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ANNUAL FINANCIAL STATEMENTS

2017

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Cartrack Holdings Limited is an investment holding company operating principally within the telematics industry
Directors	IJ Calisto (executive) JR Edmeston (executive) DJ Brown (non-executive) AT Ikalafeng (non-executive) K White (non-executive)
Registered office	Cartrack Corner Corner Jan Smuts & 7th Avenue Rosebank, Johannesburg South Africa 2196
Business address	Cartrack Corner Corner Jan Smuts & 7th Avenue Rosebank, Johannesburg South Africa 2196
Postal address	PO Box 4709 Rivonia 2128
Holding company	Onecell Holdings Proprietary Limited Incorporated in South Africa
Bankers	First National Bank – a division of FirstRand Bank Limited Mercantile Bank Limited Nedbank Limited Standard Bank Limited
Auditors	Grant Thornton Johannesburg Partnership Chartered Accountants (SA) Registered Auditors A South African member firm of Grant Thornton International
Secretary	A De Villiers
Company registration number	2005/036316/06

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The reports and statements set out below comprise the annual financial statements presented to the shareholder:

Level of assurance

These consolidated annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Preparer

F Hassim CA(SA)
Group reporting accountant

Issued

17 May 2017

DIRECTORS' RESPONSIBILITIES AND APPROVAL

For the year ended 28 February 2017

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditor is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 May 2018 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditor and their report is presented on pages XX to XX.

The annual financial statements set out on pages XX to XX, which have been prepared on the going concern basis, were approved by the board of directors on 15 May 2017 and were signed on their behalf by:

IJ Calisto
(Executive)

JR Edmeston
(Executive)

Rosebank
15 May 2017

AUDIT COMMITTEE REPORT

For the year ended 28 February 2017

1. MANDATE AND TERMS OF REFERENCE

The audit and risk committee (ARC) operates within the boundaries of a mandate approved and reviewed annually by the board. In accordance with the requirements of the Companies Act 71 of 2008, the members of the ARC are appointed by shareholders at the annual general meeting.

The primary responsibilities of the ARC are to ensure the integrity of the financial reporting and audit processes as well as that of the internal control system and risk management process. The complete terms of reference are available on www.cartrack.com.

2. MEMBERSHIP AND MEETINGS

Members: K White (chair), DJ Brown, AT Ikalafeng.

The chief executive officer and chief financial officer attend the meetings by invitation, but do not have a vote. The internal and external auditors have unlimited access to the chair of the ARC. The ARC meets with the external auditors at least once a year without the presence of executive management. During this period the ARC met on 7 occasions.

3. INDEPENDENT EXTERNAL AUDIT

Following appointment by the shareholders at the annual general meeting, Grant Thornton Johannesburg Partnership performed an independent and objective audit on the group's annual financial statements. The financial statements are prepared in compliance with the JSE Listings Requirements, International Financial Reporting Standards (IFRS) and the Companies Act 71 of 2008. The ARC is satisfied that Grant Thornton is independent of the group and, after considering the extent of non-audit services provided by them to the company, is satisfied that their independence is not compromised.

4. INTERNAL AUDIT

The group internal audit function reports to the chairman of the ARC. The internal audit function is regarded as being sufficiently independent of the activities being audited. The internal audit plan is reviewed and adjusted on a continual basis to ensure effectiveness and is based on the relevant degree of inherent risk of the business.

5. ANNUAL REVIEWS

The ARC confirms that it has considered and satisfied itself that the current global chief financial officer, JR Edmeston, possesses the appropriate qualifications, expertise and experience required of this position. In accordance with the requirements of King III, the ARC is satisfied with the expertise, resources and experience of the company's finance function. In addition, the ARC has concluded that the risk management function and internal controls are adequate and effective.

6. CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

The ARC reviewed the consolidated annual financial statements of the Cartrack group for the year ended 28 February 2017, and specifically:

- confirmed the going concern as the basis of preparation of the annual financial statements;
- ensured that the annual financial statements fairly present the financial position of the group as at the end of the period and the results of operations and cash flows for the financial period;
- considered the appropriateness of the accounting policies adopted and changes thereto;
- reviewed the external auditor's audit report;
- reviewed the representation letter relating to the annual financial statements which was signed by management; and
- considered any problems identified that could have a material impact on the annual financial statements.

The ARC is of the view that the annual financial statements comply with the relevant provisions of the Companies Act, JSE Listings Requirements and IFRS in all material respects and fairly presents the financial position at that date, the results of its operations and the cash flows for the year.

