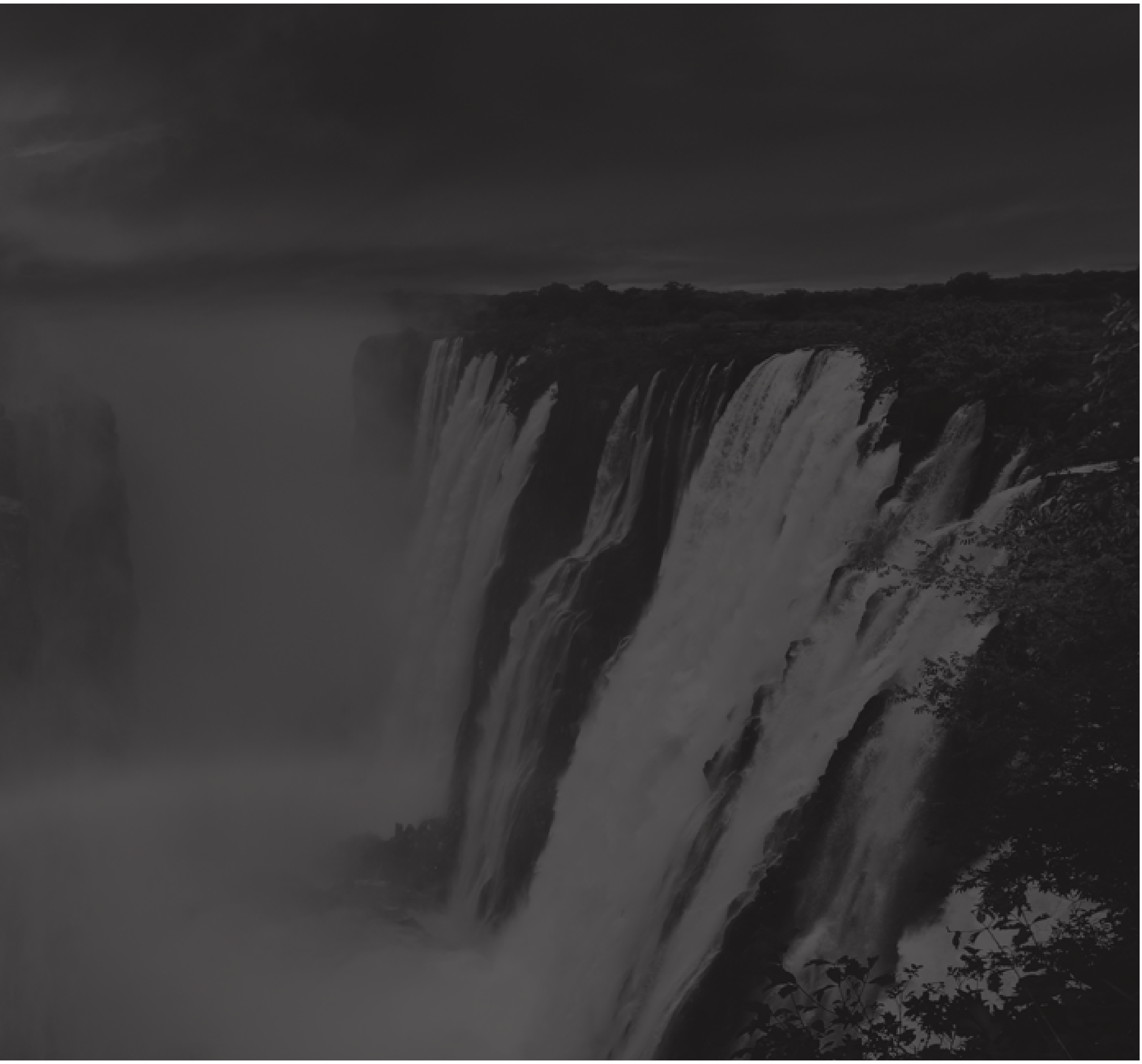
BRAINWORKS

Private Equity • Investments • Advisory



30 JUNE 2016 Interim Financial Statements

Corporate Data

Directors

Name	Appointed on
Mr. George Manyere	28 November 2014
Mr. Walter Tineyi Kambwanji	28 November 2014
Mr. Richard Godfrey Muirimi	9 July 2015
Mr. Simon Frederick William Village	25 January 2016
Mr. Brett Childs	8 July 2016
Mr. George Bennett	8 July 2016
Ms. Audrey Mothupi	6 September 2016
Mr. Martin Wood	6 September 2016
Mr. Richard Charrington	6 September 2016

Company Secretary and Administrator

FiducieForte Management Services Limited
Level 2, Alexander House, Silicone Avenue, Cybercity, Ebène, Republic of Mauritius

Registered Office

C/O FiducieForte Management Services Limited
Level 2, Alexander House, Silicon Avenue, Cybercity, Ebène, Republic of Mauritius

Auditors

PricewaterhouseCoopers
18 Cybercity, Ebène, Republic of Mauritius

Bankers

AfrAsia Bank Limited
4th floor, NeXTeracom Tower III, Ebène, Republic of Mauritius

Investee Companies

African Sun Limited www.africansunhotels.com
Dawn Properties Limited www.dawnpropertieslimited.co.zw
FML Logistics (Private) Limited www.fmloil.co.zw
GetBucks Financial Services Limited www.getbucks.co.zw
GetSure Life Assurance Company (Private) Limited www.GetSure.co.zw

Value Statement

We abide by the set of values listed below which we believe to be pivotal to our success.

Integrity

We strive to provide services to stakeholders with the highest levels of integrity. This is essential to achieving the shared goal of creating value for all stakeholders.

Respect

We believe in respect amongst team members and for all stakeholders thereby creating lasting relationships.

Excellence and innovation

We believe that excellence in execution is critical in the quest to create long-term value for investors.

Teamwork

We have a team of professionals that have strong experience in their areas of expertise. In order for the Company and its stakeholders to benefit from this wide skill set, management and staff work as a team to create long-term value.

Sharing

We believe in broad-based and transparent sharing of value created from the Company’s investment activities through various ways. Beneficiaries include the Company’s shareholders, directors and employees, Government and local communities.

Contents

Contents

These financial statements are presented in United States Dollars ("US$") and are rounded off to the next dollar.

Group performance highlights for the interim period to 30 June 2016

Group performance highlights for the interim period to 30 June 2016

Group performance highlights for the interim period to 30 June 2016 are as follows:

Revenue	Operating Expenses	Finance Costs	Loss before Tax
US$19,670,199 **Change from June 2015:** 84%	US$16,095,753 **Change from June 2015:** -15%	US$2,073,169 **Change from June 2015:** 66%	(US$2,017,600) **Change from June 2015:** -118%

Total Assets	Cash & Cash Equivalents	Borrowings	Equity
US$149,106,872 **Change from December 2015:** 2%	US$5,442,372 **Change from December 2015:** 0%	US$27,325,068 **Change from December 2015:** 28%	US$92,971,255 **Change from December 2015:** -1%

Hotel Occupancy	Hotel Average Daily Rate	WACD	Associates
37% **Prior period comparison:** 44%	US$94 **Prior period comparison:** US$92	11.7% **Target:** < 10% p.a	**Share of income:** US$378,347 **Change from June 2015:** -77%

Return on Equity	Shareholders Funds	Cost to Income	Debt to Equity
-2% **Target:** 20%	US$64,463,430 **Target:** US$100,000,000 by 31 Dec 2018	100% **Target:** < 60%	42% **Target:** < 40% of equity

Letter to Shareholders

Letter to Shareholders

Dear Shareholders

We are pleased to present the condensed consolidated interim financial statements for Brainworks Limited (“the Company” or “Brainworks”) and its subsidiaries (herein collectively referred to as “the Group”) for the period ended 30 June 2016.

The environment within which we operate remains challenging primarily due to liquidity constraints, subdued foreign direct investment and the high cost of funding. Notwithstanding this, we believe in the growth potential of each our businesses, and the opportunities for additional value creation for our shareholders. In the six months to 30 June 2016, the Brainworks Group achieved a number of strategic alignments and acquisitions, notably:

- MyBucks S.A successfully listed on the Frankfurt Stock Exchange ("FSE") on 23 June 2016; and
- Entered into an agreement to acquire 100% of Coporeti Support Services (Private) Limited (“Coporeti Support Services”) a company trading as NettCash and operating a mobile payments platform. The company will be branded to GetCash (Private) Limited (“GetCash”) once the acquisition has been completed.

