rate in accordance with paragraphs 42 and 43 of IAS 21. The Statement of Financial Position was unaffected by IAS 29. Resultant foreign exchange translation differences were accounted for through the foreign currency translation reserve in the Statement of Other Comprehensive Income.

USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRSs requires management to make judgement, 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 judgement 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 12 – Goodwill
- Note 11 – Property, plant and equipment
- Note 23 – 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.

Notes to the Financial Statements

For the year ended 31 August 2020

GOING CONCERN

The significant events impacting the Zimbabwe economy and the negative effects of the Covid 19 pandemic on businesses saw the Group adopt a defensive approach by reducing expenses, hedging its assets and cash flow and minimising its cost of capital.

Overheads significantly reduced by 63% while revenue declined by 74%. The major thrust for the Company has been cost containment while other strategies are being explored to increase revenue.

The Group reported a decrease in Net asset value (NAV) of 13% to $6.41 million from $7.39 million at 31 August 2019. Liabilities include Loans and Borrowings of $509,000 of which $500,000 is owed to Cambria's majority shareholder, VAL which is beneficially owned by the Group CEO. The vast majority of the Company's assets are represented by tangible assets in the form of Investment Property, AF Philip's Investment in Radar Holdings Ltd, Listed Securities and US Dollar cash and equivalents. These assets retain their value in real US Dollar terms. The Group held cash of $1.9 million at 31 August 2020. At the date of this report $1.3 million cash is held outside Zimbabwe.

Despite the suspension of Paynet's services to banks, the Company's operating subsidiaries continue to trade profitably in local currency, albeit at significantly reduced levels in comparison to prior years. Autopay has a significant client base and reach in the market and strategies are being explored to grow this.

Overheads have been reduced in response to the challenges and new revenue streams are being explored. Millchem Zimbabwe continues to trade profitably in local currency and has closed the chemical business during the year to focus on the manufacturing and distribution of sanitizers in response to increased demand of the product due to Covid 19.

The Board has considered the cash flow forecasts for the ensuing 12 months including the maturity profile of its contractual debt obligations. Considering the quality of the Group's Statement of Financial Position, 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.

The Group's business activities and financial performance are set out in the Chief Executive's Review on pages 5 to 6. In addition, note 28 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.

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 is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. 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 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.

The results of entities acquired or disposed of during the year are included in the Consolidated Statement of Profit or Loss 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.

Notes to the Financial Statements

For the year ended 31 August 2020

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 Statement of Profit or Loss.

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 Statement of Profit or Loss 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.

Goodwill is considered to have an indefinite useful life, and subject to annual impairment reviews.

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, disclosed under operating costs in note 6, is charged over their useful economic life, as follows:

Item	Useful life
Software licenses	3 years

Notes to the Financial Statements

For the year ended 31 August 2020

(C) FOREIGN CURRENCIES

The Consolidated Financial Statements are presented in US Dollars (USD), the Group's presentation currency. With effect from 22 February 2019, all its Zimbabwe subsidiaries have adopted the US Dollar as presentation currency with Zimbabwe 's Dollar (ZWL) as the functional currency.

In preparing the financial statements of the individual Group entities, transactions denominated in foreign currencies are translated into the respective functional currency of the individual 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 presentation currency at the auction rate of exchange ruling at the reporting date.

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

For the purpose of presenting consolidated financial statements, the assets and liabilities and results of the Group's foreign operations are translated from their functional currency to presentation currency, as disclosed in note 2.

(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 Statement of Profit or Loss 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 Statement of Profit or Loss, except when it relates to items charged or credited to equity, in which case the deferred tax is also dealt with in equity.

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) INVESTMENTS INSUBSIDIARIES

Investments in subsidiary undertakings are carried at cost with annual reviews undertaken for impairment.

Notes to the Financial Statements

For the year ended 31 August 2020

(F) OTHER INVESTMENTS

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

(G) PROPERTY, PLANT AND EQUIPMENT

Land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any 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 Statement of Profit or Loss 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 Statement of Profit or Loss. 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 and buildings, over their estimated useful lives. The annual depreciation rates used for this purpose are:

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

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 Statement of Profit or Loss 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 land and buildings.

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

(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.

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.

Notes to the Financial Statements

For the year ended 31 August 2020

(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.

(A) *CLASSIFICATION AND MEASUREMENT*

Following the Group's adoption of IFRS 9 there were no material changes to the classification and measurement of financial instruments. The Group has therefore adopted following:

All financial assets continue to be measured at fair value.

- Financial assets previously classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Thus, such instruments continue to be measured at amortised cost under IFRS 9.
- The classification of financial liabilities under IFRS 9 remains broadly the same as under IAS 39. The main impact on measurement from the classification of liabilities under IFRS 9 relates to the element of gains or losses for financial liabilities designated as at fair value through profit or loss attributable to changes in credit risk. IFRS 9 requires that such element can be recognised in other comprehensive income (OCI), unless this treatment creates or enlarges an accounting mismatch in profit or loss, in which case, all gains and losses on that liability (including the effects of changes in credit risk) should be presented in profit or loss. The Group has not designated any financial liabilities at fair value through profit or loss, therefore, this requirement has not had an impact on the Group.

(B) *IMPAIRMENT*

IFRS 9 requires the Group to record expected credit losses (ECLs) on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. Given the limited exposure of the Group to credit risk, this amendment has not had a material impact on the financial statements. The Group only holds trade receivables with no financing component and that have no maturities less than 12 months at amortised cost.

Financial assets carried at fair value continue to be considered for impairment at the reporting date.

(C) *HEDGE ACCOUNTING*

The Group has not applied hedge accounting under IFRS 9.

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.

Notes to the Financial Statements

For the year ended 31 August 2020

FINANCIAL LIABILITIES

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

CAPITAL MANAGEMENT

The 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 Statement of Profit or Loss 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.

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 Statement of Profit or Loss over the period of the borrowings on an effective interest basis.

(M) 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.

Notes to the Financial Statements

For the year ended 31 August 2020

(N) REVENUE RECOGNITION

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognised when a customer obtains control of the goods and services. Determining the timing of the transfer of control at a point in time or over time requires judgement.

