INNSCOR
Africa Limited

Our passion for **Value Creation**

2015

Annual Report


CAPRI
COLCOM
Gloria
Trusted Since 1970
IRVINE'S
Trust earned.
Revive
Beverages
NatPak
National Foods LTD
Red Seal
TEXAS MEATS
The lone star in Quality
PROfeeds
The Performance Feed
ZapNax
BAKER'S INN
Chicken Inn
Creamy inn
fishinn
it's catchy!
Galito's
FLAME GRILLED CHICKEN
Pizza Inn
SPAR
TV SALES & HOME
Your SPACE

Irvine's - Harare

Vision

Our vision is to improve the quality of life of the customers in our chosen target markets and thereby to create and unlock value.

We do this by bringing access to best value food, fast moving and durable goods at the lowest relative prices.

Mission Statement

Innscor Africa Limited is a diversified Pan African Management Holding Company.

We manufacture, distribute and retail fast moving and durable consumer goods to the mass market through a managed and where strategically appropriate, vertically intergrated portfolio of businesses which:

- benefit from being part of our Group

- have the ability and potential to achieve scale and/or

- have the ability to dominate the supply chain or market in which they operate.

The Group operates under the direction and management of an active, experienced team who add value through their industry expertise, deep market knowledge and entrepreneurial creativity.

Scope of this Report

We are pleased to present the annual report of Innscor Africa Limited, a company listed on the Zimbabwe Stock Exchange (ZSE) for the year ended 30 June 2015.

This report is targeted at a broad range of our stakeholders with the aim of presenting a balanced review of material issues and performance from our operations. This report outlines the implementation of the Group's vision and ambition towards sustainable business values, accountability, transparency and international best practices after adopting the Global Reporting Initiatives (GRI) Sustainability Reporting Guidelines.

This is our first annual report prepared according to GRI G4 Guidelines (Core) with an integration of sustainability and financial information. Our financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and audited by Ernst & Young Chartered Accountants (Zimbabwe) in accordance with International Standards on Auditing (ISA). An independent auditors' report on the financial statements is contained on Page 43.

Forward Looking Statements

Certain statements in this report constitute 'forward looking statements'. Such statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performances, objectives or achievements of Innscor Africa Limited to be materially different from future results, performance, objectives or achievements expressed or implied in forward looking statements.

The performance of Innscor Africa Limited is subject to effects of changes in the operating environment and other factors. Innscor Africa Limited undertakes no obligation to update publicly or to release any revision of these forward looking statements to reflect the events or circumstances after the date of publication of these pages or to reflect the occurrence of unanticipated events.

We would welcome your feedback on our reporting and any suggestions you have in terms of what you would like to see incorporated in our report for 2016. To do so, please contact: Tracey Stephens on email tracey.stephens@innscorafrica.com or +263 4 496 790/ 496 886.

Addington Chinake
Chairman

Antonio Fourie
Group Chief Executive Officer

Contents

Group Structure and Activities

LIGHT MANUFACTURING

NATIONAL FOODS HOLDINGS LTD
National Foods Ltd
National Foods Properties Ltd
Botswana Milling and Produce Company (Proprietary) Ltd
Red Seal Manufacturers (Proprietary) Ltd

COLCOM HOLDINGS LTD
Triple C Pigs
Colcom Foods Ltd
Associated Meat Packers (Pvt) Ltd
Intercane (Pvt) Ltd
Freddy Hirsch Group (Pvt) Ltd (Associate company)

IRVINE'S ZIMBABWE (PVT) LTD

INNSCOR BREAD
Simon Mazorodze Road Plant- Harare
Shepperton Road Plant - Harare
Lennard Bread Plant - Bulawayo

APPLIANCE MANUFACTURING
Capri
WRS (World Radio Systems)

NATPAK (PVT) LTD

NATPAK (MAURITIUS) LTD

BEDRA ENTERPRISES (PVT) LTD

PROFEEDS (PVT) LTD
(Associate company)

LOGISTICS AND DISTRIBUTION

DISTRIBUTION ZIMBABWE
Innscor Distribution
Comox Trading
Eagle Agencies
Snack Sales and Distribution
Breathaway Food Caterers (Pvt) Ltd
Freshpro
Yamiya Trading (Pvt) Ltd
Brands House Marketing (Pvt) Ltd
Vital Logistics (Pvt) Ltd
Brand Action (Pvt) Ltd

BAOBAB (PVT) LTD
(Associate company)

HAT ON (PVT) LTD
(Associate company)

DISTRIBUTION ZAMBIA
Innscor Distribution
Comox Trading

DISTRIBUTION MALAWI
Innscor Distribution
Comox Trading

QUICK SERVICE RESTAURANTS

ZIMBABWE	
Baker's Inn & Mr Baker	45*
Chicken Inn	49
Creamy Inn	33
Nando's	11
Pizza Inn	30
Fish Inn	3
Steers	5
Convenience Stores	1
Haefeli's	2
Inns Express	2
Afro Foods	6
Afro Ice	1

REGION	
Baker's Inn	14
Chicken Inn	30
Creamy Inn	38
Pizza Inn	51
Convenience Stores	16
Galito's	31
Vasili's	1
Vida e Caffé	1

Group Structure and Activities

RETAIL AND WHOLESALE

ZIMBABWE

SPAR FRANCHISED OUTLETS

SPAR stores	37*
SAVEMOR stores	3
SPAR Express	4
TOPS bottle stores	4

SPAR CORPORATE STORES

Letombo Park SPAR Megasave
Groombridge SPAR
Borrowdale Village SPAR
Mutare SPAR
Golden Stairs SPAR
Joina City SPAR
Queensdale SPAR

SPAR DISTRIBUTION

Spar Distribution Centre

SPAR ZAMBIA

SPAR FRANCHISED OUTLETS

SPAR stores	7

SPAR CORPORATE STORES

Arcades SPAR
Downtown SPAR
Soweto SPAR
Crossroads SPAR
Northrise SPAR
Foxdale SPAR
Mumbwa SPAR
Embassy SPAR

TV SALES & HOME

TV Sales & Home	33
Your Space	1
Samsung concept store	1

OTHER BUSINESSES

SHEARWATER ADVENTURES (PVT) LTD (Associate company)

THE RIVER CLUB - Livingstone Zambia

ZAMBEZI TOURISM INVESTMENTS LTD

"During the year, much focus was placed on effective margin management, cost reduction and business optimisation to firstly minimise the impact of declines in revenue and secondly to establish a new base and solid platform for the future."

* The number in front of a Brand represents the total outlets open at 30 June 2015.

Natpak - Harare

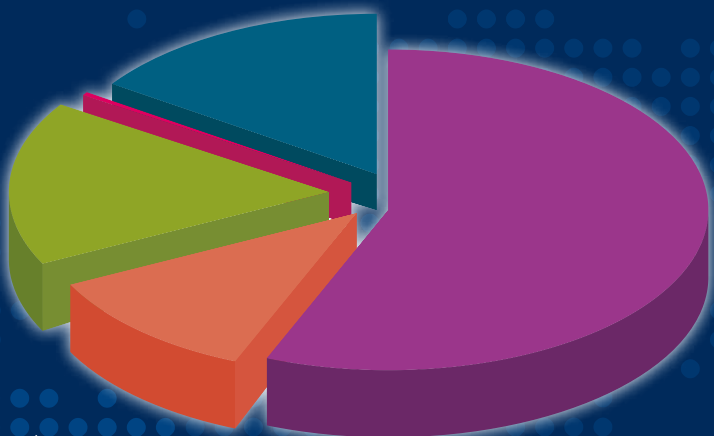
> *"Natpak revenue grew by 9.43% on prior year. The business completed the commissioning of its new Flexible Packaging line during Quarter four and initial volumes are very encouraging."*

Financial Highlights

	2015 USD	2014 USD
Group Summary		
Revenue - continuing operations	814 399 821	871 159 852
Operating profit before impairment, depreciation, amortisation and fair value adjustments - continuing operations	60 629 242	65 758 638
Profit before tax - continuing operations	41 940 408	84 348 795
Profit for the year attributable to equity holders of the parent	18 260 076	60 465 321
Cash generated from operating activities	66 849 325	106 822 736
Net assets	331 938 137	316 850 331
Share Performance (cents) (All from continuing operations)		
Basic earnings per share - cents	3.37	11.16
Headline earnings per share	3.48	4.11
Ordinary Share dividends declared and paid during the year:		
Interim dividend per share	0.55	0.60
Final dividend per share (prior year)	0.70	1.00
Ordinary Share dividends per share recognised during the year	1.25	1.60
Ordinary Share dividends per share declared and paid since reporting date	0.55	0.70
Class "A" ordinary share dividends recognised and paid since reporting date	148 000	351 500
Market price per share - 30 June (cents)	60.00	74.00
Number of shares in issue at 30 June	541 593 440	541 593 440
Market capitalisation	324 956 064	400 779 146

Percentage Contribution to Revenue

- Light Manufacturing (7 219 employees) 56%
- Logistics & Distribution (869 employees) 11%
- Retail & Wholesale (1355 employees) 17%
- Quick Service Restaurants (4 392 employees) 16%
- Other Businesses & Corporate Services (300 employees) 0%



Chairman's Statement and Review of Operations

OVERVIEW

The year produced a varied set of performance results by the Group companies. A number of businesses produced good results whilst some of our key business generated poor results compared to prior year. During the year, much focus was placed on effective margin management, cost reduction and business optimisation to firstly minimise the impact of declines in revenue and secondly to establish a new base and solid platform for the future.

A number of businesses managed to reduce their cost of sales through more efficient buying, improved efficiencies and effective pricing management thus improving their margins. Greater Group collaboration further contributed positively to the results allowing the Group to strengthen its gross margins. Some businesses had new management teams put in place and also undertook restructuring programmes to remove inefficiencies and improve productivity. The restructured businesses all benefited as costs decreased on prior year and also contributed to the Group's total costs reduction notwithstanding once-off restructuring charges of USD8.764 million.

The external economic environment was characterised by increasing levels of unemployment, declining disposable income, increasing levels of competition, increasing levels of debt delinquency and changes in import regulations to varying degrees, affecting the ability of the Group to grow revenue and thereby profitability year on year.

FINANCIAL

During the period under review and following on good progress of its strategic restructuring and reconfiguring programme, the Group has reorganised the reporting of its operations into four core reporting business sectors namely, Light Manufacturing, Logistics & Distribution, Quick Service Restaurants (QSR) and Retail & Wholesale, with each sector headed by a Group Executive. The segment report supporting this statement has been adjusted to show the Group's results in these new reporting sectors together with the appropriate comparative information.

In addition, the Board made a strategic decision to unbundle the Quick Service Restaurant businesses during the first half of FY2016, and to comply with International Financial Reporting Standards

Colcom - Harare

Texas Meats - Harare

Chairman's Statement and Review of Operations

(IFRS), which require an entity to disclose as a single amount in the Statement of Profit or Loss and Other Comprehensive Income, the post-tax profit or loss of an entity held for sale, the Group's Statement of Profit or Loss for the comparative period has been restated to comply with this requirement.

During the year under review, the Group recorded revenue of USD814.400 million on continuing operations, a 6.52% decrease on the comparative period (5.91% decrease including discontinuing operations), and a 7.80% decrease in operating profit to USD60.629 million (including discontinuing operations the decline is 3.72%). The profit before tax of USD41.940 million, is 7.45% below prior year (including discontinuing operations decrease was 3.33%), if fair value adjustments of USD39.033 million are excluded in prior year numbers. As reported in the previous year, the prior year profit before tax includes a fair value adjustment of USD39.033 million, arising from the first time consolidation of National Foods Holdings Limited and Irvine's Zimbabwe (Private) Limited.

During the year, substantial once-off charges of USD8.764 million were incurred; USD6.184 million in operating expenses; USD1.701 million in cost of sales and USD0.879 million in asset impairments. The once-off operating costs included the cost of retrenchment and restructuring predominantly in SPAR, QSR and Bakeries.

Headline Earnings per Share (HEPS) declined to 3.48 US cents from the 4.11 US cents in the previous year.

The increased investment in working capital is as a result of additional strategic reserves in key raw materials such as maize, wheat and soya and the payment made to the Competition and Tariff Commission. This increased working capital investment resulted in cash generated from operating activities for the financial year of only USD66.849 million compared to USD106.823 million in the comparative period. The investment in working capital is expected to unwind early in the next financial year and will contribute positively to trading profit of businesses holding these strategic raw materials and trading inventory.

Included in the Group's working capital is USD2.550 million held by the Competition and Tariff Commission in respect of the Group's investment in National Foods. As reported in the Group's 2014 Annual

Capri - Harare

SPAR Golden Stairs - Harare

Chairman's Statement and Review of Operations

Report, the Competition and Tariff Commission sought to penalise the Group for not formally notifying them when the Group became a significant shareholder in National Foods Holdings Limited. The Group was required to pay an amount of USD2.550 million into a trust pending conclusion of the matter before the courts. Subsequent to the reporting date, the courts ruled in favour of the Group and the Group awaits receipt of the funds plus interest from the trustees.

The Group's capital expenditure reduced from USD48.935 million in FY2014 to USD38.012 million during the period due to a more critical review of capital allocation given the trading environment. Net loans have increased by USD13.049 million to support the capital expenditure, acquisition of minorities in SPAR and Quick Service Restaurants and the strategic investment in working capital.

SUSTAINABILITY REPORTING

The Group strives to operate its businesses in a sustainable manner that recognises environmental and social impacts. The Group believes that by identifying, measuring and being accountable to its stakeholders through sustainability reporting (Economic, Environmental, Social and Governance), this enhances potential for long-term, sustainable business success. To this end, the Group has set a vision to achieve, in the coming years, international best practices in sustainability reporting by adopting the Global Reporting Initiatives (GRI) Sustainability Reporting Guidelines as a framework.

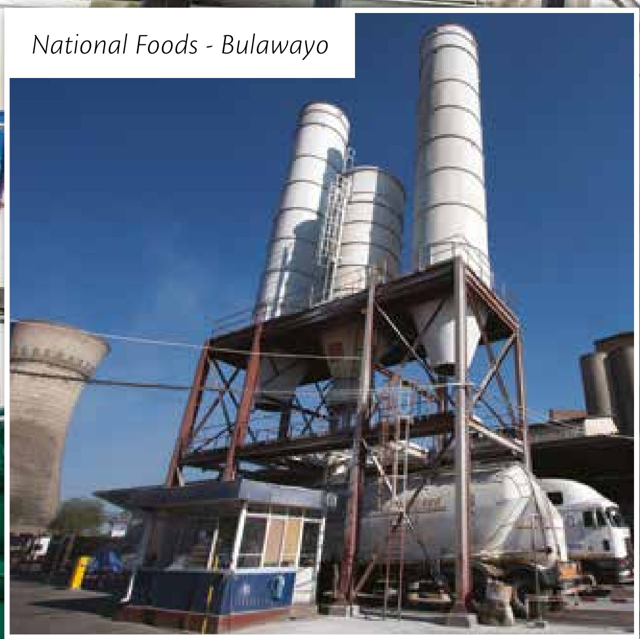
The Group however acknowledges that much needs to be done to give substance to our intent to achieve the required standards of a Group of our standing. We will bring greater focus to bear in FY2016 to ensure the agenda and programmes are clear, substantive and will deliver on the objectives.

OPERATIONS

LIGHT MANUFACTURING

The core businesses in this reporting sector comprise National Foods, Colcom, Irvine's, Bakeries, Capri and Natpak.

National Foods delivered a disappointing performance for the year, posting a profit of USD17.253million, 20.65% below prior year. The results were heavily influenced by the poor performance of the Maize division where volumes declined 39% as a result of a significantly improved 2013-14 local maize harvest. The Group however delivered a strong performance in the Flour division. In light of the subdued trading environment, the optimisation of the business' cost base as well as the active pursuit of growth opportunities remains a key priority in the year ahead.



National Foods - Bulawayo

Irvine's Plant - Harare

Chairman's Statement and Review of Operations

Colcom reported a 10.65% increase in profit before tax notwithstanding a 2.98% decline in revenue, a 14% drop in fresh pork volumes and depressed prices on beef and fresh pork. Volumes restricted by supply side challenges contributed to the result. The decline in revenue was compensated for by improved efficiencies across the value chain. During the period under review, Colcom has been developing a sow herd that will allow the company to address the supply side challenges and grow fresh pork volumes in FY2016. Two new Texas retail outlets were opened during the period and an additional three outlets are planned for FY2016. The construction and installation of a new pie factory is almost complete with commissioning expected in Quarter one of FY2016. The FY2016 platform has been set by addressing the pork supply situation, growing the Texas retail platform and opening of a new pie plant, that will grow pie production capacity by over 80%.

Irvine's revenue growth of 4.07% on prior year was driven by the 10% growth in day old chick volumes and a 19% growth in chicken volumes, both notwithstanding reduced revenue per unit. The table eggs business continues to suffer from reduced egg supply and uncompetitive feed prices due to expensive maize prices. Investments made in hatching egg facilities are helping to improve margins and egg production per hen housed. Management undertook a complete review of its markets, customers and competitors after H1, resulting in new strategies. The programme allowed management to take costs out of the business and improve margins which resulted in a 19.15% growth in profit before tax. The business commissioned a USD6 million feedmill in Quarter four of FY2015 and expects additional savings in margins going into FY2016.

The Bakery business' performance was disappointing due to poor operational management, poor management decisions in previous years and a slow response to declining volumes and market changes. Abnormal costs amounting to USD4.8 million, for restructuring, relocation and retrenchment were incurred during the period. In Quarter four new strategies were implemented to respond to declining volumes through pricing, cost reduction initiatives and a product relaunch. The business also implemented an advertising and marketing campaign and re-focused its distribution strategy. These initiatives are showing positive results with bread volumes growing 20% and continue to show improvement. A further 38% increase in volumes has been recorded to the end of August 2015. The business is seeking to continue on its recovery path in the new financial year

Innscor Bread Plant - Harare

Chairman's Statement and Review of Operations

with the replacement of the bulk of the distribution fleet which will substantially reduce distribution and repairs & maintenance costs.

At Capri, the 10.54% growth in revenue was driven by a 12% growth in units sold offsetting a 2% drop in average revenue per unit. Year-on-year efficiencies have improved significantly due to improved procurement initiatives. Profit before tax grew by over 100% on prior year. The business recently completed the commissioning of a new refrigerator plant which will increase consolidated total production in the factory of all units to 12 000 per month.

Natpak revenue grew by 9.43% on prior year. The business completed the commissioning of its new Flexible Packaging line during Quarter four and initial volumes are very encouraging. The sacks division faced tremendous pressure from cheap imports, however the business managed to successfully defend its market share.

LOGISTICS AND DISTRIBUTION

This reporting sector consists of the Group's distribution businesses in Zimbabwe, Zambia and Malawi. The businesses are involved in the distribution of food and FMCG products through agency agreements with major international brands and other significant blue chip manufacturers. The business offers services which include sales, warehousing, distribution, clearing and merchandising.

The Zimbabwean operations performed well recording a revenue growth of 25.80% and volume growth of 3% on prior year, though margins in the business were lower than those achieved in the prior

Colcom - Harare

Innscor Bread Plant - Harare

Chairman's Statement and Review of Operations

year. This sector managed to post a profit before tax growth of 8.90%. The business took over the logistics and distribution of SPAR and that of Irvine's products through the new Arlington site.

The Regional Distribution business in Zambia and Malawi recorded a 13.08% growth in revenue and a 7.01% growth in profit before tax notwithstanding local currency depreciation. The focus in the new year is to maintain close relationships with principals and to offer retailers value added services.

QUICK SERVICE RESTAURANTS (REPORTED IN DISCONTINUING OPERATIONS)

This reporting sector consists of the Group's Fast Food operations in Zimbabwe and eight other countries on the African continent. The Group has announced plans to unbundle the QSR business and distribute it to shareholders by way of a dividend in specie during Quarter two of FY2016.

The three individual Zimbabwean QSR businesses were restructured into a single entity and structure with one management team. The restructure led to improved efficiencies and significant cost savings. Despite revenues staying at the same levels as prior year, as a result of the cost reductions, profit before tax was up 7.3%. Seven non-performing stores, comprising four Chicken Inns, one Creamy Inn and two Baker's Inns, were closed and relocated to new sites where they are performing to expectations.

The Regional QSR businesses posted a 7.18% growth in revenue and a 39.73% improvement in profit before tax. The improvement

Vital Logistics - Harare

Vital Logistics - Harare

Chairman's Statement and Review of Operations

in profitability was achieved through rapid growth in Kenya and Democratic Republic of Congo and the streamlining of the network in Zambia and Ghana. 55 outlets were added to the Regional QSR network in 52 weeks, including entry into a new market, Namibia. The business is set to continue this growth trend of one new counter per week across the African continent. The QSR brands are now represented in Zimbabwe, Zambia, Kenya, Ghana, Democratic Republic of Congo, Swaziland, Lesotho, Malawi and Namibia with entry into Mauritius and Botswana planned for first half of FY2016. At year-end, the total regional store network grew to 186 stores including franchised counters compared to 178 stores operated in Zimbabwe.

RETAIL AND WHOLESALE

This reporting sector consists of TV Sales & Home, the SPAR Corporate Store Retail operations in Zimbabwe and Zambia and the SPAR Distribution Centre in Harare.

TV Sales & Home recorded a 4.19% growth in revenue whilst profit before tax was equal to last year. The number of units sold increased by 17% notwithstanding average revenue per unit dropping by 11%. The business faced margin pressure operating in an environment with increasing unemployment, reduced disposable incomes and a very competitive import market driven by a weakening South African Rand. TV Sales & Home increased its footprint by opening 4 new stores during the year one each in Bindura and Chiredzi and two in Harare, but also closed the same number of non-performing stores in Harare. The debtors book grew by 26% on prior year with the quality of the book maintained. The company continues to work with local manufacturers in the wake of the recently announced duties to ensure improved quality and price competitiveness. The business has plans to open more stores and continue with its expansion plans including establishing a footprint in regional markets with immediate expansion plans into Zambia being pursued.

Pizza Inn - Kenya

Galito's - Kenya

Chairman's Statement and Review of Operations

SPAR continued the extensive restructuring and re-alignment of operations at the Corporate Stores, resulting in a turn-around in trading profit despite recording a 17.72% decline in revenue as a result of store closures. As part of this restructuring, the business closed the non-performing Borrowdale Brooke store, made changes to the executive team during the year and also acquired a store at Queensdale Shopping Centre. The restructuring efforts have seen operating expenses dropping by 29.31% on prior year. Management continues to focus on improving efficiencies in the supply chain to improve margins and further reduce costs. Much progress has been achieved in this regard but further work remains to be done to restore the business to profitability at profit before tax.

The SPAR Distribution Centre outsourced its warehousing and distribution functions to a group-shared warehouse facility with the aim of improving efficiencies. As with SPAR Retail stores, the business underwent restructuring resulting in a turnaround at a trading profit level, following a 41% drop in operating expense and margin improvement. Further cost reduction and margin improvement initiatives continue to be implemented.

The SPAR Corporate Store operations in Zambia had a poor year as a result of poor operational management, which has subsequently led to executive management changes. The business increased its footprint with the opening of an additional store in Lusaka replacing a non performing store located in Ndola. The number of corporate stores were thus maintained at 8 and the total network of stores remains at 15 inclusive of the franchise stores.

UNLOCKING VALUE THROUGH RECONFIGURING THE PORTFOLIO

The Board has published its intention to distribute the entire QSR business to its shareholders by way of a dividend in specie in the first half of FY2016 and to subsequently list the unbundled entity on the

SPAR Borrowdale- Harare

TV Sales & Home - Harare

Chairman's Statement and Review of Operations

Zimbabwe Stock Exchange. The Board's view is that this unbundling will unlock value to Innscor Africa Limited shareholders and allow investors more choice and thereby better portfolio management.

