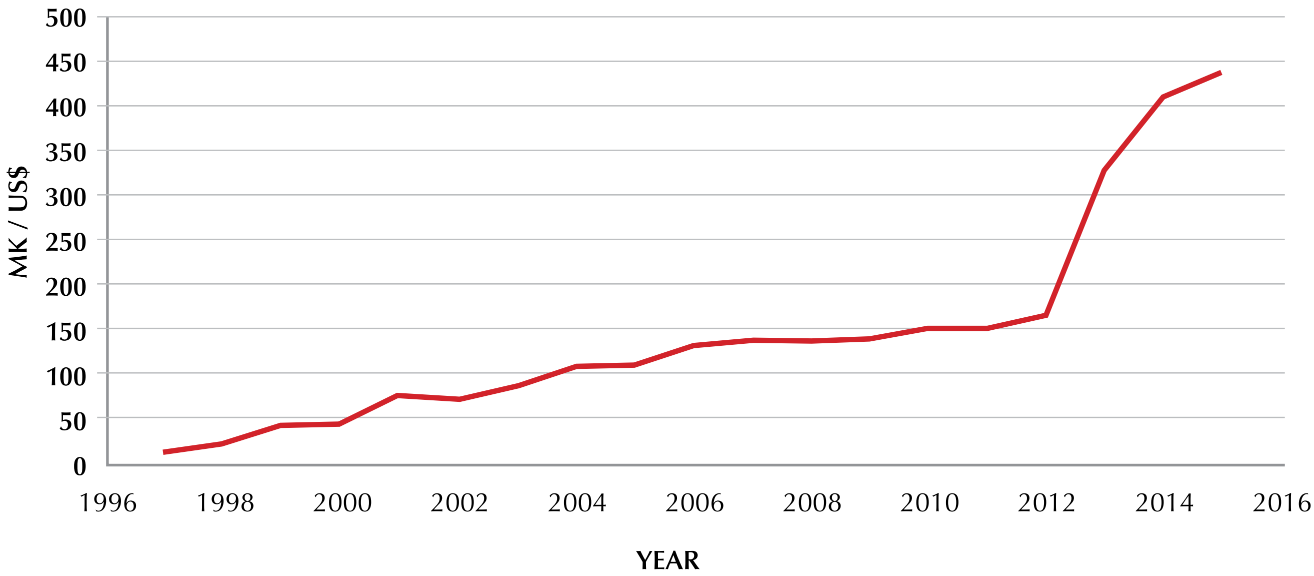
SUMMARISED GROUP FINANCIAL STATEMENTS

FOR THE SIX YEAR PERIOD

EXCHANGE RATE MOVEMENT



GROUP STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 March 2015

	2010* K'000	2011 K'000	2012 K'000	2013 K'000	2014 K'000	2015 K'000
INCOME						
Total income	500 900	1 813 757	1 210 713	1 145 054	2 032 065	1 887 034
EXPENDITURE						
Administration expenditure	(212 732)	(1 778 237)	(743 601)	(1 368 622)	(890 272)	(1 743 533)
Provisions and other expenses	(147 936)	(635 447)	(97 373)	(745 729)	(1 352 728)	(1 446 899)
Surplus/(deficit) before charitable expenditure	140 232	(599 927)	369 739	(969 297)	(210 935)	(1 303 398)
Total charitable expenditure	(144 758)	(148 631)	(178 241)	(238 619)	(293 776)	(458 646)
Surplus/(deficit) before tax	(4 526)	(748 558)	191 498	(1 207 916)	(504 711)	(1 762 044)
Taxation	-	29	14 432	4 251	(29 402)	(23 773)
Surplus/(deficit) for the year transferred to General Fund	(4 526)	(748 529)	205 930	(1 203 665)	(534 113)	(1 785 817)
Total other comprehensive income	2 309 864	2 181 800	(481 704)	2 775 035	9 865 546	11 686 169
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2 305 338	1 433 271	(275 774)	1 571 370	9 331 433	9 900 352
Attributable to the parent	-	1 479 947	(177 050)	1 878 595	9 381 888	9 879 674
Non-controlling interest	-	(46 676)	(98 724)	(307 225)	(50 455)	20 678
Total	-	1 433 271	(275 774)	1 571 370	9 331 433	9 900 352

