



Concilium  
**2018**  
**ANNUAL REPORT**



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## Company Profile

Concilium, together with its subsidiaries and affiliates, is a multinational financial holding and investment Group that is listed on the Bermuda Stock Exchange. The Concilium Group provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals.

Our activities comprise three business segments:

- Fiduciary and Financial Advisory
- Business and Technology Solutions
- Commercial Property and Engineering

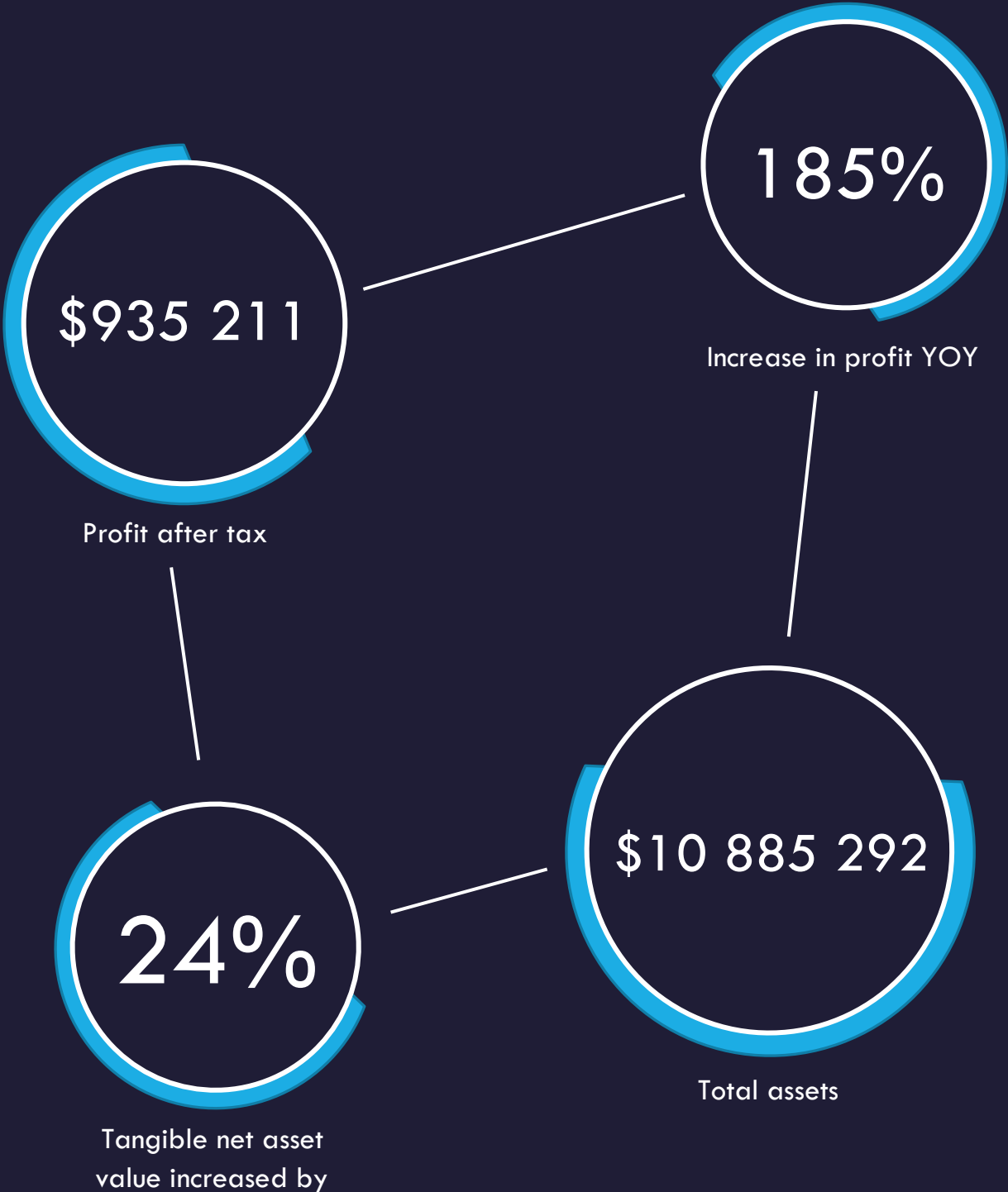
The Concilium Group is first and foremost a fiduciary group. Apart from fiduciary services, the group companies provide a range of investment strategies and products in wealth management, which span geographies, asset classes and public and private markets to a group of clients, including corporations, governments, financial institutions and individuals. Our

competitive position depends on our reputation and the quality and consistency of our long-term investment performance.