PROSPECTS

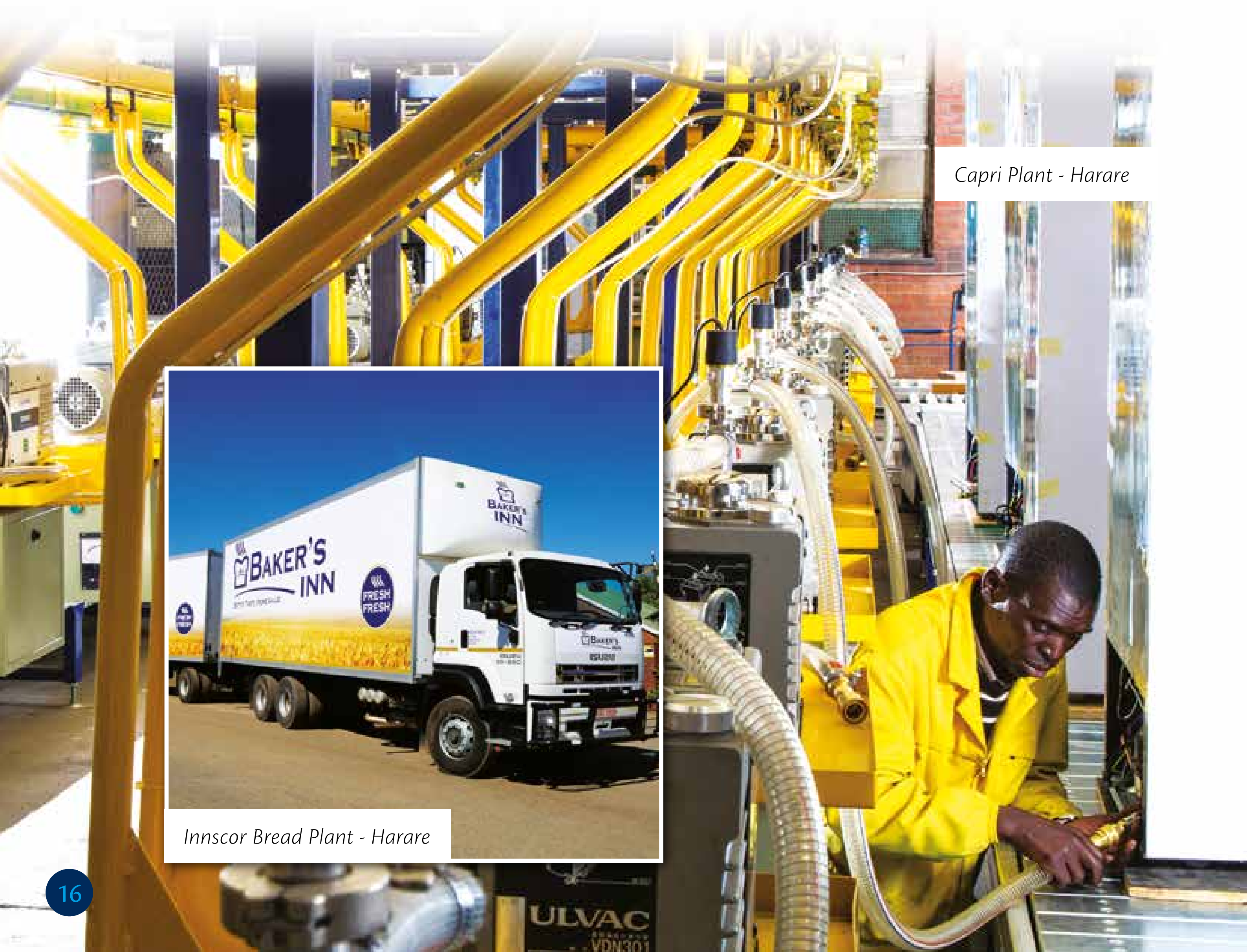
Whilst the Group expects the difficult macroeconomic environment to continue creating a difficult trading platform, we remain cautiously optimistic. The Group has a focused strategy to achieve organic and acquisitive growth, improve margins and reduce costs towards achieving target return on equity and cash generation objectives.

New management structures and teams with new leadership will help the Group ensure that the plans are effectively executed. The Group will also continue to explore opportunities to create value by further optimising its portfolio, notwithstanding the tough trading environment, the Group will continue to procure strategic acquisitions.

DIVIDEND

The Board has declared a final dividend of 0.55 US cents per share (bringing total dividend for the year to 1.10 US cents per share) payable on or about the 4th of November 2015, to shareholders registered in the books of the Company by noon on the 9th of October 2015. The transfer books and register of members will be closed from the 10th of October to the 12th of October 2015, both days inclusive.

The Board has also declared a dividend totalling USD 148 000 to Innscor Africa Employee Share Trust (Pvt) Ltd.



Capri Plant - Harare

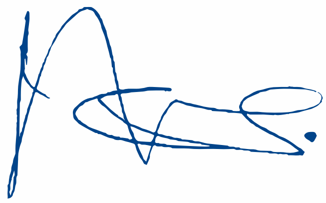
Innscor Bread Plant - Harare

Chairman's Statement and Review of Operations

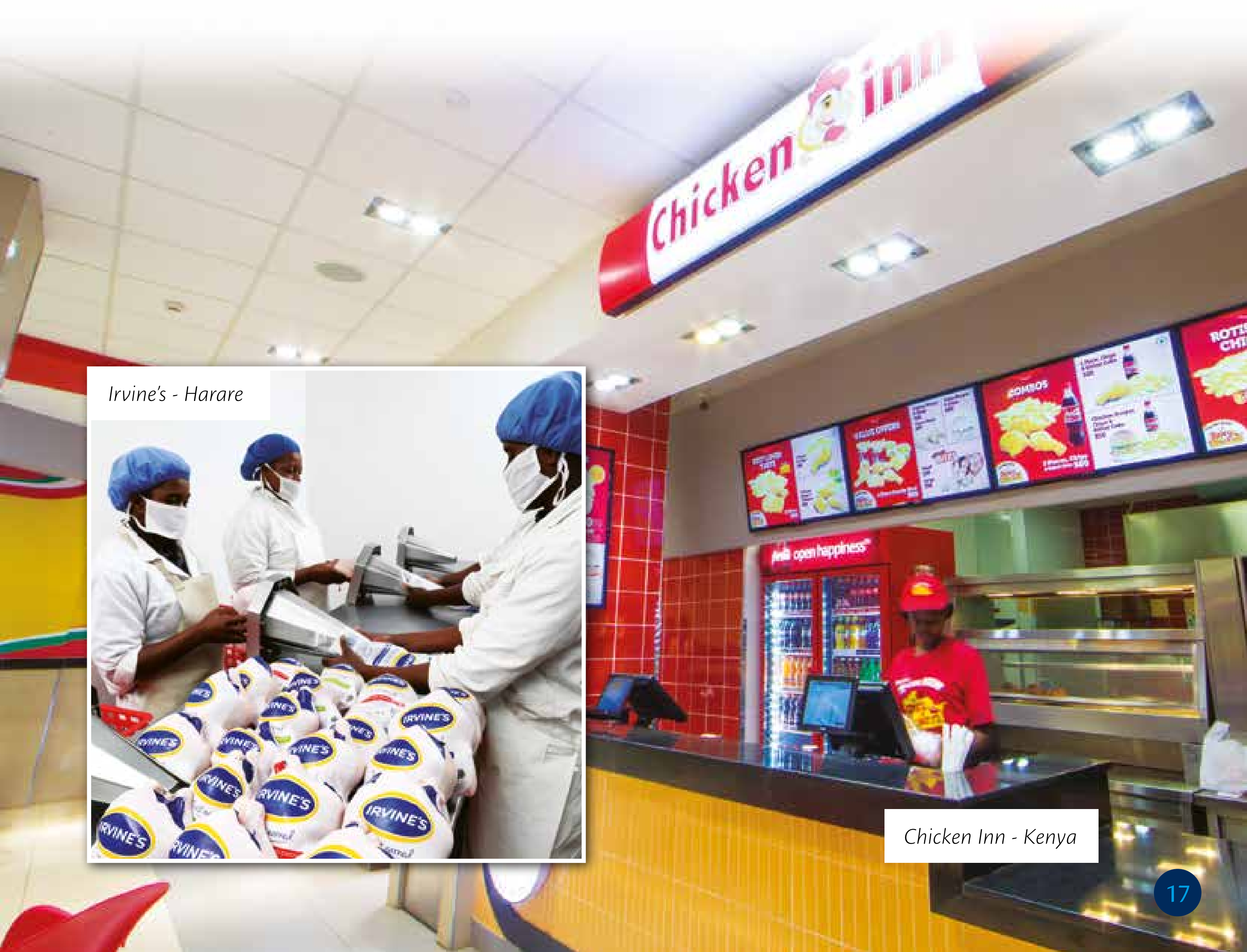
APPRECIATION

I wish to record my appreciation to the Board of Directors, Executives, Management and Staff for their efforts during the year under review. I also wish to thank the Group's customers, suppliers and other stakeholders for their continued support and loyalty.

Mr Basil Dionisio is leaving the Board in Quarter two of FY2016 to take up appointment as CEO of the unbundled QSR business. On behalf of the Board, Management and Staff I would like to extend my profound gratitude to Basil for his contribution to the Group, his passion and wise counsel during his over 27 years of service to Innscor Africa Limited and would like to wish him well in his new role.



A B C CHINAKE
Chairman
15th October 2015



Irvine's - Harare

Chicken Inn - Kenya

Corporate Governance and Approaches

Group Governance and Management Approach

Innscor Africa Limited is committed to a Code of Corporate Practices and Conduct based on the principles laid out in the King Reports and the Principles of Corporate Governance in Zimbabwe as laid out in the Manual of Best Practice. The Group is looking forward to aligning the existing Code with the new National Code of Corporate Governance in Zimbabwe and other such recognised international best practices in corporate governance. The Directors recognise the need to conduct the affairs of the Group with principles of transparency, integrity, accountability and in accordance with generally accepted corporate practices, in the interests of its shareholders, employees and other stakeholders. This process enables the Group's shareholders and stakeholders to derive the assurance that, in protecting and adding value to Innscor Africa Limited's financial and human capital investment, the Group is being managed ethically, according to prudently determined parameters and in compliance with the best international practices. Sustainability Reporting enables the Group to drive and monitor specific outcomes which constitute the Group's focus for long-term value creation and sustainability.

Mechanisms for Communication with Stakeholders

The Group provides various platforms for its stakeholders to communicate with its Board of Directors and senior management. Such platforms include the Annual General Meeting, press release announcements of interim and year-end results, investor briefings, annual reporting to shareholders and exercise of shareholders' voting rights through proxy forms. The Group's website contains a vast array of updated operational and financial information which can be easily accessed by all stakeholders.

Board and Management Ethics

The Group believes that it is the responsibility of the Board and management to lead by following acceptable ethical business practices. Therefore, all Directors and management are required to declare interests which might be deemed in conflict with their contracts with the Group.

Share Dealings

Directors, Management and all Group staff are not permitted to deal directly or indirectly in the shares of the Group or listed subsidiary companies during:

- the period from the end of the interim or annual reporting periods to the announcement of the interim and annual results.
- any period when they are aware of any negotiations or details which may affect the share price.

Professional Advice

It is the Group's policy, that where justifiable, Directors shall be entitled to seek independent professional advice at the Group's expense on matters in the furtherance of their duties or in advance of the Group and its companies' value creation.

Board Structure

The Board of Innscor Africa Limited currently consists of five executive Directors, two independent non-executive Directors and two non-independent non-executive Directors. The Chairman and the non-executive Directors bring a significant amount of experience and intuition to guide an active and ambitious executive management team. The Board meets quarterly to monitor the performance of management and to ensure proper control over the strategic direction and governance of the Group. Short biographies of each of the Directors are disclosed on page 21 and 22. The Group operates a decentralised silo structure. Each individual business has a formal Board with clearly defined responsibilities and objectives, for the day-to-day running of its operations. A comprehensive financial reporting system ensures that each business is brought to account on a monthly basis.

Directors' Remuneration

Remuneration packages for Directors are determined by the Group's Remuneration Committee. These packages include a guaranteed salary as well as a performance-related incentive linked to the achievement of pre-set profit targets and levels of free cash flow. As at 30 June 2015 there were no loans from the Company to any Directors. In addition, no share options were issued to any Directors during the year under review and there were no unexercised share options outstanding held by the Directors at 30 June 2015.

Capri Plant - Harare

Corporate Governance and Approaches

Sub–Committees:

Committee	Members	Summary Roles & Responsibilities
Executive	A. Fourie (Chairman) L. Castens B. Dionisio G. Gwainda J. Koumides T. O'Gorman J. P. Schonken	The Executive Committee is responsible for formulating, directing and implementing strategic decisions. The Committee meets monthly. The Committee is composed of five Directors and two senior managers.
Audit	T.N. Sibanda (Chairman) A.B.C. Chinake J. Koumides D.L.L. Morgan (Retired)	The Group has an audit committee that assists the Board in the fulfilment of its duties. The audit committee deals, inter alia, with compliance, internal control and risk management. The committee currently comprises one executive Director and two independent, non-executive Directors. A non-executive Director chairs the committee. The committee meets at least three times a year with the Group's external and internal auditors to consider compliance with financial reporting requirements, monitor the appropriateness of accounting policies and the effectiveness of the systems of internal control and consider the findings of the internal and external auditors. Both the internal and external auditors have unrestricted access to the audit committee to ensure their independence and the objectivity of their findings and scope of work.
Finance & Investment	G. Gwainda (Chairman) B. Dioniso A. Fourie J. Koumides R. Nyamuziwa J.P. Schonken	The finance and investment committee is mandated by the Board to set, approve and monitor overall borrowing limits for the Innscor Africa Limited Group and for the individual companies within the Group. The committee is responsible for approving financial institutions that the Group can transact with and limits of such transactions. The committee also sets, approves and monitors the overall capital expenditure investment within the Group and specifically analyses any expansion capital expenditure and potential business acquisition or disposal prior to considering approval. The committee comprises five executive Directors and one senior manager of the Group. The committee meets on a monthly basis to consider banking facilities, borrowing positions, capital expenditure, investment opportunities and such other business as may be directed by the Board.
Remuneration	A.B.C. Chinake (Chairman) M.J. Fowler D.L.L. Morgan (Retired) T.N. Sibanda	The remuneration committee comprises three non-executive Directors who determine, on behalf of the Board and the shareholders, the individual remuneration packages for the executive Directors and other executive management. The Group's remuneration policy is to provide packages that attract, retain and motivate high quality individuals who will contribute substantially to the growth and success of each of the businesses in which the Group operates. Packages primarily include basic salaries, benefits and performance related bonuses.
Nomination	A.B.C. Chinake (Chairman) M.J. Fowler T.N. Sibanda	The nomination committee considers the composites of the Board and its Committees, and makes appropriate recommendations to the Board regarding the retirement, appointment and replacement of Directors. It comprises of an independent non-executive Chairman and two non-executive directors.

Corporate Governance and Approaches

Attendance of Meetings during the 2015 Financial Year

Director	Year of Appointment	Main Board		Audit Committee		Remuneration Committee		Executive Committee		Nomination Committee		Finance & Investment	
		A	P	A	P	A	P	A	P	A	P	A	P
D. L. L. Morgan (resigned)	1998	1	1	1	1	1	1	n/a	n/a	n/a	n/a	n/a	n/a
J. Koumides	2003	4	4	3	3	n/a	n/a	7	8	n/a	n/a	8	9
J.P. Schonken	2007	4	4	n/a	n/a	n/a	n/a	8	8	n/a	n/a	8	9
T.N. Sibanda	2005	4	4	3	3	2	2	n/a	n/a	2	2	n/a	n/a
A. Fourie	2014	4	4	n/a	n/a	n/a	n/a	8	8	n/a	n/a	8	9
G. Gwainda	2015	2	2	n/a	n/a	n/a	n/a	5	5	n/a	n/a	5	5
Z. Koudounaris	1996	2	4	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M.J. Fowler	1994	3	4	n/a	n/a	1	2	n/a	n/a	2	2	n/a	n/a
B. Dionisio	2012	3	4	n/a	n/a	n/a	n/a	7	8	n/a	n/a	7	9
A.B.C. Chinake	2015	2	2	2	2	1	1	n/a	n/a	1	2	n/a	n/a

KEY: A= Number of Meetings Attended P = Meetings possible of attendance in the year

TV Sales & Home - Harare

Corporate Governance and Approaches

Board of Directors

Addington Bexley Chinake - Non-Executive Chairman (Appointed January 2015)

Addington is a legal practitioner by profession, with twenty one years of experience in legal services in Zimbabwe. He has extensive experience in all manner of legal practice in Zimbabwe, but, over the past thirteen years, his area of specialisation has been corporate and commercial law including mining law, competition law, mergers and acquisitions, Leveraged Buy Outs (LBO's) and capital raising. Addington has been involved in a number of significant FDI transactions and a number of other multi-million dollar acquisitions and disposals by foreign companies of equity on Zimbabwe Stock Exchange listed entities and major Greenfield mining projects. He has acted for a number of public companies on the Zimbabwe Stock Exchange and he has also been a Non-Executive Director of five Zimbabwe Stock Exchange listed companies including Art Corporation, Phoenix Consolidated Industries and Murray and Roberts Zimbabwe Limited (Deputy Chairman). Addington is currently the Chairman of Astra Industries Limited. Addington is a member of the Group's Audit, Nomination and Remuneration Committees.

Antonio Fourie - Group Chief Executive Officer (Appointed September 2014)

Antonio's career spans thirty years and reflects a diverse experience base. During this time, he has worked in Retail for nineteen years, the IT industry for four years and the Banking, Insurance and Financial Service industries for over ten years. Antonio's experience has been gained in South Africa's leading companies, which include Truworths Limited, Massmart Limited, Connection Group Limited and African Bank Limited. In September 2014, Antonio was appointed as the Group Chief Executive Officer. He is a member of the Group's Executive and Finance & Investment Committees. Antonio also sits on the boards of Colcom Holdings Limited and National Foods Holdings Limited.

Basil Dionisio - Executive Director (Appointed November 2012)

Basil is a founder shareholder of Innscor and helped create the Group's culture and value system. Basil has extensive operational knowledge of the Group's businesses and has been instrumental in the Group's success in its regional fast food expansion programme. Basil's current operational portfolio covers the Group's Quick Service Restaurant business units. Basil is a member of of the Group's Finance and Investment Committee, as well as the Executive Committee.

Godfrey Gwainda - Group Financial Director (Appointed January 2015)

Godfrey is a Chartered Accountant with seventeen years of accounting and financial experience in the accounting profession and the business sector in Zimbabwe. Godfrey completed articles of clerkship with KPMG and qualified as a Chartered Accountant in 2000. In September 2001 he joined Innscor, where he has held a number of financial and managerial positions. In January 2015, Godfrey was appointed to the main Board of Innscor as Group Financial Director. Godfrey is a member of the Group's Executive Committee and chairs the Finance and Investment Committee.

John Koumides - Executive Director (Appointed September 2003)

John is a former partner of Deloitte in Harare. During his career, John spent nine years at Delta Corporation where he served as Group Financial Director and in his last year as Group Operations Director. John has served on the Innscor Board as both an executive and non-executive Director over the last twelve years. John relinquished his role as the Group Chief Executive Officer of Innscor in September 2014 to assume the Group Corporate Finance Executive role. John is a member of the Group's Audit, Executive and Finance & Investment Committees. John also sits on the board of Colcom Holdings Limited, a listed investment of Innscor.

Julian Schonken - Executive Director (Appointed October 2007)

Julian completed his tertiary education at Rhodes University in South Africa, where he attained a Bachelor of Commerce degree. In 1999 and shortly after completing his articles of clerkship and qualifying as a Chartered Accountant (Zimbabwe) with Deloitte, Julian joined Innscor where he has held a number of financial and managerial positions. In October 2007, Julian was appointed to the main Board of Innscor as Group Financial Director. He also sits on the boards of Colcom Holdings Limited and National Foods Holdings Limited and is a member of the Group's Executive and Finance and Investment Committees. In January 2015, Julian accepted appointment as Executive Director for Light Manufacturing.

Corporate Governance and Approaches

Michael Fowler - Non-Executive Director (Appointed July 1994)

Michael is a founder shareholder of Innscor and has held a number of managerial positions within the Group including a period during which he served as Group Chief Executive Officer. Michael was a key driver behind the Group's investment into its now unbundled crocodile ranching operations (Padenga Holdings Limited) where he has remained as an executive director since its unbundling and seperate listing on the ZSE in 2010. Michael is a member of the Group's Remuneration and Nomination Committees.

Thembinkosi (Themba) Sibanda - Non-Executive Director (Appointed November 2005)

Themba completed his tertiary education at the University of Zimbabwe with a Bachelor of Accounting Honours degree. Shortly after completing his articles of clerkship and qualifying as a Chartered Accountant (Zimbabwe), Themba was admitted into partnership and now has over 30 years experience in compliance and audit services at Schmulian & Sibanda. Themba currently chairs the Group's Audit Committee and is also a member of the Remuneration and Nomination Committees. Themba also sits on the boards of a number of other listed entities in Zimbabwe including Delta Corporation Limited, Edgars Stores Limited, Padenga Holdings Limited and Pretoria Portland Cement Limited.

Zinona (Zed) Koudounaris - Non-Executive Director (Appointed April 1996)

Zed completed his tertiary education at Rhodes University in South Africa where he attained a Bachelor of Commerce degree, majoring in Business and Computer Sciences. Zed is a founder shareholder of the Group and was the driving force behind the initial creation and success of the Group's core fast food brands. Zed has held a number of positions within the Group including Chief Executive Officer upon the Group's listing in 1998. Zed remains highly active in pursuing strategic growth opportunities for the Group and providing guidance to its management team.

National Foods - Harare

Directorate and Management

BOARD OF DIRECTORS

Independent, Non-Executive Directors

¤ • * Addington Chinake (Chairman)
¤ • * Thembinkosi Sibanda

Non-Independent, Non-Executive Directors

¤ * Michael Fowler
Zinona (Zed) Koudounaris

Executive Directors

▲ ◆ Antonio Fourie
▲ ◆ Godfrey Gwainda
▲ ◆ • John Koumides
▲ ◆ Julian Schonken
▲ ◆ Basil Dionisio

• Member of the Audit Committee
* Member of the Remuneration Committee
¤ Member of the Nomination Committee
▲ Member of the Executive Committee
◆ Member of the Finance and Investment Committee

Chairman of the Audit Committee	-	Thembinkosi Sibanda
Chairman of the Remuneration Committee	-	Addington Chinake
Chairman of the Nomination Committee	-	Addington Chinake
Chairman of the Executive Committee	-	Antonio Fourie
Chairman of the Finance and Investment Committee	-	Godfrey Gwainda

GROUP EXECUTIVES

Antonio Fourie	Group Chief Executive Officer
Godfrey Gwainda	Group Financial Director
John Koumides	Executive Director - Corporate Finance
Julian Schonken	Executive Director - Light Manufacturing
Basil Dionisio	Executive Director - Quick Service Restaurants
Louis Carstens	Executive - Strategy and Business Optimisation
Tony O'Gorman	Executive - Retail and Wholesale
Musi Kumbula	Group Corporate Affairs Executive
Raymond Nyamuziwa ◆	Group Treasurer
Andrew Lorimer	Group Company Secretary

DIVISIONAL MANAGEMENT

CORPORATE SERVICES

Corporate

Ray Rambanapasi	Group Financial Manager
Priti Da Silva	Group Services Executive
Joshua Mhike	Group Internal Audit Manager
Ronald Gumbo	Group Tax Officer
Farai Machodo	Assistant Group Financial Manager
Kundai Murau	Financial Manager

Treasury

Tanya Chitaukire	Divisional Financial Manager

Salary Services

Adele Friend	Managing Director

LIGHT MANUFACTURING

National Foods Holdings Limited

Michael Lashbrook	Managing Director
Liberty Murimwa	Financial Director
Richard Mann	Operations Executive
Johnson Gapu	Sales and Distribution Executive
Rosseweater Usayi	Human Resources Executive
Leigh Howes	Legal Executive
Workmore Chimweta	Marketing Executive
Craig Spong	IT & MCG Executive
Hope Munyanyi	Financial Executive & Treasury Manager
Chipo Nheta	Managing Executive - Maize Milling
Mutali Chawanda	Managing Executive - Flour Milling
Lewis Ngwenya	Managing Executive - Stockfeeds
Godwill Nyakwende	Managing Executive - Depots

Directorate and Management

LIGHT MANUFACTURING (CONTINUED)

Colcom

Theophillus Kumalo	Chief Executive Officer
Constantine Tumazos	Financial Director
Norita Adams	Sales & Marketing Director
Jan Van As	Operations Director
Zvitendo Matsika	Human Resources Executive
Mandy Mutiro	Financial Manager
Ian Kennaird	Chief Executive - Triple C Pigs
Lester Jones	Chief Executive - AMP

Irvine's Zimbabwe (Private) Limited

David Irvine	Managing Director
George Economou	Commercial Director
Zita Matonda	Financial Director
Rutendo Dzangai	Financial Manager

Innscor Bread

Marcus Athitakis	Managing Director
Ngoni Mazango	Chief Operating Officer
Mandla Nkosi	Financial Director
Ngoni Chamanga	Human Resources Executive
Frecious Mpofu	Finance Executive
Gary Cooper	Operations Executive

Appliance Manufacturing

Gary Watson	Chief Executive Officer
Kevin Tiran	Production Director
Simba Muchatukwa	Financial Director
Jan Van Der Westhuizen	Research & Development Director
Tony Simoes	Marketing Director
Simba Munondo	Human Resources Manager

Natpak (Private) Limited

Guy Martell	Managing Director
Tamuka Kunaka	Operations Director

Bedra Enterprises (Private) Limited

Mark Masekesa	Managing Director
Kennedy Mhakayakora	General Manager - Factory
Edward Jakarasi	General Manager - Vending Operations

Profeeds (Private) Limited

Nigel Philp	Chief Executive Officer
Tidings Chimphondah	Executive Director
Nolene Goudis	Head of SMD
Sean Reid	Head of Factory Operations
Fungayi Mungate	Technical Director
Herbert Ratisai	Finance Executive
John Mtelela	HR Executive
Amanda Manolios	Marketing Executive
Rumbidzai Munhupedzi	Retail Manager

LOGISTICS & DISTRIBUTION

Distribution Group Africa

Craig Hodgson	Chief Executive Officer
Sevious Mushosho	Financial Director
Paul Filer	Operations Director
Charles Nyamuba	Financial Manager

Innscor Distribution Zimbabwe

Craig Hodgson	Managing Director
Kennedy Muchenga	Sales Director
Noel Shangwa	Financial Manager

Comox Trading

Archie Meth	Managing Director
Alec Gahadzikwa	Financial Director

Eagle Agencies

Neil Varrie	Managing Director

Snacks Sales & Distribution

Albert Oberholzer	Managing Director
Freeman Kuodza	Financial Manager

Breathaway

Gareth Rawlins	General Manager

Freshpro

Mani Lane	Managing Director

Vital Logistics

Paul Filer	General Manager
Shadrek Munyaradzi	Financial Manager

Distribution - Zambia

Vincent Hogg	Managing Director
Collen Alumando	Financial Manager

Distribution - Malawi

Andrew Bester	Managing Director
Elizabeth Gambe	Financial Manager
Skallas Smit	Operations Manager

Directorate and Management

QUICK SERVICE RESTAURANTS

Zimbabwe

Warren Meares	Managing Director
Onias Moyo	Financial Director
Misheck Muleya	Human Resources Director

Innscor Franchising

Manoli Vardas	Chief Executive Officer
Takawira Tawengwa	General Manager
Fortunate Masendeke	Financial Manager
Mark Ruck	Operations Manager
Mary Ndawona	Training Manager

Region

Leighton Shaw	Operations Director
Hendrik Louw	Financial Manager

Natpak - Harare

RETAIL & WHOLESALE

SPAR Retail

Tineyi Mandengu	Acting Chief Executive Officer
Josephine Mutsekwa	Acting Financial Director
Masimba Mutsai	Acting Operations Executive
Francis Muchuchu	Sector Financial Manager
Cuthbert Tsikira	GM – Mutare SPAR
Evermary Nyamwanza	GM – Groombridge SPAR
Darlington Mfitshani	Acting GM – Borrowdale Village SPAR
Alfred Choga	GM – Letombo SPAR
Lloyd Manase	GM – Joina City SPAR
Thandiwe Jambaya	GM – Golden Stairs SPAR
Daniel Tinarwo	GM – Queensdale SPAR

SPAR Distribution

Tineyi Mandengu	Acting Chief Executive Officer
Josephine Mutsekwa	Acting Financial Director
Masimba Mutsai	Acting Operations Executive
Andrew Dobson	Marketing and Merchandise Executive
Tinotenda Chimhashu	Financial Manager

SPAR Zambia

Mark O'Donnell	Executive Chairman
Theola Barclay	Chief Executive Officer
Peter Phiri	Chief Financial Officer

TV Sales & Home

Sean Gorringe	Chief Executive Officer
Joseph Kamasho	Financial Director
Paula Lewis	Human Resources Executive
Ross Partington	Warehouse and Distribution Manager

OTHER BUSINESSES

*These businesses are included in the Corporate Services silo

Shearwater Adventures (Private) Limited

Mike Davis	Chairman
Butholezwe Mlilo	Financial Director
Allen Roberts	Operations Director

The River Club

Peter Jones	Chief Executive Officer
Ingrid Nielson	General Manager
Dalene Vincent	Financial Manager

Innscor Bread - Harare

Sustainability Strategy & Governance

Group Strategic Approach

The Group strives to operate its business in a sustainable manner that recognises environmental and social impacts. The Group believes that identifying, measuring and being accountable to its stakeholders through sustainability reporting (Economic, Environmental, Social and Governance) has potential for long term business success. In 2014, the Group adopted the Global Reporting Initiatives (GRI)'s G4 - Sustainability Reporting Guidelines to guide how it manages material sustainability issues. The guidelines facilitate the way the Group engages with its stakeholders, identify material issues, respond to matters and being accountable to its broad range stakeholders. The long term business strategy is to build business that is driven by inclusivity, responsiveness and sustainable business practices, while contributing to sustainable development in the places it operates.