The ARC concluded that it had achieved its objectives for the financial year and recommended the consolidated annual financial statements for the year ended 28 February 2017 to the board for approval.

K White
Chair: audit & risk committee

Rosebank
15 May 2017

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Cartrack Holdings Limited

Grant Thornton

Independent Auditor's Report
To the Shareholders of
Cartrack Holdings Limited

Report on the audit of the financial statements

Opinion
We have audited the financial statements of Cartrack Holdings Limited as set out on pages 9 to 26, which comprise the statement of financial position as at 28 February 2017, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as at 28 February 2017, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act of South Africa.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors (IRBA Code)* and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other information
The directors are responsible for the other information. The other information comprises the Directors' Report and the Audit Committee's Report as required by the Companies Act of South Africa, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements
The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of 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 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.
As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Grant Thornton

Report on other legal and regulatory requirements
In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Grant Thornton has been the auditor of Cartrack Holdings Limited for six years.

Grant Thornton.

GRANT THORNTON
Registered Auditors
Practice Number: 903485E

J Barradas
Registered Auditor
Chartered Accountant (SA)

16 May2017

@Grant Thornton
Wanderers Office Park
52 Corlett Drive
Illovo, 2196

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the annual financial statements of Cartrack Holdings Limited company annual financial statements for the year ended 28 February 2017. The company annual financial statements have not been included as part of the consolidated annual financial statements as company annual financial statements does not contain significant additional information.

The consolidated annual financial statements are available on the company website: www.cartrack.com.

1. NATURE OF BUSINESS

Cartrack Holdings Limited is an investment holding company operating principally within the telematics industry.

There have been no material changes to the nature of the company's business from the prior year.

2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. SHARE CAPITAL

There have been no changes to the authorised or issued share capital during the year under review.

4. DIVIDENDS

The dividend policy is to consider an interim and a final dividend in respect of each financial year. The group's revised dividend policy effective from February 2017 is a dividend cover of 1,25 - 2,5 times of headline earnings per share. At its discretion, the board of directors may consider a special dividend, depending on the need to retain funds for expansion or operating purposes.

Dividends paid to shareholders of the company during the year under review amount to R 165 000 000.

Subsequent to the financial year ended 28 February 2017, a dividend has been declared in the amount of 35 cents per share which is payable by 10 July 2017.

5. DIRECTORATE

The directors in office at the date of this report are as follows:

IJ Calisto (executive)	Global chief executive officer
JR Edmeston (executive)	Global chief financial officer
DJ Brown (Non-executive)	Independent chairperson
AT Ikalafeng (non -executive)	Independent
K White (non-executive)	Independent

There have been no changes to the directorate for the year under review.

6. DIRECTORS' INTERESTS IN SHARES

The directors' interests in shares are set out below:

Interests in shares

Shareholders (Indirect shareholding)

	%	Indirect
IJ Calisto (Executive)	68%	203 980 424
J Marais (Director of associated company)	12%	36 019 576
	80%	240 000 000

The register of interests of directors and others in shares of the company is available to shareholders on request.

There have been no changes in beneficial interests that occurred between the end of the reporting period and the date of this report.

7. RELATED PARTY TRANSACTIONS

The details of related party transactions are set out in note 18 of the annual financial statements.

The company has increased its funding to Cartrack Technologies Asia Pte. Limited. The results in the Asia region proves that greenfield operations requires three to four years to become profitable in five to six years to show positive equity. Asia continues to be a key strategic segment for product development.

8. HOLDING COMPANY AND SHAREHOLDING

The company's holding company is Onecell Holdings Proprietary Limited which holds 80% (2016: 80%) of the company's equity. Onecell Holdings Proprietary Limited is incorporated in South Africa.

Shareholders spread	No of shareholders	% of shareholders	Number of shares	% of issued capital
Public shareholders (below 5%)	555	99,80	60 000 000	20,00
Non-public shareholders – (Onecell Holdings Proprietary Limited)	1	0,20	240 000 000	80,00
	556	**100,00**	**300 000 000**	**100,00**
Share range				
1 – 1 000	240	43,17	63 920	0,02
1 001 – 10 000	160	28,78	683 978	0,23
10 001 – 50 000	87	15,65	2 180 225	0,73
50 001 – 100 000	20	3,60	1 579 252	0,53
100 001 – 500 000	22	3,96	4 501 519	1,50
500 001 – 1000 000	9	1,62	6 375 423	2,13
1 000 001 and over	18	3,22	284 615 683	94,86
	556	**100,00**	**300 000 000**	**100,00**

9. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report for the company.

