

Capespan International Holdings Limited

Directors' report and
financial statements

Year ended 31 December 2018

Registered number 2948753



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Capespan International Holdings Limited

Directors' report and financial statements

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Capespan International Holdings Limited

Directors and other information

Directors

G.I. Green (Appointed 1 August 2018)
V.E. Rye (Resigned 31 March 2018)
A.J. De Klerk (South African) (resigned 27 August 2019)

Secretary

G. Linney (Appointed 27 August 2019)
V.E. Rye (Resigned 31 March 2018)
A.J. De Klerk (South African) (Appointed 10 August 2018)
(Resigned 27 August 2019)

Registered office

East Kent Storage
Unit 30 Burkes Lodge
20 London End
Beaconsfield
HP9 2JH
England

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Bankers

HSBC
69 Pall Mall
London
SW1Y 5EY
UK

Solicitors

Thomson Snell and Passmore
3 Lonsdale Gardens
Tunbridge Wells
Kent TN1 1NX
UK

Registered number

2948753

Capespan International Holdings Limited

Directors' report

The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2018.

Principal activities and business review

The principal activity of the Company is that of a holding company. The Company's subsidiaries provide marketing, selling and distribution services in relation to the fruit trade and allied food products. There has been no significant change in those activities during the year.

Principal risks and uncertainties

The Company's earnings are dependent on the performance of its subsidiaries.

The Company is dependent on the continuing commitment of its directors and senior management team. The loss of such key personnel without adequate replacement could have an adverse effect on the business.

The experienced management team continually monitor and manage these risks.

Results and dividends

The Company's loss after tax for the year ended 31 December 2018 was £4,713,000 (2017: £68,000 loss) including an impairment charge recognised against investments in subsidiaries of £4,645,000.

The results of the Company for the year ended 31 December 2018 are set out on page 8. The directors do not recommend the payment of a dividend for the year (2017: £Nil).

Directors and secretary

On 31 March 2018, V.E. Rye resigned as a director and secretary. A.J. De Klerk resigned as director and secretary on 27 August 2019.

G.I. Green, was appointed as a director on 1 August 2018 and G. Linney was appointed secretary on 27 August 2019.

Directors' and company secretary's interests

The directors and company secretary did not hold any interest in shares or share options of the Company or group companies at the beginning or end of the year.

Political and charitable contributions

The Company made charitable and non-political contributions of £Nil (2017: £Nil) during the year.

Post balance sheet events

There were no post balance sheet events since 31 December 2018 which affect the Company.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Capespan International Holdings Limited

Directors' report *(continued)*

Small company exemption

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

In preparing the directors' report, the directors have taken advantage of the small companies exemption under Section 414B of the Companies Act 2006 not to prepare a strategic report.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

On behalf of the board

A handwritten signature in black ink, appearing to be 'G.I. Green', written over a horizontal line.

G.I. Green
Director

24 October 2019

Capespan International Holdings Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report, [strategic report] and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and applicable law.

Under Company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board



G.I. Green
Director



KPMG
Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

Independent auditor's report to the members of Capespan International Holdings Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Capespan International Holdings Limited ('the Company') for the year ended 31 December 2018 set out on pages 8 to 21, which comprise the income statement and statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

We have nothing to report on going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.



Independent auditor's report to the members of Capespan International Holdings Limited *(continued)*

Report on the audit of the financial statements *(continued)*

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Based solely on our work on the other information;

- we have not identified material misstatements in the directors report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.



Independent auditor's report to the members of Capespan International Holdings Limited (*continued*).