Governance

As part of this sustainability vision, the Group is at an advanced stage of establishing Sustainability Teams in all the major companies. These teams will be responsible for assisting management with the identification, evaluation and management of material issues pertaining to economic, environmental and social impacts and opportunities arising from its business operations. In addition, the teams will be responsible for monitoring and evaluating systems of data collection, measurement criteria and quality of data collected. These teams will report to the Group Sustainability Management Team leader under the oversight of Senior Group Management. During the year under review, the Sustainability Teams went through an in-house training with the Institute for Sustainability Africa (INSAF) on sustainability reporting processes using GRI Sustainability Reporting Guidelines. The Sustainability Teams were instrumental in building and contributing to this first sustainability report for the Group.

Inclusivity and Responsiveness

The Group adopted integration of stakeholder engagement in the overall corporate and risk management strategy of the business. The Group's approach is achieving meaningful business success that is anchored on sustainable relations with its stakeholders. Maintaining sustainable stakeholder relationships based on transparency, inclusivity and responsiveness is an integral capital of the Group. The Group's stakeholder engagement strategy is a responsibility that is shared by all employees and management of the Group and is guided through adopted sustainability reporting guidelines and international best practices.

Supply Chain

The Group believes that a sustainable supply chain is vital to maintaining and sustaining the Group's brand names and image. Therefore, the Group provides systems which ensure that all suppliers are screened in addition to their track record and consideration of sustainability issues such as environmental, social, behavioural, corruption, statutory compliance and human rights practices. The Group tries to ensure that most suppliers share its common values when it comes to sustainable business practices and contribution to sustainable development.

Sustainable Capital Management

The Group recognises the importance of sustainable capital management. The Group considers nature, human, intellect, finance, manufactured and social relations as capital for input into the Group's Business Model. As such, the Group's philosophy is embedded in and considers these aspects from a capital perspective in the Group's business models in creating and sustaining business value for its shareholders and stakeholders in the short and long term.

Key Material and Report Issues

Material Issues

The Group applied a collective mind in determining material issues identified by its stakeholders during engagement and assessment processes. For this first report, the Group focused particular attention to material issues raised that were considered of high impact to the business. The goal in the coming year, is to achieve a strong balance on materiality consideration of issues on both the Group and stakeholders. The GRI G4 Guidelines provided a critical instrument that guided the Group in identifying and selecting material issues for reporting, and those considered material in the context of its business operating environment.

Report Boundary

The Group defined the reporting boundaries by focusing on where material impacts were identified. For the purpose of the first report, the Group opted to define reporting boundaries by considering key Group companies with high and material impacts on environmental and social aspects. Sustainability performance indicators provided in this report were mainly drawn from companies identified and associated with material impacts.

Irvine's - Harare

Stakeholder Engagement

Our Approach

The Group believes that stakeholders are an integral capital contributing to the long term value creation and sustainability of the business. The Group's Stakeholder Engagement strategy is integrated with its risk and business development management. Material issues discussed during stakeholder engagement are assessed and weighted for appropriate action or responses. The issues are further collated at company level for Group management attention in defining material issues for the report content and boundaries. Stakeholder engagement provides a crucial business strategy for identifying key risks and opportunities for responsiveness and value creation respectively. The Group believes that partnerships are an effective means for addressing economic, environmental and social challenges. The Group's stakeholder engagement approach is driven at company and Group level through active and proactive management approach in guiding the use of GRI Sustainability Reporting guidelines in stakeholder identification, prioritisation and engagement approaches. The table below presents material outcomes of key stakeholder engagement processes conducted by some of the Group's businesses during the year:

Stakeholder	Mode of Engagement	Material Issues Raised	Responses/Action Taken
Customer Communities	• Customer Surveys • Product Road Shows • Customer Network Events	• Delivery of value and competitive pricing • Product range and promotions	• Understanding customer needs • Loyalty • Continuous customer engagement
Employees	• Works Council • Trade Unions • Employee surveys	• Income and benefits • Working conditions • Careers and opportunities	• Review and improvements • Enhance shared values
Suppliers	• Supplier briefings • Supplier satisfaction surveys • Workshops and meetings	• Procurement opportunities • Sustainable sourcing and pricing • Supply chain efficiencies	• Continued engagements on options • Review terms
Shareholders	• Annual General Meetings • Investor and shareholder briefings	• Business growth • Value creation • Business risk • Long term targets	• Growth and value creation strategy implementation • Monitoring and long term investments
Finance Institutions	• Formal meetings • Briefings	• Lending terms and interest • Investment opportunities • Financial risk	• Negotiations and engagements • Improved facilities and new options
Governance and Regulations	• Policy briefings, compliance inspections, formal meetings	• Regulatory compliance • Business development compliance	• Achieving compliance with statutory requirements • Business regulatory compliance

Sustainability Performance

ENVIRONMENTAL PERFORMANCE

The impact of environmental and climate change are critical to the viability of our business. Potential consequences on the environment and natural resources can be financial, physical and intangible. This necessitates the Group to take appropriate measures to minimise impact on the environment, climate and natural resources, which are considered as capital for the business.

Priorities

- Efficient use of materials in production and products.
- Managing waste material disposal and recycling.
- Managing efficient use of Energy and Water resources.
- Ensuring set targets are achieved.

Management Approach

The Group is committed to ensure operations are in compliance with environmental laws, voluntary and international best practices in managing the environment, climate and natural resources. The Group's approach is to identify potential environmental and climate hazards, evaluate the risk and take appropriate measures to control or eliminate the risk. Group units have standard environmental policies within their industries which must be followed to minimise impacts on the environment, climate and biodiversity.

Performance

Materials

The table below summarises key material consumption by the Group:

Materials Used	Unit	2015	2014
Cereal and Starch	Tons	3 047 270	2 630 188
Meat - Pigs and Birds	Tons	6 975 117	7 250 525
Oils	Litres	438 815	343 238
Potatoes	Tons	44 038	38 237
Ice Cream mix	Litres	27 665	22 922

Percentage of materials used that are recycled input materials

Materials	Unit	2015	2014
Overall Materials recycled	%	12	11

Materials recycled in percentage increased by 1% from 2014 due to continued effort to research on materials that can be recycled on meeting regulatory compliance and requirements.

Sustainability Performance

Energy

Achieving energy efficiency is an integral ambition through the Group's energy policy that promotes innovation and efficient energy usage in all our operations. Energy efficiency is also a factor that has been identified by the Group in its cost cutting program. The table below shows the Group's energy consumption during the reporting period.

Energy Consumption - Within the Organisation

Energy Type	Unit	2015	2014
Electricity	MWH	19 024 349	19 366 473
Heating (Coal)	Tons	2 303	2 246
Fuel for Generators	Litres	675 487	585 925
Fuel for Ovens	Litres	3 102 615	4 137 242

Electricity and Fuel for Ovens decreased by 2% and 25% respectively from 2014. The decrease was largely influenced by the heavy increase in the use of Heating and Generators which increased by 3% and 15% respectively. During the year, electricity supply was largely characterised by load shedding and this had a significant impact on lost days and work stoppages and also affected the volume of generator fuel consumption.

Energy Consumption - Outside the Organisation

Energy Type	Unit	2015	2014
Diesel	Litres	6 247 978	8 042 864
Petrol	Litres	133 510	154 329
Total		6 381 488	8 197 193

Fuel consumption of both diesel and petrol outside the organisation through delivery vehicles decreased by 22% from 2014 due to slowing economic activities and decreasing delivery activities especially from our bread factories.

Water Resource

Water remains a critical resource to the Group's operations. Therefore, constant measurement and monitoring of sources where water is withdrawn is integral. Below is the distribution of the sources and quantity withdrawn by our operations:

Source	Unit	2015	2014
Surface (from dams)	C /Litres	175 544	172 322
Ground Water (Borehole)	C/Litres	1 600 438	2 424 894
Municipal Water Supplies	C/Litres	514 372	309 923

Water usage decreased from 2014 due to efficient usage of water through recycling in non-core production processes. Decrease in ground water usage was largely attributed to increase in municipal and surface water withdrawal.

Sustainability Performance

Waste and Effluent

Managing waste disposal processes in the Group is a critical function which requires appropriate attention to ensure disposal methods meet required and approved standards to avoid harming the environment and climate. The table below presents how waste disposal was managed:

Waste Type	Disposal Method	Unit	2015	2014
Solid Waste	Landfill and Compost	Tons	2 966	2 390
Chicken manure	Grass pasture spread	Tons	7 560	6 440
Maturation (rich with phosphate)	Pond Irrigation	Cubic ml	46 800	36 400
Sweepings mixed with sand	Containerway disposal	Tons	118	125
Inflammable Waste	Council dumpsite	Tons	167	192
Flammable Waste	Incinerated in boilers	Tons	246	271
Polyethylene Plastics	Sold for recycling	Tons	449	316

The Group continues to ensure that all waste is disposed appropriately and in a responsible manner. Increase in waste disposals was largely due to increase in production. There is still need to improve on the measurement of this data.

SOCIAL COHESION AND COMMUNITY INVESTMENTS

The Group strives to continuously improve and maintain human capital and community investments at appropriate standing for the purpose of ensuring the Group' s long term business success and sustainability. To optimise human capital contribution into our performance, the Group provides a work environment based on the values of fairness, opportunity creation, integrity, non-discrimination, equal opportunities, empowerment, decent working conditions, good health facilities and motivation activities. The Group believes that society is an integral part of the business, which the Group should continue to plough back to.

Priorities

- Providing employment opportunities.
- Minimising workplace health and safety incidences.
- Investing in human capital development.
- Enhancing employee wellbeing and capacity.
- Supporting community development.

Management Approach

The Group is committed to ensure operations are in compliance with labour laws, voluntary and international best labour practices and contribution to sustainable community development. The Group's approach is to identify potential health and safety risks, evaluate the risk and take appropriate measures to control or eliminate the risk. The Group units engage with communities and other stakeholder groups to identify potential need and contribution. The Group believes that the wellbeing of the society is integral in providing business opportunities and human capital, therefore the Group's investment is vital.

Performance

Human Capital Management

It is the Group's belief that employee engagement is linked to organisational performance, operational capacity and outcomes while maintaining existing staff motivated and compensated in accordance with performance and contribution.

Sustainability Performance

Employee Engagement

Permanent and Contract Employees	Unit	2015	2014
Male	Count	11 356	11 080
Female	Count	2 779	2 869
Total Permanent and Contract Employees		14 135	13 949

Total permanent employees engagement increased by 1% from 2014 despite the slowing economic activities in Zimbabwe which led to reduced production activities.

Work related accidents/injuries

The Group observes strong consideration to incidences of safety and fatalities within our work places. Appropriate action is always taken where incidences that affect employees' wellbeing are noted.

	Unit	2015	2014
Total number of accidents/injuries	Incidence	388	347
Disability and injuries	Incidence	-	1
Number of work related fatalities*	Incidence	1	-
Safety Training (days)	Days	154	77

* This involved a loss of life through a road traffic accident.

Health and Safety topics covered in formal agreements with Trade Unions

During the year, major topics discussed with the Works Council and trade union was mainly related to HIV/Aids, Cancer and general safety in the work place. Topics discussed were handled through our Employee Wellness programme whose activities are provided in the relevant section.

Triumphant Triple C soccer team holds aloft the Annual Innscor Soccer Tournament Trophy they won after defeating Distribution Group Africa in a pulsating final at Barclays Sports Club.

Sustainability Performance

Employee Wellness Programme

The Group continues to support its employees on total wellness matters through its Health and Wellness Division. The focus for the year under review, was on continued wellness support and learning for our employees and wellness personnel. Our Wellness Programmes continue to provide employees and their dependents with many opportunities to foster a lifestyle sensitive and responsive to all the dimensions of the total wellbeing. The Group's Wellness statistics indicate that its Wellness Programmes continue to have a positive influence on the health and wellness behaviour of its employees. The Group's employees and their dependents have access to the Primary Health Care facilities in Harare, Bulawayo and Kariba. The Harare Innscor Total Wellness Centre is also an HIV Testing and ART Centre. All of the Group's centres are manned by experienced and trained personnel. The table below summarises Wellness activities during the year:

PROGRAMMES	ACTIVITIES & OUTCOMES
Annual Wellness Day	• This event has been running for 4 years now. • Employees across the country participated in sports activities that include soccer, netball, volleyball and other activities.
Outreaches	• Employees participated in various events which included 'General Wellness Talk' and stress management. • Outreach activities were conducted across Zimbabwe.
Individual Meetings	• 140 meetings were conducted with employees. • Encouraged employees and their dependents to utilise the Wellness facility in Harare, with counselling facilities. • Encouraging and empowering employee behaviour change.
Coaching	• 1 employee achieved Professional Coach Status. • 29 employees participated in the programme (25 in person and 4 by telephone).
Lectures and Workshop	• Delivered a talk to Wholly Owned Zimbabwe companies organised by the Zimbabwe Business Council on Wellness. • Conducted workshops for Innscor Wellness Centre for Employees and dependents.
Breast Cancer Awareness	• Breakfast meeting on Breast Cancer Awareness facilitated by the company's Doctor.
Wellness Staff Development	• Skills and knowledge development of staff on training, team building, HIV Counselling, Testing and coaching etc. • Staff attended training activities by Ministry of Health and Child Care, NSSA, OSHEMAC, SAfAIDS, City of Harare, and Zimbabwe Business Council on Wellness.

Learning and Development

Learning and development is a critical aspect of the Group's philosophy of investing in human capital that is well motivated, technically sound and equipped to provide efficient and effective customer service and production. The table below presents the average employee training time invested by the Group:

Average Training hours per Employee – Internal Training	Unit	2015	2014
Male	Hours	38	40
Female	Hours	32	26

Average training hours per employee decreased by 5% for male from 2014 and was largely compensated by increase of 23% for female average training. This performance was attributed to the Group's approach of ensuring equitable treatment of both male and female employees at our workplaces.

Average Training hours per Employee – Public Training	Unit	2015	2014
Male	Hours	10	17
Female	Hours	3	4

Sustainability Performance

Average training hours per employee on pubic training decreased by 41% from 2014 for male while there was also a decrease in female by 25%. The Group continues to manage and address issues of ensuring there is equitable treatment at our working places.

Community Development and Charity Support

Community Development

These are conducted by the Group's companies as shown below:

	Company	Activity	Area/Venue
Community Empowerment and development	Innscor	• Setting up Neuso Irrigation Scheme for community market gardening targeted at young farmers.	Chegutu
	Irvine's	• Supply chain development through community and small scale producers (Generate an estimate of USD 170 million for the small scale sector players) • Purchasing maize and soya from small scale and resettled farmers (Estimated purchase of USD 13.5 million from these producers) • More than 25,000 villagers are trained annually on chicken and table egg production.	Across the country
	Colcom	• Triple C piggery project for communities.	Across the country
Education	Innscor	• Purchased text books for Mabelreign Girls High ('O' and 'A' Level). • Supporting Harare Provision Schools Merits Awards for outstanding students in academic, sport and art disciplines.	Harare
Sport	Innscor	• School Volleyball Tournament to identify talent and select Zimbabwean representatives at international competitions, 30 schools attended.	Mazowe High School
	Chicken Inn	• 100 balls provided for soccer and netball at sports tournament. • Creating platform for combating antisocial behaviour through sport.	Chivhu

Sustainability Performance

Charity Support

Support Priority	Company	Support Activity (ies)	Beneficiary/ Area
Disability support	Innscor	• Wheel chair support for a girl child with acute cerebral palsy. • Wheel chair support to a former employee involved in a horrific accident which rendered her paraplegic.	Makomo Village
Orphanage	Capri	• Donated various materials and food stuffs to an orphanage which caters for newly born babies with no parents or are abandoned.	Moses Baskets
Old People's Home	Colcom	• Supported with various materials and contributions to Ekuphumuleni Old age Home • Supported Cancer Association of Zimbabwe initiatives.	Bulawayo
Assorted initiatives	Bakers Inn	• Provided bread to orphanages, schools, hospitals, prisons and old people's homes	Across the country
Arts	Innscor	• Supported the annual National Allied Arts festival for students which seeks to inspire, encourage and develop art work in Zimbabwe. Caters for ages from 3 to 18 years old.	Across the country
Animal Welfare	Irvine's and Colcom	• Support to Veterinarians for Animal Welfare Zimbabwe and the SPCA.	Harare
	National Foods	• Donated to Haka Game Park, Harare Kennel Club and Peacey Estate	Harare Region

Eyes on the ball... Innscor ladies play in the inaugural Innscor Netball Tournament.

Irvine's netball team put up a spirited performance at the Tournament.

Sustainability Performance

ECONOMIC PERFORMANCE

The impact of the prevailing economic environment and global challenges impacts on the Group's performance. Prevailing outlook in which major economies have been slowing down has had economic effects prompting the Group to take appropriate measures while considering various alternative business opportunities.

Priorities

- Enhancing Value Creation and sustaining.
- Declining Economic Growth.
- Competition from cheap imports.
- Declining disposable incomes impact on our products and services demand.
- Competitiveness of operating business environment.
- Investing in Community Social Development.

Management Approach

The Group is committed to building business that will continue to be sustainable while creating value for its shareholders and stakeholders. The Group's approach is to ensure that its experienced teams with industry expertise, deep market knowledge and entrepreneurial creativity continue to manage all capitals deployed for value creation and sustaining growth in the short and long term.

Performance

Coverage of the Defined Contribution Pension Plan

Information	Unit	2015	2014
Amount Paid	USD	4 160 346	4 152 604

Coverage of defined Contribution Pension plan payment increased by 0.19% from 2014 in line with increases in staff numbers. 100% of our employee are covered under the National Social Security managed by National Social Security Authority. Further details of Defined Contribution Pension fund coverage will be provided in the next sustainability report.

Financial Assistance from Government

During the year under review, Government assistance was received is presented below:

Information	Unit	2015	2014
Amount Received	USD	235 924	29 959

Government assistance increased by 687% from 2014. The assistance was focused on recognising and supporting our Appliance Manufacturing business unit for commissioning a new environmentally friendly plant.

Creamy Inn - Kenya

"55 outlets were added to the Regional QSR network in 52 weeks, including entry into a new market, Namibia. The business is set to continue this growth trend of one new counter per week across the African continent."

Directors' Responsibility and Approval of Financial Statements

The Directors of the Company are required by the Zimbabwe Companies Act (Chapter 24:03) to maintain adequate accounting records and to prepare financial statements that present a true and fair view of the state of affairs of the Company and the Group at the end of each financial year and of the profit and cash flows for the period. In preparing the accompanying financial statements, generally accepted accounting practices have been followed. Suitable accounting policies have been used and consistently applied, and reasonable and prudent judgements and estimates have been made.

The principal accounting policies of the Group are consistent with those applied in the previous year and conform to International Financial Reporting Standards (IFRS).

The Directors have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

The Board recognises and acknowledges its responsibility for the Group's systems of internal financial control. Innscor maintains internal controls and systems that are designed to safeguard the assets of the Group, prevent and detect errors and fraud and ensure the completeness and accuracy of the Group's records. The Group's Audit Committee has met the external auditors to discuss their reports on the results of their work, which includes assessments of the relative strengths and weaknesses of key control areas. In a growing Group of the size, complexity and diversity of Innscor it may be expected that occasional breakdowns in established control procedures may occur; any such breakdowns have been reported to the Group's Audit Committee and the Board.

The financial statements for the year ended 30 June 2015, which appear on pages 44 to 103, have been approved by the Board of Directors and are signed on its behalf by:

A B C CHINAKE
Chairman
Harare
15 October 2015

G GWAINDA
Executive Director

Company Secretary's Certification

For the year ended 30 June 2015

I certify that, to the best of my knowledge and belief, the Company has lodged with the Registrar of Companies all such returns as are required to be lodged by a Public entity in terms of the Companies Act (Chapter 24:03) of the Republic of Zimbabwe, and all such returns are true, correct and up to date.

A D LORIMER
Company Secretary
Harare
15 October 2015

National Foods - Harare

> *"NFL results were heavily influenced by the poor performance of the Maize division where volumes declined 39% as a result of a significantly improved 2013-14 local maize harvest. The Group however delivered a strong performance in the Flour division."*

Report of the Directors

The Directors have pleasure in presenting their report together with the audited financial statements of the Group for the year ended 30 June 2015.

Share Capital

At 30 June 2015 the authorised share capital of the Company comprised of 800 000 000 ordinary shares of USD 0.01 (one cent) each and 1 000 Non-Voting Class "A" ordinary shares of USD 0.01 (one cent) each. Issued ordinary share capital was USD 5 415 944 divided into 541 593 440 ordinary shares of USD 0.01 (one cent) each and non-voting Class "A" of USD 10 divided into 1000 ordinary shares of USD 0.01 (one cent) each.

Group Results	USD
Profit before tax	41 940 408
Tax expense	(11 814 512)
Profit for the year from continuing operations	30 125 896
Profit after tax for the year from discontinuing operations	7 512 642
Profit for the year from continuing and discontinuing operations	37 638 538
Non-controlling interests	(19 378 462)
Profit for the year attributable to equity holders of the parent	18 260 076

Dividends

Ordinary shares

The Board declared an interim dividend of 0.55 US cents per share and a final dividend of 0.55 US cents per share. This brings the total dividend in respect of the 2015 financial year to 1.10 US cents per share.

Non-voting class "A" ordinary shares

The Board declared an interim dividend of USD 148 000 and a final dividend of USD 148 000 to Innscor Africa Employee Share Trust (Private) Limited. This brings the total dividend in respect of the 2015 financial year to USD 296 000.

Directors and their Interests

In terms of the Company's Articles of Association, Mr. M.J. Fowler and Mr. Z. Koudounaris retire from office by rotation and being eligible offer themselves for re-election. During the year under review, Mr. David Morgan (Independent Non- Executive) retired as Group Chairman and was replaced by Mr. Addington Bexley Chinake (Independent Non-Executive Chairman). Mr. Godfrey Gwainda assumed the role of Group Financial Director replacing Mr. Julian Schonken who assumed the role of Group Executive Director in charge of the Group's Light Manufacturing sector. The beneficial interests of the Directos' in the shares of the Company are disclosed in note 23.4 of the financial statements.

Directors' Fees

Members will be asked to approve the payments of the Directors' fees in respect of the year ended 30 June 2015 (note 10.1).

Auditors

Members will be asked to approve the remuneration of the auditors for the financial year ended 30 June 2015 and to reappoint Ernst & Young as auditors of the Group to hold office for the ensuing year.

For and on behalf of the Board.

