ANNUAL REPORT 2016

DALE CAPITAL GROUP LIMITED

Trusted Partners in a New World

MANAGEMENT AND ADMINISTRATION

DIRECTORS:

Norman Theodore Noland
Executive Chairman

Mark Foulds
Chief Executive Officer
(appointed on 15 July 2015)

Sanjeeven Ramasawmy
Non-Executive

Randall Thomas
Non-Executive
(appointed on 19 July 2015)

Nigel McGowan
Non-Executive

Patrick O'Neill
Non-Executive
(appointed on 19 July 2015)

COMPANY SECRETARY:

Fortenberry Corporate Services Ltd
2, River Court, St. Denis Street,
Port-Louis Mauritius

REGISTERED AGENT AND OFFICE:

Mossack Fonseca & Co. (B.V.I) Ltd
Akara Building
24 De Castro Street,
Wickhams Cay 1, Road Town, Tortola
British Virgin Islands

MAIN BANKER:

AfrAsia Bank Ltd
Bowen Square
10, Dr. Ferrière Street,
Port-Louis Mauritius

SPONSOR AND BROKER:

Anglo-Mauritius Stockbrokers Ltd
3rd Floor, Swan Group Centre
10 Intendance Street,
Port-Louis Mauritius

AUDITORS:

Crowe Horwath (Mur) Co.
Member Crowe Horwath International
2nd Floor, Ebene Esplanade
24, Bank Street, Cybercity
Ebene 72201 Mauritius

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CHAIRMAN REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2016

Dear Shareholder,

"Success is not final, failure is not fatal: it is the courage to continue that counts." ***Winston Churchill***

I have been challenged by my directors to no longer dwell on the challenges and difficulties experienced by the Dale Capital Group over recent years, suffice to close off the chapter of the organisations life cycle by stating that we out of the storm and we embrace, with enthusiasm, the wonderful opportunities which we have in our investment pipeline.

During the financial year which ended 28 February 2016, the directors have continued with a strategy which focussed on elimination of historical debt and at the same time ensure a steady flow of working capital to fund the Company. The implementation of an infrastructure designed to take the investment strategy into the future has been completed. As a consequence, directors have been able to attract interest from a new group of shareholders prepared to provide the required level of funding, together with an attractive pipeline of investment/projects.

Naturally, with all transactions of this nature there are conditions precedent and regulatory processes to be dealt with and all of these are being addressed. The Group, working closely with management company Linked to Africa Management Services limited, is involved in establishment of an Investor Club to jointly fund Capital Projects. The investment focus of Dale will be:

- Via direct investment in Dale Capital Group to fund Mauritius based projects.
- Via the Investor Club.
- Directly into projects in The African Growth and Private Equity Fund – PCC (AGAPE)

The Company has developed an investment pipeline in unison with AGAPE which targets the following sectors:

- Renewable energy;
- African Infrastructure;
- Agriculture, aquaculture and food security;
- Property development;
- Mining and resources;
- Information technology;
- Aviation;
- Financial Services; and
- Tourism, Hotels and Leisure.

In a poste year end event, Listing Particulars have been presented to the Stock Exchange to issue $875,000 of new shares for the group's working capital. The issue has been approved by a majority of shareholders and has been fully subscribed for,

The capital will primarily be used to:

- Finally eliminate the small level of remaining debt;
- Provide a comfortable level of working capital;
- Allow for the engagement of additions to the executive team; and
- Position and enhance the consortiums' ability to raise new capital.
- To further capitalise existing investment in Dale Hospitality Logistics Limited.

The Group will also formalise its acquisition of 20% of Linked to Africa Management Services Ltd, the Core Shareholder of the AGAPE-PCC and consider further increase in equity.

I thank directors and staff for their commitment.

NORMAN NOLAND
Chairman

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STATUTORY AND CORPORATE GOVERNANCE INFORMATION

FOR THE YEAR ENDED 28 FEBRUARY 2016

PRINCIPAL ACTIVITY

Dale Capital Group Limited is a Private Equity Investment Holding company listed on the official market of the Stock Exchange of Mauritius. Investing with its own funds and also with the funds of partners and co-investors, the Company intends to invest in the Sub-Saharan Africa, primarily in the following sectors:

- Renewable energy;
- African Infrastructure;
- Agriculture, aquaculture and food security;
- Property development;
- Mining and resources;
- Information technology;
- Aviation;
- Financial Services; and
- Hotels and Leisure.

TAX STATUS

Being incorporated in the British Virgin Islands (B.V.I) and under its current Laws, dividends remitted to shareholders resident outside the B.V.I are not subject to withholding tax. The Company itself is not subject to taxes on its profits nor on income derived outside the B.V.I. There are no capital gains taxes, estate duty or inheritance tax applicable to shares held by non-residents of B.V.I. Subsidiaries of the Company are subject to taxes of the countries in which they are incorporated. Currently, the Company holds investments in companies which are taxable in Mauritius, and will in the future hold investments in entities/projects in other Sub-Sahara African where the entities will be taxable.

REGULATIONS

Although there is no requirement for the Company to be regulated in the B.V.I to act as an investment holding company, it is subject to compliances with the following:

- Listing Rule of the Stock Exchange of Mauritius;
- FSC Rules of Mauritius;
- Securities Act 2005 as amended of Mauritius; and
- Companies Act 2004 of the British Virgin Islands

RESULTS AND DIVIDENDS

The consolidated financial statements of the Company and its subsidiaries as a the Group for the year ended 28 February 2016 appear on pages 12 to 45.

The directors do not recommend the payment dividend to ordinary shareholders for the year ended 28 February 2016 (2015: Nil).

OPERATIONS

The Group operates through offices in Mauritius and South Africa with the South African office accommodating the regional support office. The group is managed from Mauritius.

MANAGEMENT ARRANGEMENTS

The Group outsources a number of services which is provided for on a fee basis for the work done and costs incurred in providing such services. Amongst these service providers the Company has made use of Mossack Fonseca as its Registered Agent in the BVI. There have been several press reports on activities of Mossack Fonseca and to date the Group has not received any notice from the authorities in the British Virgin Islands with respect to any sanctions or revocation of Mossack Fonseca role as a Registered Agent service provider.

BUSINESS REVIEW

The directors, management and new investors have been extremely busy during the year to 28 February 2016, and whilst there has been no significant change in the financial statements, when compared to the previous year, the platform and infrastructure for new projects and investments has been implemented and directors anticipate a great deal of activity in the year ending 2017. In addition a new company, Dale Hospitality Logistics Ltd has been launched in Mauritius.

SHARE CAPITAL

The share capital of the Company as at 28 February 2016 consisted of 39,822,016 ordinary shares issued and no shares in Treasury.

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STATUTORY AND CORPORATE GOVERNANCE INFORMATION

(CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2016

TREASURY SHARES

All treasury shares were issued during the year.

MAJOR INTERESTS IN ORDINARY SHARES

As at 28 February 2016, the Company had been notified of the interests of the following substantial shareholders in the Company's ordinary shares in accordance with Rule 11.10 of the Listing Rules and Section 92 of the Mauritius Securities Act 2005.

Shareholders	Number of shares	% of issued share capital
Linked to Africa Holdings Limited	5,617,960	14.11
Liman International Limited	4,993,258	12.54
Wanaka Property Holdings (Mauritius) Limited	3,225,855	8.10
Woodlands Global Holdings Limited	3,000,268	7.53
Matalla Pension Fund	2,710,511	6.81
Three Rivers Investments limited	2,066,967	5.19

DIRECTORS' INTERESTS

The interests of the directors in the shares of the Company up to 28 February 2016 as stated in the register of directors as shown below:

Directors	Direct interests (shares)	Indirect interests (shares)	Total number of shares held	% of issued Share capital
Mr. Norman Theodore Noland	-	1,660,380	1,660,380	4.17%
Mr. Nigel McGowan	-	420,392	420,392	1.06%
Mr. Sanjeeven Ramasawmy	112,566	561,797	674,363	1.69%
Mr. Randal Thomas	-	-	-	-
Mr. Patrick O'Neill	-	-	-	-
Mr. Mark Foulds	-	-	-	-

Other than those disclosed above, the above directors had no other interests in the shares of the Company or in the shares of its subsidiaries during the year.

DIRECTORS' SERVICE CONTRACTS

There are no provisions for compensation of Executive Directors on early termination, save that the Company can elect to give pay in lieu of notice. The Remuneration Committee may consider compensation on early termination of employment on individual basis whilst complying with their duty to mitigate any loss will always be a relevant factor.