Financial Advisory includes strategic advisory assignments with respect to mergers and acquisitions, divestitures, restructurings, spin-offs and risk management. In particular, we help clients execute large, complex transactions for which we provide multiple services, including cross-border structuring expertise. Financial Advisory also includes revenues from derivative transactions directly related to these client advisory assignments. We also assist our clients in managing their asset and liability exposures and their capital.

Other segments provide business and technology solutions to financial institutions, corporations and government agencies. The Concilium Group also has a commercial property footprint, which develops and invests in commercial and residential property.

# Salient Features





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# Group Structure

## Subsidiaries and Affiliates at 31 December 2018

### Principal Investments – Equity Interest Held

#### Fiduciary and Financial Advisory

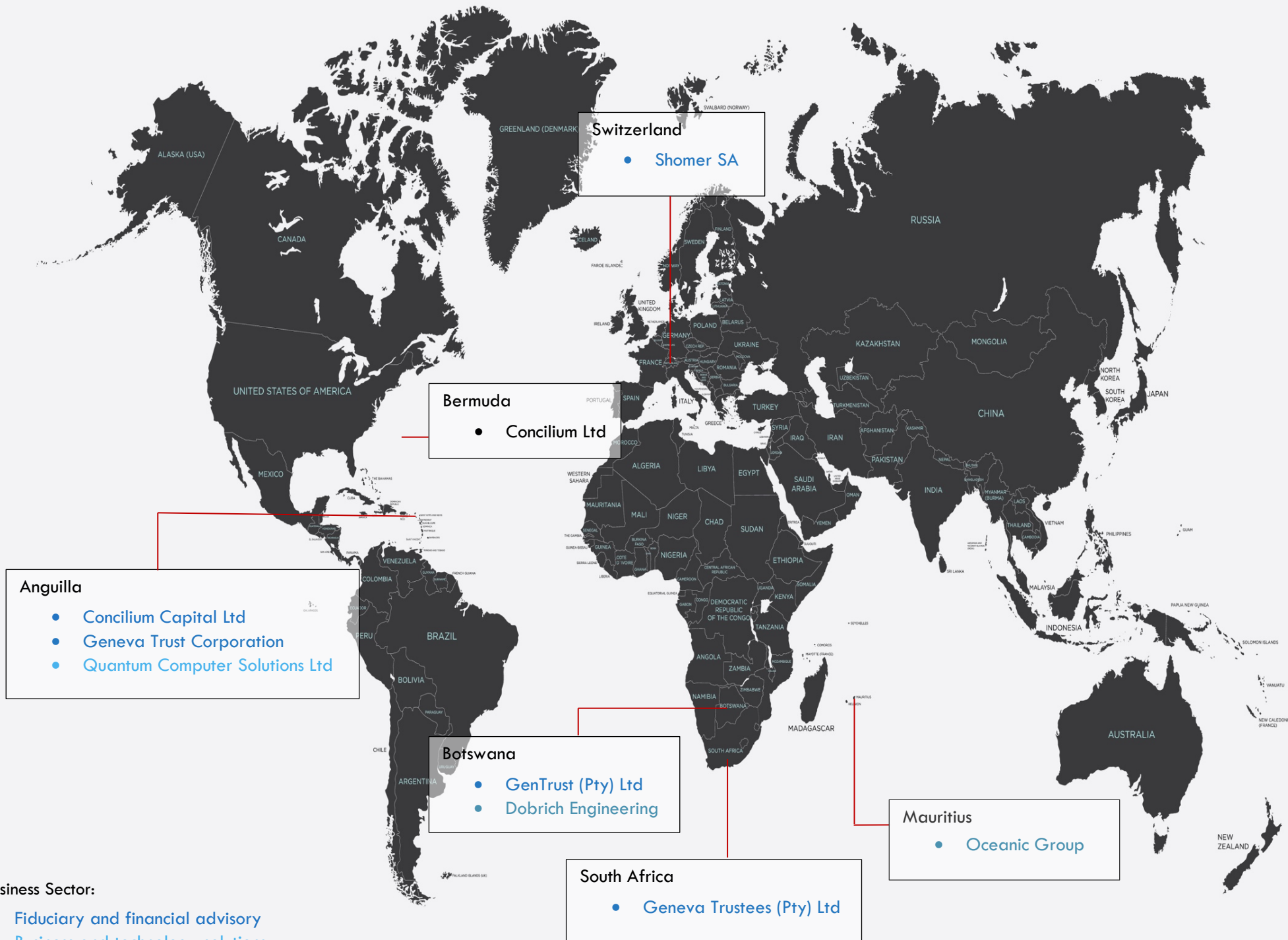
Concilium Capital Limited	100%
Geneva Trust Corporation	100%
Geneva Trustees (Pty) Ltd	100%
GenTrust (Pty) Ltd	100%
Shomer SA	100%