A B C CHINAKE
Chairman
15 October 2015

A D LORIMER
Company Secretary

Irvine's - Harare

"Irvine's commissioned a USD 6 million feedmill in Quarter four of FY2015 and expects additional savings in margins going into FY2016."

Building a better working world

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INNSCOR AFRICA LIMITED

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Innscor Africa Limited as set out on pages 44 to 103, which comprise the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive Income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The Directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act (Chapter 24:03), and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Innscor Africa Limited as at 30 June 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on other legal and regulatory requirements

In our opinion, the consolidated financial statements have, in all material respects, been properly prepared in compliance with the disclosure requirements of the Companies Act (Chapter 24:03).

ERNST & YOUNG
CHARTERED ACCOUNTANTS (ZIMBABWE)
REGISTERED PUBLIC AUDITORS

15 October 2015
Harare

Group Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2015

	Notes	2015 USD	Restated 2014 USD
Continuing Operations			
Revenue	8	814 399 821	871 159 852
Cost of sales		(556 476 642)	(601 846 413)
Gross profit		257 923 179	269 313 439
other income	9	9 489 401	10 263 549
operating expenses	10	(206 783 338)	(213 818 350)
Operating profit before impairment, depreciation, amortisation and fair value adjustments		60 629 242	65 758 638
impairment and derecognition of plant and equipment and intangible assets		(423 058)	(1 744 524)
depreciation and amortisation		(17 636 627)	(17 495 755)
fair value adjustments on listed equities		66 460	69 552
fair value adjustments on biological assets		616 825	1 718 545
fair value adjustments on obtaining control of subsidiaries		-	39 033 279
Profit before interest, equity accounted earnings and tax		43 252 842	87 339 735
interest income	11.1	2 935 158	1 445 316
interest expense	11.2	(6 465 335)	(6 618 776)
equity accounted earnings	17	2 217 743	2 182 520
Profit before tax		41 940 408	84 348 795
tax expense	12.1	(11 814 512)	(11 685 598)
Profit for the year from continuing operations		30 125 896	72 663 197
Discontinuing Operations			
Profit after tax for the year from discontinuing operations	13	7 512 642	6 137 495
Profit for the year from continuing and discontinuing operations		37 638 538	78 800 692
Other comprehensive loss - to be recycled to profit or loss			
exchange differences arising on the translation of foreign operations		(1 515 304)	(769 235)
Other comprehensive loss for the year, net of tax		(1 515 304)	(769 235)
Total comprehensive income for the year		36 123 234	78 031 457
Profit for the year attributable to:			
equity holders of the parent		18 260 076	60 465 321
non-controlling interests		19 378 462	18 335 371
		37 638 538	78 800 692
Total comprehensive income for the year attributable to:			
equity holders of the parent		17 524 937	59 875 073
non-controlling interests		18 598 297	18 156 384
		36 123 234	78 031 457
Earnings per share (cents)			
Basic earnings per share - continuing and discontinuing operations	6	3.37	11.16
Basic earnings per share - continuing operations	6	2.33	10.14
Headline earnings per share - continuing and discontinuing operations	6	3.48	4.11
Headline earnings per share - continuing operations	6	2.39	3.08
Diluted basic earnings per share - continuing and discontinuing operations	6	3.37	11.16
Diluted basic earnings per share - continuing operations	6	2.33	10.14
Diluted headline earnings per share - continuing and discontinuing operations	6	3.48	4.11
Diluted headline earnings per share - continuing operations	6	2.39	3.08

Group Statement of Financial Position

as at 30 June 2015

	Notes	2015 USD	2014 USD
ASSETS			
Non-current assets			
property, plant and equipment	15	192 231 449	228 891 391
intangible assets	16	41 297 301	41 788 631
investments in associates	17	14 686 405	8 786 704
financial assets	19	2 982 838	4 460 139
biological assets	20	1 611 960	1 374 701
deferred tax assets	26	9 267 112	10 389 695
		262 077 065	295 691 261
Current assets			
financial assets	19	4 034 474	3 252 442
biological assets	20	12 814 733	12 104 397
inventories	21	109 770 736	105 231 782
trade and other receivables	22	94 488 510	94 850 142
cash and cash equivalents		30 120 426	37 118 340
		251 228 879	252 557 103
Assets of disposal group classified as held for distribution	13	62 793 462	-
Total assets		576 099 406	548 248 364
EQUITY AND LIABILITIES			
Capital and reserves			
ordinary share capital	23	5 415 934	5 415 934
class "A" ordinary share capital	23	10	10
non-distributable reserves	24	(6 029 267)	(5 294 128)
distributable reserves	25	217 050 477	208 458 801
attributable to equity shareholders of the parent		216 437 154	208 580 617
non-controlling interests		115 500 983	108 269 714
Total equity		331 938 137	316 850 331
Non-current liabilities			
deferred tax liabilities	26	28 625 975	33 225 358
interest-bearing borrowings	27	12 797 835	17 263 414
		41 423 810	50 488 772
Current liabilities			
interest-bearing borrowings	27	54 810 174	46 806 665
trade and other payables	28	118 368 106	125 839 690
provisions and other liabilities	29	4 548 912	6 299 238
current tax liabilities		556 550	1 963 668
		178 283 742	180 909 261
Liabilities directly associated with the assets classified as held for distribution	13	24 453 717	-
Total liabilities		244 161 269	231 398 033
Total equity and liabilities		576 099 406	548 248 364

A B C CHINAKE
Chairman
Harare
15 October 2015

G GWAINDA
Executive Director

Group Statement of Changes in Equity

for the year ended 30 June 2015

	attributable to equity holders of the parent						
	Ordinary Share Capital USD	Class A Ordinary Share Capital USD	Non-Distributable Reserves USD	Distributable Reserves USD	Total USD	Non-controlling Interests USD	Total USD
Balance at 30 June 2013	5 415 934	-	28 618 065	123 393 018	157 427 017	35 379 079	192 806 096
Profit for the year	-	-	-	60 465 321	60 465 321	18 335 371	78 800 692
Other comprehensive loss	-	-	(590 248)	-	(590 248)	(178 987)	(769 235)
Total comprehensive income/(loss)	-	-	(590 248)	60 465 321	59 875 073	18 156 384	78 031 457
Issue of class A ordinary shares	-	10	-	-	10	-	10
Dividends paid	-	-	-	(8 665 495)	(8 665 495)	(5 799 852)	(14 465 347)
Transactions with owners in their capacity as owners*	-	-	-	(55 988)	(55 988)	60 534 103	60 478 115
Transfer of foreign currency conversion reserve	-	-	(33 321 945)	33 321 945	-	-	-
Balance at 30 June 2014	5 415 934	10	(5 294 128)	208 458 801	208 580 617	108 269 714	316 850 331
Profit for the year	-	-	-	18 260 076	18 260 076	19 378 462	37 638 538
Other comprehensive loss	-	-	(735 139)	-	(735 139)	(780 165)	(1 515 304)
Total comprehensive income/(loss)	-	-	(735 139)	18 260 076	17 524 937	18 598 297	36 123 234
Dividends paid	-	-	-	(7 269 418)	(7 269 418)	(7 844 271)	(15 113 689)
Transactions with owners in their capacity as owners*	-	-	-	(2 398 982)	(2 398 982)	(3 522 757)	(5 921 739)
Balance at 30 June 2015	5 415 934	10	(6 029 267)	217 050 477	216 437 154	115 500 983	331 938 137

*Transactions with owners in their capacity as owners are explained as follows:

i Amounts included under "attributable to equity holders of parent" relate to the difference between the purchase price and carrying amount of non-controlling interests on acquisitions of non-controlling interests' share in subsidiaries of the Group.

ii Amounts included under "non-controlling interests" relate to carrying amounts of non-controlling interests' share being acquired.

Group Statement of Cash Flows

for the year ended 30 June 2015

	Notes	2015 USD	2014 USD
Cash generated from operating activities	14.1	66 849 325	106 822 736
interest income	11.1	3 165 698	1 715 958
interest expense	11.2	(7 615 030)	(7 816 526)
tax paid	14.2	(15 514 990)	(12 690 797)
Total cash available from operations		46 885 003	88 031 371
Investing activities	14.3	(40 480 637)	(47 840 124)
Net cash flow before financing activities		6 404 366	40 191 247
Financing activities		(9 675 519)	(26 256 711)
dividends paid by holding company	7.1	(7 269 418)	(8 665 495)
dividends paid by subsidiaries to non-controlling interests		(7 844 271)	(5 799 852)
issue of class "A" ordinary shares		-	10
proceeds from borrowings		66 472 947	56 185 782
repayment of borrowings		(55 638 407)	(67 827 025)
cash paid to non-controlling interests		(5 396 370)	(150 131)
Net (decrease)/increase in cash and cash equivalents		(3 271 153)	13 934 536
Cash and cash equivalents at the beginning of the year		37 118 340	23 183 804
Cash and cash equivalents at the end of the year		33 847 187	37 118 340
Cash and cash equivalents comprise:			
cash and cash equivalents attributable to continuing operations		30 120 426	37 118 340
cash and cash equivalents attributable to discontinuing operations		3 726 761	-
		33 847 187	37 118 340

Notes To The Financial Statements

1 Corporate Information

The consolidated financial statements of Innscor Africa Limited for the year ended 30 June 2015 were authorised for issue in accordance with a resolution of the Directors on 15 October 2015. Innscor Africa Limited is a limited liability company incorporated and domiciled in Zimbabwe whose shares are publicly traded on the Zimbabwe Stock Exchange. The principal activities of the Group include the manufacture, distribution and retailing of fast moving and durable consumer goods.

2 Statement of compliance

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB). The consolidated financial statements have been prepared in compliance with the Zimbabwe Companies Act (Chapter 24:03).

2.1 Going concern

The Directors have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

2.2 Basis of preparation

The consolidated financial statements are based on statutory records that are maintained under the historical cost convention except for biological assets and certain financial instruments that have been measured at fair value. The consolidated financial statements are presented in United States Dollars (USD).

3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2015. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to a affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

All intra-group balances, income and expenses, unrealised gains and losses and dividends resulting from intra-group transactions are eliminated in full.

Notes To The Financial Statements

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings as appropriate

4 Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year except as follows:

4.1 New and Amended IFRSs adopted

The Group has adopted the following new and amended IFRSs as of 1 July 2014:

IFRS 2 Share-based Payment-Definitions of vesting conditions

This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:

- A performance condition must contain a service condition
- A performance target may relate to the operations or activities of an entity, or to those of another entity in the same group
- A performance condition may be a market or non-market condition
- If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied

The adoption of this IFRS did not have an impact on the Group's financial statements, for the year.

IFRS 3 Business Combinations-Accounting for contingent consideration in a business combination

The amendment is applied prospectively and clarifies that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IFRS 9 (or IAS 39, as applicable). The adoption of this IFRS did not have an impact on the Group's financial statements for the year.

IFRS 3 Business Combinations-Scope exception for joint ventures

The amendment is applied prospectively and clarifies for the scope exceptions within IFRS 3 that:

- Joint arrangements, not just joint ventures, are outside the scope of IFRS 3
- This scope exception applies only to the accounting in the financial statements of the joint arrangement.

The adoption of this IFRS did not have an impact on the Group's financial statements for the year.

IFRS 8 Operating Segments-Aggregation of operating segments and Reconciliation of total of the reportable segments' assets to the entity's assets.

The amendments are applied retrospectively and clarify that:

- An entity must disclose the judgements made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g. sales and gross margins) used to assess whether the segments are 'similar'.
- The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

The adoption of this IFRS did not have an impact on the Group's financial statements for the year.

IFRS 13 Fair Value Measurement-Scope of paragraph 52 (portfolio exception)

The amendment is applied prospectively and clarifies that the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IFRS 9 (or IAS 39, as applicable). The adoption of this IFRS did not have an impact on the Group's financial statements for the year.

Notes To The Financial Statements

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets-revaluation method-proportionate restatement of accumulated depreciation/amortisation

The amendment is applied retrospectively and clarifies in IAS 16 and IAS 38 that the asset may be revalued by reference to observable data by either adjusting the gross carrying amount of the asset to market value or by determining the market value of the carrying value and adjusting the gross carrying amount proportionately so that the resulting carrying amount equals the market value. In addition, the accumulated depreciation or amortisation is the difference between the gross and carrying amounts of the asset. This amendment did not have an impact on the Group's financial statements as property, plant and equipment as well as intangible assets are accounted for on the cost less accumulated depreciation (amortisation) and impairment basis.

Amendments to IAS 19 Defined Benefit Plans: Employee Contributions

IAS 19 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. Where the contributions are linked to service, they should be attributed to periods of service as a negative benefit. These amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. The adoption of this IFRS did not have an impact on the Group's financial statements for the year.

IAS 24 Related Party Disclosures-Key management personnel

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The adoption of this IFRS did not have an impact on the Group's financial statements for the year.

IAS 32 Financial Instruments: Presentation

The amendments clarify the meaning of 'currently has a legally enforceable right of set-off'; and that some gross settlement systems may be considered equivalent to net settlement. The amendments are required to be applied retrospectively. This means that the right of set-off:

- must not be contingent on a future event; and
- must be legally enforceable in all of the following circumstances:
  - the normal course of business;
  - the event of default; and
  - the event of insolvency or bankruptcy of the entity and all of the counterparties.

The adoption of this IFRS did not have an impact on the Group's financial statements for the year.

IAS 36 Impairment of Assets-Recoverable amount disclosure for non-financial assets

The amendments clarify the disclosure requirements about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendments clarify the International Accounting Standards Board's (IASB) original intention: that the scope of these disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal. The Goup considered the above amendment and there was no impact on the financial statements as the recoverable amount of impaired assets was based on value in use.

IAS 39 - Novation of Derivatives and Continuation of Hedge Accounting

The amendments provide an exception to the requirement to discontinue hedge accounting in certain circumstances in which there is a change in counterparty to a hedging instrument in order to achieve clearing for that instrument. The amendments cover novation:

- That arise as a consequence of laws or regulations, or the introduction of laws or regulations.
- Where the parties to the hedging instrument agree that one or more clearing counterparties replace the original counterparty to become the new counterparty to each of the parties.
- That did not result in changes to the terms of the original derivative other than changes directly attributable to the change in counterparty to achieve clearing.

All of the above criteria must be met to continue hedge accounting under this exception.

The amendments cover novation to central counterparties, as well as to intermediaries such as clearing members, or clients of the latter that are themselves intermediaries.

For novation that do not meet the criteria for the exception, entities have to assess the changes to the hedging instrument against the derecognition criteria for financial instruments and the general conditions for continuation of hedge accounting. The adoption of this IFRS did not have an impact on the Group's financial statements for the year.

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IFRIC 21 - Levies

IFRIC 21 provides guidance on when to recognise a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain.

The interpretation clarifies that an entity recognises a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognised before the specified minimum threshold is reached. The Goup considered the above amendment for long provisions and there was no significant impact on the financial statements.

4.2 Standards and interpretations in issue not yet effective

Standards issued but not yet effective up to the date of issuance of the Group's financial statements are listed below. This listing is of standards and interpretations issued, which the Group reasonably expects to be applicable at a future date. The Group intends to adopt those standards when they become effective.

IFRS 5 – Changes in methods of disposal

Assets (or disposal groups) are generally disposed of either through sale or through distribution to owners. The amendment to IFRS 5 clarifies that changing from one of these disposal methods to the other should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is therefore no interruption of the application of the requirements in IFRS 5. The amendment must be applied prospectively to changes in methods of disposal that occur in annual periods beginning on or after 1 January 2016, with earlier application permitted.

The Group will consider early adoption of the amendments if applicable, in preparation of its interim financial statements.

IFRS 7 – Servicing Contracts

Paragraphs 42A - H of IFRS 7 require an entity to provide disclosures for any continuing involvement in a transferred asset that is derecognised in its entirety. The IASB was asked whether servicing contracts constitute continuing involvement for the purposes of applying these disclosure requirements. The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in paragraphs IFRS 7.B30 and IFRS 7.42C in order to assess whether the disclosures are required.

The Group will consider early adoption of the amendment, if applicable.

IFRS 7 – Applicability of the offsetting disclosures to condensed interim financial statements.

In December 2011, IFRS 7 was amended to add guidance on offsetting of financial assets and financial liabilities. In the effective date and transition for that amendment, paragraph 44R of IFRS 7 states that an entity shall apply those amendments for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The interim disclosure standard, IAS 34, does not reflect this requirement, however, and it is not clear whether those disclosures are required in the condensed interim financial report.

The amendment removes the phrase 'and interim periods within those annual periods' from paragraph 44R, clarifying that these IFRS 7 disclosures are not required in the condensed interim financial report. However, the IASB noted that IAS 34 requires an entity to disclose 'an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the entity since the end of the last annual reporting period'. Therefore, if the IFRS 7 disclosures provide a significant update to the information reported in the most recent annual report, the Board would expect the disclosures to be included in the entity's condensed interim financial report.

The Group will consider early adoption of the amendments in preparation of its interim financial statements.

IFRS 9 Financial Instruments – classification and measurement

On 24 July 2014, the IASB issued the final version of IFRS 9-Financial Instruments bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The classification and measurement requirements address specific application issues arising in IFRS 9 (2009) that were raised by preparers, mainly from the financial services industry. The expected credit loss model addresses concerns expressed following the financial crisis that entities recorded losses too late under IAS 39. IFRS 9 stipulates that financial assets are measured at amortised cost, fair value through profit or loss, or fair value through other comprehensive income, based on both the

Notes To The Financial Statements

entity's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Apart from the 'own credit risk' requirements, classification and measurement of financial liabilities is unchanged from existing requirements. IFRS 9 is applicable for annual periods beginning on or after 1 January 2018, but early adoption is permitted.

The Group is currently assessing the impact of IFRS 9, on the Group's reporting disclosures.

IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3 Business Combinations, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

The amendments are effective for annual periods beginning on or after 1 January 2016 and must be applied prospectively. The Group will consider early adoption of the amendments if applicable.

IFRS 11 Accounting for Acquisitions of Interests in Joint Operations – Amendments to IFRS 11

The amendments require an entity acquiring an interest in a joint operation in which the activity of the joint operation constitutes a business to apply, to the extent of its share, all of the principles in IFRS 3, and other IFRSs, that do not conflict with the requirements of IFRS 11. Furthermore, entities are required to disclose the information required in those IFRSs in relation to business combinations.

The amendments also apply to an entity on the formation of a joint operation if, and only if, an existing business is contributed by the entity to the joint operation on its formation. Furthermore, the amendments clarify that for the acquisition of an additional interest in a joint operation in which the activity of the joint operation constitutes a business; previously held interests in the joint operation must not be remeasured if the joint operator retains joint control.

The amendments are applied prospectively and are effective for annual periods beginning on or after 1 January 2016. The Group will consider the early adoption of the amendments when it enters into transactions if the amendments are applicable.

IFRS 15- Revenue from Contracts with Customers

IFRS 15 Revenue from Contracts with Customers replaces all existing IFRS revenue requirements. The core principle of IFRS 15 is that revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 establishes a five-step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g. sales of property, plant and equipment or intangibles). Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgements and estimates.

The standard is effective for annual periods beginning on or after 1 January 2018, but early adoption is permitted.

The Group is currently assessing the impact of the standard on its contracts with customers and where appropriate, relevant disclosures and compliance with this IFRS will be enforced.

IAS 16 and IAS 41 Accounting for Bearer Plants

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

The IASB decided that bearer plants should be accounted for in the same way as property, plant and equipment in IAS 16 Property, Plant and Equipment, because their operation is similar to that of manufacturing. Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41.

The amendment is effective for annual periods beginning on or after 1 January 2016 and the Group is currently assessing the impact of the amendment on its assets.

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

Amendments to IAS 27 Separate Financial Statements allow an entity to use the equity method as described in IAS 28 to account for its investments in subsidiaries, joint ventures and associates in its separate financial statements. Therefore, an entity must account for these investments either:

- At cost
- In accordance with IAS 39 or
- Using the equity method

The entity must apply the same accounting for each category of investments. The amendments must be applied retrospectively and are effective for year ends beginning on or after 1 January 2016.

IAS 34 Disclosure of information 'elsewhere' in the interim financial report

IAS 34 requires entities to disclose information in the notes to the interim financial statements 'if not disclosed elsewhere in the interim financial report'. However, it is unclear what the Board means by 'elsewhere in the interim financial report'. The amendment states that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report).

The Board specified that the other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time. If users do not have access to the other information in this manner, then the interim financial report is incomplete.

The Group will consider early adoption of the amendment in preparing its interim financial statements.

5 Summary of significant accounting policies

Revenue and other income recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments and excluding discounts, rebates, and value added tax. Instalment sales are accounted for when the risks and rewards of ownership are passed to the buyer. However, finance charges related to hire purchase sales are credited to revenue over the period of the settlement. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group acts as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon delivery and when the entity retains neither continual managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Interest income

Revenue is recognised as interest accrues using the effective interest method (that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset at amortised cost).

Dividends

Revenue is recognised when the Group's right to receive the payment is established after Directors' approval.

Employee benefits

Short-term benefits

The cost of all short-term employee benefits, such as salaries, employee entitlements to leave pay, bonuses, medical aid and other contributions, are recognised during the period in which the employee renders the related service. The Group recognises the expected cost of bonuses only when the Group has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

Retirement benefit costs

Retirement benefits are provided for Group employees through the Innscor Africa Limited Pension Fund, the Catering Industry Pension Fund, National Foods Pension Fund, Colcom Pension Fund and other pension funds in foreign subsidiaries. The Group's pension

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schemes are defined contribution schemes and the cost of retirement benefits is determined by the level of contributions made in terms of the rules. Contributions to defined contribution retirement plans are recognised as an expense when employees have rendered service entitling them to the contributions.

All eligible employees contribute to the National Social Security Authority defined contribution pension scheme, or the equivalent in foreign subsidiaries. The cost of retirement benefits applicable to the National Social Security Authority, which commenced operations on 1 October 1994, is determined by the systematic recognition of legislated contributions.

Leases

The determination of whether an arrangement contains a lease depends on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether the arrangement conveys a right to use the assets.

Leases where all the risks and benefits of ownership of the asset are not transferred to the Group are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease period.

Royalties

Royalties are calculated as per agreed contracts and are expensed on an accrual basis.

Foreign currency translation

The Group's financial statements are presented in United States Dollars, which is the Group's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are recognised in other comprehensive income until the disposal of the net investment, at which time they are recognised in profit or loss. The tax charges and credits attributable to exchange differences on those borrowings are also recognised in other comprehensive income. Non-monetary items that are measured in terms of the historical cost basis in a foreign currency are translated using the exchange rates ruling at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates as at the dates when the fair value was determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item.

Foreign operations

Assets and liabilities of subsidiaries and associated companies denominated in foreign currencies are translated into United States Dollars at rates of exchange ruling at reporting date and their statements of comprehensive income results are translated at the average rate of exchange for the period. The average rate of exchange is calculated by dividing the summation of the opening rate to the closing rate by two. Where there are drastic movements between the opening and closing rates of exchange, the statement of comprehensive income results are translated on a month-on-month basis using the average rate of exchange for each month. Differences on exchange arising from re-translation of the opening net investment in subsidiaries and associated companies and from the translation of the results of those entities at average rates, are recognised in other comprehensive income. Upon divestment from a foreign operation, cumulative translation differences related to that entity are reclassified to profit or loss.

Business combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, the acquisition date fair value of the Group's previously held equity interest in the acquiree is re-measured to fair value as at the acquisition date through profit or loss.

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Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, that is a financial instrument, is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not re-measured until it is finally settled within equity.

Goodwill is initially measured at cost, being the excess of the consideration transferred over the Group's net identifiable assets acquired and liabilities assumed and the amount recognised for non-controlling interests. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss as bargain purchase gain. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Property, plant and equipment

Plant and equipment are stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are requiring replacement in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Land is carried at cost whereas buildings are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on a straight line basis over the expected useful lives of the assets such that the cost is reduced to the residual values of the assets over the useful lives of the assets.

The various rates of depreciation are listed below:

Freehold property	- 2%
Buildings and improvements	- 2.5%
Leasehold improvements	- the lesser of period of lease or 10 years
Plant, Fittings and Equipment -	- 3% - 25%
Vehicles	- 10% - 30%

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in profit or loss in the year the asset is derecognised.

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed by the Group, and prospectively adjusted if necessary, on an annual basis. Depreciation is not charged when the carrying amount of an item of property, plant and equipment becomes equal or less than the residual value.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are expensed as incurred.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

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To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation on that asset is determined as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

Intangible assets

Intangible assets acquired separately are initially measured and recognised at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged to profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and are assessed for impairment whenever there is an indication that the intangible assets are impaired. The amortisation expense and impairment losses on intangible assets are recognised in profit or loss in the period in which they occur.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Impairment of non-financial assets

The Group assesses at each reporting date, or earlier where indications that impairment exists, whether an asset may be impaired. This entails estimating the asset's recoverable amount, which is the higher of the asset's fair value less costs to sell and value in use. Where the asset's carrying amount exceeds its recoverable amount, the asset is considered impaired and its carrying amount is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Impairment losses are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the recoverable amount is estimated in order to reverse the previously recognised impairment losses. A previously recognised impairment loss is reversed only to the extent that there has been a change in the estimates used in determining the asset's recoverable amount since the last impairment loss was recognised. If that is the case the asset's carrying amount is increased to its recoverable amount. However, the increased carrying value of the asset is limited to the carrying value determinable, net of depreciation, had the impairment not occurred. Such reversal is taken to profit or loss. After the reversal, the depreciation charge is adjusted in future periods to allocate the revised carrying amount, less any residual value, on a systematic basis over the remaining useful life.

