

Amica Guesthouse (Proprietary) Limited

Formerly Orban Investments One Hundred and Fifty-Five (Proprietary) Limited
(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Notes to the Financial Statements

	2017 N\$	2016 N\$
--	-------------	-------------

2. Property, plant and equipment

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	10 057	(2 492)	7 565	2 014	(1 784)	230
Office and guesthouse equipment	225 314	(213 066)	12 248	224 209	(188 584)	35 625
Crockery and cutlery	91 742	-	91 742	90 556	-	90 556
Total	327 113	(215 558)	111 555	316 779	(190 368)	126 411

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	230	8 043	(708)	7 565
Office and guesthouse equipment	35 625	1 105	(24 482)	12 248
Crockery and cutlery	90 556	1 186	-	91 742
	126 411	10 334	(25 190)	111 555

Reconciliation of property, plant and equipment - 2016

	Opening balance	Depreciation	Total
Furniture and fixtures	901	(671)	230
Office and guesthouse equipment	60 347	(24 722)	35 625
Crockery and cutlery	90 556	-	90 556
	151 804	(25 393)	126 411

Property, plant and equipment encumbered as security

Property, plant and equipment are unsecured.

Depreciation rates

The depreciation methods and average useful lives of property, plant and equipment have been assessed as follows:

Furniture and fixtures	Straight line basis - years	6.66	6.66
Office and guesthouse equipment	Straight line basis - years	6.66	6.66
Crockery and cutlery	Straight line basis - years	6.66	6.66

Registers with details of property, plant and equipment are available for inspection by shareholders or their duly authorised representatives at the registered office of the company.

Amica Guesthouse (Proprietary) Limited

Formerly Urban Investments One Hundred and Fifty-Five (Proprietary) Limited
(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Notes to the Financial Statements

	2017 N\$	2016 N\$
3. Loans to (from) group companies		
Fellow subsidiaries		
Namzinc (Proprietary) Limited	(1 725 348)	(1 725 348)
The unsecured loan has no fixed repayment terms and accrues interest at rates determined by the parties from time to time. The company does not have an unconditional right to defer settlement of the loan for at least twelve months after the reporting date.		
4. Trade and other receivables		
Staff loans	4 025	3 710
Trade receivables	341 734	294 164
	<u>345 759</u>	<u>297 874</u>
Trade and other receivables are unsecured.		
5. Inventories		
Consumables	1 620	2 856
Merchandise	62 625	40 149
	<u>64 245</u>	<u>43 005</u>
Inventory pledged as security		
Inventories are unsecured.		
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	32 375	23 337
Cash on hand	763	3 514
	<u>33 138</u>	<u>26 851</u>
Cash and cash equivalents are unsecured.		
7. Share capital		
Authorised		
4 000 Ordinary shares of N\$ 1 each	<u>4 000</u>	<u>4 000</u>
Reconciliation of number of shares issued:		
Reported as at 01 March 2016	<u>100</u>	<u>100</u>
Unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.		
Issued		
Ordinary	<u>100</u>	<u>100</u>

Amica Guesthouse (Proprietary) Limited

Formerly Orban Investments One Hundred and Fifty-Five (Proprietary) Limited

(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Notes to the Financial Statements

	2017 N\$	2016 N\$
7. Share capital (continued)		
All shares rank equally with regard to the company's residual assets.		
The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the company.		
8. Trade and other payables		
Accrued employee costs	81 750	94 393
Deposits received	11 738	11 525
Receiver of Revenue - VAT and employees' tax	463 702	2 137 750
Trade payables	59 337	171 436
	<u>616 527</u>	<u>2 415 104</u>
9. Current tax payable (receivable)		
No provision was made for current tax payable (receivable) as the company had no taxable income and no provisional taxes were paid.		
10. Revenue		
Sale of goods	862 285	806 536
Rendering of services	1 774 585	1 704 409
	<u>2 636 870</u>	<u>2 510 945</u>
11. Cost of sales		
Sale of goods		
Cost of goods sold	<u>582 201</u>	<u>664 145</u>
12. Other income		
Recoveries	1 927 354	-
Sundry income	-	13 715
	<u>1 927 354</u>	<u>13 715</u>
In prior years, the penalties and interest accrued on VAT and employees' tax accounts were provided for. As at the end of the current year, taxpayers in Namibia has the opportunity to apply for amnesty, whereby 100% of penalties in 80% of interest payable to the Receiver of Revenue, will be waived if certain requirements are met. The company is in a position to meet said requirements and has committed itself to attend to these accounts within the amnesty period. 100% of taxes payable and 20% of interest payable on those taxes as at year end remains recognised in the financial statements.		
13. Operating profit (loss)		
Operating profit (loss) for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	<u>144 000</u>	<u>144 000</u>