10. LITIGATION STATEMENT

As at the date of this report, the directors are not aware of any existing, pending or threatened litigation proceedings which may have a material effect on the financial position of the company.

11. GOING CONCERN

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

12. AUDITORS

Grant Thornton Johannesburg Partnership continued in office as auditors for the company for the year ended 28 February 2017.

At the AGM, the shareholder will be requested to reappoint Grant Thornton Johannesburg Partnership as the independent external auditors of the company for the 2018 financial year.

13. SECRETARY

The company secretary is	Miss A De Villiers
Business address:	Cartrack Corner Corner Jan Smuts & 7th Avenue Rosebank, Johannesburg South Africa 2196

14. DATE OF AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The consolidated annual financial statements have been authorised for issue by the directors on 15 May 2017. No authority was given to anyone to amend the consolidated annual financial statements after the date of issue.

STATEMENT OF FINANCIAL POSITION

as at 28 February 2017

Figures in rand thousand	Notes	2017	2016
ASSETS			
Non-current assets			
Property, plant and equipment	3	–	–
Investments in subsidiaries	4	166 461	166 461
		166 461	166 461
Current assets			
Loans to related parties	5	29 305	6 539
Trade and other receivables	6	2 612	2 367
Current taxation receivable		69	653
Cash and cash equivalents	7	189	729
		32 175	10 288
Total assets		198 636	176 749
EQUITY AND LIABILITIES			
Equity			
Share capital	8	42 488	42 488
Retained income		89 680	91 434
		132 168	133 922
Liabilities			
Non-current liabilities			
Deferred taxation	9	–	13
Current liabilities			
Trade and other payables	10	397	25 184
Loans from related parties	5	66 071	17 630
		66 468	42 814
Total liabilities		66 468	42 827
Total equity and liabilities		198 636	176 749

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

as at 28 February 2017

Figures in rand thousand	Notes	2017	2016
Revenue	11	3 200	4 000
Operating expenses	12	(5 285)	(3 999)
Operating (loss)/profit		(2 085)	1
Investment revenue	13	165 929	186 356
Profit before taxation		163 844	186 357
Taxation	14	(598)	(2)
Profit for the year		163 246	186 355
Other comprehensive income		–	–
Total comprehensive income for the year		163 246	186 355

STATEMENT OF CHANGES IN EQUITY

For the year ended 28 February 2017

Figures in rand thousand	Share capital	Retained income	Total equity
Balance at 1 March 2015	42 488	55 079	97 567
Profit for the year	–	186 355	186 355
Other comprehensive income	–	–	–
Total comprehensive income for the year	–	186 355	186 355
Dividends	–	(150 000)	(150 000)
Total contributions by and distributions to owners of company recognised directly in equity	–	(150 000)	(150 000)
Balance at 1 March 2016	42 488	91 434	133 922
Profit for the year	–	163 246	163 246
Other comprehensive income	–	–	–
Total comprehensive income for the year	–	163 246	163 246
Dividends	–	(165 000)	(165 000)
Total contributions by and distributions to owners of company recognised directly in equity	–	(165 000)	(165 000)
Balance at 28 February 2017	42 488	89 680	132 168
Note	8		

STATEMENT OF CASH FLOWS

For the year ended 28 February 2017

Figures in rand thousand	Notes	2017	2016
Cash flows from operating activities			
Cash generated from operations	15	(27 117)	21 401
Interest income		52	52
Dividend income	16	165 877	186 304
Taxation paid		(27)	(655)
Net cash from operating activities		138 785	207 102
Cash flows from investing activities			
Acquisition of subsidiaries		–	*
Increase in investment		–	(115 372)
Net cash from investing activities		–	(115 372)
Cash flows from financing activities			
Dividends paid	17	(165 000)	(150 000)
Increase/(decrease) in loans from related parties		48 441	(8 377)
(Decrease)/increase in loans to related parties		(22 766)	65 698
Net cash from financing activities		(139 325)	(92 679)
Total cash movement for the year		(540)	(949)
Cash at the beginning of the year		729	1 678
Total cash at end of the year	7	189	729

* *R200 not displaying due to rounding.*

ACCOUNTING POLICIES

1. PRESENTATION OF COMPANY FINANCIAL STATEMENTS

Reporting entity

Cartrack Holdings Limited is a company domiciled in the Republic of South Africa. These annual financial statements are for the year ended 28 February 2017. The company is an investment holding company.