Investments in associates

The Group's investments in associates are accounted for using the equity method of accounting. Associates are entities in which the Group exercises significant influence and which are neither subsidiaries nor jointly controlled operations. Under the equity method, investments in associates are initially carried in the statement of financial position at cost. Subsequently, the investments in associates are carried at cost plus post-acquisition changes in the Group's share of the reserves of the associates less dividends received from the associates. Goodwill relating to an associate is included in the carrying amount of the investment. The statement of profit or loss and other comprehensive income reflects the share of the results of operations of the associates attributable to the Group.

Where there have been changes recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

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The financial statements of the associate are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associate. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence, and the fair value of the retaining investment and proceeds from disposal is recognised in profit or loss.

Financial assets

Financial assets include trade and other receivables, cash and cash equivalents and investments. Financial assets in the scope of IAS 39 are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets on initial recognition.

All regular purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss.

Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near-term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments or a financial guarantee contract. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial assets may be designated at initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; or (ii) the assets are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial asset contains an embedded derivative that would need to be separately recorded.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets which carry fixed or determinable payments and fixed maturities and which the Group has the positive intention and ability to hold to maturity. These are initially measured at fair value. After initial measurement held-to-maturity investments are measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount, less allowance for impairment. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. Gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in income when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

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Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified in any of the three preceding categories. After initial recognition, available-for-sale financial assets are measured at fair value with gains or losses being recognised as other comprehensive income in the available-for-sale reserve until the investment is derecognised or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument, which is substantially the same; discounted cash flow analysis and option pricing models.

Trade and other receivables

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less and are measured at amortised cost.

Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profir or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in profit or loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occuring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in profit or loss.

Available-for-sale financial investments

For available for sale financial investments, the Group assesses at each reporting date whether there is objective evidence that an investment or group of investments is impaired.

Notes To The Financial Statements

In the case of an equity investment classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss - is removed from other comprehensive income and recognised in profit or loss. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss.

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment is reversed through profit or loss.

De-recognition of financial assets

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

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

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset, is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Biological assets

Biological assets are living animals that are managed by the Group. Agricultural produce is the harvested product of the biological asset. Biological assets of the Group include cattle, pigs, birds and hatching eggs. At initial recognition, biological assets are valued at fair value.

Subsequent to initial recognition, biological assets are measured at fair value less estimated point of sale costs or cost less accumulated depreciation. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value is determined with reference to the average theoretical life spans for the various categories of biological assets and available market prices. For each category, the biological assets are split in terms of their life spans at reporting date and the different saleable products derived from each biological asset. On that basis, an indicative value is computed with reference to local and international market prices.

Fair value movements on biological assets are recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and estimated net realisable value. In general, cost is established on the first in, first out basis. Cost represents the cost of materials and where appropriate, direct labour and manufacturing overheads related to stage of manufacture. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Notes To The Financial Statements

Financial liabilities

Financial liabilities include trade and other accounts payables, bank overdrafts and interest bearing borrowings, and these are initially measured at fair value including transaction costs and subsequently amortised costs. Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Where the Group expects some or all of the provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any certain reimbursements.

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

Contingent liabilities

Contingent liabilities, which include certain financial guarantees, litigation and other letters of credit pledged as collateral security, are possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Group's control. Contingent liabilities are not recognised in the financial statements but are disclosed in the notes to the financial statements.

Provision for warranty claims

In respect of provision for warranty claims, the Group warrants its refrigeration products, television products and certain component parts. The provision is made on the basis of previous experience of the incidence of such claims.

Leave pay liability

Leave pay for employees is provided on the basis of leave days accumulated at an expected rate of payment. The timings of the cash out-flows are by their nature uncertain.

Taxes

Current income tax

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

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

Deferred income tax

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

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

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Notes To The Financial Statements

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

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

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

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

Deferred income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in profit or loss. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Value Added Tax

Revenues, expenses and assets are recognised net of the amount of Value Added Tax except where the Value Added Tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the Value Added Tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The net amount of Value Added Tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the statement of financial position.

Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the Group's Executive Directors.

Key Management

Key management include executive directors and divisional management as outlined on pages 23 to 25 of this annual report.

Key estimates, uncertainties and judgements

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year:

Useful lives and residual values of property, plant and equipment

The Group assesses useful lives and residual values of property, plant and equipment each year taking into consideration past experience, technology changes and the local operating environment. The useful lives are set out on page 55 and no changes to those useful lives have been considered necessary during the year. Residual values will be reassessed each year and adjustments for depreciation will be done in future periods if there is indication of impairment in value.

Fair valuation of biological assets

Pigs

The Group estimates the slaughter weights of the pig grower herd based on a 21 week profile. Pigs aged between 0 - 5 weeks are not fair valued and are stated at nil value at the reporting date. The Group also estimates average slaughter weights for the breeding head.

Notes To The Financial Statements

Cattle

The average live weight of cattle is used in determining fair value.

Birds and Hatching Eggs

Breeder livestock is valued based on the actual costs incurred in rearing the birds and is amortised in relation to the expected hatching eggs to end of lay. The valuation of broilers livestock is based on the actual costs incurred in rearing the birds. Layers are valued at fair market price less selling costs. Fair market price is determined from the price the company sells point of lay and end of lay birds to the market.

Biological assets are valued at a price determined on the local market.

Deferred tax

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the value of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in arm's length transactions of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to the goodwill recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs are disclosed and further explained in note 16.1.

Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provision for obsolete stock

The provision for obsolescence is based on assessment of quality of stock through sampling and laboratory evaluation. Inventory that no longer meets minimum quality standards as a result of damage or exceeding standard shelf life is classified as obsolete. Inventory relating to discontinued products is also classified as obsolete. Refer to note 21 for more detail.

Provision for impairment of accounts receivable

Provision for impairment of receivables is a specific provision made for trade receivables which is reviewed on a monthly basis. In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the end of the reporting period as well as the value of security held over that receivable. Refer to note 22.

Consolidation of entities in which the Group holds less than majority of voting rights

Due to a change in governance structures, and in accordance with IFRS 10 (Consolidated Financial Statements), the Group has consolidated the results of National Foods Holdings Limited (National Foods) and Irvine's Zimbabwe (Private) Limited (Irvine's) with effect from 1 July 2013. Although the Group does not hold more than 50% ownership interest and voting rights in National Foods and Irvine's, the Group considers that it controls these entities through its respective shareholders' agreements.

For the following investments, the Group has determined that it does not have control over these entities as defined by IFRS 10 and as such these investments have been equity accounted: Shearwater Adventures (Private) Limited, Freddy Hirsch Group (Private) Limited, Paperhole Investments (Private) Limited, Baobab (Private) Limited, Hat On (Private) Limited, Harlock Management Services Limited, Afrigrain Trading Limited and Zambezi Tourism Investments Limited.

Notes To The Financial Statements

6 Earnings per share

6.1 Basic earnings basis

The calculation is based on the profit attributable to equity holders of the parent and weighted average number of ordinary shares in issue during the year.

6.2 Diluted earnings basis

The calculation is based on the profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue after adjusting for the conversion of share options. Share options are considered for dilution if the average market price of ordinary shares during the year exceeds the exercise price of such options.

The share options arising from the Group's indigenisation transaction had no dilutive effect at the end of the financial year.

6.3 Headline earnings basis

Headline earnings comprise of basic earnings attributable to equity holders of the parent adjusted for profits, losses and items of a capital nature that do not form part of the ordinary activities of the Group, net of their related tax effects and share of non-controlling interests as applicable.

The following reflects the income and share data used in the basic, headline and diluted earnings per share computations:

		2015 USD	Restated 2014 USD
6.4	Net profit attributable to equity holders of the parent - continuing and discontinuing operations	18 260 076	60 465 321
	Net profit attributable to equity holders of the parent - continuing operations	12 582 927	54 914 866
6.5	**Number of shares in issue - continuing and discontinuing operations**		
	Number of ordinary shares in issue per basic and headline earnings per share	541 593 440	541 593 440
	Weighted average number of ordinary shares adjusted for the effect of dilution	541 593 440	541 593 440
6.6	**Reconciliation of basic earnings to headline earnings: (Continuing and discontinuing operations)**		
	Profit for the year attributable to equity holders of the parent	18 260 076	60 465 321
	Adjustment for capital items (gross of tax):		
	Fair value adjustments on obtaining control of subsidiaries	-	(39 033 279)
	Impairment and derecognition of plant and equipment and intangible assets	878 652	1 832 590
	Loss on disposal of property, plant and equipment	158 073	86 233
	Gain on bargain purchase of subsidiary	-	(258 542)
	Loss on disposal of unquoted investments	23 870	-
	Tax effect on adjustments	(286 620)	(493 026)
	Non-controlling interests' share of adjustments	(179 620)	(360 861)
	Headline earnings attributable to equity holders of the parent - continuing and discontinuing operations	18 854 431	22 238 436
	Headline earnings attributable to equity holders of the parent - continuing operations	12 956 325	16 664 605
	Basic earnings per share (cents) - continuing and discontinuing operations	3.37	11.16
	Basic earnings per share (cents) - continuing operations	2.33	10.14
	Headline earnings per share (cents) - continuing and discontinuing operations	3.48	4.11
	Headline earnings per share (cents) - continuing operations	2.39	3.08
	Diluted basic earnings per share (cents) - continuing and discontinuing operations	3.37	11.16
	Diluted basic earnings per share (cents) - continuing operations	2.33	10.14
	Diluted headline earnings per share (cents) - continuing and discontinuing operations	3.48	4.11
	Diluted headline earnings per share (cents) - continuing operations	2.39	3.08

Notes To The Financial Statements

7 Dividends

7.1 Dividends Paid

Dividends paid per share are based on the ordinary number of shares in issue on the effective date of declaration and entitlement of the ordinary shares to the dividend. The final dividend declared in prior year of 0.70 US cents per share was paid during the current year. In addition, a current year interim dividend of 0.55 US cents per share was declared and paid to ordinary shareholders whilst USD 148 000 was declared and paid to Innscor Africa Employee Share Trust (Pvt) Ltd.

	2015 USD	2014 USD
Prior year final dividends	3 791 154	5 415 934
Current year interim dividends	3 126 764	3 249 561
Prior year class "A" ordinary share dividends recognised in current year	351 500	-
Total dividends paid	7 269 418	8 665 495

On 15 September 2015, the Board declared a final dividend of 0.55 US cents per share to shareholders registered in the books of the Company by noon on 9 October 2015. This brings the total dividend in respect of the 2015 financial year to 1.10 US cents per share.

The Board has also declared a final dividend totalling USD 148 000 to Innscor Africa Employee Share Trust (Pvt) Ltd which brings the total dividend in respect of the 2015 financial year to USD 296 000.

7.2 Dividend in Specie

The Board published an intention to distribute the entire Quick Service Restaurants business to shareholders through a dividend in specie in the first half of the financial year ending 30 June 2016 and to subsequently list the unbundled entity on the Zimbabwe Stock Exchange. The exact amount of this dividend in specie will be established on the dividend day (see note 13).

	2015 USD	Restated 2014 USD
8 Revenue		
Sale of goods	814 399 821	871 159 852
9 Other income		
Exchange gains - realised	1 348 444	2 289 443
Exchange gains - unrealised	649 604	402 599
Discounts	728 839	1 069 326
Sundry income and sales	700 758	771 039
Rebates	538 340	418 737
Loss on disposal of unquoted investments	(23 870)	-
Loss on disposal of property, plant and equipment	(197 369)	(59 451)
Other	5 744 655	5 371 856
	9 489 401	10 263 549

Notes To The Financial Statements

		Notes	2015 USD	Restated 2014 USD
10	**Operating Expenses**			
	Staff costs	10.1	93 828 962	100 659 510
	Audit fees and expenses	10.2	1 130 061	1 323 052
	Operating lease charges- fixed		5 368 203	4 963 552
	Operating lease charges- variable		4 153 664	3 426 220
	Distribution costs		24 694 054	24 082 426
	Repairs and maintenance		12 112 657	12 776 427
	Electricity, water and rates		11 114 085	10 321 002
	Fuel		7 765 100	5 786 257
	Advertising and marketing		6 684 499	6 231 036
	Security		4 122 617	4 173 149
	Insurance and licenses		2 536 737	2 728 467
	Other		33 272 699	37 347 252
			206 783 338	213 818 350
10.1	Included in staff costs are key management's emoluments comprising of:			
	Independent, non-executive directors - fees		77 511	65 524
	Non-independent, non-executive directors - fees & emoluments		454 443	424 155
	Executive directors - total emoluments		1 230 673	767 433
	Other management remuneration *		7 284 108	7 348 213
	Total continuing operations		9 046 735	8 605 325
	Discontinuing operations		1 269 931	856 297
	Total continuing and discontinuing operations		10 316 666	9 461 622
	*Other management includes executives and senior management of the Group's subsidiary companies and divisions as shown on page 23 to 25.			
10.2	**Audit fees and expenses**			
	Current year		1 088 410	1 236 706
	Prior year under-provision		3 375	42 140
	Fees for other services		38 276	44 206
			1 130 061	1 323 052
10.3	**Inventories written off**		4 971 940	3 758 874

Notes To The Financial Statements

		2015 USD	Restated 2014 USD
11	Interest income and expense		
11.1	Interest income		
	Continuing operations	2 935 158	1 445 316
	Discontinuing operations	230 540	270 642
		3 165 698	1 715 958
11.2	Interest expense		
	Continuing operations	(6 465 335)	(6 618 776)
	Discontinuing operations	(1 149 695)	(1 197 750)
		(7 615 030)	(7 816 526)
12	Tax expense		
12.1	Income tax charge		
	Current income tax charge	11 919 039	11 817 793
	Capital gains tax	98 500	115 850
	Withholding tax	8 325	6 281
	Deferred tax	(211 352)	(254 326)
		11 814 512	11 685 598
12.2	Tax rate reconciliation	%	%
	Statutory rate of taxation, inclusive of AIDS levy	25.75	25.75
	Adjusted for:		
	Excess pension	0.18	0.12
	Regional rates	0.22	0.04
	Capital gains rates	0.23	0.14
	Depreciation on excess cost of passenger motor vehicles	0.82	0.32
	Tax on associates income	(1.36)	(0.66)
	Fair value adjustments on conversion of associates to subsidiaries	-	(10.88)
	Other	2.33	(0.98)
	Effective tax rate	28.17	13.85

Notes To The Financial Statements

13 Discontinuing Operations - Quick Service Restaurants Segment

The Quick Service Restaurants (QSR) is a segment of Innscor Africa Limited which comprises the Group's Fast Food operations across the African continent. Subsequent to year end, the Board has received regulatory approvals to distribute the entire QSR business to Shareholders by way of a dividend in specie in the first half of the financial year ending June 2016 and to subsequently list the unbundled entity on the Zimbabwe Stock Exchange.

The results of the QSR business have been disclosed as discontinuing operations and are presented below:

	Notes	2015 USD	2014 USD
Revenue		153 137 863	152 890 418
Operating profit before impairment, depreciation and amortisation		16 926 435	14 799 739
impairment and derecognition of plant and equipment	14.1	(455 595)	(88 066)
depreciation and amortisation		(6 078 689)	(5 876 682)
Profit before interest, equity accounted earnings and tax		10 392 151	8 834 991
interest income	11.1	230 540	270 642
interest expense	11.2	(1 149 695)	(1 197 750)
equity accounted earnings	17.8	188 582	158 877
Profit before tax		9 661 578	8 066 760
tax expense		(2 148 936)	(1 929 265)
Profit for the year from discontinuing operations		7 512 642	6 137 495
Other comprehensive loss - to be recycled to profit or loss			
exchange differences arising on the translation of foreign operations		(907 605)	(436 717)
Other comprehensive loss for the year, net of tax		(907 605)	(436 717)
Total comprehensive income for the year		6 605 037	5 700 778
Profit for the year attributable to:			
equity holders of the parent		5 677 149	5 550 455
non-controlling interests		1 835 493	587 040
		7 512 642	6 137 495
Total comprehensive income for the year attributable to:			
equity holders of the parent		4 991 291	5 155 510
non-controlling interests		1 613 746	545 268
		6 605 037	5 700 778
Earnings per share (cents)			
Basic earnings per share (cents) - discontinuing operations		1.04	1.02
Headline earnings per share (cents) - discontinuing operations		1.09	1.03
Diluted basic earnings per share (cents) - discontinuing operations		1.04	1.02
Cash flows from discontinuing operations			
Net cash flows from operating activities		13 932 463	14 645 346
Net cash flows from investing activities		(8 897 649)	(11 697 399)
Net cash flows from financing activities		(6 060 211)	(789 746)
Net Cash Flows		(1 025 397)	2 158 201

Notes To The Financial Statements

The major classes of assets and liabilities of the operations classified as held for distribution (discontinuing operations) as at 30 June 2015 are as follows:

	Notes	2015 USD	2014 USD
Assets			
property, plant and equipment		46 388 201	-
intangible assets		480 551	-
investments in associates	17.8	394 668	-
deferred tax assets	26.1	605 763	-
inventories		4 536 204	-
trade and other receivables		6 661 314	-
cash and cash equivalents		3 726 761	-
Assets of disposal group classified as held for distribution		62 793 462	-
Liabilities			
deferred tax liabilities	26.1	3 714 326	-
interest-bearing borrowings - non-current		369 788	-
interest-bearing borrowings - current		14 998 914	-
trade and other payables		16 298 791	-
provisions		1 272 562	-
current tax liabilities		135 132	-
Liabilities directly associated with the assets classified as held for distribution		36 789 513	-
Intragroup unbundling adjustments*		(12 335 796)	-
Liabilities directly associated with the assets classified as held for distribution		24 453 717	-
Net assets directly associated with discontinuing operations**		38 339 745	-
* Intragroup unbundling adjustments on total liabilities are broken down as follows:			
current interest-bearing borrowings		(8 782 407)	-
trade and other payables		(3 553 389)	-
		(12 335 796)	-

Unbundling adjustments relate to inter-company balances between continuing and discontinuing operations.

** Had the unbundling occurred at year end, the net assets of the discontinued operations would be adjusted to USD 26 003 949 arising from the following intercompany balances that were eliminated on consolidation as follows:

	2015 USD	2014 USD
financial assets	8 782 407	-
trade and other receivables	3 553 389	-
	12 335 796	-

Notes To The Financial Statements

		Notes	2015 USD	Restated 2014 USD
14	Cash flow information			
14.1	Cash generated from operating activities			
	Profit before interest, equity accounted earnings and tax from continuing operations		43 252 842	87 339 735
	Profit before interest, equity accounted earnings and tax from discontinuing operations	13	10 392 151	8 834 990
	Profit before interest, equity accounted earnings and tax		53 644 993	96 174 725
	Depreciation - continuing operations		17 634 640	17 414 348
	Depreciation - discontinuing operations	13	6 047 727	5 856 309
	Amortisation of intangible assets - continuing operations		1 987	81 407
	Amortisation of intangible assets - discontinuing operations	13	30 962	20 373
	Depreciation of biological assets - continuing operations		246 668	122 851
	Unrealised exchange gains - continuing operations	9	(649 603)	(402 599)
	Unrealised exchange gains - discontinuing operations		(6 247)	11 410
	Fair value adjustments on listed equities - continuing operations		(66 460)	(69 552)
	Fair value adjustments on forward exchange contracts - continuing operations		(40 247)	7 206
	Inventories written off - continuing operations	21	4 971 670	3 758 874
	Inventories written off - discontinuing operations		83 410	5 681
	Allowance for credit losses - continuing operations		(683 301)	1 591 711
	Allowance for credit losses - discontinuing operations		29 760	3 447
	Bad debts written off - continuing operations		171 514	33 114
	Bad debts written off - discontinuing operations		9 545	24 457
	Provisions charged to profit or loss - continuing operations		1 228 617	1 228 557
	Provisions charged to profit or loss - discontinuing operations		360 833	489 570
	Fair value adjustment on biological assets - continuing operations		(616 825)	(1 718 545)
	Impairment and derecognition of plant and equipment and intangible assets - continuing operations		423 058	1 744 524
	Impairment and derecognition of plant and equipment - discontinuing operations	13	455 595	88 066
	Loss on disposal of property, plant and equipment - continuing operations	9	197 369	59 451
	(Profit)/loss on disposal of property, plant and equipment - discontinuing operations		(39 296)	26 782
	Fair value adjustments on obtaining control of subsidiaries - continuing operations		-	(39 033 279)
	Loss on disposal of unquoted investments - continuing operations	9	23 870	-
	Gain on bargain purchase of subsidiaries - continuing operations		-	(258 542)
	Minority equity loan ceded on buy-out of non-controlling interests - continuing operations		(100 000)	-
	(Increase)/decrease in inventories		(14 148 276)	7 064 915
	Increase in biological assets		(411 724)	(1 110 715)
	Increase in trade and other receivables		(5 821 564)	(4 871 086)
	Increase in trade and other payables		5 876 016	20 951 063
	Provisions paid		(2 005 366)	(2 471 787)
			66 849 325	106 822 736

Notes To The Financial Statements

		Notes	2015 USD	Restated 2014 USD
14.2	Tax paid			
	Opening balance		(1 963 668)	(571 884)
	Charged to profit or loss - continuing operations		(12 025 864)	(11 939 924)
	Charged to profit or loss - discontinuing operations		(2 279 397)	(1 273 905)
	Acquisition of subsidiaries	14.4	-	(889 432)
	Exchange and other non-cash movements		62 257	20 680
	Closing balance - continuing operations		556 550	1 963 668
	Closing balance - discontinuing operations		135 132	-
			(15 514 990)	(12 690 797)
14.3	Investing activities			
	Expenditure on property, plant and equipment to maintain operations		(13 111 767)	(9 603 937)
	Expenditure on property, plant and equipment to expand operations		(24 899 893)	(39 330 705)
	Proceeds on disposal of property, plant and equipment		1 174 994	3 143 266
	Purchase of intangible assets		(47 479)	(20 832)
	Borrowing costs capitalised - plant and equipment	15	(320 840)	-
	Purchase of associates and other investments		(2 450 557)	(3 728 048)
	Loans advanced to associates	17.1	(1 701 558)	(400 338)
	Dividends received from associates - continuing operations	17.1	800 000	2 695 627
	Dividends received from associates - discontinuing operations	17.1	82 500	155 000
	Movement in non-current biological assets		(165 714)	(160 810)
	Proceeds on disposal of investments	19	159 677	-
	Acquisition of subsidiaries	14.4	-	540 920
	Purchase of additional interest in subsidiaries		-	(1 130 267)
			(40 480 637)	(47 840 124)

14.4 Net cash flow arising on the recognition/acquisition of subsidiary companies

The Group consolidated the results of National Foods Holdings Limited and Irvine's Zimbabwe (Private) Limited due to a change in governance structures with effect from 1 July 2013. These businesses were previously equity accounted. In undertaking this change in accounting treatment and notwithstanding the fact that there has been no change in the Group's shareholding in either of these existing investments, the application of the fair value principle contained in IFRS 3 (Business Combinations) resulted in a fair value gain of USD 39 033 279 being credited to the Group's Statement of Profit or Loss and Other Comprehensive Income and representing the difference between market value and carrying value of the Group's existing interest at the date of consolidation in the financial year ended 30 June 2014. Also as result of this change in accounting treatment, an intangible asset in the form of goodwill, of USD 36 904 922 was recognised in the Group's Statement of Financial Position. This represents the difference between the fair value of the Group's existing interest in these investments, and the fair value of the Group's share of the net assets within these entities.

On 1 July 2013, the Group acquired 50.01% interest in Bedra Enterprises (Private) Limited and through its subsidiary, Innscor Distribution (Private) Limited, a 66.70% interest in Yamiya (Private) Limited. The acquisition of Bedra Enterprises (Private) Limited resulted in goodwill amounting to USD 143 487 being recognised whilst the gross consideration on acquisition of Yamiya Trading (Private) Limited was equivalent to the fair value of its net assets on acquisition date.

On 1 January 2014, the Group increased its effective shareholding in Breathaway Food Caterers (Private) Limited from 37.50% to 50.01%, with a gain on bargain purchase amounting to USD 258 542 being recognised. The gain on bargain purchase recognised represents the excess of the fair valued net assets of the business over the aggregate of the consideration transferred and the fair value of the existing interest and non-controlling interest's share of the net assets at the date of obtaining control.