#### Business and Technology Solutions

Quantum Computer Solutions Limited	100%
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#### Commercial Property and Engineering

Dobrich Engineering Limited	100%
Oceanic Group	100%



- Business Sector:**
- Fiduciary and financial advisory
  - Business and technology solutions
  - Commercial Property and Engineering

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# Fiduciary and Financial Advisory

The Concilium Group is first and foremost a fiduciary group. Apart from fiduciary services, the group companies provide a range of investment strategies and products in wealth management, which span geographies, asset classes and public and private markets to a group of clients, including corporations, governments, financial institutions and individuals. Financial Advisory includes strategic advisory assignments with respect to mergers and acquisitions, divestitures, restructurings, spin-offs and risk management. In particular, we help clients execute large, complex transactions for which we provide multiple services, including cross-border structuring expertise. Financial Advisory also includes revenues from derivative transactions directly related to these client advisory assignments. We assist our clients in managing their asset and liability exposures and their capital.

## Concilium Capital Limited

Concilium Capital is a wholly-owned subsidiary of Concilium. It is a market leader in financing and corporate advisory services. Its strategic advisory team provides a broad range of innovative financial and investment services to a diverse range of corporations, financial institutions, investment funds and governments. Our advisory capability is focused on mergers and acquisitions, restructuring, risk management, and debt and equity underwriting of private



placements, as well as derivative transactions directly related to these activities. Concilium Capital also provides investment management services and offer investment products – primarily through separately managed accounts and special purpose vehicles, such as private investment funds financing and corporate advisory services – across all major asset classes to a diverse set of institutional and individual clients.

## The Geneva Trust Group

The Geneva Trust Group is a wholly-owned subsidiary of Concilium Limited, consisting of:

- Geneva Trust Corporation (Anguilla)
- GenTrust (Pty) Ltd (Botswana)
- Geneva Trustees (Pty) Ltd (South Africa)
- Shomer SA (Switzerland)



The Geneva Trust Group is a leading financial services group based in Anguilla with a liaison office in Switzerland. Focusing on the demands of corporate and sophisticated private clients, our commitment to a professional service combines the modernity of a sophisticated range of fiduciary and corporate services with the tradition of wealth management.

The philosophy of Geneva Trust is based on a relationship of trust – the foundation of every good partnership. Seeking to meet the highest standards of corporate governance, we emphasise the values of propriety, integrity and transparency, which, we fondly believe, is fundamental to our reputation and success.

We combine innovative thinking with vast experience. This make sus a leading provider of trusted, industry-leading retirement fund solutions, investments and asset management — these are the ingredients of a highly successful formula that has driven our constant growth in assets under management.

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# Business and Technology Solutions

## Quantum Computer Solutions

Quantum Computer Solutions was established to participate in innovative information technology solutions. The initial investments have been structured around the burgeoning role of data within the corporate world.

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# Commercial Property and Engineering

## Dobrich Engineering

The civil engineering team at Dobrich Engineering brings experience and expertise to every project, utilizing thorough research, planning, and creativity to deliver high-quality, practical, and cost-effective solutions to a wide range of clients. The civil engineering process always begins with a careful assessment of the client's needs, schedule, budgetary concerns, and vision for the project. After these considerations are identified, Dobrich Engineering uses its skill, innovation, and collaboration to devise creative solutions to the civil, structural and engineering challenges we face.



Dobrich Engineering provides project management for civil, structural and electrical engineering projects. Project managers are highly qualified and make sure the project is delivered on time and to the highest quality.

Dobrich Engineering also provides a wide range of experts in the structural and electrical engineering fields. The company offers multiple yellow good vehicles for hire including earth moving equipment, quarrying equipment and fork lift trucks.

## Oceanic Group

The Oceanic group of companies were established to participate in the international real estate market. While primarily invested in A-grade office buildings, Oceanic places a premium on attracting blue-chip tenants. The strong capital ratios prevalent within the Oceanic group of companies positions Oceanic to expand into further international opportunities as they arise.





# Directors' Responsibilities and Approval

The directors are responsible for the preparation, integrity and fair presentation of the annual financial statements of the group and its subsidiaries. The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The directors consider that, having applied IFRS in preparing the financial statements, they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all IFRS considered applicable, have been followed. The directors are satisfied that the information contained in the financial statements fairly present the results of the operations for the year, and the financial position of the Group and Company at year end, in accordance with IFRS.

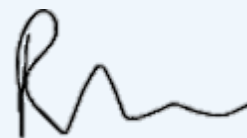
The directors are also responsible for the systems of internal control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the annual financial statements, and to adequately safeguard, verify and maintain accountability of assets, as well as prevent and detect material misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year. The annual financial statements are prepared on a going concern basis. Nothing has come to the attention of the directors to indicate that the Group and Company will not remain a going concern for the foreseeable future, based on forecasts and available cash resources. These financial statements support the viability of the Group and Company.