IFRS 15 provides a single, principles based, five-step model to be applied to all contracts with customers. The five steps in the model are as follows:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Applying the five-step model:

Revenue generated from contracts with Fintech customers:

- Contracts were in place with all customers using the Paynet payment platform during FY 2019. These services are no longer applicable and hence no contracts in relation to this revenue stream were in place during FY 2020. Loan processing services are performed under an agreement with CABS, and Autopay's payroll services are provided under short-term contracts with its clients. Details are disclosed under note 5 (Segment Reporting).
- The Group provided services for the provision of electronic payments during FY 2019 and provided loan processing and payroll administration during FY 2020.
  - The transaction price is as stipulated in the contract with the customer. It is stated at a price per transaction processed that varies based upon the volume or value of transactions processed.
  - Monthly invoices are raised based on the total number or value of transactions processed by the financial institutions or other customers in that given month.
  - The Group recognises revenue as and when it becomes due, pursuant to the agreements.

When there are variations in contract work, claims or incentive payments revenue is recognised to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The Group does not have any revenue from contracts that is recognised over a period of time as such no disaggregation is made regarding the timing of revenue in the notes to these financial statements.

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

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

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

Interest is recognised, in profit or loss, using the effective interest rate method.

Notes to the Financial Statements

For the year ended 31 August 2020

(O) LEASES

The Group doesn't have any leases exceeding 12 months and hence the impact of IFRS 16 is very limited. Leases are classified according to the substance of the transaction. A lease that transfers substantially all the risks and rewards of the ownership to the lessee is classified as a finance lease. All other leases are classified as operating leases.

Operating lease rentals are charged in the Statement of Profit or Loss on a straight-line basis over the period of the lease

(P) EARNINGS / (LOSS) PER SHARE

Basic earnings / (loss) per share is calculated based on the weighted average number of ordinary shares outstanding during the year. Diluted earnings / (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.

(Q) 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.

(R) 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 re-measurement 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 coordinated 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 represented as if the operation had been discontinued from the start of the comparative year.

Notes to the Financial Statements

For the year ended 31 August 2020

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.

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.

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 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. 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. Although external valuations are obtained, 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.

INVESTMENTS AT FAIR VALUE

The fair value of the Group's investments in marketable securities are determined with reference to the last traded market prices on the relevant exchange on which they trade. The fair value of the investment in Radar Holdings Limited (Radar), held through subsidiary AF Philip Pvt Ltd, is determined with reference to the Board's assessment of its market value on a willing-buyer-willing-seller basis. Specific reference is made to known negotiations or offers received for Radar shares. As a further reasonability test, the Net Asset Value of Radar, extracted from its published accounts and management accounts is compared to the Board's assessment of the fair value of its shares.

Notes to the Financial Statements

For the year ended 31 August 2020

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

Fintech and industrial chemicals, now operate solely in Zimbabwe. Separate geographical analysis is therefore not presented.

BUSINESS SEGMENTS

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

- Fintech – includes payments systems and business process outsourcing and payroll services;
- Industrial chemicals – includes the manufacture and distribution of industrial solvents and mining chemicals;
- Head office.

CONTRACTUAL REVENUE AND MATERIAL CUSTOMERS

Tradanet, Paynet Zimbabwe's 51% subsidiary provides loan origination and administration services to CABS under a 3-year contract. This contractual revenue amounted to $183,000 in FY 2020 (FY 2019: $871,000). Paynet Zimbabwe's Payroll services business Autopay, provided outsourced payroll services under short-term contracts with clients to the value of $382,000 in FY 2020 (FY 2019: $666,000).

Revenue through the CABS relationship represented 14% of FY 2020 of Consolidated Revenue (FY 2019: 17%). Revenue from Autopay represented 29% of FY 2020 Consolidated Revenue (FY 2019: 13%).

No other revenue is earned by the Group under contracts.

Notes to the Financial Statements

For the year ended 31 August 2020

5. Segment reporting continued

CONTINUING OPERATIONS – CURRENT PERIOD

FOR THE YEAR ENDED 31 AUGUST 2020	INDUSTRIAL CHEMICALS US$'000	FINTECH US$'000	HEAD OFFICE US$'000	TOTAL US$'000
Revenue	**596**	**723**	**-**	**1,319**
Inter-segment revenue	-	-	-	-
Revenue from external customers	**596**	**723**	**-**	**1,319**
Cost of sales to external customers	(383)	(136)	-	(519)
Gross profit	**213**	**587**	**-**	**800**
Operating costs	(85)	(386)	(224)	(695)
Other operating income	12	21	22	55
Fair value adjustments	-	(7)	(368)	(375)
Depreciation	(13)	(135)	-	(148)
Amortisation	-	(2)	-	(2)
Operating profit / (loss) for the year	**127**	**78**	**(570)**	**(365)**
Finance income	-	1	-	1
Finance expense	-	(13)	(47)	(60)
Income tax expense	(14)	(32)	-	(46)
Profit / (loss) for the year	**113**	**34**	**(617)**	**(470)**
EBITDA *	**140**	**222**	**(202)**	**160**

CONTINUING OPERATIONS – PRIOR PERIOD

FOR THE YEAR ENDED 31 AUGUST 2019	INDUSTRIAL CHEMICALS US$'000	FINTECH US$'000	HEAD OFFICE US$'000	TOTAL US$'000
Revenue	**1,039**	**3,957**	**72**	**5,068**
Inter-segment revenue	-	-	(72)	(72)
Revenue from external customers	**1,039**	**3,957**	**-**	**4,996**
Cost of sales to external customers	(670)	(313)	-	(983)
Gross profit	**369**	**3,644**	**-**	**4,013**
Operating costs	(189)	(1,635)	(216)	(2,040)
Other operating income	10	21	35	66
Impairment of assets	-	-	-	-
Depreciation	(6)	(167)	-	(173)
Amortisation	-	(14)	-	(14)
Operating profit / (loss) for the year	**184**	**1,849**	**(181)**	**1,852**
Finance income	-	11	-	11
Finance expense	-	(8)	(43)	(51)
Income tax expense	-	(150)	-	(150)
Profit / (loss) for the year	**184**	**1,702**	**(224)**	**1,662**
EBITDA *	**190**	**2,030**	**(181)**	**2,039**

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

Notes to the Financial Statements

For the year ended 31 August 2020

5. Segment reporting continued

DISCONTINUED OPERATIONS

There were no discontinued operations in the current period.