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

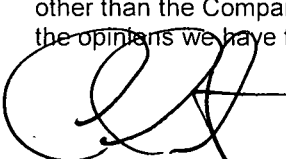
Auditor's responsibilities for the audit of the financial statements

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Colm O'Sé (Senior Statutory Auditor)
for and on behalf of KPMG, Statutory Auditor
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

25 October 2019

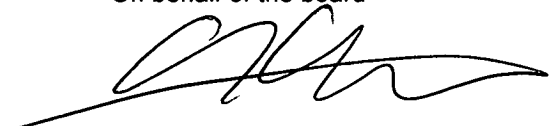
Capespan International Holdings Limited

Income statement and statement of total comprehensive income for the year ended 31 December 2018

	Note	2018 £'000	2017 £'000
Administrative expenses	4	(2)	(2)
Loss from operating activities		(2)	(2)
Financial expense	5	(66)	(66)
Impairment of investments in subsidiaries	8	(4,645)	-
Loss before tax		(4,713)	(68)
Tax	6	-	-
Loss for the financial year and total comprehensive income attributable to equity shareholders		(4,713)	(68)

The notes on pages 12 to 21 form an integral part of these financial statements.

On behalf of the board



G.I. Green
Director

Capespan International Holdings Limited

Balance sheet

as at 31 December 2018

	Note	2018 £'000	2017 £'000
Assets			
Non-current			
Investments in subsidiaries	8	11,931	16,576
Total assets		11,931	16,576
Equity			
Called-up share capital	9	-	-
Share premium		6,950	6,950
Capital contribution		800	800
Retained earnings		(702)	4,011
Total equity		7,048	11,761
Liabilities			
Non-current			
Trade and other payables	10	4,414	4,414
Total non-current liabilities		4,414	4,414
Current			
Trade and other payables	10	469	401
Total current liabilities		469	401
Total liabilities		4,883	4,815
Total equity and liabilities		11,931	16,576

The notes on pages 12 to 21 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 24 October 2019 and signed on its behalf by:



G.I. Green
Director

Registered number 2948753

Capespan International Holdings Limited

Statement of changes in equity for the year ended 31 December 2018

	Called up share capital £'000	Share premium £'000	Capital contribution £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2017	-	6,950	800	4,079	11,829
Comprehensive income					
Loss for the year	-	-	-	(68)	(68)
Balance at 31 December 2017	-	6,950	800	4,011	11,761
Comprehensive income					
Loss for the year	-	-	-	(4,713)	(4,713)
Balance at 31 December 2018	-	6,950	800	(702)	7,048

Capespan International Holdings Limited

Statement of cash flows

for the year ended 31 December 2018

	2018 £'000	2017 £'000
Operating activities		
Loss for the financial year	(4,713)	(68)
<i>Adjustments for:</i>		
Movement in trade and other payables	68	68
Impairment of investments in subsidiaries	4,713	-
	<hr/>	<hr/>
Cash flow from operating activities	-	-
	<hr/>	<hr/>
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	-	-
	<hr/>	<hr/>
Cash and cash equivalents at end of year	-	-
	<hr/>	<hr/>

Capespan International Holdings Limited

Notes

forming part of the financial statements

1 Accounting policies

Reporting entity

Capespan International Holdings Limited ("the Company") is a private limited company domiciled and incorporated in the UK. The Company's financial statements for the year ended 31 December 2018 present the financial information of the Company as a single entity. The Company has taken advantage of the exemption not to prepare consolidated financial statements provided by Section 400 of the Companies Act 2006, as it is a subsidiary undertaking of Capespan Group Limited, a Company incorporated in South Africa, which prepares consolidated financial statements including the results of this Company.

The financial statements were authorised for issue by the directors on 24 October 2019.

The accounting policies applied in the preparation of the financial statements for the year ended 31 December 2018 are set out below.

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU.

The IFRSs adopted by the EU and applied by the Company in the preparation of these financial statements are those that were effective at 1 January 2018.

Basis of preparation

The financial statements, which are presented in Sterling, the Company's functional currency, rounded to the nearest thousand, have been prepared on the historical cost basis.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The estimates are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 15.