The group's external auditors were given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the Board of Directors and Committees of the Board. The directors believe that all representations made to the independent auditors during their audit are valid and appropriate.

The annual financial statements and notes thereto set out on pages 5 to 23 were approved by the Board of Directors on 10 September 2019 and are signed on its behalf by:



**PROF ALWYN P DE KOKER**  
*Group Chief Executive Officer*



**DR ROBIN J E BEALE**  
*Group Chief Financial Officer*

# Independent Auditor's Report

We have audited the Consolidated Annual Financial statements of Concilium Limited and its subsidiaries set out on pages 8 to 23, which comprise the Statement of Financial Position as at 31 December 2018, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

## Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Concilium Ltd as at 31 December 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

## Basis for opinion

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

## Other information

The group's directors are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of this report. Other information does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated Financial Statements, our responsibility are to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

L REYNEKE & ASSOCIATES INCORPORATED Reg No: 1995/000503/21  
*Public Accountants & Auditors, Tax Advisors & Management Consultants*

5 Bauhinia street, 30 Cambridge Office Park, Highveld Techno Park, Centurion  
P O Box 4240 Halfway House 1685 Telephone: 011 315 4283  
DIRECTORS: L REYNEKE, CA (SA) ,RA ASSOCIATE: S T DAWSON, (AGA) SA

## Responsibilities of the directors for Consolidated Financial Statements

The Group's directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards, 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.

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

## Auditor's responsibilities for the audit of Consolidated Financial Statements

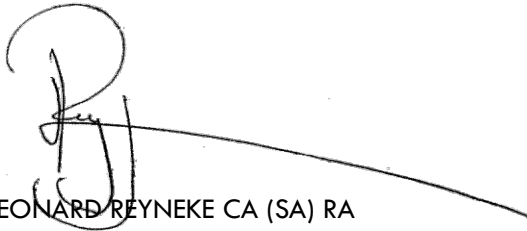
Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Financial Statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

A handwritten signature in black ink, appearing to be 'L. Reyneke', with a long horizontal line extending to the right.

LEONARD REYNEKE CA (SA) RA



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# Report of the Directors

The directors have pleasure in submitting their report for the year ended 31 December 2018.

## NATURE OF BUSINESS

Concilium Limited was incorporated in Bermuda under Registration Number 52236 on 18 January 2017.

Concilium Limited is an investment holding company and listed on the Bermuda Stock Exchange (BSX). The business profile of the Concilium Group includes fiduciary services, information technology and property.

Concilium Limited's registered office is located at Belvedere Building, 69 Pitts Bay Road, Pembroke HM 08, Bermuda.

The BSX is a member of the World Federation of Exchanges (WFE), an affiliate member of the International Organisation of Securities Commission (IOSCO) and regulated by the Bermuda Monetary Authority (BMA). The BSX is recognised by the US Securities Exchange Commission as a Designated Offshore Securities Exchange (DOSM), and by the UK Financial Services Authority (FSA) as a 'Designated Investment Exchange'.

## SHAREHOLDING AND CHANGES

The Company was incorporated with an authorised capital of 50,000,000 shares, consisting of 1,000 shares of \$.001 par value Class A Voting Shares (the Class A Voting Shares) and 49,999,000 shares of \$.001 par value Class B Non-voting Shares (the Class B Non-voting Shares).

The Company has issued 150 Class A Voting Shares, and 4 000 000 Class B Non-Voting Shares at a par value of US\$ 0.001 per share, as at 18 January 2017. The authorised and issued share capital of the Company at 31 December 2018 is set out in Note 8 Issued capital and share premium of the consolidated financial statements.

## ACCOUNTING PRACTICES

The financial statements for the year ended 31 December 2018 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, the IFRS Interpretations Committee (IFRS IC), interpretations applicable to companies reporting under IFRS, the Financial Reporting Standards Council. The financial statements are based on appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

## REVIEW OF RESULTS

The results of the Group and the Company have been set out in the attached financial statements as reflected on pages 8 to 23.

No dividends were paid or declared during the current fiscal year.

## DIVIDENDS

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

## GOING CONCERN

The Board of Directors of the Company comprises:

### Executive directors

Prof Alwyn de Koker (Chair)  
Dr Robin John Elliot Beale  
Thomas Lawrence Craig  
James A F Watlington

With effect from 1 July 2019, James A F Watlington was appointed as an executive director to the Board. James was formerly the Legal Advisor and Head of the Legal Services Department of the Bermuda Office of Deloitte & Touche and has worked in the financial services sector in Bermuda and Asia, where he founded and headed the Hong Kong office of the Bank of N. T. Butterfield & Son Ltd. during the 1980s. He has extensive experience in the formation and administration of corporate and trust structures for clients on a worldwide basis. James was called to the Bar of England and Wales in 1975 and Bermuda in 1976.