CONTINUING OPERATIONS – SEGMENT ASSETS & LIABILITIES

FOR THE YEAR ENDED 31 AUGUST 2020	INDUSTRIAL CHEMICALS US$'000	FINTECH US$'000	HEAD OFFICE US$'000	TOTAL US$'000
Segment assets	173	4,777	2,966	7,916
Segment liabilities	40	204	753	997
Capital expenditure	-	-	-	-

FOR THE YEAR ENDED 31 AUGUST 2019	INDUSTRIAL CHEMICALS US$'000	FINTECH US$'000	HEAD OFFICE US$'00	TOTAL US$'000
Segment assets	375	5,394	3,436	9,205
Segment liabilities	11	345	712	1,068
Capital expenditure	14	4	-	18

ASSETS AND LIABILITIES HELD FOR SALE

There are no assets or liabilities held for sale at 31 August 2020.

6. Group net operating costs

	2020 US$'000	2019 US$'000
Cost of sales	519	983
Administrative expenses	845	2,155
Net operating costs	1,364	3,138

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

	NOTE	2020 US$'000	2019 US$'000
Operating costs include, inter alia:			
Depreciation of property, plant and equipment		138	173
Depreciation of property plant and equipment in cost of sales		9	8
Amortisation		1	14
Operating lease rentals:			
Land and buildings		27	74
Personnel expenses	7	261	979
Auditors remuneration			
Fees Payable to the Group Auditors for:			
Current year audit of the Group's financial statements		30	36

Notes to the Financial Statements

For the year ended 31 August 2020

7. Personnel expenses

The aggregate remuneration comprised (including Executive Directors):

	2020 US$'000	2019 US$'000
Wages and salaries	257	967
Compulsory social security contributions	4	12
Total personnel expenses	261	979

REMUNERATION OF GROUP EXECUTIVE DIRECTORS

Please see Directors' emoluments note 32.

PENSION FUNDS

The group provides for pensions on the retirement of employees by means of the compulsory Zimbabwean National Social Security Authority (NSSA) fund and the Cambria Staff Pension fund administered on our behalf by Old Mutual. Contributions for the year were as follows:

2020	COMPANY US$'000	EMPLOYEES US$'000	TOTAL US$'000
NSSA	2	2	4
Cambria Staff Pension Fund	-	-	-
Total	**2**	**2**	**4**

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

	2020 NUMBER	2019 NUMBER
Fintech	35	62
Industrial chemicals	10	10
Head Office	2	2
Total	**47**	**74**

8. Net finance costs

	2020 US$'000	2019 US$'000
Recognised in Statement of Profit or Loss:		
Bank interest receivable	1	11
Finance income	**1**	**11**
Bank interest payable	-	-
Loan interest payable	(60)	(51)
Finance costs	**(60)**	**(51)**
Net finance costs	**(59)**	**(40)**

Notes to the Financial Statements

For the year ended 31 August 2020

9. Taxation

	2020 US$'000	2019 US$'000
Income tax recognised in the Statement of Profit or Loss		
Current tax expense		
Current period	57	169
Deferred tax expense		
Origination and reversal of temporary differences	(11)	(19)
Total income tax charge in Statement of Profit or Loss	**46**	**150**

	2020 US$'000	2019 US$'000
Profit before tax	**(424)**	**1,812**
Income tax using the Zimbabwean corporation tax rate 24.72% (2019: 25.75%)	(105)	467
Net losses where no group relief is available	151	(317)
Total income tax charge in Statement of Profit or Loss	**46**	**150**

DEFERRED TAX

	2020 US$'000	2019 US$'000
Relating to temporary tax differences in subsidiaries	11	(19)
Total	**11**	**(19)**

Corporation tax for Zimbabwean entities is calculated at 24.72% (2019: 25.75%) of the estimated assessable profit 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.

10. Earnings per share

The calculation of basic and diluted earnings per share at 31 August 2020 has been based on the earnings attributable to ordinary shareholders for continuing and discontinued operations at the weighted average of ordinary shares outstanding during the period as detailed in the table below:

EARNINGS ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

	2020 LOSS PER SHARE US$'CENTS	2020 US$'000	2019 EARNINGS PER SHARE US$'CENTS	2019 US$'000
(Loss)/Earnings for the purposes of basic earnings and dilutive per share being net earnings attributable to equity holders of the parent	(0.07)	(408)	0.26	1,405
- continuing operations	(0.07)	(408)	0.26	1,405
- discontinued operations	-	-	-	-

WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

	NOTE	2020 000'S	2019 000'S
Weighted average number of ordinary shares for the purposes of calculating basic and dilutive earnings per share		544,576	544,576
Actual number of shares outstanding at the end of the period	20	544,576	544,576

Notes to the Financial Statements

For the year ended 31 August 2020

11. Property, plant and equipment

2020 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 2019	2,517	91	505	1,275	4,388
Additions in year	-	-	-	-	-
Revaluations	-	-	-	-	-
Disposals in year	-	(8)	(99)	-	(107)
Balance at 31 August 2020	**2,517**	**83**	**406**	**1,275**	**4,281**
Accumulated depreciation					
At 1 September 2019	(35)	(77)	(417)	(1,102)	(1,631)
Disposals in year	-	7	94	-	101
Depreciation charge for the year	-	(9)	(57)	(81)	(147)
Balance at 31 August 2020	**(35)**	**(79)**	**(380)**	**(1,183)**	**(1,677)**
Carrying amounts					
At 31 August 2020	**2,482**	**4**	**26**	**92**	**2,604**
At 31 August 2019	**2,482**	**14**	**88**	**173**	**2,757**

