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Namibia Unit Trust Managers Limited

Annual Financial Statements
For the year ended 30 September 2012

NAMIBIA UNIT TRUST MANAGERS LIMITED

ANNUAL FINANCIAL STATEMENTS

30 September 2012

DIRECTORS	A Mushimba (Chairman) RG Young (South Africa) E Emvula (Chief Executive)	
NATURE OF BUSINESS	Unit Trust Management	
REGISTERED OFFICE	24 Orban Street Windhoek Namibia	PO Box 23329 Windhoek Namibia
AUDITORS	KPMG	
BANKERS	Standard Bank (Namibia Limited)	
HOLDING COMPANY	Namibia Asset Management Limited	
COMPANY REGISTRATION NO.	96/308	
REGISTERED OFFICE	24 Orban Street Windhoek Namibia	
FINANCIAL YEAR END	30 September	
DIRECTORS' REPORT	No directors' report is presented as the Company is a wholly-owned subsidiary and a directors' report is included in the holding Company's financial statements.	

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APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on pages 3 to 23 were approved by the Board of Directors on 30 November 2012.

Signed on behalf of the Board by:

.... E Emvula (Chief Executive)

.... A Mushimba (Chairman)

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NAMIBIA UNIT TRUST MANAGERS LIMITED

We have audited the annual financial statements of Namibia Unit Trust Managers Limited, which comprise the statement of financial position as at 30 September 2012, and the statement of comprehensive income, statement of changes in equity and statement of cashflows for the year ended, and summary of significant accounting policies and other explanatory notes are set out in pages 3 to 23.

Director's responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Namibian Companies Act, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates mad by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Namibia Unit Trust Managers Limited at 30 September 2012, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Namibian Companies Act.

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Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: A Angula
Partner

Windhoek, 30 November 2012

STATEMENT OF FINANCIAL POSITION as at 30 September	Notes	2012 N$	2011 N$
ASSETS			
Non-current assets		**4,493,002**	5,019,663
Marketable securities	2	**4,000,000**	4,000,000
Deferred tax	3	**493,002**	1,019,663
Current assets		**5,052,033**	3,345,834
Trade and other receivables	4	**1,010,537**	1,045,348
Marketable securities	2	**1,836,361**	1,194,753
Cash and cash equivalents	5	**2,205,135**	1,105,733
TOTAL ASSETS		**9,545,035**	8,365,497
EQUITY AND LIABILITIES			
Equity attributable to ordinary shareholders		**7,865,653**	7,349,507
Share capital	6	**6,000,000**	6,000,000
Retained earnings		**1,442,733**	1,191,582
Fair value reserve		**422,920**	157,925
Current liabilities		**1,679,382**	1,015,990
Amounts owed to Group companies	7	**150,317**	116,178
Trade and other payables	8	**1,529,065**	899,812
TOTAL EQUITY AND LIABILITIES		**9,545,035**	8,365,497

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NAMIBIA UNIT TRUST MANAGERS LIMITED

ANNUAL FINANCIAL STATEMENTS

30 September 2012

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 September	Notes	2012 N$	2011 N$
Revenue	9	**6,706,492**	7,153,480
Other income		**29,665**	49,434
Operating expenses	10	**(5,423,509)**	(6,833,334)
Operating income		**1,312,648**	369,580
Net finance income		**328,651**	262,272
Finance income	11	**328,651**	280,332
Finance costs	11	**-**	(18,060)
Profit before tax		**1,641,299**	631,852
Taxation	12	**(390,148)**	(103,624)
Profit attributable to ordinary shareholders		**1,251,151**	528,228
Other comprehensive income			
Net change in fair value of available-for-sale financial asset (before income tax)		**401,508**	239,281
Taxation	12	**(136,513)**	(81,356)
Other comprehensive income for the year (net of income tax)		**264,995**	157,925
Total comprehensive income for the year		**1,516,146**	686,153

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STATEMENT OF CHANGES IN EQUITY
for the year ended 30 September