** 2010 results do not include those of Press Agriculture Limited*

GROUP STATEMENTS OF FINANCIAL POSITION

As at 31 March 2015

	2010 MK'000	2011 MK'000	2012 MK'000	2013 MK'000	2014 MK'000	2015 MK'000
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	3 373 517	4 442 245	3 683 096	3 366 825	2 301 492	4 886 286
Listed equity investments	11 485 607	12 784 875	13 669 327	15 474 596	25 287 773	34 019 201
Unlisted equity investments	299 365	299 365	299 365	307 568	307 568	232 449
Standing crops	235 296	268 340	272 811	247 790	220 466	193 640
Total non-current assets	15 393 785	17 794 825	17 924 599	19 396 779	28 117 299	39 331 576
CURRENT ASSETS						
Growing crops	1 125 630	1 214 148	85 311	187 781	331 244	705 198
Inventory	407 063	474 640	178 723	31 026	35 948	98 231
Receivables and repayments	146 399	107 524	84 633	146 798	1 260 058	927 362
Bank balances and cash	159 158	237 549	345 379	575 038	492 632	235 666
Non-current assets held for sale	-	-	383 832	397 707	-	124 814
Funds held by brokers	98	100	101	216	203	192
Assets held for sale and discontinued operations	-	-	-	-	715 262	1 270 736
Tax recoverable	98 221	142 276	195 393	213 195	166 407	135 866
Total current assets	1 936 569	2 176 237	1 273 372	1 551 761	3 001 754	3 498 065
TOTAL ASSETS	17 330 354	19 971 062	19 197 971	20 948 540	31 119 053	42 829 641
RESERVES AND LIABILITIES						
RESERVES						
Fair value reserve on listed investments	9 947 099	11 246 367	12 120 835	14 296 538	24 162 674	32 866 323
Fair value reserve on unlisted investments	12 980	12 980	12 980	12 980	12 980	12 980
Propery revaluation reserve	2 734 624	3 617 156	3 654 913	3 680 057	3 706 231	6 136 850
Total non-distributable reserves	12 694 703	14 876 503	15 788 728	17 989 575	27 881 885	39 016 153
General fund	624 269	(124 260)	(1 274 502)	(1 878 835)	(2 435 662)	(3 830 271)
Total reserves	13 318 972	14 752 243	14 514 226	16 110 740	25 446 223	35 185 882
Non-controlling interest	(26 091)	(17 167)	(113 512)	(420 737)	(471 192)	(450 514)
Equity attributable to holders of the parent	13 292 881	14 735 076	14 400 714	15 690 003	24 975 031	34 735 368
LIABILITIES						
Total non-current liabilities	1 214 761	1 493 782	1 277 939	1 769 771	2 043 319	2 941 781
Total current liabilities	2 822 712	3 742 204	3 519 318	3 488 766	4 100 703	5 152 492
Total liabilities	4 037 473	5 235 986	4 797 257	5 258 537	6 144 022	8 094 273
TOTAL RESERVES AND LIABILITIES	17 330 354	19 971 062	19 197 971	20 948 540	31 119 053	42 829 641

GROUP STATEMENTS OF CASH FLOWS

For the year ended 31 March 2015

	2010* MK'000	2011 MK'000	2012 MK'000	2013 MK'000	2014 MK'000	2015 MK'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Surples(deficit) for the year before charitable expenditure	140 232	(599 927)	369 739	(969 297)	(210 935)	(1 303 398)
Adjustments for non-cash items	(446 973)	481 842	1 415 422	79 240	(1 634 755)	(22 980)
Net cash generated/ (absorbed) in operating activities	(306 741)	(118 085)	1 785 161	(890 057)	(1 845 690)	(1 326 378)
CASH FLOWS FROM INVESTING ACTIVITIES						
Assest held for sale	-	8 662	(219 053)	(106 211)	263 780	-
Discontinued operations	-	-	(1 365 888)	-	-	-
Purchase of property, plant and equipment	(62 175)	(187 033)	33 723	(100 940)	(17 585)	(413 202)
Standing crops additions		(65 608)	42 970	(15 705)	(13 036)	(14 500)
Purchase of equity investments	(83 198)	-	(18 617)	(8 202)	(7 592)	(77 474)
Proceeds on disposal of equity investments	69 678	-	18 611	833 781	37 408	-
Proceeds on disposal of plant and equipment	15 613	4 081	102 690	10 385	1 353 103	1 060 864
Interest received	1 441	19 373	18 829	64 753	88 610	47 576
Interest paid	-	(637 993)	(103 744)	(751 348)	(1 347 190)	(1 459 345)
Loan received	-	1 441 328	448 524	2 417 007	-	3 723 641
Accrued interest and exchange loss on loan capitalized	-	376 245	225 138	1 782 209	1 392 613	1 468 959
Loan repaid	-	(760 128)	(1 182 694)	(3 578 502)	(660 557)	(4 638 976)
Dividends received	293 352	369 087	425 007	572 604	673 717	901 195
Net cash flows from investing activities	234 711	568 014	(1 574 504)	1 119 831	1 763 271	598 738
Net increase/ (decrease) in cash & cash equivalents	(72 030)	449 929	210 657	229 774	(82 419)	(727 640)
Cash and cash equivalents at beginning of the year	226 005	(315 106)	134 823	345 480	575 254	492 835
Cash and cash equivalents at the end of the year	153 975	134 823	345 480	575 254	492 835	(234 805)