OPTION

No option was in force as at 28 February 2016.

STATUTORY AND CORPORATE GOVERNANCE INFORMATION (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2016

Director's remuneration and benefits	**2016 USD**	2015 USD
Executive Directors		
Mr. N Noland	8,000	-
Mr. M. Foulds	8,000	-
Non-Executive Directors		
Mr. N. Mcgowan	2,200	-
Mr. P. O'Neil	2,200	-
Mr. R. Thomas	2,200	-
Mr. Sanjeeven Ramasawmy	2,200	-

CORPORATE GOVERNANCE

THE BOARD'S RESPONSIBILITY AND PROCESSES

The Board is responsible to shareholders for the overall management of the Group. It determines matters including financial strategy and planning and takes major business decisions. The Board has put in place an organisational structure and is responsible for the Group's system of internal control and reviews its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurances against material misstatement or loss. The Board or its duly authorised committee's aims to maintain full and effective control over appropriate strategic, financial, operational and compliance issues. The Board has put in place an organisational structure with clearly defined lines of responsibility and delegation of authority.

THE ROLES OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

During the year ended 28 February 2016, the Chairman acted for part of the year in an executive position as the Chief Executive Officer, as detailed below.

During the financial year 2016, the Chairman was executive and led the Board in the determination of its strategy and in the achievement of its objectives. The Chairman was responsible for organising the Business of the Board, ensuring its effectiveness and setting the agenda. The Chairman has commenced a gradual segregation of duties in the day-to-day business of the Group to the Chief Executive Officer, Mark Foulds who was appointed from 1 July 2015.

The Chief Executive Officer, had direct charge for the Group on a day-to-day basis and was accountable to the Board for the financial and operational performance of the Group.

DIRECTORS

During the financial year ended 28 February 2016, the Board comprised of four Independent Non-Executive Directors. It is expected that one further appointment will be made for an operations director in the coming year.

STATUTORY AND CORPORATE GOVERNANCE INFORMATION

(CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2016

DIRECTORS' INDEPENDENCE

Same as detailed on page 4, no director was materially interested in any contract or arrangement subsisting during or at the end of the financial year that was significant in relation to the business of the Company.

RE-ELECTION

Subject to the Company's Articles of Association, the B.V.I. Business Companies Act 2004 and satisfactory performance evaluation, directors are appointed to serve indefinitely until resignation or removal.

THE BOARD'S COMMITTEES

The Board is assisted by various standing committees. The membership of these committees is regularly reviewed by the Board. When considering committee membership and chairmanship, the Board aims to ensure that undue reliance is not placed on particular directors. Following the resignation of two non-executives in the previous years, the full Board will take over the functions of the Committees described below until additional directors are approved. New committee members have been appointed during the year and the roles and responsibilities of these committees shall be reviewed.

AUDIT AND COMPLIANCE COMMITTEE

During the year ended 28 February 2016, the Audit and Compliance Committee comprised of Patrick O'Neil, Nigel McGowan, and Sanjeeven Ramasawmy. The Audit and Compliance Committee have primary responsibility for monitoring the quality of internal controls and ensuring that financial performance is properly measured and reported. It receives and review reports from the Groups management and auditors relating to the annual financial statements. The Audit and Compliance Committee meet at least once in each financial year and has unrestricted access to the Company's auditors. The audit and compliance committee is also responsible for reviewing the adequacy of the Groups' regulatory and compliance policies.

REMUNERATION COMMITTEE

The Remuneration Committee met once in the year and approved the accrual of fees as above. The directors have resolved to take their fees in shares at the next share issue;

INVESTMENT COMMITTEE

During the year ended 28 February 2016, the Investment Committee's role was undertaken by the Full Board in line with the reduction in activities.

Attendance of meetings Directors during year	Director's Meeting 10	Audit Committee 4	Remuneration Committee	Investment Committee **
Mr. Norman Noland	10/10	-	1/1	-
Mr. Sanjeeven Ramasawmy	10/10	4/4	-	-
Mr. Nigel McGowan	10/10	4/4	1/1	-
Mr. Mark Foulds	4/10	-	-	-
Mr. Randall Thomas	4/10	-	-	-
Mr. Patrick O'Neill	4/10	2/4	-	-

STATUTORY AND CORPORATE GOVERNANCE INFORMATION (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2016

COMPANY SECRETARY

The Company Secretary is Fortenberry Corporate Services Ltd.

PORTFOLIO MANAGEMENT AND VOTING POLICY

In relation to unquoted investments, the Group's approach is to seek to add value to businesses in which the Group invests through the Group's extensive experience, resources and contacts. In relation to quoted investments, the Group's policy is to exercise voting rights on matters affecting the interests of the Group.

CHARITABLE AND POLITICAL DONATIONS

Due to the reduced activities, the Group has not undertaken any Charity or Political donation activities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by law, the Listing Rules of the Stock Exchange of Mauritius and the Securities Act 2005 of Mauritius to prepare consolidated financial statements which give a true and fair view of the state of affairs of the Company and of the Group as at the end of the year and of its results of operations for the year. The directors have a responsibility for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Company and the Group and enable them to ensure that the consolidated financial statements comply with all relevant laws and regulations. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities. Suitable accounting policies, which follow generally accepted accounting practice and are explained in the notes to the consolidated financial statements, have been applied consistently and applicable accounting standards have been followed. In addition, these consolidated financial statements comply with International Financial Reporting Standards and reasonable and prudent judgements and estimates have been used in their preparation.

AUDITORS' INDEPENDENCE AND OBJECTIVITY

Subject to annual appointment by shareholders, auditors' performance is monitored on an ongoing basis and formally reviewed on an annual basis. The Audit and Compliance Committee reviewed the auditors' performance during the year and concluded that **Crowe Horwath (Mur) Co.** should continue to act as auditors.

APPOINTMENT OF AUDITORS

A resolution proposing the reappointment of **Crowe Horwath (Mur) Co.** will be put to the members at the forthcoming Annual Meeting.

By order of the Board
27 May 2016
Fortenberry Corporate Services Limited
Secretary to the Company

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CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2016

STATEMENT OF COMPLIANCE (AS PER SECTION 75(3) OF THE FINANCIAL REPORTING ACT

We, the Directors of Dale Capital Group Limited, confirm that to the best of our knowledge that the Company has complied with most of its obligations and requirements under the Code of Corporate Governance, except for the following sections:

Section 2: The Board had one executive Chairman and two non-executives up till July 2015 when new directors were appointed and the Board had an appropriate balance.

Section 3: A nomination committee was not deemed practical given there was only the Parent & holding subsidiaries Company for most of the year.

Section 5: Risk Management, Internal Control and Internal Audit – The operations of the Group have not yet reached a stage under the re-launch that would make such a committee practical.

NORMAN NOLAND
Chairman

SANJEEVEN RAMASAWMY
Director

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DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2016

ACTIVITIES

DALE CAPITAL GROUP LIMITED is a private equity investment holding company listed on the official market of the Stock Exchange of Mauritius. Investing with its own funds and also with the funds of partners and co–investors, the Company invests in the Sub Saharan Africa Region.

RESULTS

The results for the year are shown in the consolidated statement of profit or loss and consolidated statement of other comprehensive income set out on pages 13 and 14.

DIRECTORS

The present membership of the Board is set out on page 2. During the year, Mr. Mark Foulds, Mr. Randall Thomas Thomas and Mr. Patrick O'Neill have been appointed as directors.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

It is the directors' responsibility to prepare consolidated financial statements for each financial year, which give a true and fair view of the financial position, financial performance and cash flows of the Group and of the Company. In preparing those consolidated financial statements, the directors have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- prepared the consolidated financial statements on the going concern basis.

The directors confirm that they have complied with the above requirements in preparing the consolidated financial statements.

The directors are also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and of the Company. They are also responsible for safeguarding the assets of the Group and of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, **Messrs. Crowe Horwath (Mur) Co.**, have indicated their willingness to continue in office until the next annual meeting.

On behalf of the Board of directors
Director

Date: 27 May 2016

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

FOR THE YEAR ENDED 28 FEBRUARY 2016

We have carried out an audit on the accompanying consolidated financial statements of **DALE CAPITAL GROUP LIMITED** (the "Company") which include the financial statements of its subsidiaries together referred as the "Group", and which comprise of the consolidated statement of financial position as at 28 February 2016, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended as set out on pages 12 to 17, and a summary of significant accounting policies and other explanatory information as set out on pages 18 to 45.

Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in our auditors' report and for no other purpose. We do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinion we have formed.