	Share Capital	Retained earnings N$	Fair value reserve N$	Total N$
Balance at 30 September 2010	2,000,000	663,354	-	2,663,354
Shares issued during the year	4,000,000	-	-	4,000,000
Profit for the year	-	528,228	-	528,228
Other comprehensive Income	-	-	157,925	157,925
Balance at 30 September 2011	**6,000,000**	**1,191,582**	**157,925**	**7,349,507**
Profit for the year	-	**1,251,151**	-	**1,251,151**
Other comprehensive Income	-	**-**	**264,995**	**264,995**
Dividends paid	**-**	**(1,000,000)**	**-**	**(1,000,000)**
Balance at 30 September 2012	**6,000,000**	**1,442,733**	**422,920**	**7,865,653**

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STATEMENT OF CASH FLOWS **for the year ended 30 September**	**Notes**	**2012** **N$**	2011 N$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		**6,770,968**	6,538,394
Cash paid to suppliers		**(5,458,320)**	(6,237,489)
Cash generated by operations	13.1	**1,312,648**	300,905
Working capital changes	13.2	**664,064**	(333,800)
Finance income		**248,264**	280,332
Finance costs		**-**	(18,060)
Dividends paid		**(1,000,000)**	-
Net cash flows from operating activities		**1,224,976**	229,377
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments made		**(159,713)**	176,776
Net cash flows from investing activities		**(159,713)**	176,776
CASH FLOWS FROM FINANCING ACTIVITIES			
Movements in amounts owing to Group companies		**34,139**	(1,739,901)
Net cash flows from financing activities		**34,139**	(1,739,901)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS		**1,099,402**	(1,333,748)
Cash and cash equivalents at beginning of year		**1,105,733**	2,439,481
CASH AND CASH EQUIVALENTS at the end of the year	5	**2,205,135**	1,105,733

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September

1 PRINCIPAL ACCOUNTING POLICIES

Namibia Unit Trust Managers Limited (the "Company") is a Company domiciled in Namibia. (Registration number: 96/308). The financial statements were approved for issue by the Board of Directors on 30 November 2012.

1.1 Statement of compliance

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

1.2 Basis of preparation and measurement

The financial statements are presented in Namibia Dollars, rounded to the nearest Dollar, which is the Company's functional currency. They are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments classified as available-for-sale and financial instruments classified as at fair value through profit or loss.

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

1.3 Financial instruments

Non-derivative financial assets

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

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

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

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets.

(i) Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchases and sales decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

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

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September

1 PRINCIPAL ACCOUNTING POLICIES (continued)

1.3 Financial instruments (continued)

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the other categories of financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit and loss.

Statutory investments refer to the Unit Trust Management Company's investment in its own unit trusts as required by the Unit Trust Control Act 54 of 1981. The investments are shown at the quoted unit prices at year end. Market value adjustments are recognised directly in the statement of comprehensive income.

Available-for-sale financial assets comprise equity securities and debt securities, together referred to as "marketable securities".

(iii) Loans and receivables

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

Loans and receivables comprise cash and cash equivalents, trade and other receivables and amounts owing to the Company.

The cash and cash equivalents disclosed in the statements of cash flows comprise cash on hand and short term deposits with an original maturity period of three months or less. They include highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are measured at amortised cost and for the purpose of the statement of cash flows, overdrafts are set off against positive bank balances.

Non-derivative financial liabilities

The Company recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date the Company becomes a party to contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise amounts owing by the Company and trade and other payables.

1.4 Impairment

Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event had a negative effect on the future estimated flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise indications that a debtor or issuer in the Company will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or disappearance of an active market for a security. In addition, for an investments in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September

1 PRINCIPAL ACCOUNTING POLICIES (continued)

1.4 Impairment (continued)

(i) Loans and receivables

The Company considers evidence of impairment of loans and receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant loans and receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by regrouping together loans and receivables with similar risk characteristics.

In assessing collective impairment the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

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. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of the impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity, to profit or loss. The accumulative loss that is reclassified from equity to profit or loss is the difference between acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in impairment provisions attributable to application of the effective rate interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment losses in profit or loss, then the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of any impaired available-for-sale equity security is recognised in other comprehensive income.