Overview of the Zimbabwean economic environment

Inflation	Gross Domestic Product	Rand Exchange Rate	Banking Sector NPLs
0.20% **Year on Year Change:** 0.30%	US$13,89 B (FY15) **Year on Year Change:** -2.16%	14.74 **Year on Year Change:** -4.98%	10.05% **Year on Year Change:** -0.82%

The operating environment remained challenging in the first six months of 2016, characterised by a number of negative pressures which resulted in lower than projected economic growth. The deflationary trend observed in 2015 persisted with a further weakening in domestic demand as general liquidity in the market tightened. These liquidity challenges were further compounded by cash shortages which impacted on Zimbabwean consumers’ ability to transact.

In his address in May 2016, the Governor of the Reserve Bank of Zimbabwe announced the introduction of bond notes backed by a facility from an offshore bank. There was widespread condemnation of this move which led to panic withdrawals of cash from bank accounts by many depositors forcing banks to introduce daily cash withdrawal limits. The government also introduced import licenses for many basic commodities and this directly affected informal traders who survive on the importation of various goods for resale. The opposition to this move coupled with political grievances led to the organisation of demonstrations, and job stay aways by opposition political parties and pressure groups resulting in violence in some cases.

Export earnings have continued to suffer as a result of softening global commodity prices, impacting on the performance of Zimbabwe’s biggest foreign currency generators: platinum, gold and chrome. The United States Dollar (“US$”) which is the main functional currency in Zimbabwe, continued to be stronger relative to the regional currencies and, in particular, the South African Rand (“Rand”). As the Rand is the currency of the country’s major trading partner, South Africa, the depreciation of the Rand against the US$ worsened the balance of trade position, which stood at more than US$1,12 billion as at 31 May 2016. The trade deficit continues to erode Zimbabwe’s capacity to sustain foreign payments and to maintain desired levels of cash imports, under the multicurrency system.

Letter to Shareholders

From a tourism perspective, a weaker Rand, coupled with other challenges such as the perceived risk of social and political unrest, and cash shortages, have resulted in a decline of foreign tourists in the country. As a result, the Zimbabwean tourism industry continues to witness significant flight of tourist traffic to the regional competing nations, and this trend is anticipated to prevail over the medium-term. The economic challenges and hardships suffered by both corporates and the ordinary people of Zimbabwe has also resulted in a significant decline of the local tourists use of hotel facilities in the country.

The Ministry of Finance revised GDP growth projections downwards from the initial 2.7% to 1.2% for 2016.

Our Businesses

The Group's business activities can be classified under two main categories:

1. Proprietary Investments; and
2. Advisory Services.

1. Proprietary Investments

The proprietary investments of the Group broadly fall within four sectors: financial services, real estate, hospitality and logistics.

Financial Services Sector

Investee Company: GetBucks Financial Services Limited ("GetBucks Zimbabwe")

GetBucks Zimbabwe's board of directors is composed of the following members:

Name of Director	Nationality	Type of Directorship
G.N. Madzima	Zimbabwean	Non-Executive Chairman
W.T. Kambwanji	Zimbabwean	Non-Executive Director
G. Manyere	Zimbabwean	Non-Executive Director
D. Van Niekerk	South African	Non-Executive Director
J.H. Jonck	South African	Non-Executive Director
R. Mbire	Zimbabwean	Non-Executive Director
M. Manjengwah	Zimbabwean	Non-Executive Director
P. Saungweme	Zimbabwean	Non-Executive Director
M.M. Murevesi	Zimbabwean	Managing Director
G.T. Fourie	South African	Operations Director

The shareholding structure of GetBucks Zimbabwe is as follows:

MyBucks S.A	*50.29%*
Brainworks Capital Management (Private) Limited	*31.14%*
Public Shareholders	*18.57%*

Letter to Shareholders

Interim Performance Highlights

Total Income	Cost to Income	Staff costs % to Total Costs	Return on Equity
US$4,184,526 **Change from 30 June 2015:** -20%	60% **Change from 30 June 2015:** 26%	29% **Change from 30 June 2015:** -9%	11% **Change from 30 June 2015:** -32%

Total Assets	Loan Book	Average Interest Rate on Loan Book	Staffing
US$21,260,628 **Change from 30 June 2015:** 51%	US$10,577,386 **Change from 30 June 2015:** 21%	61% **Change from 30 June 2015:** 1%	64 **Change from 30 June 2015:** 56%

GetBucks Zimbabwe operates 13 branches in the major cities and towns in Zimbabwe and has grown its loan book to over US$10,6 million with a customer base of over 18,000. GetBucks Zimbabwe achieved a profit after tax of US$1,22 million for the six months ended 30 June 2016. The company declared a dividend of US$0,5 million for the six-month period to 30 June 2016.

Following the company being granted a Deposit-taking Microfinance Institution License and successful listing on the Zimbabwe Stock Exchange ("ZSE") on 15 January 2016, GetBucks Zimbabwe is now focused on improving efficiencies through technology use and product diversification to include Small to Medium Enterprises (SME) Loan facility products and Mortgage products. The company started disbursing SME Loans primarily to the agricultural sector in February 2016. In addition to the SME Loan facility, the Reserve Bank of Zimbabwe has approved the GetBucks 5-year Mortgage Product, which the company expects to roll out in the 2017 financial year. A diversified product portfolio will increase revenue going forward with the SME Loan, 5-year Mortgage Product and transactional bank accounts expected to contribute significantly to the company's profitability in the 2017 financial year.

The company was adequately capitalised with a net equity position of US$10,6 million as at 30 June 2016. This capital position is well above the minimum regulatory threshold of US$5,0 million for deposit-taking microfinance institutions.

Investee Company: GetSure Life Assurance Company (Private) Limited ("GetSure")

GetSure's board of directors is composed of the following members:

Name of Director	Nationality	Type of Directorship
W. Kambwanji	Zimbabwean	Non-Executive Chairman
F. Chisango	Zimbabwean	Non-Executive Director
J. Jonck	South African	Non-Executive Director
G. Manyere	Zimbabwean	Non-Executive Director
G. Niemand	South African	Non-Executive Director
G. Nyengedza	Zimbabwean	Non-Executive Director
D. Van Niekerk	South African	Non-Executive Director
K. Mubvumbi	Zimbabwean	Executive Director

The shareholding structure of GetSure is as follows:

Brainworks Capital Management (Private) Limited	*100%*

Letter to Shareholders

Interim Performance Highlights

Total Income	Cost to Income	Number of Life Policies	Return on Equity
US$421,087 **Change from 30 June 2015:** 253%	142% **Change from 30 June 2015:** 161%	31,424 **Change from 30 June 2015:** 163%	-11% **Change from 30 June 2015:** 10%

Total Assets	Current Ratio	Solvency Ratio	Staffing
US$2,211,719 **Change from 30 June 2015:** -1%	4.7:1 **Change from 30 June 2015:** -96%	14% **Change from 30 June 2015:** -81%	16 **Change from 30 June 2015:** 0%

Gross premium for the six months to June was US$0,4 million. Management is in the process of instituting measures to continue growing the rate of individual business acquisition. Part of these measures include:

- The introduction of new products including a Hospital Cash Plan;
- Partnering with other Brainworks Group companies, that is GetBucks and GetCash in the marketing of products; and
- Increasing the number of agents in the market.

Claims were 88% below budget. This is because actual gross premium and risk has been significantly below budget. Operating expenses were 11% below budget. A significant source of the favourable variance relates to non-personnel related expenditure. This is a result of a conscious effort by management to limit marketing expenditure to only the extent that is unavoidable without compromising ability to acquire new business. Brainworks is exploring ways of restructuring the shareholding in a bid to improve the company's group business.

Investee Company: GetCash (Private) Limited ("GetCash")

Interim Performance Highlights

Brainworks entered into an agreement to acquire GetCash (formerly Coporeti Support Services t/a NettCash), a Zimbabwean mobile money transfer operation offering mobile money solutions to individual and corporate clients. The company's business model is anchored on a combination of convenient mobile payment solutions as well as comprehensive mobile banking solutions to deliver a unique experience to the customer. GetCash launched its enhanced and rebranded eWallet on 26 July 2016.