** 2010 results do not include those of Press Agriculture Limited*

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

REPORT OF THE TRUSTEES

For the year ended 31 March 2015

The Trustees have pleasure in presenting the audited consolidated and separate financial statements for the year ended 31 March 2015 and report thereon as follows:

STATEMENT OF COMPREHENSIVE INCOME

The Trustees report a consolidated deficit of MK1 786million (2014: MK534 million deficit) for the year.

SUBSIDIARIES

Details of investments in subsidiaries as at 31 March 2015 are shown in note 17 on page 43.

RESERVES

Details of the reserves of the Trust are shown in the statements of changes in equity on pages 6 - 7.

TRUSTEES

The following Trustees, appointed in terms of the deed of the Trust, served office during the year:

Mr. Ben Chidyaonga (Chairperson)
Prof. Peter Mwanza
Mr. Tony Kandiero
Mrs. Nancy Tembo
Mr. John Gray (Trustee up to 18 November 2014)
Mrs. Esther Chioko
Dr. George Kayambo
Mr. Jim Nsomba (Trustee from 18 November 2014)

TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Trustees accept that it is their duty to prepare financial statements annually which give a true and fair view of the state of the Trust and Group's affairs at the reporting date and their results for the period then ended and otherwise comply with the requirements of the Trustees Incorporation Act.

The Trustees also acknowledge their duty to ensure the Trust and the Group keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and the Group and enable them to ensure that the financial statements comply with the Trustees Incorporation Act.

In preparing the financial statements the Trustees accept responsibility for the following:

- Maintenance of proper accounting records;
- Selection of suitable accounting policies and consistent application thereof;
- Making judgements and estimates that are reasonable and prudent;
- Compliance with International Financial Reporting Standards, when preparing financial statements; and
- Preparation of financial statements on a going concern basis unless it is inappropriate to presume that the Trust and the Group will continue in business.

The Trustees are also responsible for establishing internal controls that ensure the propriety of transactions and accuracy and reliability of the accounting records and to safeguard the assets of the Trust against loss by theft, fraud, defalcation or otherwise.

The Trustees are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Trust and the Group and of its operating results and cash flows for the year ended 31 March 2015.

BEN CHIDYAONGA
CHAIRMAN

JIM NSOMBA
TRUSTEE

Deloitte.

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Lilongwe 3
Malawi

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF TRUSTEES OF PRESS TRUST

We have audited the group annual financial statements of Press Trust and its subsidiaries Press Trust Overseas Limited and Press Agriculture Limited and the separate annual financial statements of Press Trust as set out on pages 81 to 144 which comprise the consolidated and separate statements of financial position as at 31 March 2015, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in reserves and consolidated and separate statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Trustees Incorporation Act and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, 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 of financial statements that give true and fair view 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 made by management, 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.

Audit Opinion

In our opinion the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Press Trust and its subsidiaries as of 31 March 2015, and of the consolidated and separate financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1984, and the Trustees Incorporation Act, 1962, so far as concerns Trustees of the Trust.

Deloitte.

