

**ECU WORLDWIDE SOUTH AFRICA (PTY) LTD**  
(Registration number 1996/006602/07)  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

# Ecu Worldwide South Africa (Pty) Ltd

(Registration number 1996/006602/07)

Annual Financial Statements for the year ended 31 December 2016

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	International import and export of cargo containers
<b>Directors</b>	Y Palm (South African) S M N Mohamedhusein (Indian) S Martin (Indian) (appointed on 20 September 2016)
<b>Registered office</b>	Building 3 Waterfront Business Park Humerail Port Elizabeth 6045
<b>Business address</b>	First Floor, Block B Southern Life Gardens 70 Second Avenue Newton Park, Port Elizabeth 6055
<b>Postal address</b>	PO Box 7835 Newton Park Port Elizabeth 6055
<b>Holding company</b>	Ecu Hold NV incorporated in Belgium
<b>Ultimate holding company</b>	Allcargo Belgium NV incorporated in Belgium
<b>Bankers</b>	Standard Bank Investec
<b>Auditor's</b>	Ernst & Young Inc Registered Auditors
<b>Company registration number</b>	1996/006602/07
<b>Tax reference number</b>	9278/486/84/1
<b>Level of assurance</b>	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
<b>Preparer</b>	The annual financial statements were internally compiled by: Lona Schutte (Accounts manager)
<b>Issued</b>	17 February 2017

# **Ecu Worldwide South Africa (Pty) Ltd**

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## **Ecu Worldwide South Africa (Pty) Ltd**

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### **Directors' Responsibilities and Approval**

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The directors are required by 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 the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities 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 December 2017 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information. The accounting officer is responsible to determine that the annual financial statements are in agreement with the accounting records, summarised in the manner required by section 58(2)(d) of the Act.

The external auditors are responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on page 4 to 5.

The annual financial statements set out on pages 1 to 26, which have been prepared on the going concern basis, were approved by the board of directors on 17 February 2017 and were signed on its behalf by:

Approval of financial statements

  

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# Independent Auditor's Report

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To the shareholder of Ecu Worldwide South Africa (Pty) Ltd

## Opinion

We have audited the financial statements of Ecu Worldwide South Africa (Pty) Ltd set out on pages 7 to 24, which comprise the Statement of Financial Position as at 31 December 2016, and the Statement of Comprehensive Income, Statement of Changes in Equity and 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 Ecu Worldwide South Africa (Pty) Ltd as at 31 December 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

## 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), the international Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA code) and other independence requirements applicable to performing the audit of Ecu Worldwide South Africa (Pty) Ltd. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code, IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of Ecu Worldwide South Africa (Proprietary) Limited. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008. 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, 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 Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, 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.

## Independent Auditor's Report (continued)

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### Auditor's responsibilities for the audit of the Annual 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 International Standards on Auditing 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 International Standards on Auditing, 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.

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.



**Ernst & Young Inc**  
**Director: Mark Biggs**  
**Chartered Accountant (South Africa)**  
**Registered Auditor**  
**17 February 2017**

# Ecu Worldwide South Africa (Pty) Ltd

(Registration number 1996/006602/07)

Annual Financial Statements for the year ended 31 December 2016

## Directors' Report

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The directors have pleasure in submitting their report on the annual financial statements of Ecu Worldwide South Africa (Pty) Ltd and its associates for the year ended 31 December 2016.

### 1. Main business and operations

The principal activity of the company is a logistic service to international business, importing and exporting cargo containers.

### 2. Review of financial results and activities

The financial results for the year under review are clearly reflected in these financial statements. Net profit of the company was R 2 972 759 (2015: profit R 5 647 361), after taxation of R (1 566 523) (2015: R (2 175 863)).

### 3. Authorised and issued share capital

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

### 4. Dividends

Dividends of R 1 246 471 (2015: R 6 000 000) were declared and paid during the year.

### 5. Directors

Particulars of the present directors are given on page 1.

### 6. Holding company

The company's holding company is Ecu Hold NV which holds 100% (2015 100%) of the company's equity. Ecu Hold NV is incorporated in Belgium.

### 7. Ultimate holding company

The company's ultimate holding company is Allcargo Belgium NV which is incorporated in Belgium.

### 8. 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.

### 9. 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 new 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.

### 10. Auditors

Ernst & Young Inc will continue in office in accordance with section 90 of the Companies Act 71 of 2008.

### 11. Change of company name

On 4 April 2016 the company changed its name from Ecu-Line South Africa (Pty) Ltd to Ecu Worldwide South Africa (Pty) Ltd.

# Ecu Worldwide South Africa (Pty) Ltd

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Annual Financial Statements for the year ended 31 December 2016

## Statement of Financial Position as at 31 December 2016

	Notes	2016 R	2015 R
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	415 660	409 217
<b>Current Assets</b>			
Trade and other receivables	3	20 837 187	12 051 072
Current tax receivable		55 543	212 440
Cash and cash equivalents	4	1 717 775	2 001 323
		<b>22 610 505</b>	<b>14 264 835</b>
<b>Total Assets</b>		<b>23 026 165</b>	<b>14 674 052</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	5	100	100
Retained income		4 542 986	2 816 698
		<b>4 543 086</b>	<b>2 816 798</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	6	16 508 479	11 857 254
Loans from group companies	7	1 974 600	-
		<b>18 483 079</b>	<b>11 857 254</b>
<b>Total Equity and Liabilities</b>		<b>23 026 165</b>	<b>14 674 052</b>

# Ecu Worldwide South Africa (Pty) Ltd

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Annual Financial Statements for the year ended 31 December 2016