Amica Guesthouse (Proprietary) Limited

Formerly Orban Investments One Hundred and Fifty-Five (Proprietary) Limited

(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Notes to the Financial Statements

	2017 N\$	2016 N\$
13. Operating profit (loss) (continued)		
Other material and unusual operating expenses		
Bank charges	39 118	27 482
Cleaning	30 435	-
Depreciation on property, plant and equipment	25 190	25 393
Employee costs	1 250 458	1 285 478
Impairment losses	-	14 339
Levies	37 471	25 432
Motor vehicle expenses and delivery charges	42 345	38 740
Municipal expenses	322 446	315 069
Penalties	-	132 608
Subscriptions	49 917	46 937
Telephone and fax	22 204	37 668
	<u> </u>	<u> </u>
14. Investment revenue		
Interest revenue		
Bank	71	106
	<u> </u>	<u> </u>
15. Finance costs		
Late payment of tax	-	1 190 200
Trade and other payables	4 588	4 590
	<u> </u>	<u> </u>
	<u>4 588</u>	<u>1 194 790</u>
16. Employee cost		
The following items are included within employee benefits expense:		
Employee costs		
Basic salaries and wages	744 582	712 012
Bonuses	67 458	28 755
Cost of overtime labour	74 577	101 037
Funeral cover contributions	3 735	3 809
Housing allowances	54 810	64 471
Leave pay provision charge	32 945	78 352
Medical aid contributions	159 099	166 297
Pension fund contributions	58 149	55 402
Social Security Commission contributions	4 153	9 527
Other allowances	50 950	65 816
	<u> </u>	<u> </u>
	<u>1 250 458</u>	<u>1 285 478</u>
17. Depreciation, amortisation and impairments		
The following items are included within depreciation, amortisation and impairments:		
Depreciation		
Property, plant and equipment	25 190	25 393
	<u> </u>	<u> </u>
Impairments		
Financial assets	-	14 339
	<u> </u>	<u> </u>

Amica Guesthouse (Proprietary) Limited

Formerly Orban Investments One Hundred and Fifty-Five (Proprietary) Limited
(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Notes to the Financial Statements

	2017 N\$	2016 N\$
17. Depreciation, amortisation and impairments (continued)		
Total depreciation, amortisation and impairments		
Depreciation	25 190	25 393
Impairments	-	14 339
	<u>25 190</u>	<u>39 732</u>
18. Taxation		
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit (loss)	1 859 133	(1 542 703)
Tax at the applicable tax rate of 32% (2016: 32%)	594 923	(493 665)
Tax effect of adjustments on taxable income		
Non-taxable recoveries of tax account interest and penalties	(616 754)	423 299
Unrecognised deferred tax asset on tax losses	21 831	70 366
	<u>-</u>	<u>-</u>
No provision was made for 2017 tax expense as the company had no taxable income. The estimated tax loss available for set off against future taxable income is N\$ 1 596 659 (2016: N\$ 1 549 900).		
19. Auditor's remuneration		
Fees	106 000	72 989
Tax and secretarial services	6 145	-
	<u>112 145</u>	<u>72 989</u>
20. Directors' remuneration		
No emoluments were paid to the directors or any individuals holding a prescribed office during the year.		
21. Related parties		
Relationships		
Holding company		Skorpion Zinc (Proprietary) Limited
Fellow subsidiary		Namzinc (Proprietary) Limited
Members of key management		Irvinne Simataa Andrew Schanknecht

Amica Guesthouse (Proprietary) Limited

Formerly Orban Investments One Hundred and Fifty-Five (Proprietary) Limited
(Registration number 2004/358)
Financial Statements for the year ended 31 March 2017