2019 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 2018	2,517	80	591	1,278	4,466
Additions in year	-	14	-	4	18
Revaluations	-	-	-	-	-
Disposals in year	-	(3)	(86)	(7)	(96)
Balance at 31 August 2019	**2,517**	**91**	**505**	**1,275**	**4,388**
Accumulated depreciation					
At 1 September 2018	(34)	(65)	(398)	(1,026)	(1,523)
Disposals in year	-	3	64	6	73
Depreciation charge for the year	(1)	(15)	(83)	(82)	(181)
Balance at 31 August 2019	**(35)**	**(77)**	**(417)**	**(1,102)**	**(1,631)**
Carrying amounts					
At 31 August 2019	**2,482**	**14**	**88**	**173**	**2,757**
At 31 August 2018	**2,483**	**15**	**193**	**252**	**2,943**

VALUATIONS

LE HAR (PRIVATE) LIMITED – PROPERTY

An external, professional and independent valuer with appropriate and recognised qualifications, Hollands Estate Agents Harare ('Hollands') carried out a valuation of the freehold land and buildings as at 27 January 2021 and at September 2019, with reference to observed market evidence. The directors having considered the Hollands report consider this value to be an accurate reflection of the fair value at 31 August 2020 being US$2.5 million (2019: US$2.5 million). The Directors consider the fair value at the reporting date to not be materially different from the carrying value.

Notes to the Financial Statements

For the year ended 31 August 2020

12. Goodwill

As at 31 August 2020, the consolidated Statement of Financial Position included goodwill of US$717,000 (2019: US$717,000). 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:

	ORIGINAL COST US$'000	COST AT 1 SEPTEMBER 2019 US$'000	CARRYING VALUE AT 1 SEPTEMBER 2019 US$'000	ACCELERATED WRITE-OFF US$'000	CARRYING VALUE AT 31 AUGUST 2020 US$'000
Payserv Africa 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 cash generation in place at the date of this report and taking factors existing at that date into consideration.
- 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 22%.
- 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 exceeds the reported value thereof and that the respective book values adequately reflect the value of the Group's investments and proprietary technologies. The Directors do not believe any impairment to goodwill is necessary in the current period.

Notes to the Financial Statements

For the year ended 31 August 2020

13. Intangible assets

	ORIGINAL COST	NET BOOK VALUE AT 1 SEPTEMBER 2019	ADDITIONS	DISPOSALS	AMORTISATION	CLOSING BALANCE AT 31 AUGUST 2020
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Payserv software licenses	1,538	2	-	-	(1)	1
Total	**1,538**	**2**	**-**	**-**	**(1)**	**1**

AMORTISATION

The amortisation charge is recognised within operating expenses (note 6) in the Statement of Profit or Loss. The Group tests other intangible assets for impairment if there are indications that they might be impaired.

The amortisation periods for intangible assets are:

Software licenses 3 years

14. Investments in subsidiaries and Investments at Fair Value

The Company has investments in the following subsidiaries which principally affect the profits and/or net assets of the Company. The direct investments in subsidiaries held by the Company are stated at cost. These are subject to impairment testing.

	COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	
		2020	2019
AF Philip & Company (Pvt) Limited*	Zimbabwe	78.20%	72.07%
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 Holdings Limited	Isle of Man	100%	100%
Para Meter Computers (Pvt) Limited	Zimbabwe	100%	100%
Paynet Zimbabwe (Pvt) Limited	Zimbabwe	100%	100%
Payserv (Pvt) Limited	Zimbabwe	100%	100%
Payserv Africa Limited	Mauritius	100%	100%
Payserv Zimbabwe (Pvt) Limited	Zimbabwe	100%	100%
Quintech Investments (Pvt) Limited	Zimbabwe	100%	100%
Tradanet (Pvt) Limited	Zimbabwe	51.0%	51.0%
Yellowwood Projects (Pvt) Limited	Zimbabwe	100%	100%

* *The increase in AF Philip's shareholding had no impact on the Group Structure as no change in control occurred as a result of this increase.*
** *Held directly by Cambria Africa Plc.*

Notes to the Financial Statements

For the year ended 31 August 2020

14. Investments in subsidiaries and Investments at Fair Value (continued)

NON-CONTROLLING INTERESTS ("NCI") – TRADANET

Ottonby Trading (Pvt) Ltd (address: Northridge Park, Northend Close, Harare, Zimbabwe) holds a 49% interest in Tradanet (Pvt) Ltd. Tradanet's salient financial information is as follows:

	2020 US$'000	2019 US$'000
(Loss) / Profit attributable to NCI	(26)	257
Dividends paid to NCI	(26)	(123)
Accumulated NCI at year end	28	36
Non-current assets	12	44
Current assets	30	66
Non-current liabilities	-	-
Current liabilities	22	37
Cash flow from operations	27	79
Cash utilised in investing activities	4	(1)
Cash generated from/(utilised in) financing activities (including dividends)	54	(256)
Cash and cash equivalents	19	41

NON-CONTROLLING INTERESTS ("NCI") – AF PHILIP & COMPANY

On 28 February 2020, the Company's wholly owned subsidiary Paynet Zimbabwe (Pvt) Ltd (Paynet), increased its effective shareholding in Radar Holdings Limited (Radar) to 9.74% from 8.98% through the subscription of additional shares in AF Philip & Company (Pvt) Ltd (AF Philip). The Radar investment is held through Paynet's 78.2% (2019: 72.07%) interest in AF Philip. AF Philip holds a 15.65% interest in Hinshaw (Pvt) Ltd (Hinshaw) which, through its wholly owned subsidiaries, holds a 79.65% interest in Radar.

AF Philip is consolidated into Cambria's Statement of Financial Position with the Radar investment reflected at a fair value of $2.23 million ($1.74 million after minority interests) translating into 35 US cents per Radar share, down from 40 US cents reported at 31 August 2019 following a re-assessment by the Board of the carrying value of the Radar investment. The resultant fair value adjustment of $318,000 ($229,000 net of minority interests) has been included in the Consolidated Statement of Profit or Loss and disclosed under Exceptionals. The factors that led to this fair value adjustment were based on negotiations with possible interested parties who offered 35 US cents to acquire a similar indirect stake in Radar.