GetCash's board of directors will be finalised upon the conclusion of the acquisition, as will the shareholding.

Letter to Shareholders

Hospitality Sector

Investee Company: African Sun Limited ("African Sun")

African Sun's board of directors is composed of the following members:

Name of Director	Nationality	Type of Directorship
H. Nkala	Zimbabwean	Non-Executive Chairman
E. A. Fundira	Zimbabwean	Non-Executive Director
W. T. Kambwanji	Zimbabwean	Non-Executive Director
A. Makamure	Zimbabwean	Non-Executive Director
G. Manyere	Zimbabwean	Non-Executive Director
N. G. Maphosa	Zimbabwean	Non-Executive Director
T. Ndebele	Zimbabwean	Non-Executive Director
E. T. Shangwa	Zimbabwean	Managing Director
B. H. Dirorimwe	Zimbabwean	Finance Director

Mr. T. Nuy resigned from the board with effect from 31 July 2016 and there were no management changes during the period under review.

The shareholding structure of African Sun is as follows:

Brainworks Capital Management (Private) Limited	*57.64%*
Public Shareholders	*42.36%*

Interim Performance Highlights

Occupancy	Average Daily Rate	REVPAR	Debt to Equity
37% **Change from 30 June 2015:** - 7%	US$94 **Change from 30 June 2015:** 2%	US$61 **Change from 30 June 2015:** - 19%	314% **Change from 30 June 2015:** - 88%

OPEX to Gross Profit	EBITDA Interest Cover	Average Cost of Debt	Staffing
99% **Change from 30 June 2015:** -2%	0.23 times **Change from 30 June 2015:** -92%	11.7% **Change from 30 June 2015:** 0%	1,157 **Change from 30 June 2015:** - 18%

African Sun's international market remained strong, spurred by key source markets such as Europe, and a rebound of the Asian market which had been greatly affected by the Ebola scare in the prior year. The strong performance of the international market was diluted by a sharp decline in the regional market, which was affected by the depreciation of the South African Rand despite competitive room rates. Changes in the SADC and AU chairmanship also had a negative impact on regional and international business, as related conferences usually follow a change in chairmanship.

Letter to Shareholders

Revenue was down by 20% to US$17,99 million from US$22,41 million in the comparable period last year. The sharp decline in revenue is primarily attributed to a subdued trading environment, with occupancies declining by 7 percentage points to 37% from 44% achieved in the same period last year. The regional market suffered a 46% drop, weighed down by South Africa as a result of the depreciation of the Rand against the US Dollar. The local market also declined by 17% as a result of reduced conferencing and current liquidity challenges. However, the international market room nights were 4% up on the same period last year, with a strong performance from The Victoria Falls Hotel.

This performance by the international market drove the Average Daily Rate up by 2% to US$94 during the period under review from US$92 last year. The reduced occupancies however resulted in a 15% decline in rooms RevPAR from US$40 achieved same period last year to US$34 in this period.

On a positive note, operating expenses were down 14% as a result of African Sun's cost reduction initiatives, and the change in business model implemented in 2015. EBITDA was marginal at US$0,11 million, a 92% reduction from the same period last year of US$1,41 million as a result of reduced revenue. The repayment and continuous restructuring of expensive loans resulted in a 39% savings in finance costs from US$1,21 million from the same period last year to US$0,74 million for the period under review.

Loss for the period of US$0,56 million was an improvement from the same period last year of US$1,2 million.

Real Estate Sector

Investee Company: Dawn Properties Limited ("Dawn Properties")

Dawn Properties' board of directors is composed of the following members:

Name of Director	Nationality	Type of Directorship
P.P. Gwatidzo	Zimbabwean	Non-Executive Director
G. Manyere	Zimbabwean	Non-Executive Director
W.T. Kambwanji	Zimbabwean	Non-Executive Director
T.N. Chiweshe	Zimbabwean	Non-Executive Director
M. Mukonoweshuro	Zimbabwean	Non-Executive Director
P.J. Matute	Zimbabwean	Executive Director
P. Saungweme	Zimbabwean	Executive Director

The shareholding structure of Dawn Properties is as follows:

Brainworks Capital Management (Private) Limited	*66.77%*
Public Shareholders	*33.23%*

Letter to Shareholders

Interim Performance Highlights

Revenue	Rental Yield on Hotels	Cost to Income Ratio	EBITDA Interest Cover
US$1,946,357 **Change from 30 June 2015:** - 9%	2.20% **Change from 30 June 2015:** - 0.92%	64% **Change from 30 June 2015:** 38%	58.9 times **Change from 30 June 2015:** 100%

Debt to Equity	Average Cost of Debt	Consulting Fees	Staffing
0.19% **Change from 30 June 2015:** 100%	12% **Change from 30 June 2015:** 100%	US$996,831 **Change from 30 June 2015:** 0%	49 **Change from 30 June 2015:** - 31%

Dawn Properties' revenue was US$1,9 million, with the hotel lease and property consultancy segment contributing 46% and 54% respectively. On an aggregate basis, revenue was 18% lower than the US$2,2 million recognised during the same period last year, primarily due to the reduction in revenue recognised by the hotel rental business segment. The tourism industry continues to face a variety of challenges, including relatively weaker regional currencies, cash shortages and the international perception that the socio-political environment of Zimbabwe is unstable.

The company's operating expenses are at US$1,2 million, 47% lower than the US$2,3 million recognised during the comparative period last year, primarily due to the positive impact of the broad cost containment initiatives implemented in 2015. As a result, Dawn Properties recognised a profit after tax of US$0,6 million. The current period's profit reflects a positive turnaround given the losses of US$0,4 million that were recognised during the same period last year. The balance sheet grew by 2% which is largely attributable to the acquisition of the timeshare properties from African Sun for US$1,1 million during the period under review.

The Dawn Properties board has continued to steer the company's strategy toward ensuring it is a leading property development, investments and consulting company. The platform to grow these three divisions is now laid out, and resourced adequately to meet the objectives set for the full financial period ending 2016.

The property development division took its first major step with the successful development of the 58-unit Elizabeth Windsor Gardens. This project is expected to be completed by the end of 2016, with all units being available for sale in the second half of 2016. To ensure the sustainability of the division, the board has developed a pipeline of future projects which will be rolled out in the coming years.

Property investments continue to be the anchor value holder for Dawn Properties, and the partnership with African Sun and the Legacy Group will result in enhanced focus, and unlock the value of the company's major assets in Victoria Falls and Harare. The consulting business has been reconfigured, and will focus on the major revenue drivers: property management and valuations.

The cost rationalisation exercise was completed at the end of 2015, and the board is pleased to report that the business is now contributing significantly to the company's bottom line.

Letter to Shareholders

Logistics Sector

Investee Company: FML Logistics (Private) Limited ("FML Logistics")

FML Logistics' board of directors is composed of the following members:

Name of Director	Nationality	Type of Directorship
G. Manyere	Zimbabwean	Non-Executive Chairman
W. T. Kambwanji	Zimbabwean	Non-Executive Director
P.J. Matute	Zimbabwean	Non-Executive Director
T.N. Chiweshe	Zimbabwean	Non-Executive Director
W. Waterworth	Zimbabwean	Managing Director

The shareholding structure of FML Logistics is as follows:

Brainworks Capital Management (Private) Limited	*100%*

Interim Performance Highlights

Revenue	Gross Profit %	Average Revenue per truck	Cost to Income Ratio
US$247,143 **Change from 30 June 2015:** -73%	44% **Change from 30 June 2015:** -11%	US$2,287 **Change from 30 June 2015:** -81%	171% **Change from 30 June 2015:** -115%

Debt to Equity	Average Cost of Debt	Return on Equity	Staffing
188% **Change from 30 June 2015:** -58%	15% **Change from 30 June 2015:** 0%	-0.3% **Change from 30 June 2015:** -0.7%	26 **Change from 30 June 2015:** 7%

FML Logistics' revenue decreased by 73% in comparison to the same period last year due to the marked decline in fuel supply contracts, which arose from the government of Zambia's non-payment to fuel suppliers, including Dalbit and Trafigura. Further challenges included the uncertainty prevailing in Zambia in the lead up to their general elections, held in August 2016, and the anticipation of the awarding of new government fuel supply contracts. As a result of these challenges, FML Logistics did not operate at full capacity from January to June 2016, with the exception of once-off loads.