Statement of compliance

The annual financial statements are prepared in compliance with JSE Listings Requirements, International Financial Reporting Standards (IFRS) and Interpretations of those standards, as issued by the International Accounting Standards Board (IASB), the financial reporting pronouncements as issued by the Financial Reporting Standards Council (FRSC) that are relevant to its operations and have been effective for the annual reporting period ending 28 February 2017, and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the South African Companies Act, No 71 of 2008, as amended. The annual financial statements were approved for issue by the board of directors on 15 May 2017 and are subject to approval by the annual general meeting of shareholders, on 20 July 2017.

These accounting policies are consistent with the previous period.

Basis of measurement

The annual financial statements have been prepared on the historical cost basis.

Functional and presentation currency

These annual financial statements are presented in South African rand (ZAR), which is the company's functional currency. All financial information presented has been rounded off to the nearest thousand ZAR.

Going concern

The annual financial statements are prepared on the going -concern basis as the directors believe that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

1.1 Financial instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:

Loans and receivables

Financial liabilities at amortised cost

The classification is dependent on the purpose for which the financial instrument is acquired and the substance of the contractual arrangement. Management determines the classification of its financial assets at the time of the initial recognition and re-evaluates such designation at least at each reporting date.

Initial recognition and measurement

Financial instruments are recognised on the transaction date when the group becomes a party to the contractual provisions of the instruments and are derecognised when these contractual obligations are discharged, cancelled or expired.

Financial instruments are initially recognised and measured at their fair value.

Loans and receivables comprise of loans, trade receivables, cash and cash equivalents and other receivables and are subsequently stated at amortised cost using the effective interest rate method, less accumulated impairment losses.

Financial liabilities consist of trade and other payables and borrowings. These are subsequently measured at amortised cost using the effective interest rate method.

Impairment of financial assets

An assessment is performed at each reporting date to determine whether objective evidence exists that a financial asset is impaired. Objective evidence that financial instruments are impaired includes indications of a debtor or group of debtors experiencing significant financial difficulty, default or delinquency of payments, the probability of a debtor entering bankruptcy, or other observable data indicating a measurable decrease in estimated future cash flows, such as economic conditions that correlate with defaults.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Impairment losses are charged to the profit or loss and are included in the allowance against trade and other receivables. When a subsequent event causes the impairment loss to decrease, the impairment loss is reversed in the profit or loss. Loans and receivables, together with the associated allowance, are written off when there is no realistic prospect of future recovery.

ACCOUNTING POLICIES (CONTINUED)

1.2 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

Property, plant and equipment is subsequently carried at historical cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
IT equipment	Straight line	3 years

The carrying amount of property, plant and equipment will be derecognised on disposal or when no future economic benefits are expected from its use. Profit and losses on disposal of any items of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount and are recognised in profit or loss.

1.3 Impairment of non-financial assets

The company's non-financial assets, other than deferred taxation assets, are reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, to determine whether there is any indication of impairment.

The impairment loss charged to profit or loss is the excess of the carrying amount over the recoverable amount.

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 had no impairment loss been recognised.

1.4 Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment.

The cost of an investment in a subsidiary is the aggregate of:
- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company;
- plus any costs directly attributable to the purchase of the subsidiary.

1.5 Taxation

Taxation expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the taxation arises from a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or as equity.

In such cases, current and deferred taxes are charged or credited to other comprehensive income.

Dividend withholding taxation is currently payable at a rate of 20% on dividends distributed to equity holders of the company. This taxation is not attributable to the company, but is collected by the company and paid to the taxation authorities on behalf of the shareholder.

On receipt of a dividend by a company from an investment held in a taxation jurisdiction outside that of the company, any dividend withholding taxation payable is recognised as part of the current taxation.

Current taxation assets and liabilities

Current taxation for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current taxation liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the taxation rates (and taxation laws) that have been enacted or substantively enacted by the end of the reporting period. The amount of current taxation payable or receivable is the best estimate of the taxation amount expected to be paid or received that reflects uncertainty relating to income taxes.

Deferred taxation assets and liabilities

Deferred taxation is provided by using the liability method, on all temporary differences between the carrying amount of assets and liabilities for accounting purposes and the amounts used for taxation purposes.

The provision for deferred taxation is calculated using enacted or substantively enacted taxation rates at the reporting date that are expected to apply when the asset is realised or liability settled. A deferred taxation asset is recognised to the extent that it is probable that future taxable profits will be available against which the deferred taxation asset can be realised.