## DIRECTORATE

The responsibilities of the Company's directors are detailed on page 1 of this document.

## DIRECTORS' RESPONSIBILITIES

The directors are not aware of any matters material or otherwise arising since 31 December 2018 and up to the date of this report, not otherwise dealt with herein.

## EVENTS AFTER REPORTING PERIOD

The Company has prepared consolidated financial statements for its subsidiaries and shareholder.

## SUBSIDIARIES

The company secretarial is performed by James A F Watlington and Alexander Management Limited.

## COMPANY SECRETARY

The holding of your company in its subsidiary companies is –

Name	Cost (USD)	Held by Company
Concilium Capital Limited	100	100%
Dobrich Engineering Limited	100	100%
Geneva Trust Corporation	1 670 915	100%
Geneva Trustees (Proprietary) Limited	7	100%
GenTrust (Proprietary) Limited	7	100%
Oceanic Holdings Limited	100	100%
Quantum Computer Solutions Limited	100	100%
Shomer SA	100	100%
<b>Total</b>	<b>1 671 429</b>	

## INTEREST IN SUBSIDIARY COMPANIES

# Financial Report

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

Expressed in USD	Notes	2018	2017
<b>Assets</b>			
<b>Non-current assets</b>		<b>1 671 429</b>	<b>1 671 415</b>
Plant and equipment	3	1 671 429	1 671 415
<b>Total assets</b>		<b>1 671 429</b>	<b>1 671 415</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>		<b>4 000</b>	<b>4 000</b>
Share Capital	8	4 000	4 000
<b>Non-current liabilities</b>		<b>1 667 429</b>	<b>1 667 415</b>
Other financial liabilities	9	1 463 166	1 667 415
Trust payables	10	204 263	-
<b>Total equity and liabilities</b>		<b>1 671 429</b>	<b>1 671 415</b>

## STATEMENT OF COMPREHENSIVE INCOME

Expressed in USD	Notes	2018	2017
<b>Turnover</b>		-	-
<b>Other Income</b>		-	-
<b>Operating Costs</b>		-	-
<b>Net Operating Profit</b>		-	-
<b>Taxation</b>	12	-	-
<b>Total Comprehensive Profit after taxation</b>		-	-





## STATEMENT OF CHANGES IN EQUITY

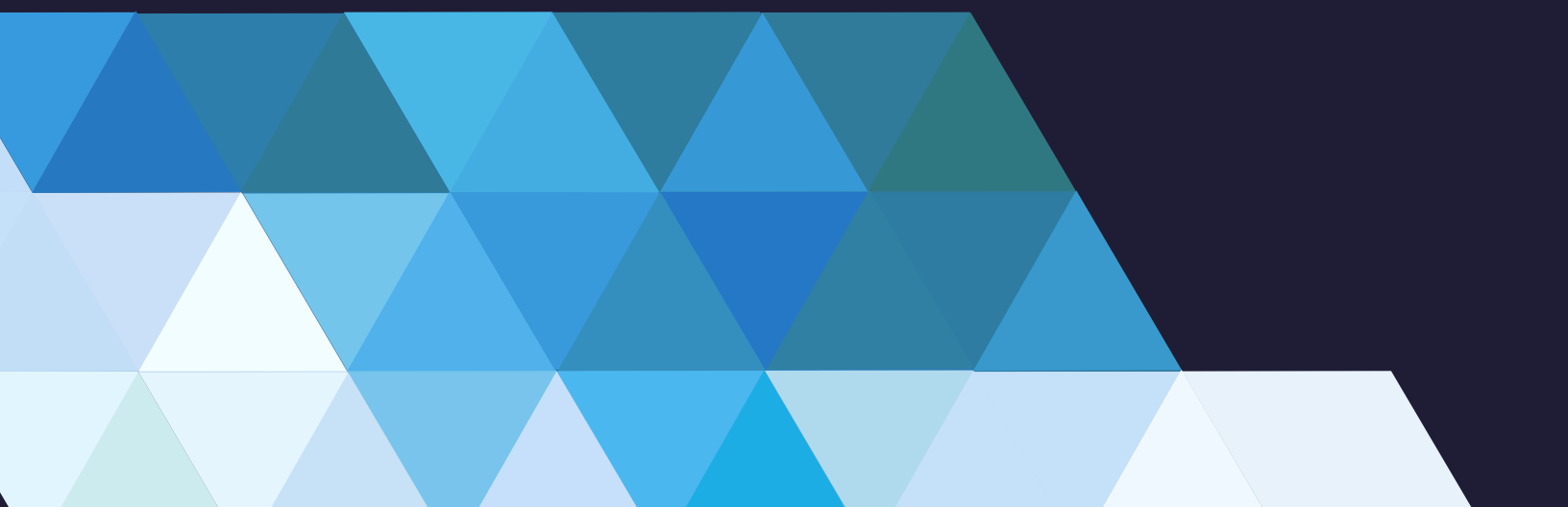
Expressed in USD	Notes	2018	2017
<b>Ordinary Share Capital</b>			
Opening balance at beginning of period		4 000	-
Share capital issued		-	4 000
<b>Closing balance at end of year</b>		<b>4 000</b>	<b>4 000</b>
<b>Total Equity</b>		<b>4 000</b>	<b>4 000</b>