Cost of sales relative to revenue increased to 56% from 45% in comparison to the same period last year due to lower rates being offered by Dalbit. Overheads were marginally down by 1% from the same period last year despite management initiating a number of cost-cutting measures. This is as a result of the increase in fixed costs due to the expansion of the fleet to 30 trucks, as compared to 10 trucks, during the same period last year. There was therefore a significant increase in the finance costs as the entity purchased 20 additional trucks through loan facilities.

FML Logistics' management is focused on new revenue driving strategies which include the following:

- Becoming more involved in the Zambian local market by opening a subsidiary entity in Zambia;
- Reviewing rates and operating costs to become more cost efficient; and
- Engaging local contractors such as Total, Engen and Puma to ensure the company has loads during off-peak periods.

2. Advisory Services

During the first six months of 2016, the Company's advisory services were limited to in-house activities for Brainworks Limited ("Brainworks") subsidiaries. In 2015, the Company picked up external mandates in the agricultural, energy, mining and media sectors which are ongoing.

Brainworks' operations outside Zimbabwe have begun taking shape with a presence established by the Company in Equatorial Guinea. The Company is currently in the process of setting up a micro-lending business in that country, and has already engaged professional advisors to this end. In addition, Brainworks has been invited to submit expressions of interest for several advisory mandates from the Equatorial Guinea government. We remain confident in the potential of the Equatorial Guinean market and the role we will play in that market.

Listing Update

The Brainworks board and management continue to pursue a listing on an international stock exchange. The consolidation of the Group's businesses, and review of the governance structures are all being undertaken pursuant to this objective.

Compliance with Regulations

The listed Group companies are in compliance with the ZSE requirements. All companies within the Group are also compliant with their respective regulatory bodies namely the Reserve Bank of Zimbabwe ("RBZ"), the Insurance and Pensions Commission ("IPEC"), the Securities and Exchange Commission of Zimbabwe ("SEC") and Zimbabwe Energy Regulatory Authority ("ZERA").

With regard to indigenisation, the shareholding of the Company was vetted by the Ministry of Youth Development, Indigenisation and Empowerment in 2011 and was certified compliant with the indigenisation regulations. Over the years, subsequent fundraising exercises have resulted in more foreign ownership of the Company. The Group is committed to compliance and has put in place a process that ensures compliance within five years. Pursuant to this, an indigenisation plan was submitted in terms of the Zimbabwe's Indigenisation and Economic Empowerment Act (Chapter 14:33) which achieves compliance with the requirements of the law.

Letter to Shareholders

Shareholding and Broad-Based Local Ownership

Below is the shareholding of the Company as at 30 June 2016, which indicates the Company was 38.81% indigenous-owned and 61.19% foreign-owned. An indigenisation plan was submitted in terms of the Zimbabwe Indigenisation and Economic Empowerment Act (Chapter 14:33) which achieves compliance with the requirements of the law.

Over 11,000 indigenous Zimbabweans are beneficiaries in the Company through the Pension Funds as well as through direct shareholding in the Company.

#	Shareholders	# of shares	% Shareholding
1	Red Rock Capital	289,920,520	33.59%
2	Blue Air Capital	225,000,000	26.07%
3	Greenwood Capital	13,226,568	1.53%
	Total Foreign Shareholding	**528,147,088**	**61.19%**
4	Ecobank Asset Management	77,750,000	9.01%
5	Fintrust Pension Fund	67,241,425	7.79%
6	The Brainworks Capital Private Equity Managers Staff Trust	34,498,997	4.00%
7	Zahra Investments Trust	25,000,000	2.90%
8	Matthew Daniels Trust	25,000,000	2.90%
9	Carnaudmetalbox Pension Fund	11,458,917	1.33%
10	Comarton Consultants (Private) Limited	11,109,670	1.29%
11	Brainworks Investments Trust	10,000,000	1.16%
12	Green Valley Investment Trust	10,000,000	1.16%
13	PTC Self Insurance Plan	9,851,608	1.14%
14	TDC Investment Trust	8,603,805	1.00%
15	AWT Investment Trust	8,169,627	0.95%
16	Comarton Consultants Preservation Fund	7,825,669	0.91%
17	Spiral Farming (Private) Limited	7,069,132	0.82%
18	Association of Trust Schools Pension Fund - Christian Brothers College	2,574,282	0.30%
19	Jacob Bethel (Zimbabwe) Corporation Pension Fund	2,426,870	0.28%
20	Comarton Consultants Pension Fund	2,329,795	0.27%
21	Tourism Industry Pension Fund	2,210,000	0.26%
22	Comarton Consortium Self Insurance Pool	2,000,000	0.23%
23	Brands Africa Pension Fund	1,878,930	0.22%
24	CIH Group Pension Fund	1,783,333	0.21%
25	Zimbabwe International Trade Fair Company Pension Fund	1,294,331	0.15%
26	Atchison Actuarial Services Company (Private) Limited	1,000,000	0.12%
27	Zimbabwe Agricultural Society Pension Fund	808,957	0.09%
28	Brainworks Capital Pension Fund	785,295	0.09%
29	Marathon Group Pension Fund	759,000	0.09%
30	Association of Trust Schools Pension Fund - Petra High School	600,000	0.07%
31	Femina Garments Pension Fund	428,747	0.05%
32	United Styles Pension Fund	180,000	0.02%
33	Comarton Consultants Preservation Fund - Style International	177,970	0.02%
34	Comarton Consultants Preservation Fund - Henroy Trucking	98,500	0.01%
	Total Local Shareholding	**334,914,860**	**38.81%**
	Total Issued Shares	**863,061,948**	**100.00%**

Letter to Shareholders

Financial results

The Group generated total revenue of US$19,7 million for the six months ended 30 June 2016. The significant increase in revenue compared to the prior year revenue is attributable to the consolidation of Dawn Properties and African Sun, previously accounted for as associates. Total revenue generated by the Group was made up of US$17,8 million from the sale of room nights, food and beverages; US$1,0 million from valuation and consultation services; US$0,4 million from premiums; US$0,3 million from fuel transportation; and US$0,2 million from casino and gaming income. The second quarter performance was largely driven by increased occupancy at African Sun as the company entered its peak season. The Group's share of income from its associate, GetBucks, amounted to US$0,4 million for the six-month period to June 2016. GetBucks' profit for the same period amounted to US$1,2 million.

Total operating expenses at US$16,1 million are within budget. Included in sundry income is a mark to market gain of US$0,9 million on the investment held in MyBucks, following its listing on the FSE.

The Group incurred a total loss of US$1,27 million for the six months to June 2016. This was primarily driven by finance costs amounting to US$2,1 million.

Directorate

The board of the Company was reconstituted following the scheme of reorganisation. Messiers K. Gulab, P. Prayag, A. Scholtz and C. Vermaak resigned from the board. We thank them for their invaluable service to the board and the Company during their tenure as Directors and wish them all success in their future endeavours. Mr. B. Childs, Mr. G. Bennett, Ms. A. Mothupi, Mr. M. Wood and Mr. R. Charrington were appointed to the board during the year. We warmly welcome these members to the board and the Company.

The Brainworks board of directors is now composed of the following members:

Name of Director	Nationality	Type of Directorship
Simon Village	British	Non-Executive Chairman
Richard Muirimi	Zimbabwean	Deputy Non-Executive Chairman
George Bennett	South African	Non-Executive Director
Brett Childs	British	Non-Executive Director
Audrey Mothupi	South African	Non-Executive Director
Martin Wood	British	Non-Executive Director
Richard Charrington	British	Non-Executive Director
George Manyere	Zimbabwean	Chief Executive Officer
Walter Kambwanji	Zimbabwean	Chief Finance Officer

We are confident that the Board reflects the right blend of skills and experience to guide the Company in the best interests of the shareholders.

Letter to Shareholders

Outlook

Our aim and key focus for 2016 will be to continue to consolidate and strengthen our portfolio of companies through improving operational efficiencies, continued implementation of cost-cutting measures, and reducing our cost of financing through debt repayment or restructuring with an aim to achieve sustainable tenors and below market average cost of financing. Although the operating environment remains challenging we remain confident in our strategy, the opportunities to grow the Company and in our ability to continue to create value for shareholders.

Acknowledgements

We would like to thank our staff, directors, shareholders and other stakeholders for their continued support.