## Statement of Comprehensive Income

	Notes	2016 R	2015 R
Revenue	8	202 966 887	189 818 946
Cost of sales		(173 463 502)	(160 996 414)
<b>Gross profit</b>		<b>29 503 385</b>	<b>28 822 532</b>
Other income		194 585	82 559
Operating expenses		(18 634 823)	(15 297 980)
Administration expenses		(4 916 747)	(4 373 659)
Selling and distribution expenses		(1 700 696)	(1 570 811)
<b>Operating profit</b>	9	<b>4 445 704</b>	<b>7 662 641</b>
Investment revenue	10	109 767	160 583
Finance costs		(16 189)	-
<b>Profit before taxation</b>		<b>4 539 282</b>	<b>7 823 224</b>
Taxation	11	(1 566 523)	(2 175 863)
<b>Profit for the year</b>		<b>2 972 759</b>	<b>5 647 361</b>

# Ecu Worldwide South Africa (Pty) Ltd

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Annual Financial Statements for the year ended 31 December 2016

## Statement of Changes in Equity

	Share capital	Retained income	Total equity
	R	R	R
<b>Balance at 01 January 2015</b>	<b>100</b>	<b>3 169 337</b>	<b>3 169 437</b>
Profit for the year	-	5 647 361	5 647 361
Dividends	-	(6 000 000)	(6 000 000)
<b>Balance at 31 December 2015</b>	<b>100</b>	<b>2 816 698</b>	<b>2 816 798</b>
Profit for the year	-	2 972 759	2 972 759
Dividends	-	(1 246 471)	(1 246 471)
<b>Balance at 31 December 2016</b>	<b>100</b>	<b>4 542 986</b>	<b>4 543 086</b>
Note	5		

# Ecu Worldwide South Africa (Pty) Ltd

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Annual Financial Statements for the year ended 31 December 2016

## Statement of Cash Flows

	Notes	2016 R	2015 R
<b>Cash flows from operating activities</b>			
Cash receipts from customers		193 388 921	187 772 241
Cash paid to suppliers and employees		(192 988 889)	(176 847 043)
Cash generated from operations	12	400 032	10 925 198
Investment revenue		109 767	160 583
Finance costs		(16 189)	-
Dividends paid	13	(1 246 471)	(6 000 000)
Taxation paid	14	(1 409 626)	(2 401 765)
<b>Net cash from operating activities</b>		<b>(2 162 487)</b>	<b>2 684 016</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(95 661)	(88 007)
Proceeds from loans from group companies		1 974 600	-
<b>Net cash from investing activities</b>		<b>1 878 939</b>	<b>(88 007)</b>
<b>Total cash movement for the year</b>		<b>(283 548)</b>	<b>2 596 009</b>
Cash at the beginning of the year		2 001 323	(594 686)
<b>Total cash at end of the year</b>	4	<b>1 717 775</b>	<b>2 001 323</b>

# Ecu Worldwide South Africa (Pty) Ltd

(Registration number 1996/006602/07)

Annual Financial Statements for the year ended 31 December 2016

## Accounting Policies

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### 1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

#### 1.1 Property, plant and equipment

Items of property plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

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Item	Average useful life
Furniture and fixtures	5 years
Motor vehicles	10 years
IT equipment	2 to 3 years

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The assets' residual values, useful lives and methods are reviewed and adjusted if appropriate at each financial year end.

#### 1.2 Impairment of assets

At each reporting date, the carrying amounts of tangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss.

If the fair value less costs to sell of an asset (or group of assets) is estimated to be less than its carrying amount, the carrying amount of the asset (or group of assets) is reduced to its fair value less costs to sell. An impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

#### 1.3 Financial instruments

##### Trade and other receivables

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

##### Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost.

Cash in the statement of financial position comprises cash at bank and on hand and short-term deposits with an original maturity of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

##### Financial liabilities

Financial instruments included in trade and other payables and loans from group companies are measured at amortised cost using the effective interest rate method.

# Ecu Worldwide South Africa (Pty) Ltd

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Annual Financial Statements for the year ended 31 December 2016

## Accounting Policies

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### 1.3 Financial instruments (continued)

#### Derecognition of financial instruments

The derecognition of a financial instrument takes place when the company no longer controls the contractual rights that comprise the financial instrument, which is normally when all the cash flows attributable to the instrument are passed through to a third party.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if there is a currently enforceable legal right to offset the recognised amounts, and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### 1.4 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

### 1.5 Provisions

Provisions are recognised where the company has a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflect, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 1.6 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised:

Revenue for services rendered relating to the import of goods is recognised upon the arrival of the goods at the cargo destination station.

Revenue for services rendered relating to the export of goods is recognised upon the departure of the goods at the cargo departure station.

### 1.7 Investment revenue

Interest income is recorded using the effective interest rate (EIR). Interest income is included in other operating income in the statement of comprehensive income.

### 1.8 Leases

Leases are classified as operating leases, where substantially all the risks and rewards associated with ownership of the asset are not transferred from the lessor to the lessee.

Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight line basis over the lease term.

### 1.9 Retirement benefits

#### Defined contribution plans

The policy of the company is to provide retirement benefits for all its employees. Current contributions to relevant retirement benefit plans operated for employees are charged against the profit or loss in the period to which they relate.

# Ecu Worldwide South Africa (Pty) Ltd

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Annual Financial Statements for the year ended 31 December 2016

## Accounting Policies

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### 1.10 Foreign exchange

#### Foreign currency transactions

Transactions in foreign currency are accounted for at the spot rate of exchange ruling on the date of the transaction.

#### Foreign currency balances

Monetary assets and liabilities denominated in foreign currencies are retranslated at the spot rate of exchange ruling at the reporting date. Gains and losses arising on translation are dealt with in profit or loss for the year in the year in which they occur.