## STATEMENT OF CASH FLOWS

Expressed in USD	Notes	2018	2017
<b>Cash flows from operating activities</b>			
Cash generated by operations	13	-	-
<b>Cash flows from investing activities</b>			
Increase in investments		(14)	(1 671 415)
<b>Cash flows from financing activities</b>			
Increase in share capital			4 000
Decrease/(increase) in other financial liabilities		(204 249)	1 667 415
Increase in Subsidiary company loan		204 263	
<b>Total cash movement for the year</b>		<b>-</b>	<b>-</b>
<b>Cash at the beginning of the year</b>		<b>-</b>	<b>-</b>
<b>Total cash at the end of the year</b>	7	<b>-</b>	<b>-</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 2018**

Expressed in USD	Notes	2018	2017
<b>Assets</b>			
<b>Non-current assets</b>		<b>3 613 059</b>	<b>3 196 628</b>
Plant and equipment	2	4 871	1
Investment in associate	4	6 160	-
Other financial assets	5	3 602 028	3 196 627
<b>Current assets</b>		<b>7 272 233</b>	<b>5 606 892</b>
Trade and other receivables	6	463 918	131 972
Cash and cash equivalents	7	6 808 315	5 474 920
<b>Total assets</b>		<b>10 885 292</b>	<b>8 803 520</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>		<b>1 266 775</b>	<b>331 564</b>
Share Capital	8	4 000	4 000
Distributable reserves		1 262 775	327 564
<b>Non-current liabilities</b>		<b>3 390 779</b>	<b>3 667 415</b>
Other financial liabilities	9	3 390 779	3 667 415
<b>Current liabilities</b>		<b>6 227 738</b>	<b>4 804 541</b>
Trade and other payables	11	13 039	5 000
Trust payables		6 214 422	4 799 541
Revenue service		277	-
<b>Total equity and liabilities</b>		<b>10 885 292</b>	<b>8 803 520</b>



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Expressed in USD	Notes	2018	2017
<b>Turnover</b>		<b>1 274 977</b>	<b>346 444</b>
<b>Other Income</b>		<b>11 238</b>	<b>48 982</b>
<b>Direct Cost</b>		<b>(99 000)</b>	<b>-</b>
<b>Operating Costs</b>		<b>(251 727)</b>	<b>(67 862)</b>
<b>Net Operating Profit after taking the following items into account:</b>		<b>935 488</b>	<b>327 564</b>
<b>Income</b>			
Interest received		2 724	32 922
Profit on disposal of investments		-	8 137
Profit on foreign exchange		-	7 924
Share on profit from associate		6 160	-
<b>Expenditure</b>			
Audit fees		11 076	-
Depreciation		2 664	-
Fair value and foreign exchange adjustments		68 487	-
<b>Profit before taxation</b>		<b>935 488</b>	<b>327 564</b>
<b>Taxation</b>	12	<b>(277)</b>	<b>-</b>
<b>Total Comprehensive Profit after taxation</b>		<b>935 211</b>	<b>327 564</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Expressed in USD	Notes	2018	2017
<b>Ordinary Share Capital</b>			
Opening balance at beginning of period		4 000	-
Share capital issued		-	4 000
<b>Closing balance at end of year</b>		<b>4 000</b>	<b>4 000</b>
<b>Retained earnings</b>			
Opening balance at beginning of period		327 564	-
Movement for the year:			
Comprehensive profit for the period		935 211	327 564
<b>Closing balance at end of period</b>		<b>1 262 775</b>	<b>327 564</b>
<b>Total Equity</b>		<b>1 266 775</b>	<b>331 564</b>