1.5 **Taxation** (continued)

Deferred taxation assets and liabilities (continued)

The provision of deferred taxation assets and liabilities reflects the taxation consequences that would follow from the expected recovery or settlement of the carrying amount of its assets and liabilities. Deferred taxation assets and liabilities are offset when the related income taxes are levied by the same taxation authority, there is a legally enforceable right to offset and there is an intention to settle the balances on a net basis.

1.6 **Revenue**

Revenue is measured at the fair value of consideration received or receivable for the sale of goods and services by the company in the ordinary course of its business activities. Revenue includes amounts earned from management service fees provided to companies within the group. revenue is shown net off value added taxes.

Interest income

Interest is recognised, in profit or loss, using the effective interest rate method.

Dividend income

Dividends are recognised profit or loss when the company's right to receive payment has been established.

1.7 **Measurement of fair values**

A number of the company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or liability, the company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.8 **Significant judgements and sources of estimation uncertainty**

The company makes judgements, estimates and assumptions concerning the future when preparing the annual financial statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Loans and receivables

Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

For all financial instruments carried at amortised cost where the effects of time value of money are not considered to be material, the instruments are not discounted as their face values approximate their amortised cost. The fair value of loans and receivables is estimated at the present value of future cash flows, discounted at the market interest rate at the reporting date for the purpose of disclosure.

Taxation

Significant judgement is required in determining the provision for taxes as the taxation treatment is often by its nature complex. Amounts provided are accrued based on management's interpretation of country specific taxation laws and the likelihood of settlement. Actual liabilities could differ from the amount provided.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2017

2. NEW STANDARDS AND INTERPRETATIONS

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company did not adopt any standards and interpretations as issued by IASB and IFRIC as none of the issued were relevant to its operations.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 March 2017 or later periods:

Amendments to IAS 7: Statement of cash flows disclosure initiative

The amendment requires entities to provide additional disclosures for changes in liabilities arising from financing activities. Specifically, entities are now required to provide disclosure of the following changes in liabilities arising from financing activities:

- changes from financing cash flows;
- changes arising from obtaining or losing control of subsidiaries or other businesses;
- the effect of changes in foreign exchanges;
- changes in fair values; and
- other changes.

The effective date of the amendment is for years beginning on or after 01 January 2017.

The adoption of this amendment is not expected to impact on the results of the company, but may result in more disclosure than is currently provided in the annual financial statements.

Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether taxation law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explains

The effective date of the amendment is for years beginning on or after 01 January 2017.

It is unlikely that the amendment will have a material impact on the company's annual financial statements.

IFRS 15 Revenue from Contracts with Customers

In June 2014, the IASB issued IFRS 15: Revenue from Contracts with Customers (IFRS 15). The standard is aimed at improving the financial reporting of revenue and improving the comparability of the top line in financial statements globally. The core principle of the new standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the company expects to be entitled in exchange for those goods or services.

The effective date of this standard is 01 January 2018.

The impact of this amendment is currently being assessed.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the completed version of IFRS 9: Financial Instruments (IFRS 9). The statement addresses the classification and measurement of financial assets and financial liabilities. It also determines the impairment requirements based on an expected credit loss model that replaces IAS 39 incurred loss model. The new hedging model provides for more economic hedging strategies meeting the requirements for hedge accounting. The new standard enhances the ability of investors and other users of financial information to understand the accounting of financial assets and financial liabilities and aims to reduce complexity.

The effective date of this standard is 1 January 2018.

It is unlikely that the adoption of this standard will have a material impact on the classification and measurement of financial instruments.

Figures in rand thousand	2017 Cost	2017 Accumulated depreciation	2017 Carrying value	2016 Cost	2016 Accumulated depreciation	2016 Carrying value
3. PROPERTY, PLANT AND EQUIPMENT						
IT equipment	6	(6)	–	(6)	6	–

Name of company	% holding 2017	% holding 2016	Carrying amount 2017	Carrying amount 2016
4. INVESTMENTS IN SUBSIDIARIES				
Cartrack Proprietary Limited	100,00	100,00	42 488	42 488
Cartrack Tanzania Limited	60,00	60,00	6 372	6 372
Retriever Limited	85,00	85,00	1 554	1 554
Retriever Rwanda Limited	60,00	60,00	10	10
Cartrack Engineering Technologies Limited	99,99	99,99	658	658
Cartrack Namibia Proprietary Limited	100,00	100,00	*	*
Cartrack Technologies Proprietary Limited	100,00	100,00	*	*
Cartrack Technologies South East Asia Pte. Limited	100,00	100,00	115 379	115 379
Cartrack Manufacturing Proprietary Limited	100,00	100,00	*	*
Cartrack Management Services Proprietary Limited	100,00	100,00	*	*
			166 461	166 461