Public Accountants
Lilongwe, Malawi
17 November 2015

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 March 2015

	Notes	TRUST 2015 MK'000	TRUST 2014 MK'000	GROUP 2015 MK'000	GROUP 2014 MK'000
INCOME					
Turnover		-	-	870 419	506 084
Cost of sales		-	-	(810 838)	(458 344)
Gross profit		-	-	59 581	47 740
Dividend income	5	901 195	689 414	901 195	689 414
Interest income	6	121 849	130 830	47 576	88 610
Other income	7	182 850	14 964	878 682	1 206 301
Total income		1 205 894	835 208	1 887 034	2 032 065
OPERATING EXPENDITURE					
Administration expenditure	34	(526 129)	(388 116)	(1 198 262)	(873 105)
Exchange losses		-	-	(545 271)	(17 167)
EXCESS OF INCOME OVER OPERATING EXPENDITURE		679 765	447 092	142 801	1 141 793
Increase in provision for doubtful loans	8	(182 050)	(182 810)	-	-
Interest expense	6	-	-	(1 431 243)	(1 347 190)
Impairment of staff and other receivables		(14 956)	(5 095)	(14 956)	(5 095)
Realised loss on sale of equities	9	-	(443)	-	(443)
SURPLUS/ (DEFICIT) BEFORE CHARITABLE EXPENDITURE	10	482 759	258 744	(1 303 398)	(210 935)
CHARITABLE EXPENDITURE					
Project funding approvals	11	(469 174)	(274 662)	(469 174)	(274 662)
Completed/discontinued projects (Overprovision)/underprovision	11	35 704	(852)	35 704	(852)
Donations	12	(25 176)	(18 262)	(25 176)	(18 262)
Total charitable expenditure		(458 646)	(293 776)	(458 646)	(293 776)
Surplus/ (deficit) before tax		24 113	(35 032)	(1 762 044)	(504 711)
Taxation	13	-	-	(23 773)	(29 402)
SURPLUS/(DEFICIT) FOR THE YEAR TRANSFERRED TO GENERAL FUND		24 113	(35 032)	(1 785 817)	(534 113)
OTHER COMPREHENSIVE INCOME					
Revaluation Surplus		139 364	-	3 607 197	-
Deferred Tax		-	-	(785 370)	26 174
Fair value gain on available for sale financial assets		8 541 748	9 840 839	8 703 649	9 840 839
Exchange differences on translating foreign operation		160 693	(1 467)	160 693	(1 467)
TOTAL OTHER COMPREHENSIVE INCOME		8 841 805	9 839 372	11 686 169	9 865 546
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		8 865 918	9 804 340	9 900 352	9 331 433
Attributable to the parent		-	-	9 879 674	9 381 888
Non-controlling interest		-	-	20 678	(50 455)
Total		-	-	9 900 352	9 331 433

STATEMENTS OF FINANCIAL POSITION

For the year ended 31 March 2015

	Notes	TRUST 2015 MK'000	TRUST 2014 MK'000	GROUP 2015 MK'000	GROUP 2014 MK'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	14	516 218	142 421	4 886 286	2 301 492
Listed equity investments	15	31 707 077	23 192 574	34 019 201	25 287 773
Unlisted equity investments		16 232 328	307 447	232 449	307 568
Press Trust Overseas Limited					
Investments in subsidiaries	17	2 383 270	2 167 553	-	-
Loans due from Press Agriculture	8	2 660 083	2 478 033	-	-
Provision against loans due from Press Agriculture	8	(2 660 083)	(2 478 033)	-	-
Standing crops	18	-	-	193 640	220 466
Total non-current assets		34 838 893	25 809 995	39 331 576	28 117 299
CURRENT ASSETS					
Growing crops	18	-	-	705 198	331 244
Inventories	19	-	-	98 231	35 948
Receivables and prepayments	20	37 620	31 739	927 362	1 260 058
Bank balances and cash	21	159 229	359 777	235 666	492 632
Investments classified as held for sale	16	124 814	-	124 814	-
Funds held by brokers	21	-	-	192	203
Assets held for sale and discontinued operations	22	-	-	1 270 736	715 262
Tax recoverable		-	-	135 866	166 407
Total current assets		321 663	391 516	3 498 065	3 001 754
TOTAL ASSETS		35 160 556	26 201 511	42 829 641	31 119 053