DIRECTORS' RESPONSIBILITIES 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 for designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error. They are also responsible for keeping proper accounting records and also for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

AUDITORS' 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 auditors' judgement, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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 the 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 qualified audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

(CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2016

BASIS FOR QUALIFIED OPINION

(i) Valuation of available-for-sale financial asset

The Group has investment in Bella Amigo Company Ltd (BACL) which is carried at fair value in the statement of financial position. The carrying amount of the said investment is based on valuation last carried out on July 2013 by an independent valuer. There has not been any independent valuation carried out as of 28 February 2016. We are therefore unable to rely on the truth and fairness of the carrying amount of the said investment in BACL and there were no other alternative audit procedures we could apply to verify same.

(ii) Recoverability of amounts owed by investee company

We refer to note 3j(v) with regards to the recoverability of loan and interest amounts owed by the investee company, BACL. There have not been any repayments made during the year and after the reporting date and there are no alternative audit procedures we could apply to verify whether the Company shall be able to recover the said debts.

QUALIFIED OPINION

Except for the matters in the 'Basis for Qualified Opinion' paragraph and of the effects of any adjustments that might have been deemed necessary had an independent valuation carried out by the group on the investment in BACL at 28 February 2016 and the recoverability of the debts been determined at that date, in our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group and of the Company as at 28 February 2016 and of their financial performance and cash flows for the year ended in accordance with International Financial Reporting Standards.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Financial Reporting Act 2004

The directors are responsible for preparing the Corporate Governance Report and making disclosures required by Section 8.4 of the Code of Corporate Governance of Mauritius (Code). Our responsibility is to report these disclosures.

In our opinion, the disclosures in the Corporate Governance Report are consistent with the requirements of the Code.

Crowe Horwath (Mur) Co

Crowe Horwath (Mur) Co.
Public Accountants

Vijay Bohorun, FCCA
Signing Partner
Licensed by FRC

Date: 27 May 2016
Ebene, Mauritius

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2016

	Notes	The Group 2016 USD	The Group 2015 USD	The Company 2016 USD	The Company 2015 USD
ASSETS					
Non-current assets					
Investment in subsidiaries	4	-	-	804,686	804,396
Available-for-sale financial asset	5	806,757	925,128	-	-
Total non-current assets		806,757	925,128	804,686	804,396
Current assets					
Trade and other receivables	6	77,146	57,188	18,415	-
Loans receivable	7	325,047	206,345	182,897	18,174
Inventories	25	6,205	-	-	-
Cash and cash equivalents		6,224	84	3,099	51
Total current assets		414,622	263,617	204,411	18,225
TOTAL ASSETS		1,221,379	1,188,745	1,009,097	822,621
EQUITY AND LIABILITIES					
Equity					
Stated capital	8	2,068,315	1,318,315	2,068,315	1,318,315
Treasury shares	9	-	(126,044)	-	(126,044)
Revaluation reserve		231,522	231,522	-	-
Share application monies	26	73,438	330,918	73,438	330,918
Translation reserve		(349,444)	(199,413)	-	-
Retained earnings		(902,954)	(813,303)	(1,222,167)	(1,136,586)
Equity attributable to equity holders of the parent		1,120,877	741,995	919,586	386,603
Non-controlling interest		(308)	-	-	-
Total equity		1,120,569	741,995	919,586	386,603
Current liabilities					
Trade and other payables	10	48,937	216,697	39,786	214,542
Borrowings	11	51,359	203,418	49,725	201,476
Bank overdraft	12	-	20,000	-	20,000
Taxation	13	514	6,635	-	-
Total current liabilities		100,810	446,750	89,511	436,018
TOTAL EQUITY AND LIABILITIES		1,221,379	1,188,745	1,009,097	822,621

Approved and authorised for issue by the Board of directors on: 27 May 2016

Norman Theodore Noland
Director

Sanjeeven Ramasawmy
Director

The notes on pages 18 to 45 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 28 FEBRUARY 2016

		The Group		The Company	
		2016	2015	**2016**	2015
	Notes	**USD**	USD	**USD**	USD
Income					
Turnover	14	**22,595**	-	**-**	-
Cost of sales		**(19,417)**	-	**-**	-
Gross profit		**3,178**	-	**-**	-
Investment income	14	**-**	34,810	**-**	-
Total income		**3,178**	34,810	**-**	-
Expenses					
Administrative expenses	27	**29,094**	33,855	**25,735**	30,742
Operating expenses	28	**48,879**	6,972	**45,288**	6,972
Total expenses		**77,973**	40,827	**71,023**	37,714
Loss from operations		**(74,795)**	(6,017)	**(71,023)**	(37,714)
Finance (costs)/income	15	**(15,192)**	18,074	**(15,100)**	18,141
Loan written back		**542**	45,022	**542**	45,022
(Loss)/profit before taxation		**(89,445)**	57,079	**(85,581)**	25,449
Taxation	13	**(514)**	(5,673)	**-**	-
(Loss)/profit for the year		**(89,959)**	51,406	**(85,581)**	25,449
Attributable to:					
Equity holders of the Company		**(89,651)**	51,406	**(85,581)**	25,449
Non-controlling interests		**(308)**	-	**-**	-
		(89,959)	51,406	**(85,581)**	25,449
Loss/profit per share		**(0.0023)**	0.0022	**(0.0021)**	0.0011

The notes on pages 18 to 45 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 FEBRUARY 2016

	The Group		The Company	
	2016	2015	**2016**	2015
	USD	USD	**USD**	USD
(Loss)/profit for the year	**(89,959)**	51,406	**(85,581)**	25,449
Other comprehensive income :				
Items that will not be reclassified subsequently to profit or loss				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	**(150,031)**	(27,203)	**-**	-
Loss arising on revaluation of available-for-sale financial assets during the year	**-**	(210,939)	**-**	-
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	**(239,990)**	(186,736)	**(85,581)**	25,449
Total comprehensive (loss)/income attributable to:				
Owners of the Company	**(239,682)**	(186,736)	**(85,581)**	25,449
Non-controlling interests	**(308)**	-	**-**	-
	(239,990)	(186,736)	**(85,581)**	25,449

The notes on pages 18 to 45 form an integral part of these consolidated financial statements.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2016

THE GROUP

	Stated capital USD	Treasury shares USD	Share application monies USD	Translation reserve USD	Revaluation reserve USD	Accumu-lated losses USD	Equity attributable to equity holders of the parent USD	Non-controlling interest USD	Total equity USD
At 28 February 2014	1,318,315	(460,981)	-	(172,210)	442,461	(529,772)	597,813	-	597,813
Profit for the year	-	-	-	-	-	51,406	51,406	-	51,406
Other comprehensive loss for the year	-	-	-	(27,203)	(210,939)	-	(238,142)	-	(238,142)
Treasury share impairment	-	334,937	-	-	-	(334,937)	-	-	-
Share applications monies	-	-	330,918	-	-	-	330,918		330,918
At 28 February 2015	1,318,315	(126,044)	330,918	(199,413)	231,522	(813,303)	741,995	-	741,995
Profit for the year	-	-	-	-	-	**(89,651)**	**(89,651)**	**(308)**	**(89,959)**
Other comprehensive income for the year	-	-	-	**(150,031)**	-	-	**(150,031)**	-	**(150,031)**
Issue of shares	**750,000**	**126,044**	**(330,918)**	-	-	-	**545,126**	-	**545,126**
Share applications monies	-	-	**73,438**	-	-	-	**73,438**	-	**73,438**
At 28 February 2016	**2,068,315**	-	**73,438**	**(349,444)**	**231,522**	**(902,954)**	**1,120,877**	**(308)**	**1,120,569**

The notes on pages 18 to 45 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2016

THE COMPANY

	Stated capital USD	Share application monies USD	Treasury shares USD	Accumulated losses USD	Total equity USD
At 28 February 2014	1,318,315	-	(460,981)	(827,098)	30,236
Profit for the year	-	-	-	25,449	25,449
Treasury share impairment	-	-	334,937	(334,937)	-
Share applications monies	-	330,918	-	-	330,918
At 28 February 2015	1,318,315	330,918	(126,044)	(1,136,586)	386,603
Loss for the year	-	-	-	**(85,581)**	**(85,581)**
Issue of shares	**750,000**	**(330,918)**	**126,044**	-	**545,126**
Share applications monies	-	**73,438**	-	-	**73,438**
At 28 February 2016	**2,068,315**	**73,438**	-	**(1,222,167)**	**919,586**