* *Amounts less than R200.*

Figures in rand thousand	2017	2016
5. LOANS TO/(FROM) RELATED PARTIES		
Cartrack Proprietary Limited	(66 071)	(17 630)
Cartrack Technologies Proprietary Limited	4 500	4 500
Cartrack Technologies Asia Pte. Limited	22 448	–
Cartrack Engineering Technologies Limited	2 356	2 039
Cartrack Executive Incentive Trust	1	–
	(36 766)	(11 091)
These loans are unsecured, bear no interest and have no fixed terms of repayment.		
Current assets	29 305	6 539
Current liabilities	(66 071)	(17 630)
	(36 766)	(11 091)
6. TRADE AND OTHER RECEIVABLES		
Trade receivables	2 268	1 942
Prepayments	193	425
Value added taxation receivable	151	–
	2 612	2 367

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2017

6. TRADE AND OTHER RECEIVABLES (continued)

Credit quality of trade and other receivables

The credit quality of trade and other receivables can be assessed by reference to historical information. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, legal handover, financial reorganisation and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired.

Information on credit risk management is included in note 19.2.a.

Figures in rand thousand	2017	2016
Trade receivables not impaired		
The ageing of amounts not impaired is as follows:		
Not past due	1 356	1 767
1 month past due	456	–
2 months past due	228	–
3 months past due	228	175
	2 268	1 942
The information for the related parties transaction is included in note 18.		
7, CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of:		
Cash on hand	7	7
Bank balances	182	722
	189	729
Information on cash flow management is included in note 19.2.a.		
8, SHARE CAPITAL		
Authorised		
1 000 000 000 ordinary shares of no par value	1 000 000	1 000 000
Reconciliation of number of shares issued:		
Reported as at beginning of the year	300 000	300 000
700 000 000 unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting, on 20 July 2017.		
Issued		
300 000 000 ordinary shares of no par value	42 488	42 488
9. DEFERRED TAXATION		
Deferred taxation liability	–	(13)
Reconciliation of deferred taxation		
At beginning of year	(13)	(16)
Decrease in accruals	10	3
Increase in prepaid expenses	3	–
	–	(13)

Figures in rand thousand		2017	2016
10.	**TRADE AND OTHER PAYABLES**		
	Trade payables	117	24 702
	Accrued expense	280	424
	Value added taxation payable	–	58
		397	25 184
	Information on liquidity risk management is included in note 19.2.b.		
11.	**REVENUE**		
	Management service fees	3 200	4 000
12.	**OPERATING EXPENSES**		
	Loss on foreign exchange	988	–
	Other operating expenses	4 297	3 999
		5 285	3 999
13.	**INVESTMENT REVENUE**		
	Dividend income		
	Subsidiaries – local	165 000	185 000
	Subsidiaries – foreign	877	1 304
	Total dividend income	165 877	186 304
	Interest income		
	Bank and other cash	52	52
	Total investment revenue	165 929	186 356
14.	**TAXATION**		
	Major components of the taxation expense		
	Current		
	Income taxation – current period	611	5
	Deferred		
	Deferred taxation – current year	3	(3)
	Deferred taxation – prior year	(16)	–
		(13)	(3)
		598	2
	Reconciliation of the taxation expense		
	Reconciliation between accounting profit and taxation expense.		
	Accounting profit	163 844	186 357
	Taxation at the applicable taxation rate of 28% (2016: 28%)	45 876	52 180
	Taxation effect of adjustments on taxable income		
	Non-taxable income	(46 445)	(52 165)
	Non-deductible expenses	1 183	1 087
	Tax losses carried forward	–	(1 105)
	Deferred taxation – prior period	(16)	5
		598	2

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2017

Figures in rand thousand	2017	2016
15. CASH USED IN OPERATIONS		
Profit before taxation	163 844	186 357
Adjustments for:		
Dividend income	(165 877)	(186 304)
Interest income	(52)	(52)
Changes in working capital:		
(Decrease)/increase trade and other receivables	(245)	1 202
(Increase)/decrease trade and other payables	(24 787)	20 198
	(27 117)	21 401
16. TAXATION PAID		
Balance at beginning of the year	653	3
Current taxation for the year recognised in profit or loss	(611)	(5)
Balance at end of the year	(69)	(653)
	(27)	(655)
17. DIVIDENDS PAID		
Dividends	(165 000)	(150 000)

The dividend policy is to consider an interim and a final dividend in respect of each financial year. The group's revised dividend policy effective from February 2017 is a dividend cover of 1,25 – 2,5 times of headline earnings per share. At its discretion, the board of directors may consider a special dividend, depending on the need to retain funds for expansion or operating purposes.