Simon Village
Group Board Chairman

George Manyere
Group Chief Executive Officer

Condensed consolidated statement of financial position as at 30 June 2016

	Note	30 June 16 US$	31 Dec 15 US$
Assets			
Cash and cash equivalents		**5,442,372**	5,454,914
Inventory		**2,843,057**	2,538,617
Receivables	5	**17,745,208**	16,421,204
Financial assets held through profit or loss		**4,402,076**	3,500,000
Investment in associates	6	**3,333,242**	3,110,544
Property and equipment	7	**113,522,830**	113,926,848
Biological assets		**165,137**	165,137
Deferred tax asset		**1,652,950**	996,511
Total Assets		**149,106,872**	146,113,775
Equity and Liabilities			
Share capital	8	**86,307**	86,307
Share premium	8	**86,219,889**	86,219,889
Merger reserve		**(19,995,688)**	(19,995,688)
Non-distributable reserve		**(476,378)**	(476,378)
Foreign currency translation reserve		**22,632**	(53,535)
Retained earnings		**(1,393,332)**	(46,761)
		64,463,430	65,733,834
Non-controlling interest		**28,507,825**	28,479,795
Total Equity		**92,971,255**	94,213,629
Liabilities			
Borrowings	9	**27,325,068**	21,401,773
Other liabilities		**21,348,519**	21,883,178
Income tax payable		**843,561**	1,244,709
Deferred tax liabilities		**6,618,469**	7,370,486
Total Liabilities		**56,135,617**	51,900,146
Total Equity and Liabilities		**149,106,872**	146,113,775

Approved by the board on 6 September 2016 and signed on its behalf by:

Walter Kambwanji
Chief Finance Officer
6 September 2016

Brett Childs
Chairman: Audit and Risk Committee
6 September 2016

Condensed consolidated statements of profit or loss and other comprehensive income for the six months ended 30 June 2016

	Note	**30 June 16 US$**	30 June 15 US$
Revenue	10	**19,670,199**	10,715,814
Cost of sales		**(6,277,531)**	(3,047,440)
Gross profit		**13,392,668**	7,668,374
Interest income		**157,488**	13,772
Share of profit of associate		**378,347**	1,640,945
Dividends received		**-**	30,387
Sundry income		**1,320,742**	779,951
Net gain from financial instruments at FVTPL		**902,076**	-
Total revenue		**16,151,321**	10,133,429
Directors' fees		**(150,966)**	(11,320)
Transaction costs		**(25,162)**	(103,007)
Audit and legal fees		**(223,692)**	(365,773)
Gain on bargain purchase		**-**	29,645,265
Impairment of goodwill		**-**	(8,625,139)
Revaluation of investments		**-**	(1,757,179)
Other operating expenses	11	**(15,695,932)**	(16,672,915)
Total operating expenses		**(16,095,752)**	2,109,932
Operating profit before finance cost		**55,569**	12,243,361
Finance costs	12	**(2,073,169)**	(1,251,674)
Profit before tax		**(2,017,600)**	10,991,687
Income tax credit/(charge)	13	**772,530**	(379,195)
Profit from continuing operations		**(1,245,070)**	10,612,492
Loss from discontinued operation		**(160,985)**	-
(Loss) / profit for the year		**(1,406,055)**	10,612,492
Other comprehensive income			
Foreign currency translation differences		**131,960**	(108,881)
Total comprehensive income for the year		**(1,274,095)**	10,503,610
Profit attributable to:			
Owners of the parent		**(1,378,292)**	10,981,755
Non-controlling interests		**(27,763)**	(369,263)
		(1,406,055)	10,612,492
Total comprehensive income attributable to:			
Owners of the parent		**(1,302,125)**	10,920,640
Non-controlling interests		**28,030**	(417,030)
		(1,274,095)	10,503,610

Condensed consolidated statement of changes in equity for the six months ended 30 June 2016

30 June 2016

	Share capital US$	Share premium US$	Merger reserve US$	Unalloted capital US$	Non-distributable reserve US$	Foreign Currency Translation Reserve US$	Equity settled share-based payment reserve US$	Accumulated (loss)/profit US$	Attributable to equity holders of parent US$	Non-controlling interest US$	Total US$
Balance at 1 January 2016	86,307	86,219,889	(19,995,688)	-	(476,378)	(53,535)	-	(46,760)	65,733,835	28,479,795	94,213,630
Loss for the year	-	-	-	-	-	-	-	(1,378,292)	(1,378,292)	(27,763)	(1,406,055)
Other comprehensive income	-	-	-	-	-	76,167	-	-	76,167	55,793	131,960
Prior period adjustment	-	-	-	-	-		-	31,720	31,720	-	31,720
Balance as at 30 June 2016	**86,307**	**86,219,889**	**(19,995,688)**	**-**	**(476,378)**	**22,632**	**-**	**(1,393,332)**	**64,463,430**	**28,507,825**	**92,971,255**

30 June 2015

	Share capital US$	Share premium US$	Unalloted capital US$	Non-distributable reserve US$	Foreign Currency Translation Reserve US$	Equity settled share-based payment reserve US$	Accumulated (loss)/profit US$	Attributable to equity holders of parent US$	Non-controlling interest US$	Total US$
Balance at 1 January 2015	53,192	33,095,500	3,449,900	(2,449,871)	-	-	(3,594,978)	30,553,743	-	30,553,743
Profit/(loss) for the year	-	-	-	-	-	-	10,981,755	10,981,755	(369,263)	10,612,492
Other comprehensive income	-	-	-	-	(61,115)	-	-	(61,115)	(47,766)	(108,881)
Issue of shares	33,114	33,080,510	(3,449,900)	-	-	-	-	29,663,724	-	29,663,724
Treasury shares	(7,775)	(7,767,225)	-	-	-	-	-	(7,775,000)	-	(7,775,000)
Acquisition of subsidiaries	-	-	-	-	-	13,448	-	13,448	37,923,683	37,937,131
Re-classification of OCI items in previous associates	-	-	-	410,765	-	-	(410,765)	-	-	-
Gain/(loss) on change in degree of control	-	-	-	(277,216)	-	-	-	(277,216)	(498,111)	(775,327)
Balance as at 30 June 2015	**78,531**	**58,408,785**	**-**	**(2,316,322)**	**(61,115)**		**6,976,012**	**63,099,339**	**37,008,543**	**100,107,882**

Condensed consolidated statements of cash flows
for the six months ended 30 June 2016

	30 June 16 US$	30 June 15 US$
(Loss)/profit before taxation	**(2,017,600)**	10,991,687
Loss from discontinued operations	**(160,985)**	-
Adjust for:		
Depreciation	**1,666,358**	696,828
(Profit)/loss on disposal of assets	**(282,336)**	3,956,786
Impairment	**92,685**	3,886,024
Revaluation of investments to fair value	**-**	1,757,179
Gain on bargain purchase	**-**	(29,645,265)
Impairment of goodwill	**-**	8,625,139
Dividends received	**-**	(30,387)
Interest expense	**2,044,062**	1,251,673
Interest income	**(161,776)**	(13,772)
Share of associate income	**(378,347)**	(1,640,945)
Exchange differences	**5,457**	-
Sundry income	**-**	(561,985)
Non- cash revenues	**(846,510)**	-
	(38,992)	(727,038)
Changes in inventory	**(298,797)**	-
Changes in other liabilities	**(1,285,396)**	(588,342)
Changes in receivables	**1,468,733**	(3,363,315)
Cash utilised in operations	**(154,452)**	(4,678,695)
Interest received	**161,776**	13,772
Interest paid	**(1,552,513)**	(303,541)
Dividends received	**155,649**	30,387
Income tax paid	**(432,357)**	-
Net cash from operating activities	**(1,821,897)**	(4,938,077)
Cash flows from investing activities		
Acquisition of investments	**(100)**	(19,855,831)
Cash balances of investments acquired	**-**	5,094,633
Purchase of property and equipment	**(3,305,357)**	(1,114,354)
Disposal of property and equipment	**729,580**	63,080
Net cash used in investing activities	**(2,575,877)**	(15,812,472)
Cash flows from financing activities		
Proceeds from the issue of shares	**-**	29,663,725
Acquisition of treasury shares	**-**	(1,502,508)
Proceeds from borrowings	**8,705,974**	8,883,866
Repayment of borrowings	**(4,320,742)**	(10,000,803)
Net cash from financing activities	**4,385,232**	27,044,280
Net increase in cash and cash equivalents	**(12,542)**	**6,293,731**
Cash and cash equivalents at beginning of period	**5,454,914**	904,281
Cash and cash equivalents at end of period	**5,442,372**	**7,198,012**

Notes to the condensed consolidated interim financial statements
for the six months ended 30 June 2016

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

1. General information

Brainworks Limited (previously Brainworks Capital Management Limited) ("the Company") was incorporated in the Republic of Mauritius on 22 April 2013 as a private company limited by shares and has its registered office at C/o FiducieForte Management Services, Level 2 Silicone Avenue, Alexander House, 35 Ebène, Cybercity, Republic of Mauritius.