The notes on pages 18 to 45 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2016

		The Group		The Company	
		2016	2015	**2016**	2015
	Notes	**USD**	USD	**USD**	USD
Cash flows from operating activities					
Net cash used in operating activities	17	**(25,737)**	(62,030)	**(14,848)**	(53,793)
Cash flows from investing activities					
Net effect of loans with related companies		**17,496**	(15,000)	**3,527**	(5,423)
Interest received		**-**	16,218	**-**	-
Net cash from/(used in) investing activities		**17,496**	1,218	**3,527**	(5,423)
Cash flows from financing activities					
Share application monies		**-**	30,918	**-**	30,918
Repayment of financial liabilities		**-**	(10,000)	**-**	(10,000)
Net movement in loans		**34,268**	16,429	**34,268**	15,000
Net cash from financing activities		**34,268**	37,347	**34,268**	35,918
Net increase/(decrease) in cash and cash equivalents		**26,027**	(23,465)	**22,947**	(23,298)
Effect of exchange rate difference		**113**	32,445	**101**	32,286
Cash and cash equivalents at start of the year		**(19,916)**	(28,896)	**(19,949)**	(28,937)
Cash and cash equivalents at end of the year	16	**6,224**	(19,916)	**3,099**	(19,949)

All non-cash transactions are disclosed in note 17.

The notes on pages 18 to 45 form an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2016

1. GENERAL INFORMATION

The Company was originally incorporated in Mauritius under the International Companies Act 1994 as an International Company with limited liability on 9 October 2000. On 25 July 2002, the Company was converted into a Category 1 Global Business Licence issued by the Financial Services Commission of Mauritius. On 7 November 2007, the Company was registered by way of continuation in the British Virgin Islands (B.V.I) under the name Dale Capital Partners Limited. The Company has subsequently changed its name to DALE CAPITAL GROUP LIMITED on 1 March 2011 and in this respect a certificate of change of name was issued by the B.V.I authorities.

The principal activity of the Company is to act as an investment holding company and the Company is listed on the official market of the Stock Exchange of Mauritius. The Company invests with its own funds and also with the funds of partners and co–investors in the SADC Region.

The consolidated financial statements are expressed in United States dollar ("USD") which is considered to be the Company's functional currency.

The following subsidiaries have been consolidated with the Company:

Subsidiary name	% Holding	Country of incorporation
Dale Food & Beverages Holdings Ltd	100	Mauritius
Dale Hospitality Logistics Ltd	90	Mauritius

2. CHANGES IN ACCOUNTING STANDARDS AND DISCLOSURES

(i) New and amended standards and interpretations

The Company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2015.

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. This amendment is effective for annual periods beginning on or after 1 July 2014. This amendment is not relevant to the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Annual improvements 2010-2012 Cycle

IFRS 2 Share-based Payment

This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions. This amendment did not impact the Company's financial statements or accounting policies.

IFRS 3 Business Combinations

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 IAS 39.

IFRS 8 Operating Segments

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'; and

- 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.

IAS 24 Related Party Disclosures

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.

Annual improvements 2011-2013 Cycle

IFRS 3 Business Combinations

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; and
- This scope exception applies only to the accounting in the financial statements of the joint arrangement itself

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

(i) New and amended standards and interpretations (Continued)

IFRS 13 Fair Value Measurement

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 IAS 39.

(ii) Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2015 and earlier application is permitted; however, the Company has not early applied the following new or amended standards in preparing these consolidated financial statements.

IFRS 9 Financial Instruments

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

IFRS 14 Regulatory Deferral Accounts

IFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of IFRS. Entities that adopt IFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in these account balances as separate line items in the statement of profit or loss and OCI. The standard requires disclosure of the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. IFRS 14 is effective for annual periods beginning on or after 1 January 2016.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and IFRIC 13 Customer Loyalty Programmes.

IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests

The amendments to IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business, must apply the relevant IFRS 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are prospectively effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact on the Company.

Amendments to IAS 27: Equity Method in Separate Financial Statements

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in its separate financial statements will have to apply that change retrospectively. For first-time adopters of IFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to IFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments will not have any impact on the Company's financial statements.

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

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, 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. These amendments must be applied prospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact on the Company.

Annual improvements 2012-2014 Cycle

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

Assets (or disposal groups) are generally disposed of either through sale or distribution to owners. The amendment clarifies that changing from one of these disposal methods to the other would not be considered 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. This amendment must be applied prospectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. CHANGES IN ACCOUNTING STANDARDS AND DISCLOSURES (CONTINUED)

(ii) Standards issued but not yet effective (Continued)

Assets (or disposal groups) are generally disposed of either through sale or distribution to owners. The amendment clarifies that changing from one of these disposal methods to the other would not be considered 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. This amendment must be applied prospectively.

IFRS 7 Financial Instruments: Disclosures

Servicing contracts

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 the arrangement against the guidance for continuing involvement in IFRS 7 in order to assess whether the disclosures are required. The assessment of which servicing contracts constitute continuing involvement must be done retrospectively. However, the required disclosures would not need to be provided for any period beginning before the annual period in which the entity first applies the amendments.

IAS 19 Employee Benefits

The amendment clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used. This amendment must be applied prospectively.

Amendments to IAS 1 Disclosure Initiative

The amendments to IAS 1 Presentation of Financial Statements clarify, rather than significantly change, existing IAS 1 requirements. The amendments clarify:

- The materiality requirements in IAS 1;
- That specific line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position may be disaggregated;
- That entities have flexibility as to the order in which they present the notes to financial statements; and
- That the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception

The amendments address issues that have arisen in applying the investment entities exception under IFRS 10. The amendments to IFRS 10 clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

Furthermore, the amendments to IFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value. The amendments to IAS 28 allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

These amendments must be applied retrospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact on the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below:

(a) Basis of preparation of consolidated financial statements

The Company and the Group have been loss making for the last 5 years of operations.

The consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The ability of the Company to implement its new strategy will be dependent on the successful capital raise of USD 1,000,000 undertaken by the directors.

The consolidated financial statements are prepared under the historical cost convention, except as modified by fair values of financial instruments carried on the reporting date.

The historical cost convention is generally based on the fair value of the consideration given in exchange of assets. 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 measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Basis of presentation

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), which includes International Accounting Standards (IAS) and approved SIC Interpretation issued by IASB. The preparation of consolidated financial statements in accordance with International Financial Reporting Standards requires the directors to make estimates and assumptions that could affect the reported amounts and disclosures in the consolidated financial statements. Actual results may differ from those estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Investment in subsidiaries

Subsidiary undertakings are those entities in which the Company controls an investee if all three of the following elements are present:

- power over the investee,
- exposure to variable returns from the investee, and
- the ability of the investor to use its power to affect those variable returns.

Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

- The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights,
- Substantive potential voting rights held by the Company and by other parties,
- Other contractual arrangements, and
- Historic patterns in voting attendance.

(c) Basis of consolidation

The purchase method of accounting is used to account for the acquisition of the subsidiary by the Group.

The Group's consolidated financial statements include the financial statements of the Company and its subsidiaries and are made up to 28 February 2016. The results are included in the consolidated financial statements and all intra group transactions and balances have been eliminated.

The financial statements of the subsidiaries incorporated in Mauritius referred to in note 1 have been presented in accordance with International Financial Reporting Standards and the Mauritius Companies Act 2001.

Investment in subsidiaries are shown at cost less impairment, if any. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the carrying amount is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to the profit or loss. On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss.

(d) Foreign currency translation

For the purpose of consolidation, the financial position, performance and cash flows of each group entity are translated to United States dollar ("USD") which is the functional and presentation currency in which the Company operates.

Foreign currency transactions are normally translated into USD at the exchange rate ruling on the transaction dates. Monetary assets and liabilities at the reporting date, which are denominated in foreign currencies, are translated into USD at the rate of exchange ruling at the reporting date. Gains and losses on exchange are dealt with in the consolidated statement of profit or loss.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group are expressed in USD using exchange rates prevailing at the reporting date. Income and expense items are translated at the average rates for the year, unless exchange rates fluctuated significantly during the period, in which case the exchange rate at the dates of the transactions are used. Exchange differences arising on consolidation are dealt with and classified as translation reserve under equity. Such exchange differences are recognised as gain or loss in the year in which the foreign operation is disposed of.

(e) Revenue recognition

Revenue from services is recognised when the services have been performed and are billable.

Investment income includes interest income and dividend income. Interest income is recognised as it accrues unless collectability is in doubt and dividend income when the shareholders' right to receive payment is established.