Notes To The Financial Statements

14.4 Net cash flow arising on the recognition/acquisition of subsidiary companies (continued)

	Notes	National Foods Holdings Ltd USD	Irvine's Zimbabwe (Pvt) Ltd USD	Bedra Enterprises (Pvt) Ltd USD	Breathaway Food Caterers (Pvt) Ltd USD	Yamiya Trading (Pvt) Ltd USD	2014 Total USD
Property, plant and equipment		(54 043 409)	(14 654 032)	(558 485)	(853 709)	(74 095)	(70 183 730)
Intangible assets		-	(1 599 102)	-	-	-	(1 599 102)
Investments		(121 724)	(184 045)	-	-	(27 575)	(333 344)
Biological assets		-	(7 726 198)	-	-	-	(7 726 198)
Inventories		(46 923 613)	(13 468 189)	(90 055)	(887 958)	(74 651)	(61 444 466)
Trade and other receivables		(25 067 838)	(6 814 668)	(295 398)	(1 719 036)	(269 040)	(34 165 980)
Cash and cash equivalents		(4 106 296)	3 247 587	(34 046)	(7 881)	(3 859)	(904 495)
Trade and other payables		23 956 653	3 640 099	886 792	2 324 710	294 751	31 103 005
Provisions		726 069	1 230 420	23 975	38 878	-	2 019 342
Interest-bearing borrowings		20 566 233	853 136	650 101	-	-	22 069 470
Deferred tax liabilities		11 600 131	2 374 976	(298 485)	150 316	3 446	13 830 384
Current tax liabilities		618 287	257 825	-	1 086	12 234	889 432
Fair value of net (assets)/liabilities of subsidiaries at date of recognition/acquisition		(72 795 507)	(32 842 191)	284 399	(953 594)	(138 789)	(106 445 682)
Less non-controlling interests share therein		45 264 246	16 749 518	(141 915)	-	46 217	61 918 066
Fair value of net (assets)/liabilities recognised/acquired		(27 531 261)	(16 092 673)	142 484	(953 594)	(92 572)	(44 527 616)
Fair value of equity interest at the date of consolidation	17.1	63 378 856	17 150 000	-	425 052	-	80 953 908
Carrying amount		26 794 069	14 701 508	-	425 052	-	41 920 629
Fair value adjustments on obtaining control		36 584 787	2 448 492	-	-	-	39 033 279
Goodwill		(35 847 595)	(1 057 327)	(143 487)	-	-	(37 048 409)
Gain on bargain purchase		-	-	-	258 542	-	258 542
Cash consideration		-	-	(1 003)	(270 000)	(92 572)	(363 575)
Add cash and cash equivalents acquired		4 106 296	(3 247 587)	34 046	7 881	3 859	904 495
Net cash inflow/(outflow)		4 106 296	(3 247 587)	33 043	(262 119)	(88 713)	540 920

Notes To The Financial Statements

15 Property, plant and equipment

	Notes	Freehold property USD	Leasehold improvements Equipment USD	Plant, Fittings & USD	Motor vehicles USD	Total USD
Cost						
At 1 July 2013		18 431 336	30 763 079	120 200 350	24 547 332	193 942 097
Additions		1 688 752	4 741 347	39 463 955	3 040 588	48 934 642
Disposals		(2 430 360)	(205 821)	(1 690 878)	(1 629 149)	(5 956 208)
Impairment and derecognition		(799)	-	(2 235 418)	(23 380)	(2 259 597)
Acquisition of subsidiaries	14.4	43 527 085	456 750	36 442 560	5 907 833	86 334 228
Exchange movements		(66 350)	(617 017)	(1 886 322)	(259 331)	(2 829 020)
At 30 June 2014		61 149 664	35 138 338	190 294 247	31 583 893	318 166 142
Additions		1 304 017	4 281 289	27 430 633	4 995 721	38 011 660
Borrowing costs capitalised	14.3	-	-	320 840	-	320 840
Disposals		(43 333)	(142 727)	(1 901 067)	(1 717 905)	(3 805 032)
Impairment and derecognition		-	(484 714)	(727 640)	(602 963)	(1 815 317)
Discontinuing operations		-	(27 591 323)	(41 971 255)	(3 347 146)	(72 909 724)
Exchange movements		(104 296)	(1 120 608)	(3 372 873)	(265 880)	(4 863 657)
At 30 June 2015		62 306 052	10 080 255	170 072 885	30 645 720	273 104 912
Depreciation						
At 1 July 2013		1 534 341	6 026 434	35 435 884	11 329 932	54 326 591
Disposals		(101 468)	(79 595)	(1 285 742)	(1 259 904)	(2 726 709)
Charge for the year	14.1	1 477 872	2 225 286	13 870 651	5 696 848	23 270 657
Impairment and derecognition		(267)	-	(420 697)	(6 043)	(427 007)
Acquisition of subsidiaries	14.4	2 733 569	21 497	9 759 716	3 635 716	16 150 498
Exchange movements		(7 517)	(275 208)	(878 097)	(158 457)	(1 319 279)
At 30 June 2014		5 636 530	7 918 414	56 481 715	19 238 092	89 274 751
Disposals		(5 347)	(20 426)	(1 111 030)	(1 335 162)	(2 471 965)
Charge for the year	14.1	1 440 226	2 651 422	15 633 966	3 956 753	23 682 367
Impairment and derecognition		-	(261 890)	(264 793)	(423 655)	(950 338)
Discontinuing operations		-	(7 386 345)	(17 424 341)	(1 710 837)	(26 521 523)
Exchange movements		(12 730)	(588 345)	(1 344 859)	(193 895)	(2 139 829)
At 30 June 2015		7 058 679	2 312 830	51 970 658	19 531 296	80 873 463
Net carrying amount						
At 30 June 2015		55 247 373	7 767 425	118 102 227	11 114 424	192 231 449
At 30 June 2014		55 513 134	27 219 924	133 812 532	12 345 801	228 891 391

Certain properties, plant and equipment, and motor vehicles are encumbered as indicated in note 15.2

Notes To The Financial Statements

15.1 Reconciliation of opening and closing carrying amounts

	Notes	2015 USD	2014 USD
Net carrying amount 1 July		228 891 391	139 615 506
Cost		318 166 142	193 942 097
Accumulated depreciation and impairment losses		(89 274 751)	(54 326 591)
Movement for the year:			
Additions at cost		38 011 660	48 934 642
Borrowing costs capitalised - plant and equipment		320 840	-
Net carrying amount of disposals		(1 333 067)	(3 229 499)
Depreciation charge for the year		(23 682 367)	(23 270 657)
Impairment and derecognition		(864 979)	(1 832 590)
Acquisition of subsidiaries	14.4	-	70 183 730
Discontinuing operations	13	(46 388 201)	-
Exchange movements		(2 723 828)	(1 509 741)
Net carrying amount 30 June		192 231 449	228 891 391
Cost		273 104 912	318 166 142
Accumulated depreciation and impairment losses		(80 873 463)	(89 274 751)

The impairment and derecognition loss of USD 864 979 (2014: USD 1 832 590) represented the write-down of certain plant and equipment to the recoverable amount. This was recognised in the Statement of Profit or Loss and Other Comprehensive Income as an expense. The derecognised plant and equipment is idle and the Group is not expecting to realise any value from the use of the assets. The recoverable amount of the impaired assets was based on fair value less cost to sale, which was determined by reference to market prices for identical assets.

15.2 Security

	2015 USD	2014 USD
Net book value of property, plant and equipment pledged as security for borrowings	12 284 741	7 667 333

Details of the borrowings are shown in note 27.

Notes To The Financial Statements

16 Intangible assets

	Notes	Goodwill on acquisition USD	Other intangible assets USD	Total USD
Net carrying amount 1 July 2013		1 025 689	2 230 802	3 256 491
Gross carrying amount		1 025 689	2 517 767	3 543 456
Accumulated amortisation and impairment losses		-	(286 965)	(286 965)
Purchase of intangible assets		-	20 832	20 832
Acquisition of subsidiaries		38 647 511	-	38 647 511
Amortisation		-	(101 780)	(101 780)
Exchange movements		-	(34 423)	(34 423)
Net carrying amount 30 June 2014		39 673 200	2 115 431	41 788 631
Gross carrying amount		39 673 200	2 504 176	42 177 376
Accumulated amortisation and impairment losses		-	(388 745)	(388 745)
Purchase of intangible assets		-	47 479	47 479
Loss on impairment		-	(13 674)	(13 674)
Amortisation		-	(32 949)	(32 949)
Discontinuing operations	13	(475 721)	(4 830)	(480 551)
Exchange movements		-	(11 635)	(11 635)
Net carrying amount 30 June 2015		39 163 056	2 134 245	41 297 301
Gross carrying amount		39 163 056	2 569 613	41 732 669
Accumulated amortisation and impairment losses		-	(435 368)	(435 368)

Other intangible assets consist of computer software. These are deemed to have a finite useful life and amortisation periods range from 4-12 years, consistent with the license period.

For impairment tests of computer software, the Group considers the usage and the remaining useful life. As at 30 June 2015, there were no indications of impairment in computer software.

16.1 Impairment testing of Goodwill

The Group performed its annual impairment test as at June 2015. Goodwill acquired through business combinations has been allocated to cash generating units, i.e. business units. The recoverable amount of the cash generating units has been determined using value in use. The Group considers the relationship between the investment in subsidiary and its net book value, among other factors, when reviewing for indicators of impairment. The pre-tax discount rate applied to cash flow projections is 15% (2014: 15%). As a result of this analysis, there were no indications of impairment of goodwill.

Key assumptions used in value in use calculations and sensitivity to changes in assumptions

The calculation of value in use is most sensitive to the discount rates.

Notes To The Financial Statements

Discount rates

Discount rates represent the current market assessment of the risks specific to the Group, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

A rise in pre-tax discount rate to 17% (i.e. +2%) would not result in an impairment.

17 Investments in associates

	Notes	2015 USD	2014 USD
17.1 Reconciliation of movements in associates			
Balance at the beginning of the year		8 786 704	50 191 580
Purchases at cost		166 813	624 645
Equity accounted earnings - continuing operations		2 217 743	2 182 520
Equity accounted earnings - discontinuing operations		188 582	158 877
Dividends received from associates - continuing operations	14.3	(800 000)	(2 695 627)
Dividends received from associates - discontinuing operations	14.3	(82 500)	(155 000)
Loans advanced to associates	14.3	1 701 558	400 338
Discontinuing operations	13	(394 668)	-
Fair value adjustments on obtaining control of subsidiaries		-	39 033 279
Transfer from other investments	19	2 902 173	-
Transfer to investments in subsidiaries	14.4	-	(80 953 908)
Balance at the end of the year		14 686 405	8 786 704

The Group has the following investments in the associates:

17.2 Shearwater Adventures (Private) Limited

The Group holds a 50% interest in Shearwater Adventures (Private) Limited. Shearwater Adventures (Private) Limited is involved in the provision of leisure facilities such as helicopter flights, bungi jumping, water rafting and site-seeing.

	2015 USD	2014 USD
Reconciliation of the investment in associate;		
Balance at the beginning of the year	1 488 274	1 857 096
Equity accounted earnings	(528 287)	101 178
Dividends received from associate	-	(470 000)
Balance at the end of the year	959 987	1 488 274

17.3 Freddy Hirsch Group (Private) Limited

Freddy Hirsch Group (Private) Limited is an entity involved in the manufacture and selling of spices and packaging. The Group holds an effective 39.02% shareholding in Freddy Hirsch Group (Private) Limited.

	2015 USD	2014 USD
Reconciliation of the investment in associate;		
Balance at the beginning of the year	1 287 284	1 111 617
Equity accounted earnings	333 174	236 294
Dividends received from associate	-	(60 627)
Balance at the end of the year	1 620 458	1 287 284

Notes To The Financial Statements

17.4 Paperhole Investments (Private) Limited

Paperhole Investments (Private) Limited is an entity involved in the procurement of grain. The Group holds an effective 50% shareholding in Paperhole Investments (Private) Limited.

	2015 USD	2014 USD
Reconciliation of the investment in associate;		
Balance at the beginning of the year	653 582	1 341 772
Equity accounted earnings	728 389	343 026
Loans repaid	-	(1 031 216)
Balance at the end of the year	1 381 971	653 582

17.5 Profeeds (Private) Limited

The Group acquired an effective 28.91% shareholding in Profeeds (Private) Limited on 1 June 2015. Profeeds (Private) Limited is an entity involved in the manufacture and retail of stock feeds and the retail of day old chicks.

	Notes	2015 USD	2014 USD
Reconciliation of the investment in associate;			
Balance at the beginning of the year		-	-
Transfer from other investments	19	2 902 173	-
Purchases at cost		166 813	-
Equity accounted earnings		49 874	-
Loans advanced		883 197	-
Balance at the end of the year		4 002 057	-

17.6 Baobab (Private) Limited

Baobab (Private) Limited is involved in the distribution of principals' FMCG products to the retail and wholesale market as well as clearing agency services. The Group holds an effective 33.33% shareholding in Baobab (Private) Limited.

	2015 USD	2014 USD
Reconciliation of the investment in associate;		
Balance at the beginning of the year	145 498	-
Purchases at cost	-	165 738
Equity accounted earnings	(159 807)	(20 240)
Balance at the end of the year	(14 309)	145 498

17.7 Hat On (Private) Limited

Hat On (Private) Limited is involved in the distribution of principals' FMCG products to the retail and wholesale market. The Group holds an effective 33.33% shareholding in Hat On (Private) Limited.

	2015 USD	2014 USD
Reconciliation of the investment in associate;		
Balance at the beginning of the year	1 605 461	-
Purchases at cost	-	139 407
Equity accounted earnings	32 867	34 500
Loans advanced	740 361	1 431 554
Balance at the end of the year	2 378 689	1 605 461

Notes To The Financial Statements

17.8 QSR - Regional Operations

The Group holds an effective 50% shareholding in Nungu Trading 49 (Pty) Limited and an effective 50% shareholding in Harlock Management Services Limited. Harlock Management is involved in the provision of fast food services in the Group's regional operating territories, whilst Nungu Trading 49 (Pty) Limited has been dormant since 2011. The results of the QSR regional businesses have been disclosed as discontinuing operations.

	Notes	2015 USD	2014 USD
Reconciliation of the investment in associate;			
Balance at the beginning of the year		288 586	284 709
Equity accounted earnings	13	188 582	158 877
Dividends received from associate		(82 500)	(155 000)
Transfer to discontinuing operations		(394 668)	-
Balance at the end of the year		-	288 586

17.9 Afrigrain Trading Limited

Afrigrain Trading Limited is an entity involved in the procurement of grain. The Group holds an effective 40% shareholding in Afrigrain Trading Limited, a Mauritian registered entity.

	Notes	2015 USD	2014 USD
Reconciliation of the investment in associate;			
Balance at the beginning of the year		2 954 366	3 763 491
Equity accounted earnings		1 428 933	1 355 875
Dividends received from associate	14.3	(800 000)	(2 165 000)
Balance at the end of the year		3 583 299	2 954 366

17.10 Zambezi Tourism Investments Limited

Zambezi Tourism Investments Limited is an entity involved in the provision of tourism services. The Group holds an effective 50% shareholding in Zambezi Tourism Investments Limited, a Mauritian registered entity.

	2015 USD	2014 USD
Reconciliation of the investment in associate;		
Balance at the beginning of the year	363 653	-
Purchases at cost	-	252 000
Equity accounted earnings	332 600	111 653
Cost reclassified to loan advanced to associate	(251 950)	-
Loans advanced	329 950	-
Balance at the end of the year	774 253	363 653

Notes To The Financial Statements

17.11 Summarised financial information of associate companies.

	Notes	Revenue USD	Profit/(loss) after tax USD	Non-current assets USD	Current assets USD	Non-current liabilities USD	Current liabilities USD
Shearwater Adventures (Private) Limited	17.2						
30 June 2015		8 885 016	(1 206 261)	2 257 026	2 560 138	-	1 588 508
30 June 2014		8 676 675	259 926	2 162 796	3 284 552	155 279	1 410 982
Freddy Hirsch Group (Private) Limited	17.3						
30 June 2015		7 121 346	679 947	258 043	3 761 305	95 094	603 387
30 June 2014		6 771 337	482 233	231 340	3 071 517	94 679	567 259
Paperhole Investments (Private) Limited	17.4						
30 June 2015		134 668 307	1 456 777	2 497 613	34 697 392	869 802	33 551 482
30 June 2014		101 067 977	686 051	2 804 892	24 835 298	6 769 984	19 553 264
Profeeds (Private) Limited	17.5						
30 June 2015		7 329 850	172 514	12 555 316	21 354 444	1 879 715	21 228 818
30 June 2014		-	-	-	-	-	-
Baobab (Private) Limited	17.6						
30 June 2015		5 171 334	(500 188)	133 988	3 121 849	1 540 404	1 721 038
30 June 2014		5 185 377	(39 110)	153 580	3 827 229	1 376 226	2 077 828
Hat On (Private) Limited	17.7						
30 June 2015		13 328 515	110 357	264 611	4 358 022	1 256 708	2 593 364
30 June 2014		12 186 312	149 996	50 258	5 057 978	3 129 945	1 316 082
Nungu Trading 49 (Pty) Limited	17.8						
30 June 2015		-	-	-	722 550	-	863 077
30 June 2014		-	-	-	722 550	-	863 077
Harlock Management Services Limited	17.8						
30 June 2015		515 481	377 160	-	310 410	-	12 061
30 June 2014		449 805	317 755	-	101 586	-	15 239
Afrigrain Trading Limited	17.9						
30 June 2015		105 942 673	2 859 370	1 795 691	40 575 890	-	35 618 164
30 June 2014		141 816 838	2 650 861	1 564 500	19 478 822	-	15 549 275
Zambezi Tourism Investments Limited	17.10						
30 June 2015		1 125 175	961 588	1 509 545	615 133	-	638 980
30 June 2014		394 652	319 009	700 090	376 457	-	547 538

Notes To The Financial Statements

18 Description of Group Investments in Associates and Other Businesses

18.1 Group investments in associates and other Businesses

This structure shows the Group's effective ordinary shareholding in various businesses and excludes dormant companies.

Light Manufacturing	
National Foods Holdings Ltd	37.82%
Colcom Holdings Ltd	79.64%
Associated Meat Packers (Pvt) Ltd #	39.90%
Freddy Hirsch Group (Pvt) Ltd *	39.02%
Great Rift Delight (Pvt) Ltd #	79.64%
Intercane (Pvt) Ltd #	44.36%
Irvine's Zimbabwe (Pvt) Ltd	49.00%
Lennard Manufacturing (Pvt) Ltd	
t/a Innscor Bread Bulawayo	100.00% ◆
Innscor Africa Bread Company Zimbabwe (Pvt) Ltd	
t/a Innscor Bread Harare	100.00% ◆
LSS Investments (Pvt) Ltd	100.00%
Innscor Appliance Manufacturing (Pvt) Ltd t/a Capri	50.10%
Goodshow Manufacturing (Pvt) Ltd t/a WRS #	33.40%
Natpak (Pvt) Ltd	66.67%
Bedra Enterprises (Pvt) Ltd	50.10%
Profeeds (Pvt) Ltd	28.91%
Natpak (Mauritius) Ltd	58.33%
Logistics and Distribution	
Innscor Retail & Distribution Ltd t/a DGA	50.01%
Innscor Distribution (Pvt) Ltd	50.01%
Comox Trading (Pvt) Ltd	50.01%
Eagle Agencies (Pvt) Ltd #	37.50%
Biscuit Company (Pvt) Ltd t/a Iris Biscuits #	41.67%
Yamiya Trading (Pvt) Ltd #	33.36%
Breathaway Food Caterers (Pvt) Ltd	
t/a Innscor Snacks Manufacturing #	50.01%
Tevason Investments (Pvt) Ltd t/a FreshPro #	50.01%
Brands House Marketing (Pvt) Ltd #	50.01%
Vital Logistics (Pvt) Ltd	50.01%
Innscor Distribution Africa Ltd	50.00%
Innscor Distribution (Malawi) Ltd	50.00%
Photo Marketing (Malawi) Ltd t/a Comox	50.00%
Innscor Distribution (Zambia) Ltd	50.00%
Comox Trading (Zambia) Ltd	50.00%
Baobab (Pvt) Ltd *	33.33%
Hat On (Pvt) Ltd *	33.33%

* Associates # Subsidiaries of subsidiaries

◆ The Group owns 75% of the issued Preference Share Capital

Quick Service Restaurants	
Matabeleland Inns (Pvt) Ltd	68.50%
Mutare Inns (Pvt) Ltd	100.00%
Hardwhite Trading (Pvt) Ltd	
t/a Fast Foods Southern Region	51.38%
Innscor Retail Africa Ltd	80.00%
Foods Inn Ghana Ltd #	40.08%
Innscor Congo SARL #	40.80%
Innscor Investments Kenya Ltd	100.00%
Innscor Kenya Ltd	80.00%
Innscor International Franchising Ltd	100.00%
Nungu Trading 49 (Pty) Ltd	
t/a Fontana Famous Roastery *	50.00%
Innscor Foods Zambia Ltd	80.00%
Innscor Africa (Zambia) Ltd	100.00%
Harlock Management Services Ltd *	50.00%
Retail and Wholesale	
Spar Harare (Pvt) Ltd t/a SPAR DC #	65.00%
Camelbags (Pvt) Ltd	100.00%
Scopeserve Investments (Pvt) Ltd	100.00%
Spearhead Sales (Pvt) Ltd	100.00%
Swissmart Investments (Pvt) Ltd	100.00%
Katrice Investments (Pvt) Ltd #	50.00%
Innscor Zambia Holdings Ltd	100.00%
Spar Zambia Ltd	50.00%
Innscor Credit Retail (Pvt) Ltd t/a TV Sales & Home	66.67%
Corporate Services & Other Businesses	
Innscor (Pvt) Ltd	100.00%
Innscor International Ltd	100.00%
Tormark Services Ltd	100.00%
Innscor South Africa (Pty) Ltd	100.00%
Callcape Investments (Pvt) Ltd	50.00%
Capri Signs (Pvt) Ltd	100.00%
Yeldam Investments (Pvt) Ltd #	35.00%
Botanegra (Pvt) Ltd #	35.00%
Capri Corporation (Pvt) Ltd	100.00%
Paperhole Investments (Pvt) Ltd *	50.00%
Ajax Finance (Pvt) Ltd	100.00%
Afrigrain Trading Limited *	40.00%
Zambezi Tourism Investments Ltd *	50.00%
Shearwater Adventures (Pvt) Ltd *	50.00%
Atuleo Amanzi (Zambia) (Pvt) Ltd	
t/a The River Club Zambia	66.67%

Notes To The Financial Statements

18.2 Country of incorporation

All Group companies are incorporated in Zimbabwe, except for the following operating companies:

Company	Country of incorporation
Innscor International Ltd	Mauritius
Tormark Services Ltd	Jersey
Innscor South Africa (Pty) Ltd	South Africa
Innscor Retail Africa Ltd	Mauritius
Foods Inn Ghana Ltd	Ghana
Innscor Congo SARL	Democratic Republic of Congo
Innscor Kenya Ltd	Kenya
Innscor Investments Kenya Ltd	Kenya
Innscor International Franchising Ltd	Mauritius
Nungu Trading 49 (Pty) Ltd	South Africa
Innscor Foods (Zambia) Ltd	Zambia
Harlock Management Services Ltd	Jersey
Innscor Africa (Zambia) Ltd	Zambia
Innscor Zambia Holdings Ltd	Zambia
SPAR Zambia Ltd	Zambia
Innscor Distribution Africa Ltd	Mauritius
Innscor Distribution (Malawi) Ltd	Malawi
Photo Marketing (Malawi) Ltd	Malawi
Innscor Distribution (Zambia) Ltd	Zambia
Comox Trading (Zambia) Ltd	Zambia
Atuleo Amanzi (Zambia) (Pvt) Ltd	Zambia
Natpak (Mauritius) Ltd	Mauritius
Afrigrain Trading Ltd	Mauritius
Zambezi Tourism Investments Ltd	Mauritius

Notes To The Financial Statements

18.3 Non-controlling interests in significant subsidiaries

The Group has the following subsidiaries that have siginificant non-controlling interests:

	National Foods Holdings Limited	Irvine's Zimbabwe (Private) Limited
Principal place of business	Zimbabwe	Zimbabwe
Proportion of ownership interests held by non-controlling interests	62.18%	51%
Profit allocated to non-controlling interests for the year ended:		
30 June 2015	7 919 218	4 136 387
30 June 2014	10 436 011	3 409 716
Accumulated non-controlling interests of the subsidiary as at:		
30 June 2015	63 619 475	24 295 621
30 June 2014	55 700 257	20 159 234
The summarised financial information of these subsidiaries based on amounts before inter-company eliminations is provided below:		
Year ended 30 June 2015:		
Revenue	314 406 934	97 046 274
Profit after tax	12 736 361	8 110 563
Current assets	83 148 205	39 051 050
Non-current assets	40 385 992	23 969 296
Current liabilities	35 664 992	10 415 620
Non-current liabilities	7 447 903	17 852 498
Year ended 30 June 2014:		
Revenue	343 517 968	93 249 716
Profit after tax	16 783 462	6 685 717
Current assets	81 430 157	32 224 672
Non-current assets	37 307 333	24 153 473
Current liabilities	38 908 414	7 740 552
Non-current liabilities	7 606 225	21 995 927

Notes To The Financial Statements

	Notes	2015 USD	2014 USD
19 Financial Assets			
Long-term financial assets consist of investments in:			
Listed equities		410 916	446 941
Property unit trust		-	687 500
Unquoted investments		2 332 950	2 902 173
Other		238 972	423 525
Total long-term financial assets		2 982 838	4 460 139
Short-term financial assets comprise of:			
Fixed deposit		3 082 970	2 839 622
Property unit trust		687 500	-
Other		264 004	412 820
Short-term financial assets		4 034 474	3 252 442
Total financial assets		7 017 312	7 712 581
Reconciled as follows:			
Balance at the beginning of the year		7 712 581	4 397 532
Additional purchases at cost		2 283 744	3 103 403
Loss on disposal of investments	14.1	(23 870)	-
Proceeds on disposal of investments	14.3	(159 677)	-
Fair value adjustments through profit or loss	14.1	66 460	69 552
Fair value adjustments on forward exchange contracts		40 247	(7 206)
Acquisition of subsidiaries		-	333 344
Transfer to investments in associates	17.1	(2 902 173)	-
Derecognition of take-on investment on consolidation		-	(184 044)
Balance at the end of the year		7 017 312	7 712 581

Notes To The Financial Statements

Financial assets are analysed as follows:

	Notes	Fair value through profit or loss USD	Financial assets at cost USD	Total USD
Opening balance -1 July 2013		469 025	3 928 507	4 397 532
Purchases at cost		-	3 103 403	3 103 403
Acquisition of subsidiaries	14.4	27 575	305 769	333 344
Fair value adjustments through profit or loss	14.1	69 552	-	69 552
Fair value adjustments on forward exchange contracts	14.1	(7 206)	-	(7 206)
Derecognition of take-on investment on consolidation		-	(184 044)	(184 044)
Closing balance - 30 June 2014		558 946	7 153 635	7 712 581
Purchases at cost		-	2 283 744	2 283 744
Loss on disposal of unquoted investments	14.1	-	(23 870)	(23 870)
Proceeds on disposal of unquoted investments		-	(159 677)	(159 677)
Fair value adjustments through profit or loss	14.1	66 460	-	66 460
Fair value adjustments on forward exchange contracts	14.1	40 247	-	40 247
Transfer to investments in associates	17.1	-	(2 902 173)	(2 902 173)
Closing balance - 30 June 2015		665 653	6 351 659	7 017 312

Fair value hierarchy

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

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

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

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

Fair value through profit or loss	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
30 June 2015				
Short-term financial assets	254 737	-	-	254 737
Long-term financial assets	410 916	-	-	410 916
	665 653	-	-	665 653
30 June 2014				
Short-term financial assets	112 005	-	-	112 005
Long-term financial assets	446 941	-	-	446 941
	558 946	-	-	558 946

There were no transfers between levels.