The principal activity of the Company is that of investment holding, consulting and advisory services.

The Company is the holder of a Category 1 Global Licence under the Mauritius Companies Act and the Financial Services Act 2007. As the Company operates in an international environment and conducts most of its transactions in foreign currencies, the Company has elected the United States Dollar ("USD") as its reporting and presentation currency.

The board of directors of the Company, in a meeting held on 18 June 2015, approved the share swap transaction for 1:1 share with Brainworks Capital Management (Private) Limited.

2. Basis of preparation

(a) Statement of compliance

This interim financial report is prepared for Brainworks and its subsidiaries ("the Group"). The interim report was prepared in accordance with International Accounting Standard ("IAS") 34: Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the last annual financial statements as at and for the year ended 31 December 2015. This interim financial report does not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards.

Included in the condensed consolidated interim financial statements are the Group's operational subsidiaries, Dawn Properties, African Sun, FML Logistics and GetSure. Lengrah Investments (Private) Limited ("Lengrah") is not actively operational, but just holds some of the shares in African Sun and Dawn Properties.

The Group's shareholding and the principal places of business in the respective subsidiaries is as follows:

- Dawn Properties 67% (31 December 2015: 67%). The principal place of business for Dawn Properties is at 8th Floor, Beverley Court, 100 Nelson Mandela Avenue, Harare;
- African Sun 58% (31 December 2015: 58%). The principal place of business for African Sun is at Bally House, Mt Pleasant Business Park, Corner Norfolk Road and Endeavor Crescent, Mount Pleasant, Harare;
- Brainworks Petroleum (Private) Limited ("Brainworks Petroleum") 100% (31 December 2015: 100%). Brainworks Petroleum holds an investment in FML Logistics. The shareholding in FML Logistics is 100% (31 December 2015: 100%). The principal place of business for FML Logistics is at 4 Arden Road, Newlands, Harare;
- Lengrah 100% (31 December 2015: 100%). The principal place of business for Lengrah is at 4 Arden Road, Newlands, Harare;
- GetSure 100% (31 December 2015: 100%). GetSure became operational during 2015. The principal place of business for GetSure is at MIPF House, 1st Floor South Wing, 5 Central Avenue, Harare; and
- Brainworks Capital Management E.G SL ("Brainworks EG") 50% (31 December 2015: 50%). Brainworks EG was not operational as at 31 December 2015. The principal place of business for Brainworks EG is Complejo DaVinci, Malabo II, Malabo, Equatorial Guinea.

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

(b) Basis of measurement

The condensed consolidated interim financial statements are prepared on the historical costs basis except for financial instruments at fair value through profit or loss that are measured at fair value and equity accounted investment in associates.

(c) Functional and presentation currency

The condensed consolidated interim financial statements are presented in United States Dollars ("US$") which is the Group's functional currency.

(d) Use of estimates and judgements

In preparing these condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities and the reported amounts of income and expenses during the reporting period. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect of the amount registered in the financial statements are described in the following notes:

- Determination of useful lives and residual values used in the calculation of the depreciation expense;
- Recognition of deferred tax asset;
- Valuation of biological assets; and
- Non-coterminous periods for associates.

(e) Changes in accounting policies / new standards and interpretations adopted for the six months ended 30 June 2016

The accounting policies adopted by the Group are consistent with those of the previous years.

(f) Audit and audit review

These condensed consolidated interim financial statements were neither subject to a complete audit nor to an auditor's review.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these condensed consolidated interim financial statements and to all the companies in the Group.

(a) Basis of consolidation

(i) Business combination

Business combinations are accounted for using the acquisition method as at the acquisition date – i.e. when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, but if they are related to the issue of debt or equity securities, they are capitalised.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(ii) Non-controlling interests ('NCIs')

NCIs are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

(iii) Subsidiaries

'Subsidiaries' are investees controlled by the Group. The Group 'controls' an investee if it is exposed to, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

(iv) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vi) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 49% of the voting rights. If the holding is less than 20%, the Group will be presumed not to have significant influence unless such influence can be clearly demonstrated. The existence of significant influence by the Group is usually evidenced in one or more of the following ways:

- Representation on the board of directors or equivalent governing body of the investee;
- Participation in the policy making process;
- Material transactions between the investor and the investee;
- Interchange of managerial personnel; and
- Provision of essential technical information.

Investments in associates are accounted for by the equity method of accounting in the consolidated financial statements and are initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the date of acquisition. If the ownership in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income would be reclassified to profit or loss where appropriate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to "share of profit or loss of associate" in the statement of profit or loss and other comprehensive income.

(b) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repair and maintenance are expensed as incurred.

(iii) Depreciation

Items of equipment are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each component to the residual value of the item. Items of equipment are depreciated from the date that they are installed and are ready for use.

The estimated useful lives for the current and comparative years of significant items of property and equipment are as follows:

- Leasehold improvements 5 to 25 years
- Motor vehicles 5 years
- Heavy motor vehicles 10 years
- Computer equipment 5 years
- Office equipment 5 years
- Furniture and fittings 5 years
- Hotel equipment 7 years
- Hotel properties 100 years
- Farm equipment and implements 10 years
- Freehold properties 50 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Land and capital work in progress are not depreciated.

(c) Biological assets

Timber plantations are measured at their fair value less estimated point of sale costs. The fair value of timber plantations is determined by a professional valuer based on fair values for the stages of forest development.

(d) Financial instruments

The Group recognises financial assets or financial liabilities on its consolidated statement of financial position when it becomes a party to the contractual provisions of the financial instrument.

Non-derivative financial assets

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, which takes into account any dividend income.

Financial assets designated as at fair value through profit and loss comprise equity securities that otherwise would have been classified as available for sale.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Trade and other receivables are treated as loans and receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise borrowings and trade and other payables.

Fair value of financial assets and liabilities

The valuation technique used depends on the nature of the financial instrument.

Fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Company and Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities traded on the stock exchange.
Level 2 – Inputs other than quoted prices included within ***Level 1*** that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This level includes unlisted equity investments.

The hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

(e) Share capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

Share premium

Any amount paid in excess of the nominal value of ordinary shares is credited to the share premium account.

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

(f) Impairment

(i) Non-derivative financial assets

Financial assets not classified as at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- Default or delinquency by a debtor;
- Restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- Indications that a debtor or issuer will enter bankruptcy;
- Adverse changes in the payment status of borrowers or issuers;
- The disappearance of an active market for a security; or
- Observable data indicating that there is measurable decrease in expected cash flows from group financial assets.

Financial assets measured at amortised cost

The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset or the cash generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Foreign Currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Group companies at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

Foreign currency differences on translation are recognised in profit or loss net of foreign exchange gain/loss, except for those arising on financial instruments at fair value through profit or loss, which are recognised as net gain from financial instrument at fair value through profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into US$ at exchange rates at the reporting date. The income and expenses of foreign operations are translated into US$ at the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to the non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(h) Revenue recognition

(i) Dividend income

Dividend income is recorded when the Group's right to receive the payment is established.

(ii) Net gain from financial instruments at fair value through profit and loss

The net gain from financial instruments held at fair value through profit or loss includes all realised and unrealised fair value changes, but excludes interest and dividend income on short positions. The Group uses the first-in, first-out method to determine the gain on disposal. Fair value adjustments on the financial instruments are presented and disclosed separately from gains and losses on disposals.

(iii) Revenue from oil distribution and logistics

Revenue from oil and logistics arises from the sales of fuel, oil products and services is recognised when the Group has transferred the significant risks and rewards of ownership to the buyer and it is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably. These criteria are considered to be met when the goods are delivered to the buyer or when service has been provided to the customer in full.