Notes to the Financial Statements

	2017 N\$	2016 N\$
21. Related parties (continued)		
Related party balances and transactions with entities with control, joint control or significant influence over the company		
Related party balances		
Loan accounts - Owing (to) by related parties		
Namzinc (Proprietary) Limited	(1 725 348)	(1 725 348)
Amounts included in Trade receivable (Trade Payable) regarding related parties		
- Receivables:		
Namzinc (Proprietary) Limited	253 268	257 897
Skorpion Zinc (Proprietary) Limited	43 123	21 495
- Payables:		
Namzinc (Proprietary) Limited	-	(24 000)
Related party transactions		
Purchases from (sales to) related parties		
Namzinc (Proprietary) Limited	(1 177 792)	(1 265 048)
Skorpion Zinc (Proprietary) Limited	(242 051)	(211 322)
Rent paid to (received from) related parties		
Namzinc (Proprietary) Limited	144 000	144 000
22. Cash generated from (used in) operations		
Profit (loss) before taxation	1 859 133	(1 542 703)
Adjustments for:		
Depreciation and amortisation	25 190	25 393
Interest received	(71)	(106)
Finance costs	4 588	4 590
Changes in working capital:		
Inventories	(21 240)	(12 192)
Trade and other receivables	(47 885)	206 401
Trade and other payables	(1 798 577)	1 317 222
	<u>21 138</u>	<u>(1 395)</u>

23. Change in estimate

Revision of the estimated penalties and interest payable on tax accounts

In prior years, the penalties and interest accrued on VAT and employees' tax accounts were provided for. As at the end of the current year, taxpayers in Namibia has the opportunity to apply for amnesty, whereby 100% of penalties in 80% of interest payable to the Receiver of Revenue, will be waived if certain requirements are met. The company is in a position to meet said requirements and has committed itself to attend to these accounts within the amnesty period. As a result of the change in estimate, profits in the current year are higher by a margin of N\$ 1 927 534. This amount had no effect on taxes for the year.

Amica Guesthouse (Proprietary) Limited

Formerly Orban Investments One Hundred and Fifty-Five (Proprietary) Limited

(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Notes to the Financial Statements

	2017	2016
	N\$	N\$
24. Going concern		
<p>We draw attention to the fact that at 31 March 2017, the company had accumulated losses of N\$ 1 787 278 and that the company's total liabilities exceed its assets by N\$ (1 787 178).</p>		
<p>The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.</p>		
<p>The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the company.</p>		
<p>In addition to the above, the company's holding company provides unlimited financial surety to the company.</p>		
25. Gains and losses on financial instruments		
Total income, expenses, gains and losses, including fair value adjustments on:		
Financial assets measured at amortised cost	-	(14 339)
Financial instruments not measured at fair value through profit or loss:		
Total interest income	71	106
Total interest expense	(4 588)	(4 590)
	<u>(4 517)</u>	<u>(4 484)</u>

Amica Guesthouse (Proprietary) Limited

Formerly Orban Investments One Hundred and Fifty-Five (Proprietary) Limited

(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Notes to the Financial Statements

26. Categories of financial instruments

	Note(s)	Debt instruments at amortised cost	Financial liabilities at amortised cost	Leases	Equity and non financial assets and liabilities	Total
Categories of financial instruments - 2017						
Assets						
Non-Current Assets						
Property, plant and equipment	2	-	-	-	111 555	111 555
Current Assets						
Inventories	5	-	-	-	64 245	64 245
Trade and other receivables	4	345 759	-	-	-	345 759
Cash and cash equivalents	6	33 138	-	-	-	33 138
		378 897	-	-	64 245	443 142
Total Assets		378 897	-	-	175 800	554 697
Equity and Liabilities						
Equity						
Equity Attributable to Equity Holders of Parent:						
Share capital	7	-	-	-	100	100
Accumulated loss	7	-	-	-	(1 787 278)	(1 787 278)
		-	-	-	(1 787 178)	(1 787 178)
Total Equity		-	-	-	(1 787 178)	(1 787 178)
Liabilities						
Current Liabilities						
Loans from group companies	3	-	1 725 348	-	-	1 725 348
Trade and other payables	8	-	152 825	463 702	-	616 527
		-	1 878 173	463 702	-	2 341 875
Total Liabilities		-	1 878 173	463 702	-	2 341 875
Total Equity and Liabilities		-	1 878 173	463 702	(1 787 178)	554 697

Amica Guesthouse (Proprietary) Limited

Formerly Urban Investments One Hundred and Fifty-Five (Proprietary) Limited
(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Notes to the Financial Statements