Radar is a public but unlisted company incorporated in Zimbabwe and has interests in brick manufacturing through Macdonald Bricks and is the owner of prime development land as well as a portfolio of residential properties. Constold (Pvt) Ltd (address: 4th floor, Tanganyika House, 3rd Street, Harare, Zimbabwe) holds a 21.8% (FY 2019: 27.93%) interest in AF Philip.

There are no restrictions in place on any dividend that might possibly be declared by Hinshaw.

AF Philip which is on level 2 of the fair value hierarchy is included under the Central Segment. It's salient financial information is as follows:-

	2020 US$'000	2019 US$'000
Profit attributable to NCI	-	-
Dividends paid to NCI	-	-
Accumulated NCI at year end	486	711
Non-current assets	2,228	2,546
Current assets	-	-
Non-current liabilities	-	-
Current liabilities	-	-
Cash flow from operations	-	-
Cash utilised in investing activities	-	-
Cash utilised in financing activities (including dividends)	-	-
Cash and cash equivalents	-	-

Notes to the Financial Statements

For the year ended 31 August 2020

14. Investments in subsidiaries and Investments at Fair Value (continued)

CHANGE IN OWNERSHIP OF AF PHILIP & COMPANY

The changes in Group equity as a result of the additional interest acquired in AF Philip are summarised below:

	2020 US$'000
Increase in Group's share of AF Philip's net equity (acquired from minorities)	137
Negative movement in parent equity in terms of IFRS 10	74
Cost of acquisition	**211**

15. Inventory

	GROUP 2020 US$'000	GROUP 2019 US$'000
Raw materials and consumables	157	3
Goods in transit	-	188
Finished goods	-	207
	157	**398**
Inventories (write downs)	(55)	(112)
	102	**286**

During FY 2020 $383,000 in inventories were expenses in the Statement of Profit or Loss (FY 2019: $670,000).

16. Financial assets at fair value through profit or loss

	GROUP 2020 US$'000	GROUP 2019 US$'000
Quoted investments – included in non-current assets	201	-
Quoted investment – included in current assets	16	496
Total	**217**	**496**

QUOTED INVESTMENTS PORTFOLIO:	GROUP 2020 US$'000	GROUP 2019 US$'000
Balance at 1 September	496	131
(Disposed)/Acquired during the year	(134)	443
(Loss)/ gain on fair valuation during the year	(145)	(78)
Balance at end of the year	**217**	**496**

Quoted Investments consists of:

Listed Old Mutual Ltd shares held by the Company at fair value of $201,000 on 31 August 2020. 88,500 shares were sold during the year and the proceeds were used to acquire additional shares in AF Philip (Radar) as described above.

A portfolio of $16,000 worth of listed shares managed by an asset management company who makes all the decisions regarding the sale and purchase of these listed shares. This investment is also held at fair value with a fair value loss of $13,000 du ring FY 2020. 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 22.

Notes to the Financial Statements

For the year ended 31 August 2020

17. Trade and Other Receivables

	GROUP 2020 US$'000	COMPANY 2020 US$'000	GROUP 2019 US$'000	COMPANY 2019 US$'000
Amounts owed by Group undertakings	-	3,036	-	3,083
Trade receivables	79	-	386	-
Other receivables	72	33	95	12
Prepayments and accrued income	-	-	-	-
Total	**151**	**3,069**	**481**	**3,095**

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. The inputs and assumptions used in the measurement of possible credit losses include macro-economic conditions in Zimbabwe (e.g., GDP growth, Interest Rates, Inflation Rates), customer specific engagement on the state of their business, and weekly cash-flow and receivable analyses to serve as early indications of delays in payments.

18. Cash and cash equivalents

	GROUP 2020 US$'000	COMPANY 2020 US$'000	GROUP 2019 US$'000	COMPANY 2019 US$'000
Bank balances	1,896	233	1,920	447
Bank overdrafts	-	-	-	-
Net cash and cash equivalents in Statement of Financial Position	**1,896**	**233**	**1,920**	**447**

Included in cash and cash equivalents is $1.8 million which was held outside Zimbabwe at 31 August 2020.

19. Capital and reserves

REVALUATION RESERVE

The revaluation reserve relates to property, plant and equipment which has been revalued in the Zimbabwean subsidiaries Payserv Zimbabwe (Private) Limited and Le-Har (Private) Limited. In accordance with IAS 29, these reserves were re-allocated to retained earnings during FY 2019.

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.

Notes to the Financial Statements

For the year ended 31 August 2020

19. Capital and reserves

NON-DISTRIBUTABLE RESERVE

The non-distributable reserve arises on the restatement of the assets and liabilities on Dollarization 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.

20. Share capital & share premium

	ORDINARY SHARES 2020			ORDINARY SHARES 2019		
	NUMBER	SHARE CAPITAL US$'000	SHARE PREMIUM US$'000	NUMBER	SHARE CAPITAL US$'000	SHARE PREMIUM US$'000
Issued and fully paid						
At 1 September	544,575,605	77	88,459	544,575,605	77	88,459
Issued in period	-	-	-	-	-	-
At 31 August	**544,575,605**	**77**	**88,459**	**544,575,605**	**77**	**88,459**

All shares issued are classed as Ordinary Shares with a par value of 0.01 pence each and are all ranked equally. There are no other classes of shares in issue. No warrants were granted during the current financial year and no warrants are outstanding.

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, or consecutive 12-month periods, 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 also 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.

SHARE PREMIUM

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

16 July 2018	190,736,593 ordinary shares at a price of 1.0p per share (US$ 2,706,084)
22 February 2017	140,918,606 ordinary shares at a price of 1.0p per share (US$ 1,736,223).
17 April 2015	107,000,000 ordinary shares at a price of 0.85p per share (US$1,337,000).
6 March 2014	4,133,333 ordinary shares at a price of 7.5p per share (US$508,000).
4 March 2014	28,272,806 ordinary shares at a price of 7.5p per share (US$3,475,000 of which US$719,000 related to settlement of expenses and liabilities).
1 October 2012	8,615,115 ordinary shares at a price of 10p per share (US$1,400,000).
16 September 2011	3,988,439 ordinary shares at a price of 23p per share (US$1,448,000).
10 December 2010	17,813,944 ordinary shares at a price of 28p per share net of issue costs of £143,000 (US$7,646,000).
9 December 2009	4,255,525 ordinary shares at a price of 27.5p per share net of issue costs of £58,000 (US$1,820,000).
14 July 2009	Cost of purchasing and cancelling 4,374,000 shares at 30.5p per share (US$2,174,000).
11 December 2007	36,450,000 ordinary shares at a price of 100p per share net of issue costs of £2,753,000 (US$68,659,000).

