

OPPORTUNITY INVESTMENT COMPANY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

OPPORTUNITY INVESTMENT COMPANY LIMITED

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DIRECTORS' REPORT

The Directors are pleased to submit their report together with the audited financial statements of Opportunity Investment Company Limited for the year ended December 31, 2013.

PRINCIPAL ACTIVITY

The Company was incorporated on January 13, 2006 as a private company limited by shares. Its principal activity is investment holding.

RESULTS

	<u>2013</u>
	SR
Profit for the year	4,492,483
Retained earnings brought forward	<u>51</u>
Profit available for distribution	4,492,534
Dividends	<u>(4,417,520)</u>
Retained earnings carried forward	<u><u>75,014</u></u>

DIVIDENDS

Dividends of SR 44,175 per share were declared and paid during the year under review (2012: SR 44,275 per share).

DIRECTORS AND DIRECTORS' INTEREST

The Directors of the Company since the date of the last report and the date of this report are:

Willy Confait

Louis Rivalland

None of the Directors held any interest in the shares of the Company.

DIRECTORS' REPORT (CONT'D)

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are responsible for the overall management of the affairs of the Company including its operations and the making of investment decisions.

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Standards and in compliance with the Companies Act, 1972. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies that fall within the accounting policies adopted by the Company as a whole; and making accounting estimates that are reasonable in the circumstances. The Directors have the general responsibility of safeguarding the assets, both owned by the Company.

The Directors considers it has met its aforesaid responsibilities.

AUDITORS

The auditors, Messrs. BDO Associates, retire and being eligible offer themselves for reappointment.

APPROVAL



Willy Confait
Director



Louis Rivalland
Director

Dated: May 6, 2014
Victoria, Seychelles

OPPORTUNITY INVESTMENT COMPANY LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

This report is made solely to the members of the Opportunity Investment Company Limited, as a body, in terms of our engagement to conduct the audit on their behalf. Our audit work has been undertaken so that we might state to the members those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of Opportunity Investment Company Limited set out on pages 3 to 11 which comprise the Balance Sheet as at December 31, 2013, the Income Statement, Statement of Changes in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and explanatory notes.

Directors' Responsibility

As stated on Page 2 of the Directors' Report, the Board of Directors are responsible for preparation of the financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on those financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments, the auditors consider internal control relevant to the Company'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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors as well as evaluating the overall presentation of the financial statements.

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



OPPORTUNITY INVESTMENT COMPANY LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (CONT'D)

Opinion

In our opinion, the financial statements on pages 3 to 11 give a true and fair view of the financial position of the Company as at December 31, 2013 and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Standards and comply with the Companies Act, 1972.

Report on Other Legal Regulatory Requirements

Companies Act, 1972

We have no relationship with, no interest, in the Company other than in our capacity as auditors, tax and business advisers and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Dated: *May 6, 2014*
Victoria, Seychelles

BDO Associates
BDO ASSOCIATES
Chartered Accountants

BALANCE SHEET - DECEMBER 31, 2013

	<u>Notes</u>	<u>2013</u> SR	<u>2012</u> SR
ASSETS			
Investment in associate	4	<u>10,623,756</u>	<u>10,623,756</u>
Current asset			
Cash and bank balances	5	<u>348,218</u>	<u>370,357</u>
Total assets		<u><u>10,971,974</u></u>	<u><u>10,994,113</u></u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	6	10,000	10,000
Deposits on equity		10,623,756	10,623,756
Retained earnings		75,014	51
Total equity		<u>10,708,770</u>	<u>10,633,807</u>
Current liability			
Other payables	7	<u>263,204</u>	<u>360,306</u>
Total equity and liabilities		<u><u>10,971,974</u></u>	<u><u>10,994,113</u></u>

These financial statements have been approved for issue by the Board of Directors on *May 6, 2014*

Willy Confait

Willy Confait
Director

Louis Rivalland

Louis Rivalland
Director

The notes on pages 7 to 11 form an integral part of these financial statements.
Auditors' report on page 2 to 2(a).

INCOME STATEMENT - YEAR ENDED DECEMBER 31, 2013

	<u>Notes</u>	<u>2013</u> SR	<u>2012</u> SR
Income			
Dividend income	2(e)	4,457,520	4,457,520
Other income		120,102	-
		<u>4,577,622</u>	<u>4,457,520</u>
Expenditure			
Professional fees		46,000	-
Miscellaneous expenses		38,632	38,397
Bank charges		507	367
		<u>85,139</u>	<u>38,764</u>
Profit for the year	8	<u><u>4,492,483</u></u>	<u><u>4,418,756</u></u>

The notes on pages 7 to 11 form an integral part of these financial statements.
 Auditors' report on page 2 to 2(a).

STATEMENT OF CHANGES IN EQUITY - YEAR ENDED DECEMBER 31, 2013

	Note	Share capital SR	Deposit on equity SR	Retained earnings SR	Total SR
Balance at January 1, 2013		10,000	10,623,756	51	10,633,807
Profit for the year		-	-	4,492,483	4,492,483
Dividends	9	-	-	(4,417,520)	(4,417,520)
Balance at December 31, 2013		<u>10,000</u>	<u>10,623,756</u>	<u>75,014</u>	<u>10,708,770</u>
Balance at January 1, 2012		10,000	10,597,055	8,815	10,615,870
Profit for the year		-	-	4,418,756	4,418,756
Dividends	9	-	-	(4,427,520)	(4,427,520)
Movement during the year		-	26,701	-	26,701
Balance at December 31, 2012		<u>10,000</u>	<u>10,623,756</u>	<u>51</u>	<u>10,633,807</u>

The notes on pages 7 to 11 form an integral part of these financial statements.
Auditors' report on page 2 to 2(a).