(iii) Non financial assets

The carrying amounts of the Company's non financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, than the asset's recoverable amount is estimated. Intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. Any impairment loss is recognised if the carrying amount of an asset or its related cash generated unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 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 that are specific to the assets or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

The Company's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGU's on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extend that the asset's carrying amount does exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September

1 PRINCIPAL ACCOUNTING POLICIES (continued)

1.5 Share capital and reserves

(i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

(ii) Dividends

Ordinary dividends are recognised as a liability in the period in which they are declared.

(iii) Fair value reserve

The fair value reserve comprises the cumulative net change in fair value of available-for-sale financial assets until the assets are derecognised or impaired.

1.6 Provisions

A provision is recognised if, as a result of a past event, the Company has a legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effects are material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of discount is recognised as finance costs.

(i) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. A provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the asset associated with that contract.

1.7 Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences. The following temporary differences are not provided for: goodwill not deducted for tax purposes, the initial recognition of assets and liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax rates enacted or substantially enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1.8 Revenue recognition

Revenue from services rendered is recognised in the statement of comprehensive income over the term that the services are provided. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September

1 PRINCIPAL ACCOUNTING POLICIES (continued)

1.8 Revenue recognition (continued)

The Company's revenue comprises the Namibia dollar amount received in respect of fees from unit trust management activities net of rebates paid.

1.9 Finance income

Finance income comprises interest income on funds invested (including available-for-sale financial assets). Dividend income gains on the disposal of available-for-sale financial assets and fair value gains through profit or loss. Dividend income is recognised in profit or loss on the date the Company's right to receive payments is established which in the case of quoted securities is the declaration date. Interest income is recognised as it accrues in profit or loss, using the effective interest rate method.

Finance income comprises interest received on investments in bank and call accounts and interest received on investments in tax-free unit trusts.

1.10 Finance costs

Finance expenses comprise interest expense on borrowings, losses on the disposal of available-for-sale financial assets and fair value losses on financial assets at fair value through profit or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 September	2012 N$	2011 N$

2 MARKETABLE SECURITIES

Statutory investments	**4,000,000**	4,000,000
Additional investments	**1,836,361**	1,194,753
	5,836,361	5,194,753
Directors Valuation	**5,836,361**	5,194,753
Classified as:		
Non-current	**4,000,000**	4,000,000
Current	**1,836,361**	1,194,753
	5,836,361	5,194,753
Net gains on financial assets held at fair value through profit or loss	**80,387**	68,675

The statutory investments relate to the minimum investment a Unit Trust Manager is required to make in its own Unit Trust as per the Unit Trust Control Act of 1980. They are classified as available-for-sale financial assets and are shown at their fair value which is based on actual unit prices at year-end. The additional investments are dividends declared and interest accrued by the unit trust funds which have been reinvested in these funds and are classified at fair value through profit or loss.

3 DEFERRED TAX

Opening balance	**1,019,663**	1,204,643
Current year charge to profit or loss	**(526,661)**	(184,980)
Closing balance	**493,002**	1,019,663

The balance of deferred tax is made up as follows:

Tax losses	**493,002**	1,019,663

Estimated tax losses

Opening balance	**2,999,009**	3,540,763
Tax losses utilised	**(1,549,003)**	(541,754)
Closing balance	**1,450,006**	2,999,009

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. No unrecognised deferred tax liabilities exist.

4 TRADE AND OTHER RECEIVABLES

Trade receivables	**875,036**	578,960
Prepayments	**-**	-
Other receivables	**135,501**	466,388
	1,010,537	1,045,348