Going concern

The financial statements have been prepared on a going concern basis which assumes the Company will have sufficient funding and cash resources to continue its operations for the foreseeable future. The board acknowledges the trading challenges experienced in the financial year by the subsidiaries of Capespan International Holdings Limited and the strategic review of operations currently being undertaken across the Capespan Group. Nonetheless, the Company's balance sheet includes a surplus of assets over liabilities which insures that the Company continues to have sufficient liquid assets available to discharge all liabilities as they fall due.

Capespan International Holdings Limited

Notes (continued)

1 Accounting policies (continued)

Going concern (continued)

Accordingly, the board considers it appropriate to prepare the financial statements on a going concern basis.

Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous year except for the following new and amended IFRS and IFRIC interpretations adopted by the Company as of 1 January 2018:

- IFRS 9: *Financial Instruments*
- Annual Improvements to IFRSs 2014-2016 cycle

Application of these new standards and annual improvements, had no material impact on the Company's 2018 financial statements. The most significant new standards were IFRS 9 and IFRS 15.

The Company adopted *IFRS 9 Financial Instruments*, which addresses the classification, measurement and recognition of financial assets and liabilities, effective 1 January 2018. The Standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. Adoption of the *IFRS 9 Financial Instruments* has resulted in no significant change to the financial position.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are carried at cost less impairment. Dividend income is recognised when the right to receive payment is established.

The carrying amounts of the Company's investments are assessed for impairment when an event or transaction indicates that an impairment may have occurred. If any such indication exists, an impairment test is carried out and the asset is written down to its recoverable amount as appropriate.

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss, is reversed if there has been a change in the estimates used to determine the recoverable amount.

Taxation

Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws that have been enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Financial instruments

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Capespan International Holdings Limited

Notes (continued)

1 Accounting policies (continued)

New standards and interpretations not applied

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2019, and have not been applied in preparing these financial statements. The Company does not plan to adopt these standards early; instead it will apply them from their effective dates as determined by their dates of EU endorsement. The Company is still reviewing the impact of the upcoming standards to determine their impact:

Standard/interpretation	Effective date for accounting periods beginning on or after
• IFRS 16 Leases	1 January 2019
• IFRIC 23: Uncertainty over Income Tax Treatments	1 January 2019
• Amendments to IFRS 9: Prepayment Features with Negative Compensation	1 January 2019
• Amendments to IAS 28: Long-term interests in Associates and Joint Ventures	1 January 2019
• IFRS 17: Insurance Contracts	1 January 2021
• Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture.	Endorsement postponed
• Annual Improvements to IFRS Standards 2015- 2017 Cycle	1 January 2019
• Amendments to IAS 19: Plan amendment, Curtailment or Settlement	1 January 2019
• Amendment to references to Conceptual Framework in IFRS Standards	1 January 2020

The Directors anticipate that the adoption of the above standards and interpretations issued by the IASB or the IFRIC will not have a material impact on the Company's earnings.

2 Revenue

The Company had no revenue for the year.

Capespan International Holdings Limited

Notes (continued)

3 Information regarding directors and employees

Directors' emoluments	2018 Number	2017 Number
Number of directors who are members of a defined benefit scheme	-	-
	2018 £'000	2017 £'000
Total directors' emoluments, excluding pension contributions	-	-
Pension contributions	-	-
Remuneration of the highest paid director	-	-

Certain directors received remuneration from other group undertakings and this information is disclosed in those Company's financial statements.

Employees

The Company had no employees during the year.