The functional currency is South African Rands.

### 1.11 Tax

#### Current tax assets and liabilities

The tax currently receivable is based on taxable profit for the year.

#### Deferred tax assets and liabilities

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (temporary differences). Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### Tax expenses

The income tax expense represents the sum of the tax currently payable and deferred tax.

#### Value-Added Tax

Revenues, expenses and assets are recognised net of the amount of Value-Added Tax except:

- where the Value-Added Tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the Value-Added Tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable,
- receivables and payables that are stated with the amount of Value-Added Tax included.

The net amount of Value-Added Tax recoverable from, or payable to, the taxation authority is shown separately on the face of the statement of financial position.

### 1.12 Dividends paid

Dividends are declared and paid after having been proposed by directors and authorised by the shareholders if liquidity and solvency ratios as required by the Companies Act of South Africa are complied with.

### 1.13 Key management assumptions, estimates and judgements

#### Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustments to the carrying amount of the assets and liabilities within the next financial year are discussed below:

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Annual Financial Statements for the year ended 31 December 2016

## **Accounting Policies**

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### **1.13 Key management assumptions, estimates and judgements (continued)**

#### **Financial instruments**

The carrying value of financial instruments approximates the fair value.

#### **Provision for doubtful debts**

The provision for impairment losses on trade receivables is determined with reference to identified problematic debtors, debtors exceeding the set credit limits and debtors exceeding the credit terms. Due to the size of the trade receivables book and the risks associated with a widespread customer base, the provision is subject to significant uncertainty.

#### **Residual values and useful lives of property, plant and equipment**

Residual values of property, plant and equipment are based on the nature of the assets, period of use and the historical experience. No changes were made to the residual values of property, plant and equipment, as management assessed that the estimated residual values determined in the prior year, remained appropriate.

The useful lives of property, plant and equipment are based on the historical experience and industry standards. No changes were made to the useful lives of property, plant and equipment, as management assessed that the estimated useful lives determined in the prior year, remained appropriate.

## Ecu Worldwide South Africa (Pty) Ltd

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Annual Financial Statements for the year ended 31 December 2016

### Notes to the Annual Financial Statements

	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	203 404	(79 574)	123 830	422 079	(305 499)	116 580
Motor vehicles	392 650	(213 751)	178 899	392 650	(174 486)	218 164
IT equipment	655 484	(542 553)	112 931	610 408	(535 935)	74 473
<b>Total</b>	<b>1 251 538</b>	<b>(835 878)</b>	<b>415 660</b>	<b>1 425 137</b>	<b>(1 015 920)</b>	<b>409 217</b>

#### Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	116 580	22 775	(15 525)	123 830
Motor vehicles	218 164	-	(39 265)	178 899
IT equipment	74 473	72 886	(34 428)	112 931
	<b>409 217</b>	<b>95 661</b>	<b>(89 218)</b>	<b>415 660</b>

#### Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	97 858	29 700	(10 978)	116 580
Motor vehicles	257 429	-	(39 265)	218 164
IT equipment	65 264	58 307	(49 098)	74 473
	<b>420 551</b>	<b>88 007</b>	<b>(99 341)</b>	<b>409 217</b>

### 3. Trade and other receivables

Trade receivables	14 775 029	9 839 617
Revenue accrual	(2 088 159)	(2 736 034)
Amounts owing by group companies	3 331 309	4 447 837
Gross trade receivables	16 018 179	11 551 420
Provision for doubtful debts	(151 951)	-
Net trade receivables	15 866 228	11 551 420
Deposits	120 419	102 962
VAT	1 762 074	339 707
Prepayments	101 714	56 983
Other receivable	2 986 752	-
	<b>20 837 187</b>	<b>12 051 072</b>

Trade receivables, revenue accrual and amounts owing by group companies are non-interest bearing and are generally on 7-60 day terms. VAT is non-interest bearing and are generally on less than 30 days terms. Prepayments, deposits and other receivables are non-interest bearing and are generally on less than 12 months terms.

The company is exposed to the risk of changes in exchange rates because the above-mentioned trade and other receivables include foreign related balances. The company trades only with recognised, creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant. The maximum exposure is the carrying amount as disclosed above. There are no significant concentrations of credit risk within the company.

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## Notes to the Annual Financial Statements

	2016 R	2015 R
<b>4. Cash and cash equivalents</b>		
Cash and cash equivalents consist of cash on hand, call deposits and cash balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following statement of financial position amounts:		
Cash on hand	4 951	6 254
Bank balances	1 712 824	1 995 069
	<b>1 717 775</b>	<b>2 001 323</b>
Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between 1 and 7 days, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates. The fair value of cash and short-term deposits is R 1 717 775 (2015: R 2 001 323).		
The company has managed its liquidity risk by ensuring that it has adequate banking facilities and reserve borrowing capacity.		
Standard Bank holds the following securities:		
Pledge Notice Deposit	50 000	50 000
National Ports Authority guarantee The guarantee was necessary for the National Ports Authority in order for the company to submit cargo dues online. The agreement expires on 31 January 2030.	80 000	85 000
Guarantee by the bank	85 000	110 000
<b>5. Share capital</b>		
<b>Authorised</b>		
10 000 Ordinary shares of R1 each	10 000	10 000
<b>Issued</b>		
100 Ordinary shares of R1 each	100	100
There has been no change in authorised or issued shares in the current year.		
<b>6. Trade and other payables</b>		
Trade payables	3 676 044	4 609 427
Cost of sales accrual	1 939 275	(648 545)
Amounts due to related parties	6 024 409	6 232 971
Bonus pay accrual	331 095	109 032
Leave pay accrual	543 399	344 371
Other payables	3 994 257	1 209 998
	<b>16 508 479</b>	<b>11 857 254</b>

Trade payables, cost of sales accrual and amounts owing to group companies are non-interest bearing and are normally settled on 60 day terms. Other payables are non-interest bearing and have an average term of 30 days. Bonus and leave pay accrual are non-interest bearing and have no fixed payment terms.