Notes To The Financial Statements

20 Non-current biological assets

	Pigs USD	Total USD
At 1 July 2013	1 258 838	1 258 838
Purchases	213 020	213 020
Feed costs	296 335	296 335
Sales	(348 545)	(348 545)
Depreciation	(122 851)	(122 851)
Fair value adjustments	77 904	77 904
At 30 June 2014	1 374 701	1 374 701
Purchases	165 244	165 244
Feed costs	202 510	202 510
Transfer from current biological assets	47 902	47 902
Sales	(202 040)	(202 040)
Depreciation	(246 668)	(246 668)
Fair value adjustments	270 311	270 311
At 30 June 2015	1 611 960	1 611 960

At 30 June 2015, the Group had the following number of living animals within non-current biological assets:

	Pigs 2015	Pigs 2014
Number of living animals	4 621	3 638
Live weight estimates (kg)	733 890	570 290

Current biological assets

	Birds USD	Hatching Eggs USD	Cattle USD	Pigs USD	Total USD
At 1 July 2013	-	-	40 259	1 586 584	1 626 843
Purchases	3 500 026	1 931 264	286 714	-	5 718 004
Acquisition of subsidiary (note 14.4)	7 607 751	118 447	-	-	7 726 198
Feed costs	42 799 434	-	-	7 320 017	50 119 451
Sales	(10 792 957)	(1 931 624)	-	-	(12 724 581)
Slaughter	-	-	-	(7 002 709)	(7 002 709)
Harvest	(34 999 450)	-	-	-	(34 999 450)
Fair value adjustments	2 141 962	-	42 920	(544 241)	1 640 641
At 30 June 2014	10 256 766	118 087	369 893	1 359 651	12 104 397
Purchases	3 086 059	2 271 116	148 855	-	5 506 030
Feed costs	38 843 374	-	-	6 488 722	45 332 096
Sales	(9 745 527)	(2 252 710)	-	-	(11 998 237)
Slaughter	-	-	(428 928)	(6 047 942)	(6 476 870)
Harvest	(31 951 295)	-	-	-	(31 951 295)
Transfer to non-current biological assets	-	-	-	(47 902)	(47 902)
Fair value adjustments	510 180	-	(41 090)	(122 576)	346 514
At 30 June 2015	10 999 557	136 493	48 730	1 629 953	12 814 733

At 30 June 2015, the Group had the following number of living animals within current biological assets:

	Birds	Hatching Eggs	Cattle	Pigs
Number of living animals	1 526 860	191 767	138	28 724
Live weight estimates (kg)	n/a	n/a	30 611	987 004

No biological assets have been pledged as collateral for borrowings.

Notes To The Financial Statements

Valuation Process

1. The Group engages independent consultants to determine the estimated cold dressed mass (CDM) of live pigs at each age. The fair value of the pigs is calculated by applying the market price per kg to the CDM.
2. Cattle value is determined by the fair market prices of cattle at the nearest active market.
3. The valuation of bird breeder livestock is based on the actual costs incurred in rearing the birds and is amortised in relation to the expected hatching eggs to end of lay. The valuation of broiler livestock is based on the actual costs incurred in rearing the birds. Layers are valued at fair market price less selling costs. Fair market price is determined from the price the Group sells point of lay and end of lay birds to the market.

Valuation Technique

Type		Valuation Technique	Significant Unobservable Inputs
Birds -	Breeders - grandparents, parents	The cost approach is applied in valuing breeders based on the actual costs incurred in rearing the birds and is amortised in relation to the expected hatching eggs to end of lay.	Mortality Age of birds Egg production
	Layers	The fair market price of point of lay and end of lay birds to third parties is used in determining the fair value of layers.	Mortality Age of birds Egg production
	Broilers	The valuation of broilers is based on the cost approach.	Mortality
Cattle - Comprising of bulls, cows, weaner heifers, weaner steers, bulling heifers, steers and calves		Market comparison technique. The valuation model is based on the market price of cattle of similar age, weight and genetic make up. The prices of cattle at the nearest market are used for valuation.	-
Pigs - Comprising of piglets, weaners, growers, gilts, sows and boars		Market comparison technique. The valuation model is based on the price per kg of pork multiplied by the Cold Dressed Mass (CDM).	Price per kg, CDM discounting factor Age of pigs Weight of pigs

Fair Value Hierarchy
(Hierarchy levels as per note 19)

	Level 1	Level 2	Level 3	Total	Fair value gain/(loss)
Pigs	-	-	2 974 625	2 974 625	147 735
Cattle	-	48 730	-	48 730	(41 090)
Birds	-	5 638 902	511 225	6 150 127	510 180
Total	-	5 687 632	3 485 850	12 659 332	616 825

The table below presents the sensitivity of profit or loss before tax due to changes in the live weight. The sensitivities presented are favourable movements. If the sensitivity variables were unfavourable, the negative impact on profit would be of a similar magnitude.

	% Change	Effect on profit before tax USD
Pigs		
Fair value less costs to sell - meat	3%	106 677
Cattle		
Fair value less costs to sell - meat	5%	2 437
Layer Birds		
Fair value less costs to sell - meat	10%	594 581

Notes To The Financial Statements

Biological assets risk management policies

Biological assets are living animals that are managed by the Group. Agricultural produce is the harvested product of the biological asset. Biological assets of the Group include cattle, pigs, birds and hatching eggs.

These biological assets are exposed to various risks, which include disease/infection outbreaks, theft of livestock and price fluctuations. The Group has put in place measures and controls to safeguard losses due to the above risks. These measures and controls, include among other things, vaccination to prevent infections, and regular evaluation of prices.

The fair value of biological assets has been determined on the fair value less costs to sell basis in accordance with IAS 41. In arriving at their estimates of fair value, the Directors have used their market knowledge, professional judgement and historical transactional comparables.

		2015 USD	2014 USD
21	**Inventories**		
	Consumable stores	12 748 579	13 980 240
	Finished products, net of allowance for obsolescence	49 579 256	49 526 579
	Raw materials and packaging	49 400 026	39 085 573
	Goods in transit	2 241 134	2 235 912
	Work in progress	337 945	403 478
		114 306 940	105 231 782
	Discontinuing operations (note 13)	(4 536 204)	-
	Inventories - continuing operations	109 770 736	105 231 782

The amount of inventories recognised as an expense is USD 5 055 080 (2014: USD 3 764 555). Of the FY2015 amount, USD 83 410 (2014: USD 5 681) relates to discontinuing operations.

An amount of USD 2 585 175 (2014: USD 9 698 961) of inventories is pledged as security for borrowings in SPAR Zambia business.

		2015 USD	2014 USD
22	**Trade and other receivables**		
	Trade receivables	56 778 324	57 648 056
	Instalment sales receivables	16 643 834	13 162 384
	Prepayments	8 775 433	8 836 468
	Rental deposits	210 367	1 048 023
	VAT receivable	2 932 698	3 493 008
	Other receivables	22 316 041	17 822 617
		107 656 697	102 010 556
	Allowance for credit losses	(6 506 873)	(7 160 414)
		101 149 824	94 850 142
	Discontinuing operations (note 13)	(6 661 314)	-
	Trade and other receivables - continuing operations	94 488 510	94 850 142
	Reconciliation of allowance for credit losses is as follows:		
	Opening balance	7 160 414	3 092 391
	Acquisition of subsidiaries (netted in accounts receivables - note 14.4)	-	2 472 865
	Charge for the year	(653 541)	1 595 158
	Closing balance	6 506 873	7 160 414

There were no impaired trade receivables in the current year. Credit terms vary per business unit. Interest is charged on overdue accounts at varying rates depending on the business and on the credit terms.

Notes To The Financial Statements

As at 30 June 2015, the ageing analysis of trade and other receivables (excluding prepayments) was as follows:

	Total USD	Neither past due nor impaired USD	Past due before impairment: 60-90 days USD	Past due before impairment: More than 90 days USD
Continuing and discontinuing operations:				
30 June 2015	98 881 264	54 446 079	9 947 111	34 488 074
30 June 2014	93 174 088	71 282 422	3 332 899	18 558 767

Note 35 on credit risk for trade receivables explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

		2015 USD	2014 USD
23	Ordinary share capital		
23.1	Authorised		
	800 000 000 ordinary shares of 1 cent each	8 000 000	8 000 000
	1 000 Non-Voting Class "A" ordinary shares of 1 cent each	10	10
		8 000 010	8 000 010
23.2	Issued and fully paid		
	541 593 440 ordinary shares of 1 cent each (note 6.5)	5 415 934	5 415 934
	1 000 Non-Voting Class "A" ordinary shares of 1 cent each	10	10

There were no changes in Authorised and Issued share capital during the current year.

23.3 Share Options

As at 30 June 2015, Innscor Africa Limited had the following Share Option agreements:

23.3.1 The first option agreement is with an indigenous company, Benvenue Investments (Private) Limited. The terms of the Benvenue Share Option are as follows:

Number of shares:		Fifty Million (50 000 000)
Tenure:		10 years (effective 24 January 2014)
Pricing:	The higher of -	75% of the volume weighted average price of Innscor Africa Limited shares over the previous 60 trading days, or
		for the first five years, USD 1.37 per share and, for the second five years, USD 2.01 per share.

23.3.2 The second option is with the newly created Innscor Africa Limited Employee Share Trust. The terms of the Innscor Africa Limited Employee Share Trust Option are as follows:

Number of shares:	Thirty Million (30 000 000)
Tenure:	10 years (effective 24 January 2014)
Pricing:	At the volume weighted average price of Innscor Africa Limited shares over the previous 60 trading days.

The share options arising from the Group's indigenisation transaction have no dilutive effect at the end of the financial year.

Notes To The Financial Statements

23.4 Directors' shareholdings

At 30 June 2015, the Directors held directly and/or indirectly the following number of shares:

	2015	2014
M J Fowler	109 566 827	110 465 090
Z Koudounaris	109 973 843	109 973 843
J Koumides	720 000	720 000
J P Schonken	1 528 820	1 528 820
B S Dionisio	22 484 058	22 484 058
A B C Chinake	-	-
A Fourie	-	-
G Gwainda	1 035	-
D L L Morgan	-	75 254
	244 274 583	245 247 065

There has been no change in the Directors' shareholding subsequent to 30 June 2015 to the date of this report.

24 Non-distributable reserves

	2015 USD	2014 USD
Opening balance	(5 294 128)	28 618 065
Changes in non-distributable reserves	(735 139)	(33 912 193)
Exchange differences arising on translation of foreign subsidiaries - continuing operations	(49 281)	(195 302)
Exchange differences arising on translation of foreign subsidiaries - discontinuing operations	(685 858)	(394 946)
Transfer of foreign currency conversion reserve to distributable reserves	-	(33 321 945)
Closing balance	(6 029 267)	(5 294 128)
Comprising:		
Restructure reserve	(4 064 912)	(4 064 912)
Foreign currency translation reserve	(1 964 355)	(1 229 216)
	(6 029 267)	(5 294 128)

Nature and purpose of reserves

Restructure reserve

The restructure reserve is used to record changes in the ownership interest of a subsidiary, which do not result in a change of control.

Foreign currency translation reserve

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

25 Distributable reserves

	2015 USD	2014 USD
Opening balance	208 458 801	123 393 018
Retained for the year	18 260 076	60 465 321
Dividends paid (note 7)	(7 269 418)	(8 665 495)
Transactions with owners in their capacity as owners*	(2 398 982)	(55 988)
Transfer of foreign currency conversion reserve from non-distributable reserves	-	33 321 945
Closing balance	217 050 477	208 458 801
Retained in:		
Holding company	108 023 582	106 353 532
Subsidiary companies	101 987 279	96 474 770
Associate companies	7 039 616	5 630 499
	217 050 477	208 458 801

*This relates to the difference between the consideration paid and the carrying amount of non-controlling interests on acquisition of non-controlling interests' share in subsidiaries of the Group.

Notes To The Financial Statements

		2015 USD	2014 USD
26	**Net deferred tax liabilities**		
26.1	**Reconciliation**		
	Opening balance	22 835 663	8 716 183
	Charged to profit or loss - continuing operations (note 12.1)	(211 352)	(254 326)
	Charged to profit or loss - discontinuing operations	(130 459)	655 359
	Acquisition of subsidiaries (note 14.4)	-	13 830 384
	Transfer to disposal group held for distribution (note 13)	(3 108 563)	-
	Exchange movements	(26 426)	(111 937)
	Closing balance	19 358 863	22 835 663
26.2	**Analysis of net deferred tax liabilities**		
	Accelerated depreciation for tax purposes	30 965 633	32 739 778
	Fair value adjustments on biological assets	761 491	93 103
	Tax losses - continuing operations	(9 267 112)	(10 389 695)
	Tax losses - discontinuing operations (note 13)	(605 763)	-
	Unrealised exchange gains	167 273	100 731
	Prepayments	2 259 674	2 275 390
	Allowance for credit losses	(1 675 520)	(1 843 807)
	Provision for warranties	(138 250)	(139 837)
	Transfer to disposal group held for distribution:		
	Deferred tax assets	(605 763)	-
	Deferred tax liabilites	(3 714 326)	-
		19 358 863	22 835 663
	The net deferred tax liabilities are made up as follows:		
	Deferred tax assets	(9 267 112)	(10 389 695)
	Deferred tax liabilities	28 625 975	33 225 358
		19 358 863	22 835 663

The Group recognises deferred tax assets arising from tax losses where there is a reasonable expectation that sufficient taxable profit will be available in future to utilise these losses. As at 30 June 2015, the Group had an amount of USD 342 201 of unutilised tax losses from one of its subsidiaries, SPAR Harare (Pvt) Ltd, which will expire in 2021.

Notes To The Financial Statements

		Rate of interest	Year Repayable	2015 USD	2014 USD
27	Interest-bearing borrowings				
	Long-term financing				
	Secured				
	Regional Operations	16-24%	2015-2019	3 552 539	1 726 785
	Unsecured				
	Zimbabwe Operations	4-9%	2016 - 2018	9 615 084	15 536 629
	Total long-term financing			13 167 623	17 263 414
	Discontinuing operations (note 13)			(369 788)	-
	Total long-term financing - continuing operations			12 797 835	17 263 414
	Short-term financing				
	Secured				
	Regional Operations	14%	up to 365 days	36 782	57 084
	Unsecured				
	Zimbabwe Operations	3-10%	up to 365 days	37 904 297	21 245 714
	Short-term portion of long-term financing			6 877 040	7 181 581
	Overdraft	7.5-27%	On demand	16 208 562	18 322 286
	Total short-term financing			61 026 681	46 806 665
	Discontinuing operations (note 13)			(6 216 507)	-
	Total short-term financing - continuing operations			54 810 174	46 806 665
	Total interest-bearing borrowings			67 608 009	64 070 079

As at 30 June 2015, the Board of Directors had authorised aggregate borrowing limits of USD169 million.

Short-term borrowings form part of the Group's core borrowings and are renewed in terms of ongoing facilities negotiated with the relevant financial institutions.

Borrowing powers

In terms of the Articles of Association, the borrowing powers of the company and its subsidiaries (excluding inter-company borrowings) are limited to twice the aggregate of the nominal amount of the share capital of the company plus the total free reserves of the company and its subsidiaries. The level of borrowings throughout the year was adequately covered in this respect.

Notes To The Financial Statements

		2015 USD	2014 USD
28	**Trade and other payables**		
	Trade payables	82 319 687	81 089 985
	Accruals	16 219 319	32 112 846
	Deferred income	4 313 914	2 931 468
	Other payables	28 260 588	9 705 391
		131 113 508	125 839 690
	Discontinuing operations (note 13)	(12 745 402)	-
	Trade and othe payables - continuing operations	118 368 106	125 839 690

Trade payables are non-interest bearing and are normally settled within 30 days.
Other payables are non-interest bearing and have varying settlement terms.

		2015 USD	2014 USD
29	**Provisions and other liabilities**		
	Leave pay liability	5 284 583	5 756 182
	Provision for warranty	536 891	543 056
	Discontinuing operations (note 13)	(1 272 562)	-
		4 548 912	6 299 238

	Leave pay liability USD	Provision for warranties USD	Total USD
Reconciliation of provisions and other liabilities			
At 1 July 2013	4 534 503	523 696	5 058 199
Charge for the year	1 597 122	121 005	1 718 127
Exchange differences	(24 643)	-	(24 643)
Acquisition of subsidiaries (note 14.4)	2 019 342	-	2 019 342
Less paid	(2 370 142)	(101 645)	(2 471 787)
At 30 June 2014	5 756 182	543 056	6 299 238
Charge for the year	1 586 916	2 534	1 589 450
Exchange differences	(61 848)	-	(61 848)
Discontinuing operations (note 13)	(1 272 562)	-	(1 272 562)
Less paid	(1 996 668)	(8 698)	(2 005 366)
At 30 June 2015	4 012 020	536 892	4 548 912

Notes To The Financial Statements

	2015 USD	2014 USD
30 Capital expenditure commitments		
Authorised and contracted	5 376 673	11 099 665
Authorised but not yet contracted	40 982 857	32 592 658
	46 359 530	43 692 323

The capital expenditure will be financed from the Group's own resources and existing borrowing facilities where necessary.

31 Future lease commitments - Group as a lessee

The Group has entered into commercial leases on certain properties and motor vehicles. These leases have varying terms with renewable options included in some of the contracts. There are no restrictions placed upon the Group by entering into these leases. Future minimum rentals or lease charges payable under non-cancellable operating leases at 30 June are as follows:

	2015 USD	2014 USD
Payable within one year	18 987 747	13 851 839
Payable between two and five years	52 448 288	37 788 792
Payable after five years	29 259 982	28 376 388
	100 696 017	80 017 019

Notes To The Financial Statements

32 Segmental analysis

Management has determined the Group's operating segments based on the information reviewed by the Group's Executive Directors for the purposes of allocating resources and assessing performance. The revenue, operating profit, assets and liabilities reported to the Board are measured consistently with that in the reported consolidated financial statements.

Business Segments

During the year under review and following on good progress of its strategic restructuring and reconfiguring programme, the Group has recognised the reporting of its operation into five core reporting business sections namely, Light Manufacturing, Logistics & Distribution, Quick Service Restaurants (QSR), Retail & Wholesale, and Corporate Services.

Light Manufacturing

The main operations in this reporting sector are National Foods Holdings Limited, Colcom Holdings Limited, Irvine's Zimbabwe (Private) Limited, Bakeries, Appliance Manufacturing, Natpak (Private) Limited and Profeeds (Private) Limited.
National Foods Holdings Limited is involved in the milling of flour and maize, the manufacture of stockfeeds, edible oils, bakers' fats and sale of other general household products. The business of Colcom Holdings Limited involves the production, processing and marketing of pork and related food products. Irvine's Zimbabwe (Private) Limited is involved in the production of chicken, table eggs and day-old chicks. The Group's bakery operations are based in Zimbabwe, whilst Appliance Manufacturing manufactures and retails household goods and appliances. Natpak (Private) Limited produces a variety of bags for packaging such as the open mouth bags; general purpose bags; carrier bags and bopp bags. Profeeds (Private) Limited is involved in the manufacture and retail of stock feeds and the retail of day old chicks.

Logistics and Distribution

This segment consists of the Distribution Group Africa operations which operate in Zimbabwe, Zambia and Malawi. The businesses are involved in the distribution of FMCG products through agency agreements with multi-nationals and other significant blue chip manufacturers. The services offered include sales, warehousing, distribution, clearing and merchandising.

Quick Service Restaurants (Discontinuing Operations)

This operating segment comprises the Group's Fast Food retail and franchise operations across the African continent.

Retail and Wholesale

This reporting segment consists of TV Sales & Home, the SPAR Corporate Store Retail operations in Zimbabwe and Zambia and SPAR Distribution Centre in Harare. TV Sales & Home retails household goods and appliances.

The SPAR Corporate Store retail operations consist of 15 corporate supermarkets operating under the SPAR brand in both Zimbabwe and Zambia; whilst the SPAR Distribution Centre facilitates the purchase, warehousing and distribution of goods to both corporate and independent SPAR supermarkets in Zimbabwe.

Corporate Services

This segment contains businesses which provide support functions such as treasury, internal audit and company secretarial services to the Group's operations and associate companies involved in tourism and Commodity broking.

Included in this segment are tourism associates Shearwater (Pvt) Ltd and Zambezi Tourism Investments Limited, and a subsidiary company in Zambia Atuleo Amanzi (Pvt) Ltd t/a The River Club. The commodity broking associates are Paperhole (Pvt) Ltd and Afrigrain (Pvt) Ltd.

Geographical Segments

The Group is also organised into parcels of businesses incorporated in Zimbabwe, and those incorporated in countries outside Zimbabwe (note 18.2)

Notes To The Financial Statements

32.1 Business segments - continued

	Light Manufacturing USD	Logistics & Distribution USD
Revenue		
30 June 2015	554 250 569	113 422 369
30 June 2014	588 505 582	92 730 082
Operating profit/(loss) before impairment, depreciation, amortisation and fair value adjustments		
30 June 2015	46 862 147	8 508 985
30 June 2014	57 119 174	8 018 362
Depreciation and amortisation		
30 June 2015	14 007 103	708 567
30 June 2014	13 379 673	951 932
Equity accounted earnings/(loss)		
30 June 2015	383 048	(126 940)
30 June 2014	256 528	14 259
Profit/(loss) before tax		
30 June 2015	32 735 480	7 129 016
30 June 2014	42 885 366	6 726 506
Segment assets		
30 June 2015	337 785 746	50 118 261
30 June 2014	324 032 405	41 356 791
Segment liabilities		
30 June 2015	131 712 694	25 568 741
30 June 2014	131 556 604	20 420 969
Capital expenditure		
30 June 2015	23 591 020	1 506 143
30 June 2014	31 809 774	808 879

* This includes Group Corporate Services, Tourism and Commodity Trading results

Notes To The Financial Statements

Retail & Wholesale USD	*Corporate Services USD	Intersegment adjustments USD	Total Continuing Operations USD	Discontinuing Operations (QSR) USD
164 122 605	2 264 814	(19 660 536)	814 399 821	153 137 863
199 463 626	3 025 698	(12 565 136)	871 159 852	152 890 418
7 506 886	(2 248 776)	-	60 629 242	16 926 435
9 604 709	(8983 607)	-	65 758 638	14 799 739
2 584 661	336 296	-	17 636 627	6 078 689
2 770 154	393 996	-	17 495 755	5 876 682
-	1 961 635	-	2 217 743	188 582
-	1 911 733	-	2 182 520	158 877
4 062 722	(1 986 810)	-	41 940 408	9 661 578
4 667 641	30 069 282	-	84 348 795	8 066 760
71 898 614	99 577 064	(46 073 741)	513 305 954	62 793 462
74 035 135	114 491 862	(67 955 135)	485 961 058	62 287 306
40 206 476	68 293 382	(46 073 741)	219 707 552	24 453 717
44 846 418	63 998 596	(67 955 135)	192 867 452	38 530 581
3 706 682	149 353	-	28 953 198	9 058 462
3 587 187	520 595	-	36 726 435	12 208 239

Notes To The Financial Statements

32.2 Geographical segments	Revenue USD	Profit before tax USD	Total* non-current assets USD	Total liabilities USD
Zimbabwe - continuing operations				
30 June 2015	687 614 256	35 467 641	215 834 811	196 695 636
30 June 2014	798 846 106	79 086 740	258 133 871	179 601 797
Regional - continuing operations				
30 June 2015	126 785 565	6 472 767	33 992 304	23 011 916
30 June 2014	72 313 746	5 262 055	22 707 556	13 265 655

There were no individual customers that made up more than 10% of external revenues.
* Excludes financial assets and deferred tax assets.

33 Pension funds

Innscor Africa Limited Pension Fund

This is a self-administered, defined contribution fund. The Fund has been operational since 2000. Membership is compulsory for employees of the Group who are not members of other occupational pension funds. Contributions are at the rate of 14% of pensionable emoluments less NSSA of which members pay 7% .