4 Statutory and other information	2018 £'000	2017 £'000
Loss for the financial year is stated after charging:		
Auditor's remuneration	2	2
	2018 £'000	2017 £'000
5 Financial income and expense		
Interest expense on interest bearing borrowings (intercompany)	66	66

Capespan International Holdings Limited

Notes (continued)

6	Income tax charge	2018 £'000	2017 £'000
	Recognised in the income statement		
	<i>Current tax</i>		
	UK corporation tax at 19.00% (2017: 19.25%)	-	-
	Total current tax	-	-
	<i>Deferred tax</i>		
	Origination and reversal of temporary differences	-	-
	Total deferred tax	-	-
	Total income tax charge	-	-
	Reconciliation of effective tax rate	2018 £'000	2017 £'000
	Loss before tax	(4,713)	(68)
	Taxation based on UK corporate rate	(895)	(13)
	Utilisation of losses brought forward	-	-
	Losses carried forward	895	13
		-	-

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were enacted on 26 October 2015. Finance Bill 2016 further reduced the 18% rate to 17% from 1 April 2020, following substantive enactment on 6 September 2016. Together this will reduce the Company's future tax charges accordingly.

Due to the uncertainty of the recoverability of the tax losses, a deferred tax asset of £87,529 (2017: £75,918) has not been recognised.

7 Investment income

The Company did not receive any dividends from subsidiary undertaking (2017: £Nil).

Capespan International Holdings Limited

Notes (continued)

8 Investments in subsidiaries

Shares in subsidiaries	2018 £'000	2017 £'000
Cost		
At the beginning and end of the year	16,576	16,576
Impairment recognised	(4,645)	-
At 31 December	11,931	-

Due to difficult trading conditions experienced by the subsidiaries of Capespan International Holdings Limited over the last number of years, the directors assessed the recoverable value of each of the Company's investments based on fair value less cost to sell having regard to conservative assumptions and as a result, recognised an impairment loss of €4,645,161 in order to ensure the carrying value of the subsidiaries matched their recoverable amount.

In the opinion of the directors, the shares in the Company's subsidiaries are worth at least the amounts at which they are stated in the balance sheet.

The Company has the following principal investment entities:

	Shareholding %	Type	Incorporated and trading in
Capespan International Limited	100.0	Subsidiary	Great Britain
Capespan Continent NV	100.0	Subsidiary	Belgium
Held by Capespan International Limited			
Fruit Services Holdings Limited	100	Subsidiary	Great Britain
Held by Capespan Continent NV			
Fresh Fruit Services Continent CVBA	100.0	Subsidiary	Belgium
May Fresh Gida	50.0	Subsidiary	Turkey
Fruchtimport Van Wylick GmbH	25.0	Subsidiary	Germany
Capespan Egypt SA	1.2	Subsidiary	Egypt
Held by Fresh Fruit Services Continent CVBA			
Capespan Austria GmbH	100.0	Subsidiary	Austria
Capespan France SA	100.0	Subsidiary	France
Capespan Schweiz AG	100.0	Subsidiary	Switzerland
Capespan Germany GmbH	100.0	Subsidiary	Germany
Capespan Egypt SA	97.6	Subsidiary	Egypt
Held by Capespan Germany GmbH			
Capespan Egypt SA	1.2	Subsidiary	Egypt

All principal subsidiary undertakings provide marketing, selling and distribution services in relation to the fruit trade and allied products.

All the above undertakings have financial years ended on 31 December 2018.

Capespan International Holdings Limited

Notes (continued)

9	Called up share capital	2018 £'000	2017 £'000
	Authorised		
	500 A ordinary shares of £1 each	500	500
	500 B ordinary shares of £1 each	500	500
		<hr/>	<hr/>
	Total authorised share capital	1,000	1,000
		<hr/>	<hr/>
		2018 £	2017 £
	Called up, allotted and fully paid		
	3 A ordinary shares of £1 each	3	3
	3 B ordinary shares of £1 each	3	3
		<hr/>	<hr/>
	Total called up, allotted and fully paid share capital	6	6
		<hr/>	<hr/>

The holders of each class of shares have the right to appoint up to four directors. In all other respects, the A and B shares rank pari passu.