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NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 September	2012 N$	2011 N$
5 CASH AND CASH EQUIVALENTS		
Investment in unit trusts	**302,366**	217,847
Current and call accounts	**1,902,769**	887,886
	2,205,135	1,105,733
6 SHARE CAPITAL		
Authorised		
6 000 000 (2011: 6 000 000) ordinary shares of N$ 1.00 each	**6,000,000**	6,000,000
Issued		
6 000 000 (2011: 6 000 000) ordinary shares of N$ 1.00 each	**6,000,000**	6,000,000
7 AMOUNTS OWED TO GROUP COMPANIES		
Namibia Asset Management Limited	**150,317**	116,178
Intercompany loans are repayable in the regular course of business and carry no interest.		
8 TRADE AND OTHER PAYABLES		
Trade payables	**45,162**	27,735
Accruals	**1,483,903**	872,077
	1,529,065	899,812
9 REVENUE		
Management fees	**159,000**	100,000
Performance fees	**74,811**	3,228,458
Service charges	**6,472,681**	3,825,022
	6,706,492	7,153,480
10 OPERATING EXPENSES		
Operating expenditure includes the following:		
Auditors' remuneration		
For audit services rendered		
- current year	**95,653**	26,382
- (over)/ under-provision	**(63,890)**	2,369
	31,763	28,751
Management fees		
- for services rendered in managing unit trust portfolios by Coronation Asset Management Limited	**3,149,335**	5,045,873
- for administration service rendered by Namibia Asset Management Limited	**707,020**	475,000
- for administration of back-office	**479,124**	310,849
	4,335,479	5,831,722
Other expenses		
- Trustee fees	**271,881**	406,133
- Travelling and accommodation	**215,127**	225,155
- Namfisa Fees	**403,030**	253,189
- Other	**166,229**	88,384
	1,056,267	972,861

The Company has no employees and directors are paid by the parent company.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September

	2012 N$	2011 N$
11 NET FINANCE INCOME		
Finance income		
Gains on financial assets at fair value through profit or loss	80,387	-
Interest from call and bank accounts	63,266	221,051
Income on unit trust investments	184,998	59,281
	328,651	280,332
Finance cost		
Interest paid on overdrafts	-	18,060
	-	18,060
12 TAXATION		
Income tax recognised in profit or loss		
Namibian normal tax		
- deferred	390,148	103,624
Income tax recognised in other comprehensive income		
Available-for-sale financial assets	136,513	81,356
Tax rate reconciliation	%	%
Standard rate	34.00	34.00
Adjusted for:		
Non-taxable income	(2.28)	(12.91)
Non-deductible expenses	0.37	0.06
Effective tax rate	32.09	21.14
13 NOTES TO THE STATEMENT OF CASH FLOWS		
13.1 Cash generated by operations		
Profit before tax	1,641,299	631,852
Adjusted for:		
Non-cash items		
Net gains on financial assets at fair value through profit or loss	(80,387)	(68,675)
Shown separately on the face of the cash flow statement		
Finance income	(248,264)	(280,332)
Finance costs	-	18,060
	1,312,648	300,905
13.2 Working capital changes		
Movement in trade and other receivables	34,811	(664,520)
Movement in trade and other payables	629,253	330,720
	664,064	(333,800)

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NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 September	2012 N$	2011 N$

14 RELATED PARTIES

The Company's holding company is Namibia Asset Management Limited (incorporated in Namibia), which owns 100% of the issued shares. Coronation Fund Managers Limited and its subsidiaries ultimately own 48.05% of Namibia Asset Management Limited's issued share capital.

14.1 Transactions with key management personnel

The Company's key management personnel consisted of Eino Emvula (Chief Executive Officer), P Heuer (Company Secretary & Chief Financial Officer), E Le Roux (Head of Retail Business).

14.2 Directors

The Company pays no directors' emoluments.

14.3 Transactions with group companies

The holding company pays a number of the Company's operational expenses which are charged to an intercompany loan account. The intercompany loan is unsecured, interest free and is settled in the normal course of business.

Details of transactions with group companies are disclosed in note 10.

	2012	2011
Outstanding balances at year end		
Due to Namibia Asset Management Limited	**150,317**	116,178

14.4 Transactions with Coronation Fund Managers group

Coronation Asset Management (Proprietary) Limited provides portfolio management services to the Company. These services are in terms of a management agreement between Coronation Asset Management (Proprietary) Limited and the Company's holding company, Namibia Asset Management Limited. Details of fees paid to Coronation Asset Management are disclosed in note 10.

Coronation Asset Management (Proprietary) Limited is a subsidiary of Coronation Investment Management (Proprietary) Limited, which owns 48.05% of the issued shares of Namibia Asset Management Limited.

15 EVENTS AFTER BALANCE SHEET DATE

After year end the Board recommended a normal dividend of N$1,400,000 (2011:N$1,000,000).

These events have no impact on the financial statements and no other events have accrued subsequent to the reporting date that would have materially altered the results reported.