Notes to the Financial Statements

For the year ended 31 August 2020

21. Share options

All share options issued in prior years have now expired and were not exercised.

22. Loans and borrowings – long term

	GROUP 2020 US$'000	COMPANY 2020 US$'000	GROUP 2019 US$'000	COMPANY 2019 US$'000
CABS Loan – long term portion	-	-	49	-
Other trade payables	22	-	18	-
Total	**22**	**-**	**67**	**-**

The bank loan is the Group's line of credit facility from Central Africa Building Society (CABS), amounting to ZWL2,400,000. The facility is due on 19 July 2021. It initially had a stated coupon rate of 9.5% per annum which was subsequently increased to 49%. Repayments are done in monthly instalments over a period of 24 months and all repayments have been made on the respective due dates. As security, a mortgage has been registered in favour of CABS over one of two properties owned by Le Har (Pvt) Ltd, a wholly owned subsidiary of the Company. The remaining property owned by Le Har remains unencumbered.

Other non-current trade payables are in respect of historic Paywell software license fees within the Payserv Group. A portion of this which could not be remitted due to Zimbabwean foreign currency constraints at the time, was invested in a portfolio of quoted shares, currently valued at $16,000 as disclosed in note 16.

23. Provisions

	GROUP 2020 US$'000	COMPANY 2020 US$'000	GROUP 2019 US$'000	COMPANY 2019 US$'000
Provisions	1	-	8	-
Total	**1**	**-**	**8**	**-**

Provisions at 31 August 2020 are in respect of the maximum Leave Pay and Retirement Gratuities which may become payable by individual companies to employees on termination of their employment.

Notes to the Financial Statements

For the year ended 31 August 2020

24. 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	2020		2019	
	ACCELERATED TAX DEPRECIATION US$'000	TOTAL US$'000	ACCELERATED TAX DEPRECIATION US$'000	TOTAL US$'000
At 1 September	204	204	223	223
Recognised directly in reserves	-	-	(19)	(19)
Other movements	(11)-	(11)	-	-
At 31 August	**193**	**193**	**204**	**204**

Deferred tax assets off set against deferred tax liabilities in the period were US$ nil (2019: US$ nil).

25. Loans and borrowings – short term

	GROUP 2020 US$'000	COMPANY 2020 US$'000	GROUP 2019 US$'000	COMPANY 2019 US$'000
VAL Bridging Loan	500	500	443	443
CABS Loan – short term portion (see note 22)	9	-	60	-
Total	**509**	**500**	**503**	**443**

The VAL Bridging Facility is owed to Ventures Africa Ltd (VAL), the majority shareholder of the Company and the ultimate beneficial owner of which is Mr Samir Shasha, the CEO of the Company. It carries interest of 10% per annum and is to be settled as soon as alternative funding becomes available to Payserv and/or its subsidiaries, with early repayment, at the election of VAL should a significant liquidity event occur. $400,000 of the VAL Loan has been repaid subsequent to the end of the financial year.

26. Trade and other payables

	GROUP 2020 US$'000	COMPANY 2020 US$'000	GROUP 2019 US$'000	COMPANY 2019 US$'000
Trade payables	56	33	34	33
Non-trade payables and accrued expenses	178	1,109	228	1,246
Total	234	1,142	262	1,279
Current tax liability	38	-	24	-
Total	**272**	**1,142**	**286**	**1,279**

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.

Notes to the Financial Statements

For the year ended 31 August 2020

27. Notes to the statement of cash flows – Consolidated & Company

	GROUP 2020 US$'000	GROUP 2019 US$'000
(Loss)/Profit for the year	**(470)**	**1,662**
Adjusted for:		
Amortisation of intangible assets	1	14
Depreciation of property, plant and equipment	147	181
Profit on sale of property, plant and equipment	(31)	(28)
Profit on marketable securities	(94)	-
Valuation adjustments to inventories, receivables and other assets	464	78
Finance income	(1)	(11)
Finance costs	60	51
(Decrease)/increase in provisions	(7)	(180)
Income tax charge	46	150
Operating cash flows before movements in working capital	**115**	**1,917**
Decrease/(Increase) in inventories	184	(43)
Decrease in trade and other receivables	330	362
(Decrease) / increase in trade and other payables	(24)	(2,166)
Cash generated from operations	**605**	**70**

	COMPANY US$'000	COMPANY US$'000
(Loss)/Profit for the year	**(437)**	**540**
Adjusted for:		
Finance costs	47	43
Profit on marketable securities	(94)	-
Valuation adjustments to inventories, receivables and other assets	145	(35)
Operating cash flows before movements in working capital	**(339)**	**548**
Decrease in trade and other receivables	26	285
(Decrease) in trade and other payables	(137)	(688)
Cash (utilized in)/generated from operations	**(450)**	**145**

Notes to the Financial Statements

For the year ended 31 August 2020

28. Financial instruments

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

a. credit risk
b. liquidity risk
c. 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.

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 counter-parties are regularly monitored and the aggregate value of transactions concluded is spread amongst approved counter-parties.

Based on historical patterns, the Group considers a financial asset to be in default when the borrower/debtor is unlikely to pay its credit obligations to the Group in full, evidenced by:

- the borrower/debtor not fulfilling its commitments in terms of its agreed upon terms and conditions either in relation to its initial contract or its subsequent payment arrangement with the Group;
- the borrower/debtor not responding to the Group's letters of demand for payment; and
- outstanding amounts subsequently handed over to legal.

Trade receivables consist of a large number of customers and spread across diverse industries. 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.