10	Trade and other payables	2018 £'000	2017 £'000
	Non-current		
	Amounts owed to related undertakings (note 12)	4,414	4,414
		<hr/>	<hr/>
	Current		
	Amounts owed to related undertakings (note 12)	469	401
		<hr/>	<hr/>

11 Commitments and contingencies

From time to time, the Company is involved in other claims and legal actions, which arise in the normal course of business. Based on information currently available to the Company, and legal advice, the directors believe such litigation will not, individually or in aggregate, have a material adverse effect on the financial statements and that the Company is adequately positioned to deal with the outcome of any such litigation.

Capespan International Holdings Limited

Notes (continued)

12 Related parties

Identity of related parties

The Company has a related party relationship with its ultimate parent company, Capespan Group Limited, and its subsidiary and associated companies and with the directors of the Company and subsidiaries.

No members of the board or key management personnel receive remuneration from the Company.

Related party transactions with associated companies

Ultimate parent includes their subsidiary and associated companies.

Company	2018 Debtor £'000	2018 Creditor £'000	2017 Debtor £'000	2017 Creditor £'000
Amounts due to subsidiary	-	(4,883)	-	(4,815)

13 Ultimate parent undertakings

At 31 December 2018, the ultimate holding company of Capespan International Holdings Limited in the Capespan Group is Capespan Group Limited with the ultimate holding company of Capespan Group Limited being PSG Group Limited, a company incorporated in South Africa.

Capespan International Holdings Limited has taken advantage of the exemption not to prepare consolidated financial statements provided by Section 400 of the Companies Act 2006, as it is a subsidiary undertaking of Capespan Group Limited, a Company incorporated in South Africa, which prepares consolidated financial statements which include the results and financial position of the Company.

Accounts of the ultimate parent undertaking are available from:

The Secretary, Capespan Group Limited, Vineyards Square North, the Vineyards Office Estate, 99 Jip de Jager, Bellville, PO Box 6133, Tyger Valley, 7536 Republic of South Africa.

Capespan International Holdings Limited

Notes (continued)

14 Financial instruments and financial risk

	Designated at fair value 2018 £'000	Financial assets at amortised cost 2018 £'000	Liabilities at amortised cost 2018 £'000	Total carrying amount 2018 £'000	Fair value 2018 £'000
Trade and other payables (note 10)	-	-	(4,883)	(4,883)	(4,883)
	-	-	(4,883)	(4,883)	(4,883)
	Designated at fair value 2017 £'000	Financial assets at amortised cost 2017 £'000	Liabilities at amortised cost 2017 £'000	Total carrying amount 2017 £'000	Fair value 2017 £'000
Trade and other payables (note 10)	-	-	(4,815)	(4,815)	(4,815)
	-	-	(4,815)	(4,815)	(4,815)

Capespan International Holdings Limited

Notes (continued)

14 Financial instruments and financial risk (continued)

Estimation of fair values

Set out below are the major methods and assumptions used in estimating the fair values of the financial assets and liabilities disclosed in the preceding table.

Trade and other receivables/payables

The Company's trade and other receivables/ payables are carried at amortised cost.

Interest bearing loans and borrowings

For interest bearing loans and borrowings the nominal amount is deemed to reflect fair value.

Risk exposures

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of the financial liabilities and cash and cash equivalents, including estimated interest payments and excluding the impact of netting agreements:

	2018 Carrying amount £'000	2018 6 months or less £'000	2017 Carrying amount £'000	2017 6 months or less £'000
Non-derivative financial liabilities				
Trade and other payables	(469)	(469)	(401)	(401)
	<u>(469)</u>	<u>(469)</u>	<u>(401)</u>	<u>(401)</u>

15 Accounting estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses.

Particular areas which are subject to accounting estimates and judgements in these financial statements are areas such as impairment testing. Impairment testing of assets involves estimating the recoverable value. Details of the impairment charge which arose in the current year as a result of the assessment are set out in note 8.

16 Post balance sheet events

There were no post balance sheet events since 31 December 2018 which affect the Company.