16 FINANCIAL RISK MANAGEMENT

16.1 Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September

16 FINANCIAL RISK MANAGEMENT

16.1 Overview (continued)

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to developed a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit and risk committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risk faced by the Company. Management presents quarterly risk logs to the Board, indicating financial losses incurred due to risk breaches and actions taken to prevent similar events in the future.

16.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, cash and cash equivalents and investment securities.

a) Trade and other receivables
The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Company's customer base consists of one main category: unit trust funds. Unit trust fund clients bear not credit risk as the fees are automatically collected when the units are purchased or sold.

b) Cash and cash equivalents and investments securities
The Company limits its exposure to credit risk by only investing its funds in liquid securities with local banks of satisfactory credit status and its unit trust funds. Management does not expect any counterparty to fail to meet its obligations.

c) Guarantees
The Company does not provide financial guarantees to any internal or external parties.

16.3 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 Company actively monitors its cash flow requirements on a daily basis and thereby optimises its cash return on investments. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days, including the servicing of financial obligations, (if any); this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The Company does not maintain any credit facilities, apart from normal 30 day creditors payment terms with general business suppliers.

16.4 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Company does not trade in derivatives.

a) Currency risk
The Company is not directly exposed to currency risk as all business is either conducted in Namibia Dollar or South African Rand (to which the Namibia Dollar is pegged at 1:1).

The Company does have investments in its unit trust products that have exposure to currency fluctuations. See "other market price risk" below for the Company's strategy on managing price risk.

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16 FINANCIAL RISK MANAGEMENT (continued)

16.4 Market risk (continued)

b) Interest rate risk

The Company does not have any interest-bearing borrowings and therefore does not carry any interest rate risk on liabilities. Interest-bearing financial assets are monitored on a daily basis and active management takes place to ensure maximum rates.

Investments carrying interest are monitored on a daily basis and active management takes place to ensure maximum rates.

c) Other market price risk

The company does not directly hold any listed shares as investment vehicles. However, indirectly equity price risk affects the company through its Defensive Balanced Fund investments and its revenue-base which is driven by market prices.

The unit trust and all other portfolios which generate the Company's revenue, are actively managed on a daily basis by an experienced trading team who make investment decisions based on research and up-to-date information, according to long-term investment strategies and house reviews.

Equity price risk is one of the company's main operating risks and the board considers it to be managed adequately and with great care.

d) Capital management

The Board'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.

Currently, the Company does not have any intensive capital requirements and therefore no external interest-bearing debt is considered. Dividends are paid out after cash flows have been rigorously tested and the Board is certain that all short and medium term commitments can be met.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

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NOTES TO THE FINANCIAL STATEMENTS (continued) for the year ended 30 September	2012 N$	2011 N$

16 FINANCIAL RISK MANAGEMENT (continued)

FINANCIAL INSTRUMENTS

CREDIT RISK

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note		
Marketable securities	2	**5,836,361**	5,194,753
Trade and other receivables	4	**1,010,537**	1,045,348
Cash and cash equivalents	5	**2,205,135**	1,105,733
		9,052,033	7,345,834

The maximum exposure to credit risk for trade receivables at the reporting date by type of customer was:

	2012 N$ Carrying Amount	2011 N$ Carrying Amount
Retail client receivables	**875,036**	578,960
Other receivables	**135,501**	466,388
	1,010,537	1,045,348

Impairment losses

The aging of trade receivables at the reporting date was:

	2012 N$ Gross	**2012 N$ Impairment**	2011 N$ Gross	2011 N$ Impairment
Not past due	**875,036**	**-**	578,960	-
Total	**875,036**	**-**	578,960	-

Based on past experience, the Company believes that no impairment allowance is necessary in respect of trade receivables not past due.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September

16 FINANCIAL RISK MANAGEMENT (continued)

FINANCIAL INSTRUMENTS (continued)

LIQUIDITY RISK

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

30 September 2012 N$ Non-derivative financial liabilities	Carrying amount	6 months or less
Amounts owed to group companies	150,317	150,317
Trade and other payables	1,529,065	1,529,065
	1,679,382	1,679,382

30 September 2011 N$ Non-derivative financial liabilities	Carrying amount	6 months or less
Amounts owed to group companies	116,178	116,178
Trade and other payables	899,812	899,812
	1,015,990	1,015,990

INTEREST RATE RISK

A change of 100 basis points in interest rates at reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2011.