Revenue from the sales of goods is recognised on the transfer to the customer of the significant risks and rewards of ownership of the goods, which generally coincides with delivery date.

(f) Related parties

Related parties are individuals and companies where the individuals or companies have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

(g) Taxation

Current taxation comprises of taxation payable or recoverable, calculated on the basis of the expected taxable profit for the year using the taxation rates enacted at the reporting date, and any adjustments of tax payable for previous years. The Company being registered in the BVI is not subject to any tax. Its subsidiaries are, however, subject to the tax regulations effective in the jurisdiction in which they operate.

Deferred tax is provided, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments

Financial assets and liabilities are recognised on the Group's consolidated statement of financial position when the Group has become a party to the contractual provisions of the instrument.

(i) Available-for-sale financial assets

The Group has classified the investments, other than investments in subsidiary, associate and trading investments, as available-for-sale financial assets. Listed investments are stated at the market price of the securities. Unlisted investments for which a reliable fair value measurement is not available is recorded at cost less impairment, if any. Any permanent diminution in value is recognised by reducing the cost to the realisable value and charging the difference to the consolidated statement of profit or loss. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the consolidated statement of profit or loss.

(ii) Impairment of assets

If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease to the extent of the corresponding revaluation surplus.

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

(iii) Trade receivables

Trade and other receivables are measured at amortised cost, using the effective interest method, less any impairment loss. An allowance for impairment of trade and other receivables is established if the collection of a receivable becomes doubtful. Such receivable becomes doubtful when there is objective evidence that we will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. An impairment loss is recognised in the statement of income, as are subsequent recoveries of previous impairments.

(iv) Loan receivables

Loan receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans are initially recognised at cost, being the fair value of the total consideration granted. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. The EIR amortisation is included in finance income in profit or loss. The losses arising from impairment are recognised in profit or loss.

(v) Cash and cash equivalents

Cash comprises of cash at bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(vi) Trade and other payables

Trade and other payables are stated at their nominal value.

(vii) Bank overdraft and borrowings

Bank overdraft and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the company's accounting policy for borrowing costs.

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to the present location and condition. The costs of conversion of inventories include direct labour and fixed and variable production overheads, and take into account the stage of completion. The costs of inventories are determined using the weighted average cost formula. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses.

(j) Significant management judgements in applying accounting policies

The following are the most significant management judgements made in applying the accounting policies of the company that have significant effects on the consolidated financial statements. Critical estimation uncertainties are described in note 3(k).

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Significant management judgements in applying accounting policies (Continued)

(i) Determination of functional currency

The determination of functional currency of the Company is critical since recording of transactions and exchange differences arising there are dependent on the functional currency selected. As described in note 1, the directors have considered those factors therein and have determined that the functional currency of the Company is the United States dollar (USD).

(ii) Impairment of financial assets

Management assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or 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 (or events) has an impact on the estimated future cash flows of the financial assets that can be reliably estimated. There are no indicators of events having impact on future cash flows of the Company. Therefore, no impairment provision is required to be made by the Company.

(iii) Impairment of non-financial assets

In assessing whether a full impairment test is required for the investment in the subsidiaries, the Company has considered whether it has recognised a dividend from the investment and evidence is available that:

- the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the financial statements of the subsidiary’s net assets; or
- the dividend exceeds the total comprehensive income of the subsidiary in the period in which the dividend is declared.

The directors have noted that no dividends have been received or declared and that the carrying amount of the investment in the separate financial statements is lower than the carrying amount in the financial statements of the subsidiary’ net assets. Therefore, no impairment provision have been made by the Company.

(iv) Impairment of investment in subsidiary

The directors have considered the continued losses suffered by the underlying investment made by the Company through its subsidiary, Dale Foods & Beverages Holdings Limited, in Bella Amigo Company Limited (BACL), included under the heading of ‘Available-for-sale financial asset and loan and receivables’ in their assessment as to whether any provision for impairment is required to be made to the investment in the subsidiary. Management believes that no further impairment is required as the investee has continued to operate and any further impairment would be unrealistic to the operations of the investee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(v) Recoverability of loan and interest receivable from Bella Amigo Company Limited (BACL)

The directors are confident of recovering the loan and the interest from BACL and therefore no impairment provision has been made.

(vi) Debt to equity swaps

The equity instruments issued are measured and recognised at fair value of the issued equity instruments (if fair value can be measured reliably). The equity instruments are required to be measured to reflect the fair value of the financial liability extinguished. The equity instruments issued are initially recognised and measured at the date the financial liability (or part) is extinguished. The difference between the carrying amount of the financial liability (or part of a financial liability) extinguished, and the consideration paid, is recognised in profit or loss in accordance with IAS 39.41).

If only part of the financial liability is extinguished, the entity is required to assess whether some of the consideration paid relates to a modification of the terms of the liability that remains outstanding. If part of the consideration paid does relate to a modification of the terms of the remaining part of the liability, the entity allocates the consideration paid between the part of the liability extinguished and the part of the liability that remains outstanding. The entity considers all relevant facts and circumstances relating to the transaction in making this allocation. If the remaining liability has been substantially modified, the entity is required to (i) Extinguish the original liability and (ii) Recognise a new liability, as required by IAS 39.40. Changes are recognised and disclosed as a separate line item in consolidated statement of profit or loss.

(k) Estimation uncertainty

When preparing the consolidated financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual result may differ from the judgements, estimates and assumptions made by management and will seldom equal the estimated results.

(l) Offsetting financial instruments

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

4. INVESTMENT IN SUBSIDIARY

Name of companies and country of incorporation	Activities	% Holding	2016 Cost USD	2015 Cost USD
Dale Food & Beverages Holdings Limited - Mauritius	Fine Foods & Beverages	100	**804,396**	804,396
Dale Hospitality Logistics Ltd - Mauritius	Distribution	90	**290**	-
			804,686	804,396

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2016

5. INVESTMENT IN AVAILABLE-FOR-SALE FINANCIAL ASSET

The Group	2016 USD	2015 USD
Available-for-sale financial asset carried at fair value	806,757	806,757
Total	806,757	806,757

Details of the unquoted available-for-sale financial asset for the group are as follows:

Name of investee company	Cost 2016 USD	Cost 2015 USD	Fair values 2016 USD	Fair values 2015 USD
Bella Amigo Company Limited	695,680	695,680	806,757	925,128
Total available-for-sale investment	695,680	695,680	806,757	925,128

	Fair values 2016 USD	Fair values 2015 USD
Carrying amount at 1 March	925,128	1,155,600
Loss on revaluation	-	(210,939)
Loss on translation of available-for-sale financial asset	(118,371)	(19,533)
Carrying amount at 28 February	806,757	925,128

6. TRADE AND OTHER RECEIVABLES

	The Group 2016 USD	The Group 2015 USD	The Company 2016 USD	The Company 2015 USD
Trade receivables	7,333	-	-	-
Other receivables	19,942	-	18,415	-
Interest receivable	49,871	57,188	-	-
	77,146	57,188	18,415	-

The directors consider the carrying amounts of trade and other receivables to approximate their fair values. The interest receivables relates to the interest receivable on the loan to Bella Amigo Company Limited carrying interest at 8%.

7. LOAN RECEIVABLES

	The Group 2016 USD	The Group 2015 USD	The Company 2016 USD	The Company 2015 USD
Amount owed by Group Companies (note 29)	-	-	24,712	3,174
Amount owed by related Companies (note 29)	325,047	206,345	158,185	15,000
	325,047	206,345	182,897	18,174
The repayment terms are as follows:				
No fixed terms of repayment	325,047	206,345	158,185	18,174

The Group has made loan amounting to USD 158,185 to Linked to Africa Management Services Ltd and which shall to be converted to a 20% of the Company's shareholding in the latter company as part of its strategic repositioning.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. STATED CAPITAL

	Number of ordinary shares	USD
At 1 March 2014	**23,416,696**	**1,318,315**
At 28 February 2015	**23,416,696**	**1,318,315**
Issue of shares from Treasury	**2,360,376**	**-**
New Issue of shares	**14,044,944**	**750,000**
At February 2016	**39,822,016**	**2,068,315**

*The Company issued all its treasury shares during the year and received approval for a new issue of 14,044,944 shares. The share application monies amounting to USD 330,918 was capitalised during the year.