(iv) Fee income

Fees are earned on advisory services and income is recognised when the service has been rendered.

(v) Share of associate income

The share of associate income is recognised net of associate expenses only to the extent of the Group's interest.

(vi) Interest

Interest income and expense, are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses. The calculation of the effective interest rate includes all fees that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

Interest is presented in the following lines in the statement of profit or loss and other comprehensive income:

- Interest income in "interest income" line; and
- Interest expense in "finance costs" line.

(vii) Rental income

Rental income from operating leases is recognised in the accounting period in which the property is occupied by the tenant.

(viii) Revenue from valuation and consultancy services

Revenue from valuation and consultancy is recognised in the accounting period in which the property valuation, management and consultancy services are rendered, by reference to the stage of completion of the specific transaction and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(ix) Revenue from sale of goods

Sale of room nights, food and beverages

Revenue from sale of goods is primarily derived from the sale of room nights, sale of food and beverages and sale of shop merchandise. Revenue is recognised when room nights, food, beverages and shop merchandise are sold.

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

Casino/gaming revenue

Revenue from gaming (casinos) comprises the net table and slot machine wins derived by casino operations from gambling patrons. In terms of IFRS, betting transactions concluded under gaming operations meet the definition of derivatives and therefore income from gaming operations represents the net position arising from financial instruments. The net gaming win is measured as the net cash received from betting transactions from casino operations. Due to the short-term nature of the casino operations, all income is recognised in profit or loss immediately, at fair value.

Timeshare revenue

The extended reservations system involves the sale of timeshare weeks owned by the Group and management fees earned from running the administration for the timeshare associations. Revenue is accounted when timeshare weeks are sold and management fees are earned.

Premium income

Premiums and annuity considerations on long-term insurance contracts are recognised when due in terms of the contract. Premiums receivable in respect of corporate schemes are recognised when there is a reasonable assurance of collection in terms of the policy contract. Premiums in respect of individual policies are recognised as premiums when received as failure to pay a premium will result in the lapse of the policy.

(i) Taxation

Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

(i) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
(ii) Temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

A deferred tax asset is recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Future taxable profits are determined based on business plan for individual subsidiaries in the Group.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using the tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group and Company expect at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset only if the following criteria are met:

(a) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either; and
(b) The entity has a legally enforceable right to set off current tax assets against current tax liabilities:
  (i) The same taxable entity; or
  (ii) Different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(j) Leases

Lease payments – lessee

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(k) Employee benefits

Post-employment benefits

The Group's employees are on a defined contribution plan. Obligations for contributions to the defined contribution plan are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the relevant service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(l) Inventories

Inventory is stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

(m) Related parties

- A person or a close member of that person's family is related party to the Group if that person has control or joint control, significant influence or is a member of the key management personnel of the Group.
- An entity is a related party to the Group if that entity is part of Brainworks Limited and/or related to a significant non-controlling interest as a subsidiary, associate, joint venture or post-employment benefit plan.

The Company has related party relationships. Transactions and balances are reflected in Note 14.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

4. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to the assets or liability.

4.1 Equity securities

The fair value of equity securities is determined by reference to their quoted closing bid price at the reporting date, or if unquoted, determined using a valuation technique. Valuation techniques employed included market multiples and discounted cash flow analyses using expected future cash flows and a market-related discount rate.

The Group's financial assets and liabilities include financial assets at fair value through profit or loss, other receivables, cash and cash equivalents, borrowings and trade and other payables. The carrying amounts of trade and other receivables, cash and cash equivalents, borrowings and trade and other payables approximate their fair values.

5. Receivables

	30 June 16 US$	31 Dec 15 US$
Receivables due from related parties	**1,551,559**	2,357,326
Trade receivables	**3,822,568**	2,634,575
Other receivables	**12,371,081**	11,429,303
	17,745,208	16,421,204

The carrying amount of the receivables approximate fair values.

6. Investment in associates

	30 June 16 US$	31 Dec 15 US$
Investment in GetBucks Financial Services Limited	**3,333,242**	3,110,544

The associate is incorporated in Zimbabwe and its principal place of business is in Harare, Zimbabwe.

The shareholding in GetBucks Zimbabwe, a microfinance company listed on the ZSE, was 31% on 30 June 2016 (31 December 2015: 34%). The investment is accounted for as an associate due to significant influence arising from having three members out of seven on its board of directors representing Brainworks' interests.

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

7. Property and equipment

At 30 June 2016	Land & buildings US$	Leasehold improvements US$	Motor vehicles US$	Computer equipment US$	Office equipment US$	Furniture & fittings US$	Hotel equipment US$	Capital work in progress US$	Total US$
Cost									
Opening balance	89,856,531	9,389,970	4,200,130	274,507	208,542	108,886	26,695,650	1,363,870	132,098,087
Transfer from WIP	-	19,483	-	-	-	-	5,380	(24,863)	-
Exchange differences	-	-	-	-	-	-	91	-	91
Additions	1,874,101	200,616	35,140	8,590	13,815	35,418	437,521	699,495	3,304,696
Disposals	(299,375)	(2,053,175)	(55,305)	(2,608)	-	-	(488,733)	-	(2,899,197)
Transfer from assets held for sale	-	-	-	-	-	-	(90,306)	-	(90,306)
Impairment & usage on service stocks	-	-	-	-	-	-	(228)	(6,945)	(7,173)
	91,431,257	**7,556,894**	**4,179,965**	**280,489**	**222,357**	**144,304**	**26,559,375**	**2,031,557**	**132,406,198**
Depreciation									
Opening balance	(366,636)	(4,929,848)	(1,229,485)	(176,907)	(86,379)	(42,452)	(11,387,293)	-	(18,218,999)
Impairment	-	(9,342)	-	-	-	-	(55,313)	-	(64,655)
Charge for the period	(36,728)	(315,411)	(254,784)	(18,650)	(13,668)	(11,734)	(924,621)	-	(1,575,596)
Disposals	-	674,242	24,800	2,207	-	-	274,634	-	975,882
Accumulated depreciation	**(403,364)**	**(4,580,359)**	**(1,459,469)**	**(193,350)**	**(100,047)**	**(54,186)**	**(12,092,593)**	**-**	**(18,883,368)**
Net carrying amount at 30 June 2016	**91 027 893**	**2 976 535**	**2 720 496**	**87 139**	**122 310**	**90 118**	**14 466 782**	**2 031 557**	**113 522 830**

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

7. Property and equipment (Continued)

At 31 December 2015	Land & buildings	Leasehold improvements	Motor vehicles	Computer equipment	Office equipment	Furniture & fittings	Hotel equipment	Capital work in progress	Total
Cost	**US$**	**US$**	**US$**	**US$**	**US$**	**US$**	**US$**	**US$**	**US$**
At 1 January	1,210,726	5,500	1,366,119	29,555	56,905	47,090	-	-	2,715,895
Acquired subsidiary	85,135,000	9,166,670	2,186,501	223,655	143,063	612,202	28,368,469	656,657	126,492,216
Transfer	-	145,106	-	-	-	-	271,063	(416,169)	-
Transfer to inventory	(400,000)	-	-	-	-	-	-	-	(400,000)
Exchange differences	-	(10,288)	(4,016)	-	812	-	(233,334)	(1,490)	(248,316)
Additions	513,712	223,707	1,400,491	28,774	21,187	69,686	1,432,892	1,207,726	4,898,175
Disposals	(620,000)	(140,725)	(701,532)	(16,494)	(9,316)	-	(1,382,657)	(39,313)	(2,910,037)
Transfer from non-current assets held for sale	4,538,600	-	-	-	-	-	-	-	4,538,600
Impairment and usage on service stock	(321,507)	-	-	-	-	-	(2,357,341)	(43,539)	(2,722,387)
At 31 December 2015	**90,056,531**	**9,389,970**	**4,247,563**	**265,490**	**212,651**	**728,978**	**26,099,092**	**1,363,872**	**132,364,147**
Depreciation									
At 1 January	(14,480)	(3,312)	(175,607)	(14,704)	(30,566)	(29,188)	-	-	(267,857)
Acquired subsidiary	-	(4,034,529)	(924,980)	(128,829)	(37,431)	(58,022)	(7,265,110)	-	(12,448,901)
Depreciation charge	(271,196)	(917,736)	(510,155)	(35,380)	(24,520)	(27,443)	(4,348,958)	-	(6,135,388)
Disposal	-	25,729	381,259	11,024	3,503	-	274,292	-	695,807
Transfer from non-current assets held for sale	(280,960)	-	-	-	-	-	-	-	(280,960)
At 31 December 2015	**(566,636)**	**(4,929,848)**	**(1,229,483)**	**(167,889)**	**(89,014)**	**(114,653)**	**(11,339,776)**	**-**	**(18,437,299)**
Net carrying amount									
At 31 December 2015	**89,489,895**	**4,460,122**	**3,018,080**	**97,601**	**123,637**	**614,325**	**14,759,316**	**1,363,872**	**113,926,848**

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

8. Share capital

Issued and fully paid	**30 June 16 US$**	31 Dec 15 US$
At 1 January (863, 061, 948 shares of US$0,000 1 each)	**86,307**	86,307
Additions	**-**	-
At period end (863, 061, 948 shares of US$0,000 1 each)	**86,307**	86,307
Share premium		
Premium on ordinary shares	**86,219,889**	86,219,889

All shares rank equally with regard to the Company's residual assets and dividends. The holders of ordinary shares are entitled to one vote per share at meetings of the Company. The unissued shares are under the control of the Directors.