18. RELATED PARTIES

Relationships

Ultimate holding company	Madeira Calisto Family Holdings Proprietary Limited
Holding company	Onecell Holdings Proprietary Limited
Related parties	Onecell Community Phones Proprietary Limited Onecell Community Services Proprietary Limited Onecell Data Solutions Proprietary Limited Onecell Namibia Proprietary Limited Purple Rain Properties No. 444 Proprietary Limited Onecell Proprietary Limited Cartrack Education Fund (NPO) AH Nyimbo (shareholder) (Retriever Rwanda Limited and Retriever Limited) J Marais (shareholder) (Cartrack Holdings Limited) P Lim (shareholder) (PT. Cartrack Technologies Indonesia) SM Machel Jr. (shareholder) (Cartrack Limitada) Pro-Fit Fitment Centre Proprietary Limited J De Wet (shareholder) (Cartrack New Zealand Limited) Cartrack New Zealand Limited
Subsidiary companies	Cartrack Proprietary Limited Retriever Limited Cartrack Tanzania Limited Retriever Rwanda Limited Cartrack Engineering Technologies Limited Cartrack Namibia Proprietary Limited Cartrack Technologies Proprietary Limited Cartrack Technologies Asia Pte. Limited Cartrack Management Services Proprietary Limited Cartrack Manufacturing Proprietary Limited Cartrack North East Proprietary Limited Cartrack Limitada Cartrack Polska.SP.ZO.O Cartrack Fleet Management Proprietary Limited Zonke Bonke Telecoms Proprietary Limited Plexique Proprietary Limited Combined Telematics Services Proprietary Limited Cartrack Investments UK Limited Cartrack Malaysia SDN.BHD Cartrack Technologies PHL.INC Cartrack Technologies South East Asia Pte. Limited Cartrack Technologies (China) Limited Cartrack Europe SGPS, S.A Cartrack Capital SGPS, S.A Cartrack Espana, S.L. Cartrack - Sistema de Controlo e Identificacao de Veiculos, S.A PT. Cartrack Technologies Indonesia Cartrack Technologies (Thailand) Company Limited Cartrack Technologies LLC Cartrack INC. Cartrack Ireland Limited

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2017

18. RELATED PARTIES (continued)

Directors	IJ Calisto
	JR Edmeston
	DJ Brown
	AT Ikalafeng
	K White
Prescribed officers	B Debski
	J Marais
	J Matias
	N Namitete
	AH Nyimbo
	E Ong
	C Sanderson
	R Schubert
	M Van Reenen

	2017	2016
Related party balances		
Loan accounts – owing to/(from) related parties		
Cartrack Executive Incentive Trust	1	–
Cartrack Engineering Technologies Limited	2 356	2 039
Cartrack Technologies Asia Pte. Limited	22 448	(24 698)
Cartrack Technologies Proprietary Limited	4 500	4 500
Cartrack Proprietary Limited	(66 071)	(17 630)
	(36 766)	(35 789)
Amounts included in trade receivable/(trade payable) regarding related parties		
Cartrack Manufacturing Proprietary Limited	2 268	1 767
Cartrack Technologies Asia Pte. Limited	–	(25 184)
	2 268	(23 417)
Related party transactions		
Management fees to related parties		
Cartrack Manufacturing Proprietary Limited	3 200	4 000
Purchases from related parties		
Cartrack Management Services Proprietary Limited	–	57
Dividends received from related party		
Cartrack Proprietary Limited	165 000	185 000
Cartrack Tanzania Limited	877	1 231
Retriever Rwanda Limited	–	73
	165 877	186 304

19. RISK MANAGEMENT

The board of directors has overall responsibility for the establishment in oversight of the company's risk management framework. The board of directors has established the risk management committee which is responsible for developing and monitoring the company's risk management policies. The committee reports regularly to the board of directors on its activities.

The company's risk management policies are established to identify and analyse the risk faced by the company, to set appropriate risk limits in controls and to monitor risk and adherence to limits.

The audit committee is assisted in its oversight role by internal audit. Internal audit reviews risk of management controls and procedures, the results of which are reported to the audit committee.

19.1 Capital risk management

The company's policy is to maintain a strong capital base, so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors return of the capital, as well as level of dividends to shareholder.

The capital structure of the company consists of debt, which includes the borrowings disclosed in notes 5 cash and cash equivalents disclosed in note 9, and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt.