	Profit or Loss		Equity	
	100 bp Increase	100 bp Decrease	100 bp Increase	100 bp Decrease
30 September 2012				
Variable rate instruments	**22,051**	**(22,051)**	**14,554**	**(14,554)**
30 September 2011				
Variable rate instruments	11,057	(11,057)	7,298	(7,298)

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September

16 FINANCIAL RISK MANAGEMENT (continued)

FINANCIAL INSTRUMENTS (continued)

FAIR VALUES

Management is of the view that the carrying value of financial instruments approximates fair value.

Basis for determining fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments reflected on the face of the statement of financial position.

i) Statutory investments
For the statutory investments in unit trusts, fair values are determined at the ruling unit price as at year end. Surplus or deficit units are sold or purchased at year end to keep investments fixed at N$ 4,000,000 (2011: N$ 4,000,000).

ii) Other investments
Short term investments consists of unit trust investments. The fair value of these investments is based on the actual unit price at year end.

iii) Trade and other receivables or payables
For receivables or payables with a remaining life of less than one year, the carrying value is deemed to reflect the fair value. All other receivables or payables are discounted to determine fair value.

iv) Cash and cash equivalents
Considering cash and cash equivalents are highly liquid assets of short term nature, the fair value of cash and cash equivalents is considered to be the value shown on the relevant bank statements and other supporting documents.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- **Level 1**: quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2**: inputs other than quoted prices included within 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)

N$' **30 September 2012**	**Level 1**	**Level 2**	**Level 3**	**Total**
Available-for-sale financial assets	**4,606,641**	-	-	**4,606,641**
Financial assets designated at fair value through profit or loss	**1,229,720**	-	-	**1,229,720**
	5,836,361	-	-	**5,836,361**

N$' **30 September 2011**	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	4,205,133	-	-	4,205,133
Financial assets designated at fair value through profit or loss	989,620	-	-	989,620
	5,194,753	-	-	5,194,753

During the financial year ended 30 September 2012 there were no transfers of financial assets between the levels.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September

16 FINANCIAL RISK MANAGEMENT (continued)

FINANCIAL INSTRUMENTS (continued)

CLASSIFICATION OF FINANCIAL INSTRUMENTS

The following table analyses the Company's financial assets and financial liabilities in accordance with the categories of financial instruments in IAS 39. Assets and liabilities outside the scope of IAS 39 are shown separately.

30 September 2012 N$	**Fair value through profit or loss**	**Available for sale**	**Loans and receivables**	**Non financial assets**	**Total**
Assets					
Marketable securities	**1,229,720**	**4,606,641**	-	-	**5,836,361**
Deferred tax	-	-	-	**493,002**	**493,002**
Trade and other receivables	-	-	**1,010,537**	-	**1,010,537**
Cash and cash equivalents	-	-	**2,205,135**	-	**2,205,135**
	1,229,720	**4,606,641**	**3,215,672**	**493,002**	**9,545,035**

	Other financial liabilities	**Non financial assets**	**Total**
Liabilities			
Amounts owing to Group companies	**150,317**	-	**150,317**
Trade and other payables	**1,529,065**	-	**1,529,065**
	1,679,382	-	**1,679,382**
Equity			**7,865,653**
			9,545,035

30 September 2011 N$	**Fair value through profit or loss**	**Available for sale**	**Loans and receivables**	**Non financial assets**	**Total**
Assets					
Marketable securities	989,620	4,205,133	-	-	5,194,753
Deferred tax	-	-	-	1,019,663	1,019,663
Trade and other receivables	-	-	1,045,348	-	1,045,348
Cash and cash equivalents	-	-	1,105,733	-	1,105,733
	989,620	4,205,133	2,151,081	1,019,663	8,365,497

	Other financial liabilities	**Non financial assets**	**Total**
Liabilities			
Amounts owing to Group companies	116,178	-	116,178
Trade and other payables	899,812	-	899,812
	1,015,990	-	1,015,990
Equity			7,349,507
			8,365,497

There were no reclassifications during the year.

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17 NEW AND AMENDED IFRS AND IFRIC INTERPRETATIONS ADOPTED

None of the new and amended IFRS and IFRIC interpretations that were adopted had an effect on the financial performance and position of the Company, nor did they give rise to additional disclosures.