9. Borrowings

	Note	Interest rate	Date of maturity	30 June 16 US$	31 Dec 15 US$
African Export-Import Bank Limited	9.1	7.5%	10 June 2016	**-**	1,250,490
CBZ Bank Limited	9.2	10%	31 January 2018	**5,082,152**	-
Ever Prosperous Worldwide Limited	9.3	30%	31 December 2016	**4,076,691**	5,424,002
Ecobank Ghana Limited	9.4	12.5%	31 August 2018	**1,947,355**	1,826,448
Ecobank Zimbabwe Limited	9.5	8%	31 December 2018	**6,964,880**	6,825,162
FBC Bank Limited	9.6	12.5%	31 August 2017	**2,101,353**	2,322,093
GetBucks Financial Services Limited	9.7	18%	31 December 2016	**2,088,138**	961,432
MBCA Bank Limited	9.8	14%	31 August 2018	**1,134,661**	1,390,308
NMB Bank Limited	9.9	14%	31 July 2017	**562,636**	684,956
Other Institutions				**3,367,202**	1,678,314
				27,325,068	21,401,773

The carrying amounts of all the loans approximate their fair values as they are carried at amortised cost. Interest rates charged are market related.

9.1 The amount due to African Export-Import Bank Limited matured on 10 June 2016 and attracted interest at 7.5% per annum. The facility was secured by a bank guarantee from FBC Bank Limited. It was a loan held by African Sun.

9.2 The CBZ Bank facility held by Brainworks Capital is secured by shares in Dawn Properties and attracts interest at 10% per annum. The facility matures on 31 January 2018.

9.3 Due to Ever Prosperous Worldwide Limited are loans secured by a cession in security of African Sun's 50% share in the Victoria Falls Hotel partnership with Meikles Limited and directors' personal guarantees. US$3,3 million of the loans were issued to Brainworks Capital Management and attract interest of 30% per annum with a 31 December 2016 maturity. US$0,8 million was issued to African Sun and attracts interest of 6% per annum with a maturity date of 30 June 2017.

9.4 The Ecobank Ghana facility held by African Sun attracts interest at 12.5%. The loan matures on 31 August 2018 and is secured by a bank guarantee from Ecobank Zimbabwe Limited.

9.5 Of the US$7,0 million Ecobank Zimbabwe facility, US$1,0 million is held by African Sun that is unsecured and attracts interest at 12.5% per annum. The facility matures on 18 June 2018. US$6,0 million is held by Brainworks Capital and secured by 100 000 000 African Sun shares. It attracts interest at 8% per annum and matures on 31 December 2018.

9.6 The FBC Bank Limited facility held by African Sun is unsecured and attracts interest at 12.5% per annum. The facility matures on 31 August 2017.

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

9.7 The GetBucks Zimbabwe facility held by Brainworks Capital attracts interest at 18% per annum and matures on 31 December 2016. It is secured by 82,352,941 shares in African Sun and 75,000,000 shares of Dawn Properties.

9.8 The MBCA Bank facility held by African Sun matures on 31 August 2018. It attracts interest at 14% per annum and is not secured.

9.9 The NMB Bank facility held by FML Logistics is secured by 32 200 000 African Sun shares and 45 000 000 Dawn Properties shares. The facility attracts interest at 14% per annum and matures on 31 July 2017.

10. Revenue

	30 June 16 US$	30 June 15 US$
Revenue from sale of goods - room nights, food and beverages	**17,815,420**	9,244,242
Revenue from sale of goods - casino/gaming revenue	**172,469**	-
Revenue from gross premiums	**421,087**	-
Revenue from oil distribution and logistics	**247,143**	797,292
Rental income	**23,759**	-
Revenue from valuation and consultation services	**990,321**	674,080
	19,670,199	10,715,814

11. Other operating expenses

	30 June 16 US$	30 June 15 US$
Defined contribution pension plan and social security costs	**361,126**	105,312
Staff costs	**5,191,806**	2,825,423
Office rental	**100,602**	83,772
Administration costs	**3,647,150**	5,118,760
Depreciation	**1,627,958**	696,838
Impairment of receivables	**56,914**	3,886,024
Loss on disposal of assets	**-**	3,956,786
Repairs and maintenance costs	**1,108,539**	-
Heat, lighting and water	**1,395,342**	-
Hotel rent and rates	**1,325,549**	-
Sales and marketing	**540,247**	-
Other expenses	**340,699**	-
	15,695,932	16,672,915

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

12. Finance costs

	30 June 16 US$	30 June 15 US$
CBZ Bank Limited facility	**128,958**	-
NMB Bank Limited facility	**54,893**	3,873
MBCA Bank Limited facility	**71,233**	33,394
ZB Bank Limited facility	**1,500**	7,542
FBC Bank Limited facility	**200,065**	38,287
African Export-Import Bank Limited facility	**37,401**	53,061
African Century Limited finance lease facility	**2,000**	5,517
Ecobank Transnational Incorporated facility	**-**	46,754
Ecobank Ghana Limited facility	**121,088**	98,621
Ever Prosperous Worldwide Limited facility	**761,364**	865,556
Ecobank Zimbabwe Limited facility	**241,848**	52,384
Interest on other payables	**319,394**	46,685
Interest on statutory obligations	**133,425**	-
	2,073,169	1,251,674

13. Income tax

	30 June 16 US$	30 June 15 US$
Current tax	**(78,369)**	(637,142)
Deferred tax	**850,899**	257,947
Income tax credit/(charge)	**772,530**	(379,195)

14. Related party transactions

a) Key management personnel compensation

Key management personnel compensation comprised the following:

	30 June 16 US$	30 June 15 US$
Short-term employee benefits	**345,000**	120,000
Post-employment pension	**19,966**	14,196
	364,966	134,196

Compensation of the key management personnel includes salaries, allowances and contributions to a defined contribution plan.

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2016

b) Other related party transactions

The details of other related party transactions were as follows:

Related party transactions for the year	Nature of relationship	Nature of Transactions	30 June 16 US$	30 June 15 US$
GetBucks Financial Services Limited	Associate	Finance cost	**32,205**	-
Ecobank Transnational Incorporated	Parent of associate	Finance cost	**-**	46,754

Balance at year end			30 June 16 US$	31 Dec 15 US$
Meikles Limited	Joint control	Receivables	**201,151**	242,221
Brainworks Capital Private Equity Managers (Private) Limited	Management	Receivables	**443,252**	298,407
GetBucks Financial Services Limited	Associate	Borrowings	**2,088,138**	961,432
Staff loans	Management	Receivables	**688,194**	1,760,362

Nature of relationships with related parties:

- **GetBucks Zimbabwe**: associate of Brainworks Capital Management (Private) Limited as a result of a 31% shareholding in the company.
- **Brainworks Limited**: holding company of Brainworks Capital Management (Private) Limited through a shareholding of 100%.
- **Meikles Limited**: African Sun has 50% joint control with Meikles Limited in the Victoria Falls Hotel partnership.
- **Brainworks Capital Private Equity Managers (Private) Limited**: wholly-owned by the management of Brainworks Capital Management (Private) Limited.

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