The company is exposed to the risk of changes in exchange rates because the above-mentioned trade and other payables include foreign related balances.

# Ecu Worldwide South Africa (Pty) Ltd

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## Notes to the Annual Financial Statements

	2016 R	2015 R
<b>7. Loans from group companies</b>		
<b>Holding company</b>		
Ecu Hold NV	1 974 600	-
<p>The short-term loan was received from the holding company on 11 August 2016. Interest is charged at 2% per annum and the loan is repayable within six months of receipt of the loan.</p>		
<b>8. Revenue</b>		
Rendering of services	202 966 887	189 818 946
<p>Revenue represents net invoiced sales to customers, excluding Value-Added Tax and interest income. All sales are zero rated.</p>		
<b>9. Operating profit</b>		
<p>Operating profit for the year is stated after accounting for the following:</p>		
<b>Director's remuneration</b>		
Salary and bonuses	1 167 151	1 385 760
Company contribution to provident fund	99 170	141 901
Expense allowances	66 000	66 000
	<b>1 332 321</b>	<b>1 593 661</b>
<b>Staff costs</b>		
Salary and wages	10 221 384	9 777 685
Company contribution to provident fund	771 694	1 099 378
Other staff costs	2 287 542	1 055 565
	<b>13 280 620</b>	<b>11 932 628</b>
<b>Operating lease charges</b>		
Premises	1 111 254	1 044 569
Motor vehicles	25 215	48 609
Equipment	152 848	148 859
	<b>1 289 317</b>	<b>1 242 037</b>
(Profit) / Loss on exchange differences	1 149 057	35 637
Depreciation on property, plant and equipment	89 218	99 341
<b>10. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	109 767	160 583

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	2016 R	2015 R
<b>11. Taxation</b>		
<b>Major components of the tax expense</b>		
<b>Current</b>		
Local income tax - current period	1 566 523	2 191 128
Local income tax - recognised in current tax for prior periods	-	(15 265)
	<b>1 566 523</b>	<b>2 175 863</b>
<b>Reconciliation of the tax expense</b>		
Accounting profit	4 539 282	7 823 224
Tax at the applicable tax rate of 28% (2015: 28%)	1 270 999	2 190 503
<b>Tax effect of adjustments on taxable income</b>		
Non-deductible expenditure	151 113	6 167
Deferred tax not recognised	144 411	(5 542)
Current tax relating to previous periods	-	(15 265)
	<b>1 566 523</b>	<b>2 175 863</b>
<b>12. Cash generated from operations</b>		
Profit before taxation	4 539 282	7 823 224
<b>Adjustments for:</b>		
Depreciation on property, plant and equipment	89 218	99 341
Investment revenue	(109 767)	(160 583)
Finance costs	16 189	-
<b>Changes in working capital:</b>		
Trade and other receivables	(8 786 115)	2 046 705
Trade and other payables	4 651 225	1 116 511
	<b>400 032</b>	<b>10 925 198</b>
<b>13. Dividends paid</b>		
Dividends payable at beginning of the year	-	-
No interim dividend declared during 2016 (2015: R 50 000.00 per share)	-	5 000 000
Final dividend for 2016: R 12 464.73 per share (2015: R 10 000.00 per share)	1 246 473	1 000 000
Dividends payable at end of the year	-	-
Dividends paid during the year	<b>1 246 473</b>	<b>6 000 000</b>
Total dividends of R 12 464.73 (2015: R 60 000) per share was declared during the year.		
<b>14. Taxation paid</b>		
Balance at beginning of the year	212 440	(13 462)
Current tax for the year recognised in profit or loss	(1 566 523)	(2 175 863)
Balance at end of the year	(55 543)	(212 440)
	<b>(1 409 626)</b>	<b>(2 401 765)</b>
<b>15. Related parties</b>		
The company is controlled by Ecu Hold NV (incorporated in Belgium), which owns 100% of the company's shares. The ultimate parent of the group is Allcargo Belgium NV. Not all the related parties have been disclosed in the financial statements, only those which the company has traded with during the period.		

# Ecu Worldwide South Africa (Pty) Ltd

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## Notes to the Annual Financial Statements