9. TREASURY SHARES

	Number of shares		Fair Value	
	2016	2015	**2016**	2015
	USD	USD	**USD**	USD
Opening balance	**2,360,376**	2,360,376	**126,044**	460,981
Issue of shares	**(2,360,376)**	(2,360,376)	**(126,044)**	-
Impairment	**-**	-	**-**	(334,937)
Closing balance	**-**	-	**-**	126,044

All treasury shares were issued during the year for a total consideration of USD 126,044.

10. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2016	2015	**2016**	2015
	USD	USD	**USD**	USD
Trade payables	**28,176**	157,535	**24,786**	157,535
Accruals	**20,761**	59,162	**15,000**	57,007
	48,937	216,697	**39,786**	214,542

The directors consider that the carrying amount of other payables to approximate their fair values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11.BORROWINGS (CURRENT)

	The Group		The Company	
	2016	2015	**2016**	2015
	USD	USD	**USD**	USD
Amount owed to related				
Companies/parties (note 29)	**45,535**	195,595	**43,901**	195,652
Amount owed to third party	**5,824**	5,824	**5,824**	5,824
	51,359	203,418	**49,725**	201,476
The repayment terms are as follows:				
Within one year	**51,359**	203,418	**49,725**	201,476
	51,359	203,418	**49,725**	201,476

Loans from related parties relate to shareholders funding carrying fixed interest between 8-10% as agreed, with floating charges over relevant assets to which the borrowings were undertaken.

12. BANK OVERDRAFT

	The Group		The Company	
	2016	2015	**2016**	2015
	USD	USD	**USD**	USD
Bank overdraft	-	20,000	-	20,000

The Company's overdraft facility with the Afrasia Bank Limited and the balances were repaid during the year.

13. TAXATION

(i) Under the present laws of B.V.I, dividends remitted to shareholders resident outside B.V.I will not be subject to withholding taxes in the B.V.I. There are no taxes on profits or income, nor any capital gains, estate duty or inheritance tax applicable to shares held by non-residents of the B.V.I. The Company is also not subject to stamp taxes or other similar duties on the issuance, transfer or redemption of the Company's shares.

(ii) Under the present laws of Mauritius, Companies having the status of a domestic company are taxable at the rate of 15%.

No capital gains tax is payable on profits from sale of securities in Mauritius and any dividend and redemption proceeds paid by the Company to its shareholders will be exempt from any withholding tax in Mauritius.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2016

13. TAXATION (CONTINUED)

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
Current tax suffered:				
- On taxable income	-	5,673	-	-
- CSR	514	-	-	-
Total tax suffered	514	5,673	-	-
Current tax payable				
In Mauritius by the subsidiary	514	6,635	-	-
	514	6,635	-	-

14. REVENUE

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
Sale of goods- General and Trading	22,595	-	-	-
Investment income	-	34,810	-	-
	22,595	34,810	-	-

15. FINANCE COSTS

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
Interest on bank overdrafts and loans	2,687	20,485	2,687	20,485
Bank charges	292	202	199	135
Realised foreign exchange loss/(gain)	12,213	(38,761)	12,214	(38,761)
	15,192	(18,074)	15,100	(18,141)

16. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
Bank balances and cash	6,224	84	3,099	51
Bank overdraft	-	(20,000)	-	(20,000)
	6,224	(19,916)	3,099	(19,949)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2016

17. CASH GENERATED FROM OPERATIONS

	The Group		The Company	
	2016	2015	**2016**	2015
	USD	USD	**USD**	USD
Cash from operating activities				
(Loss)/profit before tax	**(89,445)**	57,079	**(85,581)**	26,449
Adjustments for:				
Directors fees converted to share application monies	**24,800**	-	**24,800**	-
Expenses borne by related parties	**47,080**	-	**41,534**	-
Investment income	**-**	(34,810)	**-**	-
Finance costs	**2,687**	20,620	**2,687**	20,620
Loan written back	**(542)**	(45,022)	**(542)**	(45,022)
Net foreign exchange loss/(gain)	**12,213**	(38,762)	**12,213**	(38,761)
Operating loss before working capital changes	**(3,207)**	(40,895)	**(4,889)**	(36,714)
Increase in inventories	**(6,291)**	-	**-**	-
Increase in trade and other receivables	**(8,982)**	-	**-**	-
Decrease in trade and other payables	**(1,277)**	(17,176)	**(8,648)**	(17,079)
Cash absorbed by operations	**(19,757)**	(58,071)	**(13,537)**	(53,793)
Income tax paid	**(4,669)**	(3,959)	**-**	-
Net interest paid	**(1,311)**	-	**(1,311)**	-
Net cash used in operating activities	**(25,737)**	(62,030)	**(14,848)**	(53,793)

NON-CASH TRANSACTIONS:

The following non-cash transactions took place during the year under review:

	2016	2015
	USD	USD
Investing activities		
Investment in subsidiary	**290**	-
Loan to related companies	**(186,665)**	-
Financing activities		
Issue of shares	**750,000**	-
Share application monies	**(131,435)**	-
Loan from related parties	**(759,620)**	-
Issue of Treasury shares	**126,044**	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. BUSINESS SEGMENTS

Principal activities (2016)	Trading USD	Investment USD	Total USD
Revenue	20,485	-	22,595
Expenses	202	(71,790)	(97,390)
Finance costs	(38,761)	(15,122)	(15,192)
Other	(18,074)	542	542
Taxation	2,687	-	-
Loss for the year	**(3,075)**	**(86,370)**	**(89,445)**
Assets	18,163	1,203,216	1,221,379
Liabilities	(6,619)	(94,191)	(100,810)
Net asset value	**11,544**	**1,109,025**	**1,120,569**

Principal activities (2015)	Investment USD	Total USD
Revenue	34,810	34,810
Expenses	(40,827)	(40,827)
Finance income	18,074	18,074
Other gains	45,022	45,022
Taxation	(5,673)	(5,673)
Profit for the year	**51,406**	**51,406**
Assets	1,188,744	1,188,744
Liabilities	(446,325)	(446,325)
Net asset value	**742,419**	**742,419**

GEOGRAPHICAL (2016)

Companies incorporated in:	BVI USD	Mauritius USD	Total USD
Revenue	-	22,595	22,595
Cost of sales	-	(19,417)	(19,417)
Expenses	(71,023)	(6,950)	(77,973)
Finance cost	(15,100)	(92)	(15,192)
Other gains	542	-	542
Taxation	-	(514)	(514)
Loss for the year	**(85,581)**	**(4,378)**	**(89,959)**
Assets	179,699	1,041,680	1,221,379
Liabilities	(89,511)	(11,299)	(100,810)
Net asset value	**90,188**	**1,030,381**	**1,120,569**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. BUSINESS SEGMENTS (CONTINUED)

GEOGRAPHICAL (2015)

Companies incorporated in:	BVI	Mauritius	Total
	USD	USD	USD
Revenue	-	34,810	34,810
Expenses	(37,714)	(3,113)	(40,827)
Finance income /(cost)	18,141	(67)	18,074
Other gains	45,022	-	45,022
Taxation	-	(5,673)	(5,673)
Profit for the year	**25,449**	**25,957**	**51,406**
Assets	15,051	1,173,693	1,188,744
Liabilities	(436,018)	(10,310)	(446,328)
Net asset value	**(420,967)**	**1,163,383**	**742,416**

19. FINANCIAL SUMMARY

Statement of financial position (Group)	2016	2015	2014	2013	2012
	USD	USD	USD	USD	USD
Stated capital	**2,068,315**	1,318,315	1,318,315	21,818,315	21,818,315
Translation reserve	**(349,444)**	(199,413)	(172,210)	95,530	1,209,255
Revaluation reserve	**231,522**	231,522	442,461	430,055	3,711,509
Retained earnings	**(902,954)**	(813,303)	(529,772)	(22,183,035)	(13,366,199)
Non-current assets	**806,757**	925,128	1,155,600	11,602,477	25,944,908
Current assets	**414,622**	263,616	578,608	1,087,222	2,159,783
Non-current liabilities	**-**	-	-	-	8,608,694
Current liabilities	**100,810**	446,750	1,136,395	11,002,954	2,898,969
Statement of profit or loss (Group)					
Gross income	**22,595**	34,810	330,472	2,746,370	2,572,300
(Loss)/profit before taxation	**(89,445)**	57,079	(1,705,078)	(10,508,461)	(4,490,335)
Tax	**(514)**	(5,673)	(6,995)	(6,644)	(87,026)
Discontinued operations	**-**	-	2,727,259	-	(102,770)
Profit/loss for the year	**(89,959)**	51,406	1,015,186	(10,515,105)	(4,680,131)
Dividends paid	**-**	-	-	-	-
Performance					
Dividend per share	**-**	-	-	-	-
Net asset value per share	**0.03**	0.03	(0.01)	(0.01)	0.49
Number of shares in issue	**39,822,016**	23,416,696	23,416,696	23,416,696	23,416,696

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. FINANCIAL RISKS

The carrying amounts of investment in available-for-sale financial asset, trade and other receivables, loans receivable, cash and cash equivalents, borrowings, bank overdraft and trade and other payables approximate their fair values due to their short term nature. Financial assets and liabilities which are accounted for at historical cost are carried at values which may differ materially from their fair values.