## CONSOLIDATED STATEMENT OF CASHFLOWS

Expressed in USD	Notes	2018	2017
<b>Cash flows from operating activities</b>			
Cash generated by operations	13	2 032 562	3 201 642
Interest received		2 724	32 922
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment	14	(7 535)	-
(Increase)/decrease in other financial assets		(405 401)	125 090
Proceeds from disposal of investment		-	33 167
<b>Cash flows from financing activities</b>			
Decrease in other financial liabilities		(276 635)	-
<b>Total cash movement for the year</b>		<b>1 333 395</b>	<b>3 392 821</b>
<b>Cash at the beginning of the year</b>		<b>5 474 920</b>	<b>2 082 099</b>
<b>Total cash at the end of the year</b>	7	<b>6 808 315</b>	<b>5 474 920</b>



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# Notes to the Financial Statements

## 1. PRESENTATION OF FINANCIAL STATEMENTS

### General information

Concilium Limited (the Company) is incorporated and domiciled in Bermuda and the shares of Concilium Limited are publicly traded on the Bermuda Stock Exchange.

The address of the Company's registered office is Belvedere Building, 69 Pitts Bay Road, Pembroke HM 08, Bermuda.

The financial statements were approved by the Board of Directors.

### Principal accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied to all the years presented, unless otherwise stated.

### Basis of preparation

The annual financial statements of the Company for the period ended December 31, 2018 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, IFRS Interpretations Committee (IFRIC) interpretations applicable to companies reporting under IFRS, Financial Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act of Anguilla and, as subsidiary of Concilium Limited, the Listings Requirements of the Bermuda Stock Exchange.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

### Plant and equipment

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

Plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

Depreciation is provided on all plant and equipment other than freehold land, to write down the cost, less residual value, by equal instalments over their useful lives as follows:

Item	Useful life
Computer Equipment	6 years

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

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

## **Investments in subsidiaries**

Investments in subsidiaries are included at cost less any accumulated acquisition.

## **Investments in associates**

An associate is an entity over which the group has significant influence and which is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. It generally accompanies a shareholding of between 20% and 50% of the voting rights.

Investment in associates are accounted for by using the equity method, except when the investment is classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, investments in associates are carried in the Statement of Financial Position at cost adjusted for post-acquisition changes in the group's share of net assets of the associates, less any impairment losses.

The company's share of post-acquisition profit or loss is recognised in profit or loss, and its share of movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. Losses in an associate in excess of the group's interest in that associate, including any other unsecured receivables, are recognised only to the extent that the group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Any goodwill on acquisition of an associate is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the group and an associate are eliminated to the extent of the group's interest therein. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the company.

When the group reduces its level of significant influence or loses significant influence, the group proportionally reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

## **Financial instruments**

### *Initial measurement*

Financial instruments are initially measured at the transaction price. This includes transaction costs, except for financial instruments which are measured at fair value through profit or loss.

### *Financial instruments at amortised cost*

Debt instruments, as defined in the standard, are subsequently measured at cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At the end of each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

### *Financial instruments at cost*

Commitments to receive a loan are measured at cost less impairment.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

All financial assets whose fair value cannot otherwise be measured reliably, and which do not meet the criteria to be designated as an instruments measured at amortised cost, are measured at cost less impairment.

***Financial instruments at fair value***

All other financial instruments are measured at fair value through profit and loss.

**Foreign exchange**

***Foreign currency transactions***

Exchange difference arising on monetary items are recognised in profit or loss in the year in which they arise.

The foreign exchange component of a non-monetary item is recognised consistently with any other gains or losses on those items, in other comprehensive income or in profit or loss.

**Share capital and equity**

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

If the company reacquires its own equity instruments, those are deducted from equity. No gain or loss is recognised in profit of loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Consideration paid or received shall be recognised directly in equity.

**Revenue recognition**

Revenue comprises amounts invoices and is recognised at the date the risk and rewards of ownership of the services have passed to the customer.

**2. PLANT AND EQUIPMENT**

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
<b>Owned</b>				
<b>Computer equipment</b>				
Gross carrying amount at beginning of year	-	-	7 776	7 776
Accumulated depreciation at beginning of year	-	-	( 7 775)	( 7 775)
Net carrying value at beginning of year	-	-	1	1
Movement for the year				
Additions during the year	-	-	7 535	-
Depreciation during the year	-	-	(2 664)	-
Disposal during the year - cost	-	-	(7 776)	-
- accumulated depreciation	-	-	7 775	-
<b>Net carrying value of end of year</b>	-	-	<b>4 871</b>	<b>1</b>
<b>Total net carrying value</b>	-	-	<b>4 871</b>	<b>1</b>

### 3. INVESTMENT IN SUBSIDIARIES

The carrying amounts of subsidiaries are shown net of impairment losses.

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
Shares at carrying value	1 671 429	1 671 415	-	-

The carrying amount of associate is shown at cost plus company's share post-acquisition profit and loss.