CASH FLOW STATEMENT - YEAR ENDED DECEMBER 31, 2013

	<u>Notes</u>	<u>2013</u> SR	<u>2012</u> SR
Cash flows from operating activities			
Profit for the year		4,492,483	4,418,756
<i>Change in working capital</i>			
- Decrease in other payables		(97,102)	(11,354)
Net cash inflow from operating activities		<u>4,395,381</u>	<u>4,407,402</u>
Cash flows from financing activities			
Dividends paid	9	(4,417,520)	(4,427,520)
Advance against equity		-	26,701
Net cash outflow from financing activities		<u>(4,417,520)</u>	<u>(4,400,819)</u>
Net (decrease)/increase in cash and cash equivalents		<u>(22,139)</u>	<u>6,583</u>
Movement in cash and cash equivalents			
At January 1,		370,357	363,774
(Decrease)/Increase		(22,139)	6,583
At December 31,	5	<u>348,218</u>	<u>370,357</u>

The notes on pages 7 to 11 form an integral part of these financial statements.

Auditors' report on page 2 to 2(a).

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2013

1. COMPANY PROFILE

Opportunity Investment Company Limited was incorporated on January 13, 2006 as a private Company limited by shares. The address of its registered office is P.O Box 576, Caravelle House, Victoria, Seychelles.

These financial statements will be submitted for consideration and approval at the forthcoming Annual General Meeting of the company.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of Opportunity Investment Company Limited comply with the Companies Act, 1972 and have been prepared in accordance with Generally Accepted Accounting Standards.

(b) Investment in associate

An associate is an entity over which the Company has significant influence but not control, or joint control. Investments in associates are accounted at cost and adjusted for any accumulated impairment loss.

(c) Financial instruments

The Company's accounting policies in respect of the main financial instruments are set out below:

(i) Other payables

Other payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

(iii) Share capital

Ordinary shares are classified as equity.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(d) Impairment of assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(e) Revenue recognition

Income consist of dividend and interest income and are recognised on the following basis:-

- (i) Dividend income - when the shareholders' right to receive payment is established.
- (ii) Interest income - on a time-proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised either as cash is collected or on a cost-recovery basis as conditions warrant.

(f) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources that can be reasonably estimated will be required to settle the obligation.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There were no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2013

4.	INVESTMENT IN ASSOCIATE	<u>2013 & 2012</u>	SR
	At January 1, and December 31,	<u>10,623,756</u>	
	The investment in associate is at cost.		
	The Directors have assessed the recoverability of this investment and are of the opinion that no impairment is required for the year ended December 31, 2013 (2012: Nil).		
5.	CASH AND BANK BALANCES	<u>2013</u>	<u>2012</u>
		SR	SR
	Bank balances	263,699	285,838
	Bank balance on call	84,519	84,519
		<u>348,218</u>	<u>370,357</u>
6.	SHARE CAPITAL	<u>2013 & 2012</u>	SR
	<i>Authorised, Issued and Fully-paid</i> 100 ordinary shares of Rs. 100 each		<u>10,000</u>
7.	OTHER PAYABLES	<u>2013</u>	<u>2012</u>
		SR	SR
	Accruals	263,204	360,306
8.	PROFIT FOR THE YEAR	<u>2013</u>	<u>2012</u>
	This is arrived after charging;	SR	SR
	Auditors' remuneration	23,000	23,000
	Directors' remuneration	-	-

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2013

9. DIVIDENDS

Dividends of SR 44,175 per share was declared and paid during the year under review (2012: SR 44,275 per share).

10. CONTINGENT LIABILITIES

There was no contingent liabilities as at December 31, 2013 (2012: Nil).

11. CAPITAL COMMITMENTS

There was no capital commitment as at December 31, 2013 (2012: Nil).

12. RELATED PARTY TRANSACTIONS

	<u>2013</u>	<u>2012</u>
	SR	SR
Investment in associate	10,623,756	10,623,756
Dividends from associate	4,457,520	4,457,520
Dividends to shareholders	(4,417,520)	(4,427,520)
Payable to shareholder	<u>240,204</u>	<u>360,306</u>

The above transactions have been made at arm's length, on normal commercial term and in the ordinary course of business.

Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash. There has been no guarantees provided or received for any related party receivables or payables. For the year ended December 31, 2013, the Company has not recorded any impairment of receivables relating to amounts owned by related parties (2012: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2013

13. FIVE YEAR FINANCIAL SUMMARY

	2013	2012	2011	2010	2009
	SR'000	SR'000	SR'000	SR'000	SR'000
Profit for the year	4,492	4,419	3,721	2,947	2,952
Retained earnings brought forward	1	9	3	28	48
Profit available for distribution	4,493	4,428	3,724	2,975	3,000
Dividends	(4,418)	(4,428)	(3,715)	(2,972)	(2,972)
Retained earnings carried forward	<u>76</u>	<u>1</u>	<u>9</u>	<u>3</u>	<u>28</u>
SHAREHOLDERS FUND					
Share capital	10	10	10	10	10
Advance against equity	10,623	10,623	10,597	10,597	10,597
Retained earnings	76	1	9	3	28
	<u>10,709</u>	<u>10,634</u>	<u>10,616</u>	<u>10,610</u>	<u>10,635</u>