	2016 R	2015 R
<b>15. Related parties (continued)</b>		
<b>Related party balances</b>		
<b>Receivables from related parties</b>		
Allcargo Global Logistics	-	595 691
Econocaribe Consolidators Inc	-	149 823
Ecu - Line Canada Inc	49 189	165 557
Ecu - Line Doha WLL	20 329	-
Ecu - Line Dubai	29 172	49 051
Ecu - Line Korea	-	6 499
Ecu - Line Pakistan	-	13 030
Ecu - Line Spain S.L.	29 023	17 083
Ecu - Line Uruguay	-	9 439
Ecu Hold NV	2 462	-
Ecu Marseille	8 595	-
Ecu Melbourne	2 274	-
Ecu Miami	25 630	-
Ecu New York	158 249	-
Ecu Nordic Norway	-	44 638
Ecu Port Kelang	7 039	-
Ecu Worldwide (Argentina) S.A. (formerly known as Ecu Logistics S.A.)	38 090	-
Ecu Worldwide (Atlanta)	898	-
Ecu Worldwide (Australia) Pty Ltd (formerly known as Ecu - Line Australia Pty Ltd)	3 298	27 463
Ecu Worldwide (Belgium) (formerly known as Ecu - Line N.V)	1 182 226	2 164 642
Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu - Line (CZ) s.r.o)	28 202	19 873
Ecu Worldwide (Chile) S.A. (formerly known as Ecu - Line Chile S.A)	8 025	-
Ecu Worldwide (China (Shanghai) Ltd) (formerly known as China Consolidation Services Ltd)	571 097	714 784
Ecu Worldwide (France) (formerly known as Ecu - Line France)	265 954	395 733
Ecu Worldwide (Germany) GmbH (formerly known as Ecu - Line Germany GmbH)	142 149	175 939
Ecu Worldwide (Ghana)	14 063	-
Ecu Worldwide (Guangzhou) Ltd (formerly known as Ecu - Line Guangzhou Ltd)	31 701	8 199
Ecu Worldwide (Hong Kong) Ltd (formerly known as Ecu - Line Hong Kong Ltd)	51 010	26 063
Ecu Worldwide (Italy S.r.l.) (formerly known as Ecu - Line Italia S.r.l.)	109 121	229 368
Ecu Worldwide (Japan) Ltd (formerly known as Ecu - Line Japan Ltd)	4 209	4 134
Ecu Worldwide (Kenya) Ltd (formerly known as Ecu - Line Kenya Ltd)	30 652	168 767
Ecu Worldwide (Lanka (Private) Ltd) (foremerly known as Ecu - Line Lanka (Pvt) Ltd)	29 450	-
Ecu Worldwide (Logistics do Brazil) (formerly known as Ecu Logistics do Brasil Ltda)	4 884	(2 117)
Ecu Worldwide (Mauritius) Ltd (formerly known as Ecu - Line Mauritius Ltd)	15 834	32 275
Ecu Worldwide (Netherlands) B.V. (Ecu - Line Rotterdam BV)	42 369	118 572
Ecu Worldwide (New Zealand Ltd) (formerly known as Ecu - Line NZ Ltd)	-	6 874
Ecu Worldwide (Poland) Sp zoo (formerly known as Ecu - Line Polska SP. Z.o.o.)	5 465	5 897
Ecu Worldwide (Singapore) Pte. Ltd (formerly known as Ecu - Line Singapore Pte. Ltd)	219 773	309 800
Ecu Worldwide (Thailand) Co. Ltd (formerly known as Ecu - Line Thailand Co Ltd)	-	2 723
Ecu Worldwide (Turkey Tasimacilik Limited Sirketi) (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.)	7 147	35 581
Ecu Worldwide (UK) Ltd (formerly known as Ecu - Line UK Ltd)	190 770	175 134
Ecu Worldwide (Vietnam Co. Ltd) (formerly known as Ecu - Line Vietnam Co.Ltd)	2 961	9 547
	<b>3 331 310</b>	<b>5 680 062</b>

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## Notes to the Annual Financial Statements

	2016 R	2015 R
<b>15. Related parties (continued)</b>		
<b>Payables to related parties</b>		
Allcargo Global Logistics	-	523 618
Econocaribe Consolidators Inc	-	423 948
Ecu - Line Canada Inc	-	3 389
Ecu - Line Dubai	15 349	-
Ecu - Line Spain S.L.	-	4 689
Ecu - Line Switzerland GmbH	-	28 398
Ecu Hold NV	10 320	-
Ecu International N.V.	16 295	57 742
Ecu New York	5 798	-
Ecu Worldwide (Australia) Pty Ltd (formerly known as Ecu - Line Australia Pty Ltd)	-	11 684
Ecu Worldwide (Belgium) (formerly known as Ecu - Line N.V)	1 053 445	1 184 098
Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu - Line (CZ) s.r.o.)	1 378	-
Ecu Worldwide (China) (Shanghai) Ltd (formerly known as China Consolidation Services Ltd)	1 771 062	1 801 925
Ecu Worldwide (Cote d'Ivoire) SARL (formerly known as Ecu - Line Côte d'Ivoire Sarl)	8 022	-
Ecu Worldwide (France) (formerly known as Ecu - Line France)	240 578	346 448
Ecu Worldwide (Germany) GmbH (formerly known as Ecu - Line Germany GmbH)	385 074	437 550
Ecu Worldwide (Ghana)	-	39 834
Ecu Worldwide (Guangzhou) Ltd (formerly known as Ecu - Line Guangzhou Ltd)	22 024	43 422
Ecu Worldwide (Hong Kong) Ltd (formerly known as Ecu - Line Hong Kong Ltd)	547 884	881 098
Ecu Worldwide (Italy S.r.l.) (formerly known as Ecu - Line Italia S.r.l.)	202 702	155 307
Ecu Worldwide (Japan) Ltd (formerly known as Ecu - Line Japan Ltd)	9 084	-
Ecu Worldwide (Lanka (Private) Ltd) (foremerly known as Ecu - Line Lanka (Pvt) Ltd)	193 542	-
Ecu Worldwide (Logistics do Brazil Ltda) (formerly known as Ecu Logistics do Brasil Ltda)	2 890	-
Ecu Worldwide (Malaysia) Sdn Bhd (formerly known as Ecu - Line Malaysia Sdn Bhd)	-	63 066
Ecu Worldwide (Mauritius) Ltd (formerly known as Ecu - Line Mauritius Ltd)	3 442	-
Ecu Worldwide (Mexico) (formerly known as Ecu Logistics de Mexico SA de CV)	1 747	51 236
Ecu Worldwide (Netherlands) B.V. (Ecu - Line Rotterdam BV)	61 384	159 308
Ecu Worldwide (Poland) Sp zoo (formerly known as Ecu - Line Polska SP. Z.o.o.)	10 129	47 602
Ecu Worldwide (Singapore) Pte. Ltd (formerly known as Ecu - Line Singapore Pte Ltd)	957 961	1 148 288
Ecu Worldwide (Thailand) Co. Ltd (formerly known as Ecu - Line Thailand Co Ltd)	99 148	90 463
Ecu Worldwide (Turkey Tasimacilik Limited Sirketi) (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.)	78 370	46 729
Ecu Worldwide (UK) Ltd (formerly known as Ecu - Line UK Ltd)	174 893	279 170
Ecu Worldwide (Vietnam Co. Ltd) (formerly known as Ecu - Line Vietnam Co.Ltd)	21 256	1 740
Prism Global Ltd	130 632	93 704
WNS Global Services	-	38 681
	<b>6 024 409</b>	<b>7 963 137</b>
<b>Loans from holding company</b>		
Ecu Hold NV	1 974 600	-
<b>Related party transactions</b>		
<b>Sale of services</b>		
All Cargo Global Logistics - Kolkatta	36 484	-
All Procurement & Logistics	22 709	-
Allcargo Logistics LLC	(100 097)	3 075 028
Econocaribe Consolidators Inc	41 716	(74 328)
Ecu - Line Abu Dhabi LLC	(3 116)	-
Ecu - Line Bangladesh	-	16 350
Ecu - Line Canada Inc	313 594	343 234
Ecu - Line Doha WLL	28 554	-
Ecu - Line Dubai	93 709	111 300