### 4. INVESTMENT IN ASSOCIATES

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
Cleargain (Pty) Ltd	-	-	6 160	0

### 5. OTHER FINANCIAL ASSETS

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
<b>Loans Receivable:</b>				
Other loans	-	-	1 681 915	1 000 127
The loans are interest free and have no fixed terms of repayment				
<b>Investments at fair value:</b>				
Nyalazone Solutions (Pty) Ltd	-	-	1 265	196 500
VNH Company Limited	-	-	1 918 848	2 000 000
	-	-	<b>3 602 028</b>	<b>3 196 627</b>

### 6. TRADE AND OTHER RECEIVABLES

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
TRADE RECEIVABLES	-	-	463 918	131 972
	-	-	<b>463 918</b>	<b>131 972</b>

### 7. CASH AND CASH EQUIVALENTS

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
<b>Cash and cash equivalents consist of:</b>				
Cash and Bank balances	-	-	6 808 315	5 474 920
	-	-	<b>6 808 315</b>	<b>5 474 920</b>

## 8. SHARE CAPITAL

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
<b>Authorised:</b>				
1 000 Class A Voting shares of par value				
49 999 000 Class B Non-Voting shares of par value				
<b>Reconciliation of number of shares issued:</b>				
Balance at the beginning of the period	4 000	-	4 000	-
Movement during the current period:				
Share capital issued	-	4 000	-	4 000
<b>Reported as at 31 December 2018</b>	<b>4 000</b>	<b>4 000</b>	<b>4 000</b>	<b>4 000</b>
<b>Issued:</b>				
Class A Voting Shares	-	-	-	-
Class B Non-Voting Shares	4 000	4 000	4 000	4 000
<b>Reported as at 31 December 2018</b>	<b>4 000</b>	<b>4 000</b>	<b>4 000</b>	<b>4 000</b>

## 9. OTHER FINANCIAL LIABILITIES

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
<b>Loans payable:</b>				
GTC Consortium	-	-	1 918 848	2 000 000
Other loans	1 463 166	1 667 415	1 471 931	1 667 415
	<b>1 463 166</b>	<b>1 667 415</b>	<b>3 390 779</b>	<b>3 667 415</b>

The loans are unsecured, interest-free and have no fixed terms of repayment.

## 10. SUBSIDIARY COMPANY LOAN

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
<b>Loans receivable:</b>				
Concilium Capital Limited	204 263	-	-	-
	<b>204 263</b>	<b>-</b>	<b>-</b>	<b>-</b>

The loan is unsecured, interest-free and has no fixed terms of repayment.

## 11. TRADE AND OTHER PAYABLES

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
Other payables	-	-	13 316	5 000
	-	-	<b>13 316</b>	<b>5 000</b>

## 12. TAXATION

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
<b>Major components of the tax expense</b>				
<b>Current</b>				
Local income tax – current period	-	-	277	-
	-	-	<b>277</b>	-

## 13. CASH GENERATED BY OPERATIONS

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
Profit before taxation	-	-	935 488	327 564
<b>Adjustments for:</b>				
Interest received	-	-	(2 724)	(32 922)
Profit on disposal of investment	-	-	-	(8 137)
Depreciation	-	-	2 664	-
Share of profit in associate	-	-	6 160	-
<b>Changes in working capital:</b>				
Trade and other receivables	-	-	(331 946)	13 689
Trade and other payables	-	-	8 039	-
Trust payables	-	-	1 414 881	2 901 448
	-	-	<b>2 032 562</b>	<b>3 201 642</b>

## 14. ADDITION TO PLANT AND EQUIPMENT

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
Computer equipment	-	-	7 535	-
	-	-	<b>7 535</b>	-

## 15. RELATED PARTIES

RELATED PARTY RELATIONSHIPS	RELATIONSHIP
Concilium Capital Limited	Wholly owned subsidiary
Dobrich Engineering Limited	Wholly owned subsidiary
Geneva Trust Corporation	Wholly owned subsidiary
Geneva Trustees (Proprietary) Limited	Wholly owned subsidiary
GenTrust (Proprietary) Limited	Wholly owned subsidiary
Oceanic Group	Wholly owned subsidiary
Shomer SA	Wholly owned subsidiary

Expressed in USD	Company 2018	Company 2017	Group 2018	Group 2017
<b>Related party balances</b>				
<b>Loan account – owing from related parties</b>				
Concilium Capital Limited	204 263	-	-	-

## 16. RISK MANAGEMENT

### Liquidity risk

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

### Interest rate risk

Deposit and all attract interest at rates that vary with prime. The company policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on profit/(loss).

### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Management evaluated credit risk relating to customers on an ongoing basis.