In assessing the fair value of financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. The directors periodically review and monitor the fair value workings. Where necessary or significant independent advice is sought from professionals in the relevant fields. The face value less any estimated credit adjustments for financial assets and financial liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair values of those assets and liabilities not presented on the Group's and Company's consolidated statement of financial position at their values are not materially different from their carrying amounts.

Financial risk management

The Board is ultimately responsible for risk management, which includes the Group's risk governance structure and maintaining an appropriate internal control framework. Management's responsibility is to manage risk on behalf of the Board. Written principles have been established throughout the Group for overall risk management, as well as procedures covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and concentration risk.

(i) Currency risk

The Group has invested in companies having currency denominated Mauritian rupee (MUR) for which the Group personally suffers exchange rate movements. The Group also has bank balances denominated in South African Rand (ZAR). Consequently, the Group is exposed to the risk that the exchange rate of the US dollar (USD) relative to these currencies may change in a manner which has a material effect on the reported values of the Group's assets which are denominated in these currencies.

Investments that are denominated in a foreign currency will be subject to the risk that the value of that particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments.

The Group reports in USD and pays dividends from its profits, while its investments are largely denominated in MUR. The primary risk to which the Group's portfolio is exposed is the depreciation of the MUR relative to the USD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. FINANCIAL RISKS (CONTINUED)

(i) Currency risk (Continued)

Exposures to foreign currencies are as follows:

The Group

2016	GBP	MUR	ZAR	USD	Total
Non-current financial assets	**-**	**806,757**	**-**	**-**	**806,757**
Long term exposure	**-**	**806,757**	**-**	**-**	**806,757**
Current financial assets	**2**	**235,410**	**2,548**	**176,662**	**414,622**
Current financial liabilities	**-**	**(10,784)**	**-**	**(89,510)**	**(100,294)**
Short term exposure	**2**	**224,626**	**2,548**	**87,152**	**314,328**

2015	GBP	MUR	ZAR	USD	Total
Non-current financial assets	-	925,128	-	-	925,128
Long term exposure	-	925,128	-	-	925,128
Current financial assets	-	248,565	-	15,051	263,616
Current financial liabilities	(154,259)	(4,096)	-	(281,759)	(440,114)
Short term exposure	(154,259)	244,469	-	(266,708)	(176,498)

The Company

2016	GBP	MUR	ZAR	USD	Total
Non-current financial assets	**-**	**804,686**	**-**	**-**	**804,686**
Long term exposure	**-**	**804,686**	**-**	**-**	**804,686**
Current financial assets	**2**	**25,199**	**2,548**	**176,662**	**204,411**
Current financial liabilities	**-**	**-**	**-**	**(89,511)**	**(89,511)**
Short term exposure	**2**	**25,199**	**2,548**	**87,151**	**114,900**

2015	GBP	MUR	ZAR	USD	Total
Non-current financial assets	-	804,396	-	-	804,396
Non-current financial Liabilities	-	-	-	-	-
Long term exposure	-	804,396	-	-	804,396
Current financial assets	-	3,225	-	15,000	18,225
Current financial liabilities	(154,259)	-	-	(281,759)	(436,018)
Short term exposure	(154,259)	3,225	-	(266,759)	(417,793)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

If US dollar had strengthened by 10%/5% against MUR/ZAR respectively the financial impact will be as follows:

	The Group		The Company	
	2016	2015	**2016**	2015
	USD	USD	**USD**	USD
Net loss for the year	**22,590**	4,628	**2,647**	4,628
Equity	**103,266**	116,332	**83,116**	-

(ii) Interest rate risk

The Group's income and operating cash flows are influenced by changing market interest rates. The Companies borrowings and lending's contracted at mainly at fixed rates. Exposure to market variables in the Group relate to long term borrowings. The sensitivity of the net result for the year and equity to a possible change in interest rates of + or- (0.5% for the USD; 1% for the MUR with effect from the beginning of the year with all other variables constant would have had the following impact last year:

	The Group		The Company	
	2016	2015	**2016**	2015
	USD	USD	**USD**	USD
Net loss for the year	**(137)**	(100)	**(137)**	(100)
Equity	**(137)**	(100)	**(137)**	-

(iii) Concentration risk

At 28 February 2016, the Group's net assets consisted of investments in companies incorporated in Mauritius through its subsidiaries which involve certain considerations and risks not typically associated with investments in other developed countries although the current developments in the developed countries as they battle with the effects of a global recession do have an impact on emerging economies.

(iv) Credit risk

The Group's main credit risk is with its loan accounts provided to investee companies and as the loans were provided more as shareholders' support than loan investment. Talks will be undertaken with a view to capitalising these amounts.

	The Group		The Company	
	2016	2015	**2016**	2015
	USD	USD	**USD**	USD
Investment in available for sale financial asset	**806,757**	925,128	**-**	-
Trade and other receivables	**77,146**	57,188	**18,145**	-
Loan receivable	**325,047**	206,345	**182,897**	18,174
Cash and cash equivalents	**6,224**	84	**3,099**	51
	1,215,174	1,188,745	**204,411**	18,225

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. FINANCIAL RISKS (CONTINUED)

(v) Liquidity risk

The group's total gearing continued to be high due to historical debt remaining. As a result the group has had to continue to resort to shareholders support. At year end the directors had already initiated procedures for a fresh capitalisation of the Company.

The Company	Due 3-12 months USD	Total USD
Year ended 28 February 2016		
Financial liabilities		
Non-interest bearing liabilities:		
Borrowings	22,458	22,458
Trade and other payables	48,937	48,937
Interest bearing liability:		
Borrowings	28,901	28,901
	100,296	100,296

The Group	Due 3-12 months USD	Total USD
Year ended 28 February 2015		
Financial liabilities		
Non-interest bearing liabilities:		
Borrowings	174,517	174,517
Trade and other payables	216,697	216,697
Trade and other payables	20,000	20,000
Interest bearing liability:		
Borrowings	28,901	28,901
	440,115	440,115

The Company	Due 3-12 months USD	Total USD
Year ended 28 February 2016		
Financial liabilities		
Non-interest bearing liabilities:		
Borrowings	20,824	20,824
Trade and other payables	39,786	39,786
Interest bearing liability:		
Borrowings	28,901	28,901
	89,511	89,511

The Group	Due 3-12 months USD	Total USD
Year ended 28 February 2015		
Financial liabilities		
Non-interest bearing liabilities:		
Borrowings	172,575	172,575
Trade and other payables	214,542	214,542
Trade and other payables	20,000	20,000
Interest bearing liability:		
Borrowings	28,901	28,901
	436,018	436,018

21. FAIR VALUE MEASUREMENT

The Group

A number of assets and liabilities included in the Company's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Company's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

Level 1: Quoted prices in active markets for identical items (unadjusted);
Level 2: Observable direct or indirect inputs other than Level 1 inputs; and
Level 3: Unobservable inputs (i.e. not derived from market data).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21. FAIR VALUE MEASUREMENT (CONTINUED)

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the year they occur.

The following tables set out the fair values of financial instruments that are analysed by the level in the fair value hierarchy into which each fair value measurement is categorised:

The Group	Level 1	Level 2	Level 3	Level 4
Assets	USD	USD	USD	USD
Investment in available for sale financial asset	-	-	806,757	806,757
Trade and other receivables	-	-	77,146	77,146
Loan receivable	-	-	325,047	325,047
Cash and cash equivalents	-	-	6,224	6,224
Total	-	-	1,215,174	1,215,174
Liabilities				
Borrowings	-	-	51,359	51,359
Trade and other payables	-	-	48,937	48,937
Total	-	-	100,296	100,296

The Company	Level 1	Level 2	Level 3	Level 4
Assets	USD	USD	USD	USD
Trade and other receivables	-	-	24,712	24,712
Loan receivable	-	-	176,600	176,600
Cash and cash equivalents	-	-	3,099	3,099
Total	-	-	204,411	204,411
Liabilities				
Borrowings	-	-	49,725	49,725
Trade and other payables	-	-	39,786	39,786
Total	-	-	89,511	100,296

The fair values of trade and other receivables, loan receivable, cash and cash equivalents and trade and other payables, borrowings and bank overdraft approximate their carrying values due to their short term nature.