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	2016 R	2015 R
<b>15. Related parties (continued)</b>		
<b>Sale of services (continued)</b>		
Ecu - Line International Far East	-	13 970
Ecu - Line Jordan	850	-
Ecu - Line Korea	16 916	46 037
Ecu - Line Malta Ltd	-	10 345
Ecu - Line Middle East LLC	-	7 079
Ecu - Line Pakistan	-	120 808
Ecu - Line Peru SA	2 186	38 966
Ecu - Line Saudi Arabia LLC	4 945	561 292
Ecu - Line Spain S.L.	88 701	60 084
Ecu - Line Uruguay	-	13 437
Ecu Hold NV	2 673	-
Ecu International N.V.	(234 410)	(234 410)
Ecu Marseille	33 295	-
Ecu Miami	26 664	-
Ecu Nordic Norway	-	510 779
Ecu Port Kelang	7 438	-
Ecu Worldwide (Argentina) S.A. (formerly known as Ecu Logistics S.A.)	118 528	73 847
Ecu Worldwide (Atlanta)	944	-
Ecu Worldwide (Australia) Pty Ltd (formerly known as Ecu - Line Australia Pty Ltd)	232 438	210 345
Ecu Worldwide (Belgium) (formerly known as Ecu - Line N.V)	9 616 719	11 616 113
Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu - Line (CZ) s.r.o.)	56 540	38 515
Ecu Worldwide (Chile) S.A. (formerly known as Ecu - Line Chile S.A)	135 646	39 885
Ecu Worldwide (China) (Shanghai) Ltd (formerly known as China Consolidation Services Ltd)	3 294 543	3 295 801
Ecu Worldwide (Colombia) S.A.S. (formerly known as Ecu - Line de Colombia S.A.S)	21 003	22 899
Ecu Worldwide (Cote d'Ivoire) SARL (formerly known as Ecu - Line Côte d'Ivoire Sarl)	-	23 334
Ecu Worldwide (Ecuador) S.A. (formerly known as Ecu-Line del Ecuador S.A.)	9 766	9 158
Ecu Worldwide (France) (formerly known as Ecu - Line France)	1 998 228	2 195 941
Ecu Worldwide (Germany) GmbH (formerly known as Ecu - Line Germany GmbH)	1 099 883	978 771
Ecu Worldwide (Guangzhou) Ltd (formerly known as Ecu - Line Guangzhou Ltd)	644 270	1 320 373
Ecu Worldwide (Hong Kong) Ltd (formerly known as Ecu - Line Hong Kong Ltd)	252 166	281 613
Ecu Worldwide (Italy S.r.l.) (formerly known as Ecu - Line Italia S.r.l.)	1 198 769	1 144 102
Ecu Worldwide (Japan) Ltd (formerly known as Ecu - Line Japan Ltd)	46 136	61 019
Ecu Worldwide (Kenya) Ltd (formerly known as Ecu - Line Kenya Ltd)	462 329	884 808
Ecu Worldwide (Lanka (Private) Ltd) (foremerly known as Ecu - Line Lanka (Pvt) Ltd)	125 631	9 230
Ecu Worldwide (Logistics do Brazil Ltda) (formerly known as Ecu Logistics do Brasil Ltda)	127 574	27 133
Ecu Worldwide (Mauritius) Ltd (formerly known as Ecu - Line Mauritius Ltd)	138 059	102 763
Ecu Worldwide (Mexico) (formerly known as Ecu Logistics de Mexico SA de CV)	6 470	14 003
Ecu Worldwide (Netherlands) B.V. (Ecu - Line Rotterdam BV)	241 841	366 728
Ecu Worldwide (New Zealand Ltd) (formerly known as Ecu - Line NZ Ltd)	16 003	35 518
Ecu Worldwide (Philippines) Inc. (formerly known as Ecu - Line Philippines Inc)	17 613	94 094
Ecu Worldwide (Poland) Sp zoo (formerly known as Ecu - Line Polska SP. Z.o.o.)	21 302	32 490
Ecu Worldwide (Singapore) Pte. Ltd (formerly known as Ecu - Line Singapore Pte. Ltd)	1 867 413	1 550 380
Ecu Worldwide (Thailand) Co. Ltd (formerly known as Ecu - Line (Thailand) Co. Ltd)	4 164	11 658
Ecu Worldwide (Turkey Tasimacilik Limited Sirketi) (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.)	85 820	166 740
Ecu Worldwide (UK) Ltd (formerly known as Ecu - Line UK Ltd)	1 534 197	1 464 841
Ecu Worldwide (USA) (formerly known as Ecu - Line USA)	1 204 064	-
Ecu Worldwide (Vietnam Co. Ltd) (formerly known as Ecu - Line Vietnam Co.Ltd)	68 891	23 828
Prime Logistic Solutions	-	(8 790)
<b>Purchase of services</b>		
All Cargo Global Logistics - Newdelhi	10 196	-
Allcargo Belgium N.V.	-	(272)
Allcargo Global Logistics	(168 647)	3 011 116