SPAR Harare Pension Fund

This fund has been wound up and assets transferred into the Innscor Africa Ltd Pension fund and now subscribes to the rules and regulations of the Innscor Africa Limited Pension Fund.

Catering Industry Pension Fund

This is a defined contribution fund which covers employees in specified occupations of the catering industry. The majority of employees in the Group's QSR and certain employees in Innscor Bread are members of this fund. Contributions are at the rate of 10% of pensionable emoluments of which members pay 5%.

National Foods Pension Fund

This is a defined contribution fund, administered by an insurance company which covers eligible employees of National Foods Holdings Limited and Natpak (Private) Limited. Contributions are at the rate of 17.5% of pensionable emoluments of which members pay 7%.

Colcom Pension Fund

This is a self administered, defined contribution fund where all permanent employees are eligible to become members. Contributions are at the rate of 22.5% of pensionable emoluments less NSSA contributions of which members contribute 7.5% for all those who joined the fund prior to 1 June 2012. Contributions for new entrants after 1 June 2012 are at the rate of 15% with members contributing 7.5%.

National Social Security Authority Scheme (NSSA)

The scheme was established, and is administered, in terms of statutory Instrument 393 of 1993. Introduced in 1994, the Pension and Other Benefits Scheme is a defined contribution plan based on a 50/50 contribution from the employers and employees and are limited to specific contributions legislated from time to time. These are presently 7% of pensionable emoluments of which the maximum monthly pensionable salary is USD700. A total monthly contribution of USD 49 is therefore the maximum per employee.

Other Schemes

The Group also contributes to the relevant social security authorities in the various regional countries in which the Group operates, as required by local legislation.

Pension costs recognised as an expense for the year:	2015 USD	2014 USD
Innscor Africa Limited Pension Fund	1 279 586	1 281 685
SPAR Harare Pension Fund	-	204 105
National Social Security Authority Scheme & Workers' Compensation Insurance Fund	1 411 704	1 299 876
Catering Industry Pension Fund	180 121	193 270
National Foods Pension Fund	874 328	703 120
Colcom Pension Fund	414 607	470 548
	4 160 346	4 152 604
Discontinuing operations	(797 056)	(780 223)
Total Pension costs - continuing operations	3 363 290	3 372 381

Notes To The Financial Statements

34 Related party transactions

34.1 Trading transactions

Related party activities consist of transactions between Innscor Africa Limited's consolidated entities and its associates.

Related party transactions are summarised as follows:

Name of related party	sales USD	purchases USD	rent received USD	interest (received)/ paid USD	trade & other receivables USD	trade & other payables USD
Shearwater Adventures (Private) Limited						
30 June 2015	-	-	-	25 734	-	-
30 June 2014	-	-	-	87 877	-	-
Freddy Hirsch Group (Private) Limited						
30 June 2015	1 149 568	97 195	-	-	82 898	3 002
30 June 2014	1 679 627	122	-	-	134 771	3 815
Paperhole Investments (Private) Limited						
30 June 2015	106 332 372	32 912 973	2 075	335 096	17 651 868	3 093 990
30 June 2014	69 112 337	31 908 834	-	255 241	19 623 247	3 598 519
Profeeds (Private) Limited						
30 June 2015	1 429 185	7 425 738	-	-	158 362	1 491 096
30 June 2014	-	-	-	-	-	-
Baobab (Private) Limited						
30 June 2015	-	-	42 000	-	66 550	-
30 June 2014	716 198	478 757	3 500	-	30 272	54 079
Hat On (Private) Limited						
30 June 2015	1 851 626	2 897 166	-	(18 769)	509 108	509 399
30 June 2014	596 639	613 545	1 000	(63 438)	217 373	-
Afrigrain Trading Limited						
30 June 2015	95 405 601	-	-	-	15 690 807	-
30 June 2014	137 487 615	-	-	-	8 715 913	-
Breathaway Food Caterers (Private) Limited						
30 June 2015	-	-	-	-	-	-
30 June 2014	3 942 574	774 836	-	-	75 293	-

34.2 Compensation of key personnel to the Group

	2015 USD	Restated 2014 USD
Short - term employee benefits (note 10.1)	10 316 666	9 461 622

34.3 Transactions with Directors

The Group has leased properties from various companies in which some of the Directors have either a financial or custodial interest. The leases are undertaken at an arm's length basis. The Group also receives loans at arms length terms from Directors or entities where Directors have a direct or beneficial interest from time to time.

	2015 USD	2014 USD
Lease payments	1 940 009	2 034 813
Loans from Director related entities (shown under other payables - note 28)	7 140 590	9 164 535

Notes To The Financial Statements

35 Financial risk management objectives and policies

The Group's principal financial instruments comprise interest-bearing borrowings, overdrafts, financial assets, cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations or to achieve a return on surplus short-term funds. The Group has various other financial assets and financial liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

Interest rate risk

The Group's exposure to the risk for changes in market interest rates relates primarily to variable short-term overdraft rates. The Group's policy is to manage its interest cost by limiting exposure to overdrafts and where borrowings are required, to borrow at favourable and/or fixed rates of interest.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on short-term overdrafts.
There is an immaterial impact on the Group's equity.

	2015 USD	2014 USD
Effect on profit before tax		
Increase of 3%	(517 963)	(506 137)
Decrease of 3%	517 963	506 137

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As a result of significant investment operations in countries outside Zimbabwe, the Group's statement of financial position can be affected significantly by movements in foreign currency exchange rates. The Group also has transactional currency exposures. Such exposure arises from the sale or purchase by an operating unit in currencies other than the unit's functional currency. The Group limits exposure to exchange rate fluctuations by either pre-paying for purchases, securing forward contracts to take advantage of exchange rate movements and/or retaining stock until the foreign currency to settle the related liability has been secured.

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

30 June 2015

Currency	Liabilities	Assets	Net position
South African Rand	(77 466 770)	32 657 712	(44 809 058)
Great Britain Pound	-	385	385
Botswana Pula	(128 529)	52 397	(76 132)
Euro	(37 550)	-	(37 550)

30 June 2014

Currency	Liabilities	Assets	Net position
South African Rand	(119 370 113)	21 086 368	(98 283 745)
Great Britain Pound	-	117 617	117 617
Botswana Pula	(631 046)	-	(631 046)
Euro	(37 416)	34 941	(2 475)

Notes To The Financial Statements

Financial risk management objectives and policies (continued)

The following table demonstrates the sensitivity of the Group's results to a reasonably possible change in the US Dollar (USD) exchange rate against the following currencies, with all other variables held constant.

30 June 2015	Change in rate	Effect on profit before tax USD	Effect on equity USD
South African Rand	+10%	571 787	904 937
	-10%	(672 860)	(1 080 042)
Great Britain Pound	+10%	(9 538)	(9 593)
	-10%	10 591	10 658
Botswana Pula	+10%	3 715	4 414
	-10%	(4 210)	(5 064)
Euro	+10%	1 573	5 393
	-10%	(7 675)	(22 615)

30 June 2014	Change in rate	Effect on profit before tax USD	Effect on equity USD
South African Rand	+10%	578 557	1 423 192
	-10%	(737 218)	(1 769 550)
Great Britain Pound	+10%	(9 710)	(27 938)
	-10%	12 917	35 196
Botswana Pula	+10%	3 076	9 674
	-10%	(4 167)	(12 232)
Euro	+10%	154	461
	-10%	(206)	(582)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss.

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to debt impairment is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, credit terms are specified contractually within the regulations laid down by the Reserve Bank of Zimbabwe.

There is no concentration risk as the Group trades with a wide range of customers with different risk profiles. Credit limits are set by the Group to avoid exposure to a single customer.

Where it sees fit, the Group can from time to time ask for collateral security from customers. This is done after assessing the customers' ability to honour their obligations and the level of exposure. Collateral can be properties, listed shares or other assets.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and held for trading financial assets, the Group's Finance and Investment Committee approves all counterparties, sets and monitors exposure limits and terms of engagement.

The maximum exposure arising from default equals the carrying amount less the market value of any security held.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding through a well managed portfolio of short-term investments and/or flexibility through the use of bank overdrafts and interest-bearing borrowings.

Notes To The Financial Statements

The table below summarises the maturity profile of the Group's financial assets and liabilities:

30 June 2015	Within 3 months USD	Between 4-12 months USD	More than 12 months USD	Total USD
Liabilities				
Interest-bearing borrowings	(21 172 201)	(32 827 296)	(15 853 148)	(69 852 645)
Trade and other payables	(103 573 299)	(14 794 808)	-	(118 368 107)
Total	(124 745 500)	(47 622 104)	(15 853 148)	(188 220 752)
Assets				
Cash and cash equivalents	30 120 426	-	-	30 120 426
Trade and other receivables excluding prepayments	79 713 807	8 533 603	-	88 247 410
Financial assets	-	4 034 474	2 982 838	7 017 312
Total	113 387 623	12 568 077	2 982 838	128 938 538

30 June 2014	Within 3 months USD	Between 4-12 months USD	More than 12 months USD	Total USD
Liabilities				
Interest-bearing borrowings	(19 273 584)	(30 593 720)	(18 946 663)	(68 813 967)
Trade and other payables	(121 886 743)	(3 952 947)	-	(125 839 690)
Total	(141 160 327)	(34 546 667)	(18 946 663)	(194 653 657)
Assets				
Cash and cash equivalents	37 118 340	-	-	37 118 340
Trade and other receivables excluding prepayments	78 272 592	7 741 082	-	86 013 674
Financial assets	558 946	2 693 496	4 460 139	7 712 581
Total	115 949 878	10 434 578	4 460 139	130 844 595

Equity price risk

The Group is exposed to movement in fair value of quoted equities. Investments in quoted equities are valued at fair value and are therefore susceptible to market fluctuations. Comprehensive measures and limits are in place to control the exposure of the Group's equity investments to fair value risk. The carrying value of such quoted equities at reporting date was not material.

The Group's Finance and Investment Committee is tasked with the responsibility of performing research into potential opportunities in order to provide suggestions for investment to the Board of Directors. This Committee monitors the performance of the current investment portfolio and reports to the Board of Directors.

36 Fair value of financial instruments

The estimated net fair values of all financial instruments, including instalment debtors, approximate the carrying amounts shown in the financial statements.

Notes To The Financial Statements

37 Capital management

The primary objective of the Group's capital management is to ensure that all its companies maintain healthy capital ratios in order to support the business and maximise shareholder value.

The Group manages its capital (total equity) and makes adjustment to it in light of changes in the economic environment. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return on capital to shareholders, or issue new shares. No changes were made to the objectives, policies or processes during the years ended 30 June 2015 and 30 June 2014. The Group manages capital using a gearing ratio, which is calculated as total liabilities divided by the sum of total liabilities and equity.

	2015 USD	2014 USD
Total Liabilities	244 161 269	231 398 033
Total Equity	331 938 137	316 850 331
Gearing ratio	0.42	0.42

38 Translation rates

The table below provides the closing translation rates used for the purpose of consolidating foreign investments' financial statements to the Group's reporting currency:

	2015 FX : USD 1	2014 FX : USD 1
South African Rand	12.33	10.61
Kenyan Shilling	98.85	87.50
Ghanaian Cedi	4.45	3.29
Senegalese Franc	592.57	482.20
Malawian Kwacha	448.90	411.50
Zambian Kwacha	7.56	6.26

39 Contingent liabilities

	2015 USD	2014 USD
Guarantees	25 900 000	13 400 000

The contingent liabilities relate to bank guarantees provided in respect of associate companies as at 30 June 2015.

Notes To The Financial Statements

40 Events after reporting date

40.1 Competition and Tariff Commission (CTC) Update

As reported in the Group's 2014 Annual Report, the Competition and Tariff Commission of Zimbabwe sought to penalise the Group for not formally notifying them when the Group became a significant shareholder in National Foods Holdings Limited. The Group was required to pay an amount of USD 2.550 million into a trust, pending conclusion of the matter before the courts. Subsequent to the reporting date, the courts ruled in favour of the Group and the Group awaits receipt of the funds plus interest from the trustees.

40.2 Acquisition of Subsidiary

On 2 July 2015, the Group acquired an effective 26.01% in Geribran Services (Private) Limited t/a Transerv, through its newly formed subsidiary, Moregrow Enterprises (Private) Limited which owns a 51% controlling interest in Transerv. The financial impact of this acquisition on the Group's FY2016 financial statements is shown below:

	1 JULY 2015 USD
Property, plant and equipment	(1 760 978)
Intangible assets	(1 600)
Deferred tax assets	(73 008)
Inventories	(6 906 937)
Trade and other receivables	(350 831)
Cash and cash equivalents	1 535 000
Trade and other payables	2 789 444
Provisions and other liabilities	1 251 090
Interest-bearing borrowings	2 866 000
Current tax liabilities	155 261
Fair value of net assets of subsidiary at date of acquisition	(496 559)
Less non-controlling interests share therein	367 404
Fair value of net assets acquired	(129 155)
Goodwill	(4 032 445)
Cash consideration	(4 161 600)
Add cash and cash equivalents acquired	(1 535 000)
Net cash outflow	(5 696 600)

Company Statement of Financial Position

as at 30 June 2015

	Notes	COMPANY 2015 USD	COMPANY 2014 USD
ASSETS			
Non-current assets			
property, plant and equipment		301 059	17 647 226
intangible assets		41 402	6 253
investments	A	148 030 936	142 521 230
deferred tax asset		5 359 982	1 078 080
		153 733 379	161 252 789
Current assets			
inventories		-	1 590 485
trade and other receivables		7 796 805	4 396 087
cash and cash equivalents		834 534	1 819 527
		8 631 339	7 806 099
Assets of disposal group classified as held for distribution		20 529 743	-
Total assets		182 894 461	169 058 888
EQUITY AND LIABILITIES			
Capital and reserves			
ordinary share capital	23.2	5 415 934	5 415 934
class "A" ordinary share capital		10	10
distributable reserves	25	108 023 582	106 353 532
Total equity		113 439 526	111 769 476
Current liabilities			
interest-bearing borrowings		42 887 323	39 497 713
trade and other payables		12 467 112	16 789 464
provisions and other liabilities		222 022	1 002 235
		55 576 457	57 289 412
Liabilities directly associated with the assets classified as held for distribution		13 878 478	-
Total liabilities		69 454 935	57 289 412
Total equity and liabilities		182 894 461	169 058 888

A B C CHINAKE
Chairman
Harare
15 October 2015

G GWAINDA
Executive Director

A. Investments

Investments in associates	4 991 079	1 038 896
Quoted investments	410 916	343 801
Property unit trusts	687 500	687 500
Investments in subsidiaries	91 690 176	93 263 761
Other	3 182 970	3 232 409
Amounts due from group companies	47 068 295	43 954 863
	148 030 936	142 521 230

Glossary of Terms

- Core Option - represent the essential elements of a sustainability report prepared according to G4 Sustainability Reporting Guidelines.
- G4 - Fourth Generation of sustainability reporting guidelines developed by GRI.
- GRI - Global Reporting Initiatives.
- Global Reporting Initiatives - the original organisation responsible for developing standards for sustainability reporting.
- Government - Government of the Republic of Zimbabwe.
- IFRS - International Financial Reporting Standards.
- Inclusivity - taking into account material concerns of stakeholders.
- Operations - strategic business units of Innscor Africa Limited.
- Proxy - person appointed to act on behalf of a shareholder or rights holder.
- Responsiveness - taking action or response to material issues raised by stakeholders.
- Shareholder - a holder of equity in the company or group.
- Stakeholders - persons whom we can impact or who can impact us.
- Sustainability Reporting - the practices of measuring, disclosing and being accountable to internal and external stakeholders for organisation performance while working towards the goal of sustainable development.
- Sustainability Report - a report that provides a balanced and reasonable representation of the sustainability performance of the reporting organisation, including both positive and negative contributions.
- Sustainable Business Reporting - business practices that takes into account environmental and social issues in all processes and decision making of the company.
- Sustainable Development - ability to meet current human need or benefits without compromising the ability of future generation to meet their own need or enjoy the same benefits.
- The Group - Innscor Africa Limited corporate, subsidiaries and business units.
- ZIMCODE - the National Code on Corporate Governance Zimbabwe.

GRI Content Index - Core

GENERAL STANDARD DISCLOSURES	Page (s)	External Assurance
Strategy and Analysis		
G4 - 1	10	Not Assured
Organisational Profile		
G4 - 3	Cover	Not Assured
G4 - 4	4 - 5	Not Assured
G4 - 5	108	Not Assured
G4 - 6	4 - 5, 79, 80, 101	Not Assured
G4 - 7	48, 106	Not Assured
G4 - 8	4 - 5, 79, 93	Not Assured
G4 - 9	4 - 5, 7, 33, 44 - 5	Not Assured
G4 - 10	33	Not Assured
G4 - 11	n/a	Not Assured
G4 - 12	27	Not Assured
G4 - 13	13, 67 - 68	Not Assured
G4 - 14	n/a	Not Assured
G4 - 15	10, 18, 34	Not Assured
G4 - 16	n/a	Not Assured
Identified Material Aspects And Boundaries		
G4 - 17	79	Not Assured
G4 - 18	28	Not Assured
G4 - 19	28	Not Assured
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G4 - 22	See Scope	Not Assured
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GRI Content Index cont.

	Page (s)	External Assurance
Stakeholder Engagement		
G4 - 24	29	Not Assured
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Report Profile		
G4 - 28	2	Not Assured
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G4 - 32	2, 104	Not Assured
G4 - 33	n/a	Not Assured
Governance		
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Ethics And Integrity		
G4 - 56	18	Not Assured

SPECIFIC STANDARD DISCLOSURES

Material Aspects: DMA And Indicators	Page (s)	Ommission	External Assurance
Economic			
Economic Performance			
G4 - EC1: Direct Economic Value Generated and Distributed (see Annual Financial Statements)	44 - 103	n/a	Assured
G4 - EC3: Coverage of the organisation's defined contribution plan (see note 33)	96	n/a	Assured
G4 - EC4: Financial Assistance from Government	37	n/a	Not Assured
ENVIRONMENTAL			
Materials			
G4 - EN1: Materials used by weight or volume	30	n/a	Not Assured
G4 - EN2: Percentage of materials used that are recycled input materials	30	n/a	Not Assured
Energy			
G4 - EN3: Materials used by weight or volume	31	n/a	Not Assured
G4 - EN4: Percentage of materials used that are recycled input materials	31	n/a	Not Assured
Water			
G4 - EN8: Water withdrawn by source	31	n/a	Not Assured
Effluent and Waste			
G4 - EN23: Total weight of waste by type and disposal method	32	n/a	Not Assured
SOCIAL			
Employment			
G4 - LA1: Total number and rates of new employee hires and employee turnover	33	n/a	Not Assured
G4 - LA6: Total injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work related fatalities	33	n/a	Not Assured
G4 - LA8: Health and Safety Topics covered in formal agreements with Trade Unions	33 - 34	n/a	Not Assured
Training and Education			
G4 - LA9: Average hours of training per year per employee	34	n/a	Not Assured

Shareholders' Analysis and Calendar

Size of Shareholding			Number of Shareholders	Shareholders %	Issued Shares	Shares %
1	-	10 000	3 475	83.48	3 931 517	0.73
10 001	-	25 000	202	4.85	3 405 191	0.63
25 001	-	50 000	124	2.98	4 622 597	0.85
50 001	-	100 000	92	2.21	6 528 809	1.21
100 001	-	200 000	87	2.09	12 647 783	2.34
200 001	-	500 000	90	2.16	27 263 254	5.03
500 001	-	and over	93	2.23	483 194 289	89.21
			4 163	100.00	541 593 440	100.00
Trade Classification						
Companies			541	13.00	284 764 135	52.59
Insurance Companies			60	1.44	37 751 673	6.97
Investment Companies			45	1.08	278 889	0.05
Trust Nominees			285	6.85	30 786 224	5.68
Pension Funds			339	8.14	60 029 608	11.08
Private Individuals			2 744	65.91	11 084 271	2.05
New Non- Residents			149	3.58	116 898 640	21.58
			4 163	100.00	541 593 440	100.00
Top Ten Shareholders						
ZMD Investments (Pvt) Ltd					102 829 853	18.99
HM Barbour (Pvt) Ltd					100 000 000	18.46
Stanbic Nominees (Pvt) Ltd					87 414 126	16.14
Old Mutual Group					34 487 377	6.37
Standard Chartered Nominees (Pvt) Ltd					26 518 086	4.90
Sarcor Investments (Pvt) Ltd					22 484 058	4.15
Pharaoh Limited					12 939 921	2.39
City & General Holdings (Pvt) Ltd					9 822 598	1.81
Mining Industry Pension Fund					8 238 931	1.52
Music Ventures (Pvt) Ltd					7 465 382	1.38
Other					129 393 108	23.89
					541 593 440	100.00

Shareholders' Calendar

Nineteenth Annual General Meeting	20 November 2015
Financial Year End	30 June
Interim Reports	
6 months to December 2015	March 2016
12 months to 30 June 2016	September 2016
Annual Report Published	November 2016
Twentieth Annual General Meeting	November 2016

Notice to Members

NOTICE IS HEREBY GIVEN that the Nineteenth Annual General Meeting of members will be held at the Royal Harare Golf Club, 5th Street extension, Harare, on Friday 20 November 2015 at 08h15, for the purpose of transacting the following business:

Ordinary Business

1. To receive and consider the financial statements for the financial year ended 30 June 2015 together with the reports of the Directors and Auditors thereon.

2. To re-elect retiring Directors: Mr. M. J. Fowler and Mr. Z. Koudounaris who retire by rotation and being eligible offer themselves for re-election.

3. To approve the appointments of Mr. A.B.C. Chinake and of Mr. G. Gwainda who were appointed as Directors of the Company with effect from 1st January 2015, and who in terms of the Articles of Association of the Company are required to retire from the Board at the Annual General Meeting and being eligible, offer themselves for re-election.

4. To approve Directors' fees for the financial year ended 30 June 2015.

5. To approve the remuneration of the Auditors for the financial year ended 30 June 2015 and re-appoint Ernst & Young of Harare as Auditors of the Company until the conclusion of the next Annual General Meeting.

Special Business

6. To resolve as an ordinary resolution, with or without amendments: "That the Company be and is hereby authorised to make any loan to any Executive Director or to enter into any guarantee or provide any security in connection with a loan to such Executive Director for the purpose of enabling him to properly perform his duty as an officer of the Company, as may be determined by the Remuneration Committee of the Board of Directors, provided that the amount of the loan or the extent of the guarantee or security shall not exceed the annual remuneration of that Director."

Any Other Business

7. To transact any other business competent to be dealt with at the Annual General Meeting.

Proxies

Members are entitled to appoint one or more proxies to act in the alternative and to attend and vote and speak in their place. A proxy need not be a member of the Company.

Proxy forms must reach the Company's registered office not less than 48 hours before the meeting.

By order of the Board

INNSCOR AFRICA LIMITED

A D Lorimer
Company Secretary
Harare
15 October 2015

Corporate Information

Domicile
The Company is incorporated and domiciled in Zimbabwe.

Core Business
Fast Moving Consumer Goods

Registered Office
Edward Building
1st Street/Nelson Mandela Avenue
Harare, Zimbabwe

Postal Address
1 Ranelagh Road
Highlands
P O Box A88 Avondale
Harare, Zimbabwe

Contact Details
Telephone: +263 4 496886 / 496790
Fax: +263 4 496845
Email: admin@innscorafrica.com

Company Secretary
A D Lorimer

Auditors
Ernst & Young
Chartered Accountants (Zimbabwe)

Legal Advisors
Coghlan, Welsh and Guest

Principal Bankers
Barclays Bank of Zimbabwe Limited
CABS
CBZ Bank Limited
MBCA
Standard Chartered Bank Zimbabwe Limited

Transfer Secretaries
Corpserve Transfer Secretaries (Private) Limited
2nd Floor, ZB Centre
1st Street/Kwame Nkrumah Avenue
Harare, Zimbabwe
Email: enquiries@corpserve.co.zw

Sustainability Advisors
Institute of Sustainability Africa
22 Walter Hill Avenue
Eastlea
Harare, Zimbabwe
Email: admin@insafrica.org

Form of Proxy

(Incorporated in Zimbabwe)
Registered Office:
Edward Building,
1st St/Nelson Mandela Avenue
P O Box A88, Avondale,
Harare, Zimbabwe

I / We (Block Letters) ______________________________

of ______________________________

being a member of Innscor Africa Limited, hereby appoint

____

of ______________________________

or failing him ______________________________

of ______________________________

or failing him the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Nineteenth Annual General Meeting of the Company to be held on Friday 20 November 2015 at 08.15 hours and at any adjournment thereof.

Signed this __________ day of ______________ 2015.

Signature of member ______________________________

NOTE

1. In terms of Section 129 of the Zimbabwe Companies Act (Chapter 24:03) members are entitled to appoint one or more proxies to act in the alternative and to attend and vote and speak in their place. A proxy need not also be a member of the Company.
2. Regulation 74 of the Company's Articles of Association provides that the instrument appointing a proxy shall be deposited at the office of the Company not less than 48 hours before the time appointed for holding the meeting.

FOR OFFICIAL USE
NUMBER OF SHARES HELD ______________________________

Change of Address

The attention of shareholders is drawn to the necessity of keeping the transfer secretaries advised of any change in name and/or address.

Shareholder's name in full (Block Letters) ______________________________

____

New address (Block Letters) ______________________________

____

____

Shareholder's signature ______________________________

INNSCOR

OUR PASSION FOR **VALUE CREATION**

The Company Secretary
Innscor Africa Limited
P O Box A88
Avondale
Harare
Zimbabwe

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