Notes to the Financial Statements

For the year ended 31 August 2020

28. Financial instruments (continued)

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 2020 US$'000	COMPANY 2020 US$'000	GROUP 2019 US$'000	COMPANY 2019 US$'000
Cash and cash equivalents	18	1,896	233	1,920	447
Trade and other receivables	17	151	33	481	12
Amounts owed by group undertakings	17	-	3,036	-	3,083
Other investments	16	217	201	496	478
Total		**2,264**	**3,503**	**2,897**	**4,020**

The maximum exposure to credit risk for financial assets at the reporting date by geographic region was:

	GROUP 2020 US$'000	COMPANY 2020 US$'000	GROUP 2019 US$'000	COMPANY 2019 US$'000
United Kingdom	481	266	955	459
Zimbabwe	222	3,237	1,473	3,561
Mauritius	1,561	-	469	-
Total	**2,264**	**3,503**	**2,897**	**4,020**

The maximum exposure to credit risk for trade and other receivables at the reporting date by type of counter-party was:

	GROUP 2020 US$'000	COMPANY 2020 US$'000	GROUP 2019 US$'000	COMPANY 2019 US$'000
Trade customers and other receivables	151	33	481	12
Amounts owed by Group undertakings	-	3,036	-	3,083
Total	**151**	**3,069**	**481**	**3,095**

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

	GROSS 2020 US$'000	IMPAIRMENT 2020 US$'000	TOTAL 2020 US$'000
Neither past nor impaired	67	-	67
Past due 1-30 days	10	-	10
Past due 31-60 days	-	-	-
Past due 61-90 days	1	(1)	-
Past due 91-days +	1	(1)	-
Other receivables	74	-	74
Total	**153**	**(2)**	**151**

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.

Notes to the Financial Statements

For the year ended 31 August 2020

28. Financial instruments (continued)

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 other financial assets.

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 board manages 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.

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 2020			CONTRACTUAL CASH FLOWS 2019		
	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$'000	2 TO <5 YEARS US$'000
Trade and other payables	294	272	22	304	286	18
Loans and borrowings	509	564	-	552	563	80
Total	**803**	**836**	**22**	**856**	**849**	**98**

COMPANY	CONTRACTUAL CASH FLOWS 2020			CONTRACTUAL CASH FLOWS 2019		
	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$'000	2 TO <5 YEARS US$'000
Trade and other payables	1,142	1,142	-	1,279	1,279	-
Loans and borrowings	500	550	-	443	488	-
Total	**1,642**	**1,692**	**-**	**1,722**	**1,767**	**-**

Notes to the Financial Statements

For the year ended 31 August 2020

28. Financial instruments (continued)

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 currency giving rise to this risk is primarily the Zimbabwe Dollar (ZWL), since its adoption as the functional currency in the Zimbabwe entities since 22 February 2019, and to a lesser extend Pound Sterling in which some of the Group's central overheads are denominated. 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, and actively monitors the exchange rate market to ensure the net equity in its Statement of Financial Position is preserved as much as possible. The following significant exchange rates applied during the year:

	AVERAGE RATE 2020	REPORTING DATE SPOT RATE 2020	AVERAGE RATE 2019	REPORTING DATE SPOT RATE 2019
Zimbabwe Dollar (ZWL)	26.5568	83.3994	5.59	10.71
Pounds Sterling (GBP)	0.7842	0.7492	0.76	0.82
Euro (EUR)	0.8943	0.8386	0.88	0.91
South African Rand (ZAR)	16.1325	16.7554	14.97	15.24

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	2020 US$'000	2019 US$'000
FIXED RATE INSTRUMENTS		
Financial assets	-	-
Financial liabilities	(509)	(552)
Total	**(509)**	**(552)**
VARIABLE RATE INSTRUMENTS		
Financial assets	1,896	1,920
Financial liabilities	-	-
Total	**1,896**	**1,920**

Notes to the Financial Statements

For the year ended 31 August 2020

28. Financial instruments (continued)

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 2020 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 Legacy Debt's registered with the RBZ at ZWL1.00:USD1:00 which would help to absorb the impact of movements in the ZWL. It also ignores the possible impact on forecast sales and purchases.

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:

	EXPOSURE IN STATEMENT OF FINANCIAL POSITION	STRENGTHENING CURRENCY	WEAKENING CURRENCY
	US$'000	US$'000	US$'000
31 AUGUST 2020			
Zimbabwe Dollar (ZWL)*	(9)	(1)	1
Pounds Sterling (GBP)	13	1	(1)
31 AUGUST 2019			
Pounds Sterling (GBP)	(39)	(4)	4
Zimbabwe Dollar (ZWL)*	1,161	129	(106)

** Excluding the impact of Legacy Debt's registered with the RBZ at ZWL1.00:USD1.00 which acts as a hedge against currency fluctuations.*

INTEREST RATE RISK MANAGEMENT

The Company does not believe it faces significant risk from its interest rate exposure. The rates of interest it is exposed to may, and will likely change in respect of the facility from Central African Building Society (CABS) Zimbabwe due to inflationary pressures, but at 31 August 2020 the facility has been reduced to $9,000 to minimize and manage this exposure.

Currently the Company has only two lenders, CABS and Ventures Africa Limited (VAL), which holds 69.2% of the Company's equity. As a percent of total borrowings, 98% is represented by VAL ($500,000) and 2% by CABS ($9,000).

As a related party, VAL has established interest rates at the same levels which its funding was used to displace former lenders and maintained parity with rates which the Company has been able to obtain funding at in Zimbabwe. However, VAL does not charge the Company establishment fees or anniversary fees. VAL has actively converted debt to equity to assist the company in reducing its interest rate exposure and has announced its intention for further debt to equity conversions.

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.

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.