22. CONTINGENT LIABILITY

Contingent liability for the Group amounting to USD 55,824 has arisen as a result of guarantees given by the Group under the Debt Settlement Agreements entered into last year.

23. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Internally imposed capital requirements

The Company's objectives when managing capital are:

- to provide an adequate return to shareholders by pricing services commensurate with the level of risk;
- to comply with the capital requirements set out by the regulators;
- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to maintain a strong asset base to support the development of business.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Company does not have any external debts and therefore, consistently with others in the industry, the Company is not required to monitor its capital on the basis of the gearing ratio. There has not been any change in the way the Company manages its capital.

Externally imposed capital requirements

The Company is not exposed to any externally imposed capital requirements.

24. EVENTS AFTER REPORTING PERIOD

The board has undertaken to file listing particulars for a capital raise of USD 1,000,000 in the second quarter of 2016.

25. INVENTORIES

	The Group		The Company	
	2016	2015	**2016**	2015
	USD	USD	**USD**	USD
Finished goods	**6,205**	-	**-**	-
	6,205	-	**-**	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2016

26. SHARE APPLICATION MONIES

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
Opening balance	330,918	-	330,918	-
Net movement during the year	492,520	330,918	492,520	330,918
Issue of shares	(750,000)	-	(750,000)	-
	73,438	330,918	73,438	330,918

27. ADMINISTRATIVE EXPENSES

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
Regulatory Authority fees	9,209	4,982	9,209	4,982
Professional fees	18,265	13,113	16,526	10,000
Mauritian administrator fee	-	15,760	-	15,760
General expenses	1,312	-	-	-
Authority and licence fee	193	-	-	-
Penalty fee	115	-	-	-
	29,094	33,855	25,735	30.742

28. OPERATING EXPENSES

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
Directors and chairman fees	23,166	-	23,166	-
Project expenses	6,324	-	6,324	-
Disclosable expenses circulars	5,500	45	5,500	45
Consultancy services	3,000	-	3,000	-
Legal advice expenses	500	-	500	-
Annual report expenses	6,798	5,496	6,798	5,496
Regulatory Authority fees	-	-	-	-
Overseas travelling expenses	760	1,431	-	1,431
Motor vehicle running expenses	2,200	-	-	-
Communication expenses	631	-	-	-
	48,879	6,972	45,288	6,972

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2016

29. RELATED PARTY TRANSACTIONS – (THE GROUP)

2015

	Interest received USD	Interest paid USD	(Purchase)/sale of financial assets USD	Investment activities USD	Purchases of services USD	Amount receivables USD	Amount payables USD
Shareholders	-	-	-	-	-	-	180,595
Enterprises with common directors	-	-	-	-	-	3,174	-
Other related parties	-	-	-	-	-	15,000	15,000
	-	-	-	-	-	18,174	195,595

2016

	Interest received USD	**Interest paid USD**	**(Purchase)/sale of financial assets USD**	**Investment activities USD**	**Purchases of services USD**	**Amount receivables USD**	**Amount payables USD**
Shareholders	-	-	-	-	-	-	**30,535**
Other related parties	-	-	-	-	-	**158,185**	**15,000**
	-	-	-	-	-	**158,185**	**45,535**

RELATED PARTY TRANSACTIONS – (THE COMPANY)

2015

	Interest received USD	Interest paid USD	(Purchase)/sale of financial assets USD	Investment activities USD	Purchases of services USD	Amount receivables USD	Amount payables USD
Shareholders	-	-	-	-	-	-	180,652
Subsidiaries	-	-	-	-	-	3,174	-
Enterprises with Common Directors	-	-	-	-	-	15,000	15,000
	-	-	-	-	-	18,174	195,652

2016

	Interest received USD	**Interest paid USD**	**(Purchase)/sale of financial assets USD**	**Investment activities USD**	**Purchases of services USD**	**Amount receivables USD**	**Amount payables USD**
Shareholders	-	-	-	-	-	-	**28,901**
Subsidiaries	-	-	-	-	-	**24,712**	-
Enterprises with common directors	-	-	-	-	-	**158,185**	**15,000**
	-	-	-	-	-	**182,897**	**43,901**

NOTICE OF ANNUAL GENERAL MEETING

FOR THE YEAR ENDED 28 FEBRUARY 2016

Notice is hereby given that the Annual General Meeting of Dale Capital Group Limited will be held at the office of Fortenberry Corporate Services Ltd, 2 River Court, St Denis St, Port-Louis, Mauritius at 09.30 a.m on Tuesday 9 August 2016 for the following purposes.

1. To receive, consider and adopt the report of the auditors and annual financial statements of the company for the financial year ended 28 February 2016.

2. To confirm the re-appointment of Crowe Howarth (Mauritius) as independent auditors of the company for the ensuing financial year.

3. To transact such other business as may be transacted at an annual general meeting.

Voting and Proxies

A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company. For the convenience of registered members of the company, a form of proxy is enclosed and is only to be completed by those shareholders who:

- Hold ordinary shares in certificate form

- Have dematerialised their ordinary shares through the Central Depository & Settlement Co. Ltd (CDS) or broker and wish to attend the annual general meeting. Shareholders must instruct the CDS or broker to provide them with the relevant Letter of Representation, or they must provide the CDS or broker with their voting instructions in terms of the relevant custody agreement entered into between then and the CDS or broker.

Proxy forms should be forwarded to reach the Company Secretary at least 48 hours before the time of the meeting (Excluding Saturdays, Sundays and public holidays in Mauritius)

By order of the board

Fortenberry Corporate Services Ltd
Company Secretary
12 July 2016

FORM OF PROXY

Dale Capital Group Limited

Share code: DCPL.N000

For use only by ordinary shareholders at the annual general meeting (meeting) of the company to be held at the office of Fortenberry Corporate Services Ltd, 2 River Court, St Denis St, Port-Louis, Mauritius at 9.30 a.m on Tuesday 9 August 2016 for the following purposes.

I / We (full registered name) ______________________________

of (full registered address) ______________________________

Being the holder of Ordinary shares (enter number) ______________________________

Do hereby appoint

1.______________________________ or failing him/her

2.______________________________ or failing him/her

3. 3.The Chairman of the meeting as my/our proxy to act for me/us at the meeting for the purposes of considering and, if deemed fit, passing, with or without modifications, the resolutions to be proposed at each adjournment thereof, to vote for and/or against the resolutions and/or to abstain from voting for and/or against the resolutions in respect of the shares registered in my/our name in accordance with the following instructions:

	Resolutions	**Number of shares**		
		For	**Against**	**Abstain**
1.	To receive, consider and adopt the report of the auditors and annual financial statements of the company for the financial year ended 28 February 2016.			
2.	To confirm the re-appointment of Crowe Howarth (Mauritius) as independent auditors of the company for the ensuing financial year.			
3.	To authorise the Board to effect necessary corporate actions to allow for a dual listing on the Johannesburg Stock Exchange			

Signed at ______________________________ on ______________________________ 2016

Signature ______________________________

FORM OF PROXY

NOTES TO THE FORM OF PROXY

1. The form of proxy must only be used by certificated or dematerialised shareholders.

2. Shareholders are reminded that the onus is on them to communicate with the CDS or broker

3. A shareholder entitled to attend and vote may insert the name of a proxy or the names of an alternative proxy of the shareholder's choice.

4. A shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each share held. A shareholder's instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the shareholder in the appropriate box(es). Failure to comply with this will be deemed to authorise the proxy to vote as he/she deems fit.

5. Documentary evidence establishing the authority of the person singing the form of proxy in a representative capacity must be attached to this form, unless previously recorded by the company or unless this requirement is waived by the Chairman of the meeting.

6. Where there are joint holders of shares, any one holder may sign the form of proxy.

7. Forms of proxy must be lodged with or mailed to the Company Secretary to be received no later than 48 hours before the time of the meeting (Excluding Saturdays, Sundays and public holidays in Mauritius)

8. Any alterations or corrections made to this form of proxy, other than the deletion of alternatives, must be initialled by the signatory/ies.

C/O Fortenberry Corporate Services Ltd,
2 River Court, St. Denis Street, Port-Louis, Mauritius
BVI Registration Number: 1443428

www.dale-capital.com