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	2016 R	2015 R
<b>15. Related parties (continued)</b>		
<b>Purchase of services (continued)</b>		
Ecu - Line Bangladesh	-	1 736
Ecu - Line Canada Inc	251 572	134 537
Ecu - Line Indonesia	-	(1 502)
Ecu - Line Korea	(10 319)	58 426
Ecu - Line Middle East LLC	135 747	218 918
Ecu - Line Pakistan	12 326	18 936
Ecu - Line Russia	6 676	-
Ecu - Line Slovenia	-	3 186
Ecu - Line Spain S.L.	129 314	186 309
Ecu - Line Switzerland GmbH	4 038	40 292
Ecu - Line Uruguay	26 324	-
Ecu Hold NV	1 400 211	-
Ecu International N.V.	(149 428)	7 309 182
Ecu Nordic Norway	(7 759)	708 602
Ecu Worldwide (Argentina) S.A. (formerly known as Ecu Logistics S.A.)	37 721	14 302
Ecu Worldwide (Australia) Pty Ltd (formerly known as Ecu - Line Australia Pty Ltd)	60 024	94 769
Ecu Worldwide (Belgium) (formerly known as Ecu - Line N.V)	8 208 813	(98 668)
Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu - Line (CZ) s.r.o.)	89 634	150 824
Ecu Worldwide (Chile) S.A. (formerly known as Ecu - Line Chile S.A.)	36 877	28 056
Ecu Worldwide (China (Shanghai) Ltd) (formerly known as China Consolidation Services Ltd)	7 941 611	8 919 978
Ecu Worldwide (Costa Rica S.A.) (formerly known as Conecli International S.A)	-	12 088
Ecu Worldwide (Cote d'Ivoire) SARL (formerly known as Ecu - Line Côte d'Ivoire SARL)	8 472	-
Ecu Worldwide (Cyprus) Ltd (formerly known as Ecu - Line Mediterranean Ltd)	4 720	-
Ecu Worldwide (France) (formerly known as Ecu - Line France)	1 913 094	1 590 816
Ecu Worldwide (Germany) GmbH (formerly known as Ecu - Line Germany GmbH)	2 249 401	2 380 769
Ecu Worldwide (Guangzhou) Ltd (formerly known as Ecu - Line Guangzhou Ltd)	3 700 042	4 595 275
Ecu Worldwide (Hong Kong) Ltd (formerly known as Ecu - Line Hong Kong Ltd)	4 157 018	5 734 712
Ecu Worldwide (Italy S.r.l.) (formerly known as Ecu - Line Italia S.r.l.)	1 375 656	1 413 749
Ecu Worldwide (Japan) Ltd (formerly known as Ecu - Line Japan Ltd)	30 396	14 697
Ecu Worldwide (Kenya) Ltd (formerly known as Ecu - Line Kenya Ltd)	370 114	223 525
Ecu Worldwide (Lanka (Private) Ltd) (formerly known as Ecu - Line Lanka (Pvt) Ltd)	1 501 302	389
Ecu Worldwide (Logistics do Brazil Ltda) (formerly known as Ecu Logistics do Brasil Ltda)	12 674	31 711
Ecu Worldwide (Malaysia) Sdn Bhd (formerly known as Ecu - Line Malaysia Sdn Bhd)	397	74 989
Ecu Worldwide (Mauritius) Ltd (formerly known as Ecu - Line Mauritius Ltd)	3 721	9 156
Ecu Worldwide (Mexico) (formerly known as Ecu Logistics de Mexico SA de CV)	100 101	264 735
Ecu Worldwide (Morocco) (formerly known as Ecu - Line Maroc S.A.)	8 970	-
Ecu Worldwide (Netherlands) B.V. (Ecu - Line Rotterdam BV)	1 140 759	1 077 843
Ecu Worldwide (New Zealand Ltd) (formerly known as Ecu - Line NZ Ltd)	11 850	-
Ecu Worldwide (Philippines) Inc. (formerly known as Ecu - Line Philippines Inc)	-	961
Ecu Worldwide (Poland) SP. Z.o.o. (formerly known as Ecu - Line Polska SP. Z.o.o.)	173 223	211 720
Ecu Worldwide (Romania SRL) (formerly known as Ecu - Line Romania SRL)	-	1 804
Ecu Worldwide (Singapore) Pte. Ltd (formerly known as Ecu - Line Singapore Pte. Ltd)	7 002 416	7 279 448
Ecu Worldwide (Thailand) Co. Ltd (formerly known as Ecu - Line (Thailand) Co. Ltd)	659 103	579 678
Ecu Worldwide (Turkey Tasimacilik Limited Sirketi) (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.)	733 486	848 854
Ecu Worldwide (UK) Ltd (formerly known as Ecu - Line UK Ltd)	1 355 219	2 208 190
Ecu Worldwide (USA) (formerly known as Ecu - Line USA)	6 280 089	-
Ecu Worldwide (Vietnam Co. Ltd) (formerly known as Ecu - Line Vietnam Co.Ltd)	39 117	22 449
<b>Management fees paid</b>		
Ecu Hold NV	2 895 591	2 490 697