18 STANDARDS AND INTERPRETATIONS ADOPTED WITH NO EFFECT ON THE FINANCIAL STATEMENTS

The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements, but may effect the accounting for future transactions and arrangements.

Standard / Interpretation	Description	Effective date
IAS24	**Related Party Disclosures (revised 2009)**	1-Jan-11
	Addresses the disclosure requirements in respect of related parties, with the main changes relating to the definition of a related party and disclosure requirements by government-related entities.	
IFRIC 14 Amendments	**Prepayments of a Minimum Funding Requirement**	1-Jan-11
	Requires certain criteria to be met before an entity may recognise an asset in respect of a defined benefit plan.	
IFRS 7 Amendments	**Disclosures – Transfers of Financial Assets**	1-Jul-11
	Additional disclosures are required for transfers of financial assets that are not derecognised in their entirety or derecognised in their entirety but for which the company retains continuing involvement.	
IFRS 1 Amendments	**Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters**	1-Jul-11
	Amendments replace the fixed dates in the derecognition exception and the exemption related to the initial fair value measurement of financial instruments; and add a deemed cost exemption to IFRS 1 that an entity can apply at the date of transition to IFRSs after being subject to severe hyperinflation.	

19 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 30 September 2012 and have not been applied in preparing the Company's financial statements.

The following statements are not yet effective and management has not yet assessed the impact of the adoption of these statements on the financial results or position of the Company.

New/Revised International Financial Reporting Standards		Effective Date
IAS 12 amendments	**Deferred Tax** Recovery of underlying assets: rate applied for measuring deferred tax arising from investment property measured using the fair value model to be in accordance with IAS 40.	1 January 2012
IAS 1 amendments	**Presentation of Financial Statements** Presentation of items of Other comprehensive income: items of other comprehensive income that may be reclassified to profit or loss in the future are to be presented separately from those that would never be reclassified to profit or loss.	1 July 2012
IFRS 10	**Consolidated Financial Statements** Introduces a single control model to assess whether an investee should be consolidated.	1 January 2013

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NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 30 September

19 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED (continued)

New/Revised International Financial Reporting Standards		Effective Date
IFRS 11	**Joint Arrangements** The classification of the joint arrangement depends on whether the parties have right to and obligations for the underlying assets and liabilities.	1 January 2013
IFRS 12	**Disclosure of interest in other entities** Combines, in a single standard, the disclosure requirements for subsidiaries, associates and joint arrangements, as well as unconsolidated structures entities.	1 January 2013
IFRS 13	**Fair value Measurement** Replaces the fair value measurement guidance contained in individual IFRSs with a single source of fair value measurement guidance based on an exit price notion.	1 January 2013
IAS 19 amendments	**Employee Benefits** Recognition of actuarial gains and losses and methodology for calculating expected return on plan assets.	1 January 2013
IAS 27	**Separate Financial Statements (2011)** Amendments resulting from May 2010 Annual Improvements to IFRSs.	1 January 2013
IAS 28	**Investment in Associates and Joint Ventures (2011)** Remeasurement guidance on retained interest on cessation of significant influence or joint venture.	1 January 2013
IFRS 1 amendment	**Government Loans** The amendments add a new exception to a retrospective application of IFRS in respect of measurement of government loans.	1 January 2013
IFRS 7 amendment	**Disclosure - Offsetting financial assets and financial liabilities** New disclosure requirements for financial assets and financial liabilities that are offset in the statement of financial position, or are subject to enforceable master netting arrangements or similar arrangements.	1 January 2013
IFRIC 20	**Stripping costs in the production phase of a surface mine.** The approach required by the interpretation will increase consistency in approach used to account for production stripping costs.	1 January 2013
IAS 32	**Offsetting Financial assets and Financial liabilities** Amendments clarify that an entity currently has legally enforceable right to set-off if that right is not contingent on a future event and enforceable both in normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties.	1 January 2013
IFRS 9 (2009) & (2010)	**Financial Instruments** Addresses the initial measurement and classification of financial assets and financial liabilities and will replace the relevant sections of IAS 39.	1 January 2015

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