There are no externally imposed capital requirements.

19.2 Financial risk management

The company has exposure to the following risks arising from financial instruments: credit risk, liquidity risk and market risk.

19.2.a Credit risk

Credit risk is the risk of financial loss to the company. If a customer fails to meet its contractual obligations, and arises principally from the company's receivables from customer, cash deposits and cash equivalents.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

Trade receivables

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the country in which the customer operates.

The maximum exposure to credit risk for trade and other receivables by geographic regions are as follows:

Currencies	2017	2016
Rand	2 268	1 942

The ageing of trade and other receivables is included in note 6.

Cash and cash equivalents

The company held cash and cash equivalents of R189 240 at 28 February 2017 (2016: R728 625). The cash is held with major banks and financial institution which are rated. None of the banks holding deposits show financial strain.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2017

19. RISK MANAGEMENT (continued)

19.2.b Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year
At 28 February 2017	
Trade and other payables	**397**
Loans from related parties	**66 071**
At 29 February 2016	
Trade and other payables	25 126
Loans from related parties	17 630

19.2.c Interest rate risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

20. DIRECTORS' AND PRESCRIBED OFFICERS EMOLUMENTS

	Emoluments	Bonuses	Other benefits	Directors' fees	Total
2017					
Directors name					
IJ Calisto (executive)	2 923	170	40	–	3 133
JR Edmeston (executive)	1 990	1 458	122	–	3 570
DJ Brown (non-executive)	–	–	–	1 014	1 014
AT Ikalafeng (non-executive)	–	–	–	572	572
K White (non-executive)	–	–	–	563	563
	4 913	1 628	162	2 149	8 852

	Emoluments	Bonuses	Other benefits	Total
Prescribed officers				
B Debski	1 144	229	–	1 373
J Marais	1 646	147	137	1 930
J Matias	1 494	–	–	1 494
N Namitete	228	141	–	369
AH Nyimbo	1 165	–	247	1 412
E Ong	888	148	200	1 236
C Sanderson	1 143	378	86	1 607
RJ Schubert	1 398	117	89	1 604
M Van Reenen	800	50	43	893
	9 906	1 210	802	11 918

	Emoluments	Bonuses	Other benefits	Directors' fees	Total
2016					
Directors name					
IJ Calisto (executive)	2 852	160	–	–	3 012
JR Edmeston (executive)	1 872	1 370	102	–	3 344
DJ Brown (non-executive)	–	–	–	957	957
AT Ikalafeng (non-executive)	–	–	–	540	540
K White (non-executive)	–	–	–	531	531
	4 724	1 530	102	2 028	8 384

	Emoluments	Bonuses	Other benefits	Total
Prescribed officers				
J Marais	1 546	139	120	1 805
C Sanderson	1 079	446	66	1 591
RJ Schubert	1 319	104	66	1 489
	3 944	689	252	4 885

Directors and prescribed officers emoluments are paid for through subsidiary companies of the group.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

For the year ended 28 February 2017

21. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

R'000		Carrying amount: Loans and receivables	Carrying amount: Non-financial instruments	Carrying amount: Total	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: Total
28 February 2017								
Financial assets								
Loans to related parties	5	29 305	–	29 305	–	–	29 305	29 305
Trade and other receivables	6	2 268	344	2 612	–	–	2 612	2 612
Cash and cash equivalents	7	189	–	189	189	–	–	189
		31 762	344	32 106	189	–	31 917	32 106
Financial liabilities								
Trade and other payables	10	397	–	397	-	-	397	397
Loans from related parties	5	66 071	–	66 071	-	-	66 071	66 071
		66 468	–	66 468	-	-	66 468	66 468

R'000		Carrying amount: Loans and receivables	Carrying amount: Non - financial instruments	Carrying amount: Total	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: Total
29 February 2016								
Financial assets								
Loans to related parties	5	6 539	–	6 539	–	–	6 539	6 539
Trade and other receivables	6	1 942	425	2 367	–	–	2 367	2 367
Cash and cash equivalents	7	729	–	729	729	–	–	729
		9 210	425	9 635	729	–	8 906	9 635
Financial liabilities								
Trade and other payables	10	25 126	58	25 184	–	–	25 184	25 184
Loans from related parties	5	17 630	–	17 630	–	–	17 630	17 630
		42 756	58	42 814	–	–	42 814	42 814

For the 2017 and 2016 year the loans to and from related parties, trade and from related parties, trade and other receivables and trade and other payables are short term in nature. The fair value of these financial instruments approximates the carrying amount as disclosed above.