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## Notes to the Annual Financial Statements

	2016 R	2015 R
<b>15. Related parties (continued)</b>		
File capturing expenses		
Ecu - Line Hong Kong Far East	150 135	127 399
<b>16. Key management personnel</b>		
Key management personnel	1 332 321	1 593 661
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of that entity.		
<b>17. Auditor's remuneration</b>		
Fees	128 500	120 000
Other services	20 696	19 428
	<b>149 196</b>	<b>139 428</b>

## 18. Categories of financial instruments

2016	Loans and receivables	Financial liabilities at amortised cost	Non-financial instruments	Total
Trade and other receivables	18 973 399	-	1 863 788	20 837 187
Cash and cash equivalents	1 717 775	-	-	1 717 775
Trade and other payables	-	(15 633 985)	(874 494)	(16 508 479)
Loans from group companies	-	(1 974 600)	-	(1 974 600)
	<b>20 691 174</b>	<b>(17 608 585)</b>	<b>989 294</b>	<b>4 071 883</b>
2015	Loans and receivables	Financial liabilities at amortised cost	Non-financial instruments	Total
Current tax receivable	-	-	212 440	212 440
Trade and other receivables	11 654 382	-	396 690	12 051 072
Cash and cash equivalents	2 001 323	-	-	2 001 323
Trade and other payables	-	(11 403 851)	(453 403)	(11 857 254)
	<b>13 655 705</b>	<b>(11 403 851)</b>	<b>155 727</b>	<b>2 407 581</b>

## 19. Employment benefit

The company has a defined contribution provident fund with Liberty Life for all employees who are all permanent, contracted, salaried employees. The fund is financed by company contributions and is governed by the Pension Fund Act of 1956.

The monthly contributions towards the Provident Fund is 13% of the employee's gross salary and payment will be split between the company (8%) and the employee (5%). There are 49 members (2015: 34 members) that contribute to the fund. The total contributions recognised as an expense for the year is R 997 035 (2015: R 1 241 279).

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Annual Financial Statements for the year ended 31 December 2016

## Notes to the Annual Financial Statements

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	2016	2015
	R	R

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### 20. Commitments

#### Operating leases

The entity has operating leases for the lease of premises and equipment, for which the future minimum lease payments are as follows:

#### Minimum lease payments due

- within one year	979 090	984 630
- in second to fifth year inclusive	3 301 351	103 805
	<u>4 280 441</u>	<u>1 088 435</u>

# Ecu Worldwide South Africa (Pty) Ltd

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## Detailed Income Statement

	Notes	2016 R	2015 R
<b>Revenue</b>			
Rendering of services		202 966 887	189 818 946
<b>Cost of sales</b>			
Purchases		(173 463 502)	(160 996 414)
<b>Gross profit</b>		<b>29 503 385</b>	<b>28 822 532</b>
<b>Other income</b>			
Bad debts recovered		-	2 200
Sundry income		194 585	80 359
Interest received	10	109 767	160 583
		<b>304 352</b>	<b>243 142</b>
<b>Expenses (Refer to page 26)</b>		<b>(25 252 266)</b>	<b>(21 242 450)</b>
<b>Operating profit</b>	9	<b>4 555 471</b>	<b>7 823 224</b>
Finance costs		(16 189)	-
<b>Profit before taxation</b>		<b>4 539 282</b>	<b>7 823 224</b>
Taxation	11	(1 566 523)	(2 175 863)
<b>Profit for the year</b>		<b>2 972 759</b>	<b>5 647 361</b>

# Ecu Worldwide South Africa (Pty) Ltd

(Registration number 1996/006602/07)

Annual Financial Statements for the year ended 31 December 2016

## Detailed Income Statement

	Notes	2016 R	2015 R
<b>Operating expenses</b>			
Advertising		(87 807)	(88 749)
Auditors remuneration	17	(149 196)	(139 428)
Bad debts		(187)	(27)
Bank charges		(48 695)	(70 105)
Cleaning		(80 919)	(69 026)
Computer expenses		(131 739)	(130 117)
Consulting fees		(235 399)	(199 495)
Courier services		(89 246)	(75 236)
Depreciation on property, plant and equipment		(89 218)	(99 341)
Donations		(4 626)	(1 216)
Electricity and water		(171 219)	(149 381)
Employee costs - Director's salary, bonus and expense allowance		(1 374 266)	(1 409 233)
Employee costs - Medical aid contributions		(762 359)	(711 475)
Employee costs - Other		(180 194)	(161 266)
Employee costs - Provident fund contributions		(997 034)	(1 241 279)
Employee costs - Staff salaries and bonuses		(11 114 917)	(9 820 212)
Employee costs - Training		(4 390)	(1 420)
Employee costs - UIF and SDL		(179 781)	(181 409)
Entertainment		(278 633)	(270 855)
General expenses		(91 333)	(70 726)
Increase in provision for doubtful debts		(151 951)	-
Insurance		(275 870)	(223 088)
Lease rentals on operating lease		(1 289 317)	(1 242 037)
Legal expenses		(422 604)	(3 645)
Loss on exchange differences		(1 149 057)	(35 637)
Management fees		(2 895 591)	(2 490 697)
Motor vehicle expense		(311 039)	(297 455)
Office and computer supplies		(159 800)	(151 468)
Other expenses		(310 591)	-
Penalties and interest		-	(20 809)
Repairs and maintenance		(138 803)	(73 536)
Subscriptions		(26 085)	(21 368)
Telephone and fax		(1 141 644)	(1 002 808)
Travel - local		(276 542)	(358 590)
Travel - overseas		(632 214)	(431 316)
		<b>(25 252 266)</b>	<b>(21 242 450)</b>