26. Categories of financial instruments (continued)

	Note(s)	Debt instruments at amortised cost	Financial liabilities at amortised cost	Leases	Equity and non financial assets and liabilities	Total
Categories of financial instruments - 2016						
Assets						
Non-Current Assets						
Property, plant and equipment	2	-	-	-	126 411	126 411
Current Assets						
Inventories	5	-	-	-	43 005	43 005
Trade and other receivables	4	297 874	-	-	-	297 874
Cash and cash equivalents	6	26 851	-	-	-	26 851
		324 725	-	-	43 005	367 730
Total Assets		324 725	-	-	169 416	494 141
Equity and Liabilities						
Equity						
Equity Attributable to Equity Holders of Parent:						
Share capital	7	-	-	-	100	100
Accumulated loss	7	-	-	-	(3 646 411)	(3 646 411)
		-	-	-	(3 646 311)	(3 646 311)
Total Equity		-	-	-	(3 646 311)	(3 646 311)
Liabilities						
Current Liabilities						
Loans from group companies	3	-	1 725 348	-	-	1 725 348
Trade and other payables	8	-	277 354	2 137 750	-	2 415 104
		-	2 002 702	2 137 750	-	4 140 452
Total Liabilities		-	2 002 702	2 137 750	-	4 140 452
Total Equity and Liabilities		-	2 002 702	2 137 750	(3 646 311)	494 141

Amica Guesthouse (Proprietary) Limited

Formerly Orban Investments One Hundred and Fifty-Five (Proprietary) Limited
(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Detailed Income Statement

	Note(s)	2017 N\$	2016 N\$
Revenue			
Sale of goods		862 285	806 536
Rendering of services		1 774 585	1 704 409
	10	<u>2 636 870</u>	<u>2 510 945</u>
Cost of sales			
Opening stock		(43 005)	(30 813)
Purchases		(603 441)	(676 337)
Closing stock		64 245	43 005
	11	<u>(582 201)</u>	<u>(664 145)</u>
Gross profit		<u>2 054 669</u>	<u>1 846 800</u>
Other income			
Interest received	14	71	106
Recoveries		1 927 354	-
Sundry income		-	13 715
		<u>1 927 425</u>	<u>13 821</u>
Expenses (Refer to page 26)		<u>(2 118 373)</u>	<u>(2 208 534)</u>
Operating profit (loss)	13	<u>1 863 721</u>	<u>(347 913)</u>
Finance costs	15	(4 588)	(1 194 790)
Profit (loss) for the year		<u>1 859 133</u>	<u>(1 542 703)</u>

Amica Guesthouse (Proprietary) Limited

Formerly Orban Investments One Hundred and Fifty-Five (Proprietary) Limited
(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Detailed Income Statement

	Note(s)	2017 N\$	2016 N\$
Operating expenses			
Accounting fees		2 453	2 115
Advertising		17 708	9 400
Auditors remuneration	19	112 145	72 989
Bad debts		-	11 823
Bank charges		39 118	27 482
Cleaning		30 435	-
Depreciation, amortisation and impairments	17	25 190	39 732
Employee costs	16	1 250 458	1 285 478
Gas		7 556	5 049
General expenses		2 320	500
Lease rentals on operating lease		144 000	144 000
Levies		37 471	25 432
Motor vehicle expenses and delivery charges		42 345	38 740
Municipal expenses		322 446	315 069
Penalties		-	132 608
Printing and stationery		10 130	12 858
Repairs and maintenance		2 467	200
Royalties and license fees		10	-
Subscriptions		49 917	46 937
Telephone and fax		22 204	37 668
Training		-	454
		<u>2 118 373</u>	<u>2 208 534</u>

Amica Guesthouse (Proprietary) Limited

Formerly Orban Investments One Hundred and Fifty-Five (Proprietary) Limited
(Registration number 2004/358)

Financial Statements for the year ended 31 March 2017

Tax Computation

Net income per income statement	N\$ 1 859 133
Non-deductible/Non taxable items	
Non-taxable recoveries - tax account interest and penalties	<u>(1 927 354)</u>
Temporary differences	
Depreciation charge for accounting purposes	25 190
Wear and tear allowances for income tax purposes	<u>(3 728)</u>
	<u>21 462</u>
Assessed loss for 2017 - carried forward	<u>(46 759)</u>
Assessed loss brought forward	<u>(1 549 900)</u>
Tax loss carried forward	<u><u>(1 596 659)</u></u>
Tax thereon @ 32%	-



www.nellhoekgroup.com