Notes to the Financial Statements

For the year ended 31 August 2020

28. 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	HIERARCHY	CARRYING AMOUNT 2020 US$'000	FAIR VALUE 2020 US$'000
Cash and cash equivalents	Level 3	1,896	1,896
Trade and other receivables	Level 3	151	151
Quoted investment portfolio	Level 1	217	217
Investment Property	Level 2	2,500	2,500
Investment at Fair Value (Hinshaw (Radar))	Level 2	2,228	2,228
Trade and other payables	Level 3	(294)	(294)
Loans and borrowings	Level 3	(509)	(509)
Total		**6,189**	**6,189**

GROUP	HIERARCHY	CARRYING AMOUNT 2019 US$'000	FAIR VALUE 2019 US$'000
Cash and cash equivalents	Level 3	1,920	1,920
Trade and other receivables	Level 3	481	481
Quoted investment portfolio	Level 1	496	496
Investment Property	Level 2	2,500	2,500
Investment at Fair Value (Hinshaw (Radar))	Level 2	2,546	2,546
Trade and other payables	Level 3	(304)	(304)
Loans and borrowings	Level 3	(552)	(552)
Total		**7,087**	**7,087**

COMPANY	HIERARCHY	CARRYING AMOUNT 2020 US$'000	FAIR VALUE 2020 US$'000
Cash and cash equivalents	Level 3	233	233
Trade and other receivables	Level 3	3,069	3,069
Quoted investment portfolio	Level 1	201	201
Trade and other payables	Level 3	(1,142)	(1,142)
Loans and borrowings	Level 3	(500)	(500)
Total		1,861	1,861

COMPANY	HIERARCHY	CARRYING AMOUNT 2019 US$'000	FAIR VALUE 2019 US$'000
Cash and cash equivalents	Level 3	447	447
Trade and other receivables	Level 3	3,095	3,095
Quoted investments portfolio	Level 1	478	478
Trade and other payables	Level 3	(1,279)	(1,279)
Loans and borrowings	Level 3	(443)	(443)
Total		**2,298**	**2,298**

Notes to the Financial Statements

For the year ended 31 August 2020

28. 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).

ESTIMATION OF FAIR VALUES

The following, read with note 4, summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the above tables.

CASH AND CASH EQUIVALENTS

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 discounting future cash flows at the cost of debt.

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.

QUOTED INVESTMENT PORTFOLIO

Fair value has been derived from quoted prices.

29. Leases

LEASES AS LESSEE

At the reporting date, the Group had short term leases renewable over a period of 12 months. For these leases the Group recognised the lease payments as an operating lease over the term of the lease in line with IFRS 16. During the year ended 31 August 2020, US$27,000 (2019: US$74,000) was recognised as an expense in the Statement of Profit or Loss in respect of operating leases and rentals are fixed for the period.

Operating lease commitments	*US$'000*
Payable in next 12 months	7
Payable in 1 to 5 years	-
Payable thereafter (> 5 years)	-
Total	**7**

30. Capital commitments

The capital commitments at 31 August 2020 were US$ nil (2019: US$ nil).

31. Contingent liabilities

The Group had no outstanding contingent liabilities at the end of the period.

Notes to the Financial Statements

For the year ended 31 August 2020

32. Related parties

IDENTITY OF RELATED PARTIES

The Group has a related party relationship with its subsidiaries (see note 14) and with its Directors and executive officers.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and there is no requirement for them to be disclosed in this note.

GROUP AND COMPANY

No amounts were due to Directors at 31 August 2020 in respect of Directors fees or otherwise, nor had any Directors fees been paid in the year under review.

VAL is the controlling shareholder of Cambria with a 69.2% interest as at 31 August 2020. Mr. Samir Shasha is the ultimate beneficial owner of VAL and the CEO and Director of Cambria. VAL has provided loan funding to Cambria in the form of the VAL Bridging Facility as set out in note 25. Interest accrued during the period amounted to US$47,000 in respect of the VAL Bridging Facility.

TRANSACTIONS WITH SUBSIDIARY ENTITIES WITHIN THE GROUP

Paynet Zimbabwe (Private) Limited ("Paynet"), a 100% subsidiary of the Group, did not provide any services to fellow subsidiaries in the current year (2019: US$1,000).

Paynet rents its offices in Mount Pleasant, Harare from Le-Har (Pvt) Ltd, a 100% subsidiary of the Group. The lease rentals for the year amounted to $11,000 (2019: $28,000). Paynet was not charged management fees in 2020 (2019: $72,000) by the holding company Cambria. Payserv Africa Limited did not charge license fees to Paynet for the use of its Transwitch software as the services were discontinued (2019: $924,000) and African Solutions Limited charges Paynet payroll license fees which amounted to $5,700 (2019: $152,093).

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key management personnel are the holding Company Directors and executive officers. None of the current active directors received any remuneration during the financial year.

33. Events after the reporting date

VAL LOAN PAYMENT

Subsequent to the end of the reporting period, Cambria utilised some of its cash resources to settle $400,000 of its $500,000 loan obligation to Ventures Africa Limited ("VAL") leaving an outstanding balance to VAL of $100,000. Other than this, the Group is virtually debt-free with current cash resources outside Zimbabwe of $1.36 million, and the Company will save over $32,000 per annum in interest expense.

Corporate Information

For the year ended 31 August 2020

REGISTERED OFFICE AND AGENT
Peregrine Corporate Services Limited
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AUDITORS
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REGISTRARS
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PRINCIPAL GROUP BANKERS
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Shareholder Information

For the year ended 31 August 2020

ANALYSIS OF ORDINARY SHAREHOLDINGS AS AT 9 JUNE 2021

Note: the shareholding analysis has been performed on 9 June 2021 incorporating changes since the year end of 31 August 2020.

	NUMBER OF HOLDERS	% OF TOTAL HOLDERS	NUMBER OF SHARES	% OF TOTAL SHARES
Category of shareholder				
Private shareholder	79	46.47%	20,320,877	3.73%
Banks, nominees and other corporate bodies	91	53.53%	524,254,728	96.27%
Total	**170**	**100.00%**	**544,575,605**	**100.00%**
Shareholding range				
1 - 5,000	43	25.29%	76,198	0.01%
5,001 - 50,000	41	24.12%	812,704	0.15%
50,001 - 500,000	40	23.53%	8,547,092	1.57%
500,001 - 5,000,000	37	21.76%	64,933,552	11.92%
5,000,001 - 50,000,000	8	4.71%	93,206,059	17.12%
50,000,001 - 250,000,000	1	0.59%	377,000,000	69.23%
Total	**170**	**100.00%**	**544,575,605**	**100.00%**

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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