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

For the year ended 31 March 2015

	Notes	TRUST 2015 MK'000	TRUST 2014 MK'000	GROUP 2015 MK'000	GROUP 2014 MK'000
RESERVES AND LIABILITIES					
RESERVES					
Non-distributable reserves					
Fair value reserve on listed investments		31 011 766	22 525 042	32 866 323	24 162 674
Fair value reserve on unlisted investments		12 980	12 980	12 980	12 980
Fair value of foreign investments		2 187 728	1 972 011	-	-
Property revaluation reserve		166 328	26 964	6 136 850	3 706 231
Total non-distributable reserves		33 378 802	24 536 997	39 016 153	27 881 885
General fund		1 391 325	1 367 212	(3 830 271)	(2 435 662)
Total reserves (page 7 and 8)		34 770 127	25 904 209	35 185 882	25 446 223
Non-controlling interest		-	-	(450 514)	(471 192)
Equity attributable to equity holders of the parent		34 770 127	25 904 209	34 735 368	24 975 031
NON-CURRENT LIABILITIES					
Sublease fees	23	-	-	374 286	309 763
Deferred tax	24	-	-	1 432 067	647 909
Long-term borrowings	25	-	-	1 135 428	1 085 647
Total non-current liabilities		-	-	2 941 781	2 043 319
CURRENT LIABILITIES					
Project funding	11	341 866	262 741	341 866	262 741
Bank overdraft	21	-	-	470 663	-
Sublease fees	23	-	-	13 013	241 289
Current portion of long-term borrowings	25	-	-	3 690 742	3 186 898
Provisions	26	-	-	179 895	128 900
Accounts payable	27	48 563	34 561	431 327	280 875
Tax Payable		-	-	24 986	-
Total current liabilities		390 429	297 302	5 152 492	4 100 703
TOTAL RESERVES AND LIABILITIES		35 160 556	26 201 511	42 829 641	31 119 053

The financial statements were approved and authorised for issue by the Board of Trustees on 17 November 2015 and were signed on its behalf by:

BEN CHIDYAONGA
CHAIRMAN

JIM NSOMBA
TRUSTEE

STATEMENTS OF CHANGES IN RESERVES

For the year ended 31 March 2015

TRUST

	Fair value reserve on listed investments MK'000	Fair value reserve on unlisted investments MK'000	Fair value reserve on foreign investments MK'000	Property revaluation reserve MK'000	General fund MK'000	Total MK'000
For the year ended 31 March 2014						
At the beginning of the year	12 816 005	12 980	1 818 962	26 964	1 424 958	16 099 869
Deficit for the year	-	-	-	-	(35 032)	(35 032)
Realised loss on sale of equity	22 714	-	-	-	(22 714)	-
Fair value surplus (Notes 15)	9 686 323	-	-	-	-	9 686 323
Fair value surplus (Note 17)	-	-	154 516	-	-	154 516
Translation loss (Note 17)	-	-	(1 467)	-	-	(1 467)
At the end of the year	22 525 042	12 980	1 972 011	26 964	1 367 212	25 904 209
For the year ended 31 March 2015						
At the beginning of the year	22 525 042	12 980	1 972 011	26 964	1 367 212	25 904 209
Surplus for the year	-	-	-	-	24 113	24 113
Revaluation surplus	-	-	-	139 364	-	139 364
Fair value surplus (Notes 15)	8 486 724	-	-	-	-	8 486 724
Fair value surplus (Note 17)	-	-	55 024	-	-	55 024
Translation gain (Note 17)	-	-	160 693	-	-	160 693
At the end of the year	31 011 766	12 980	2 187 728	166 328	1 391 325	34 770 127

STATEMENTS OF CHANGES IN RESERVES (CONTINUED)

For the year ended 31 March 2015

GROUP

	Fair value reserve on listed investments MK'000	Fair value reserve on unlisted investments MK'000	Property revaluation reserve MK'000	General fund MK'000	Total MK'000	Non-controlling interest MK'000	Attributable to equity holder of parent MK'000
For the year ended 31 March 2014							
At beginning of the year	14 296 538	12 980	3 680 057	(1 878 835)	16 110 740	(420 737)	15 690 003
Deficit for the year	-	-	-	(534 113)	(534 113)	(50 455)	(584 568)
Deferred tax	-	-	26 174	-	26 174	-	26 174
Realised loss on sale of listed equity	22 714	-	-	(22 714)	-	-	-
Fair value surplus (Note 15)	9 843 422	-	-	-	9 843 422	-	9 843 422
Attributable to equity holders of the parent	24 162 674	12 980	3 706 231	(2 435 662)	25 446 223	(471 192)	24 975 031
For the year ended 31 March 2015							
At beginning of the year	24 162 674	12 980	3 706 231	(2 435 662)	25 446 223	(471 192)	24 975 031
Movement on disposal	-	-	(391 208)	391 208	-	-	-
Deficit for the year	-	-	-	(1 785 817)	(1 785 817)	20 678	(1 765 139)
Deferred tax	-	-	(785 370)	-	(785 370)	-	(785 370)
Revaluation surplus	-	-	3 607 197	-	3 607 197	-	3 607 197
Fair value surplus (Note 15)	8 703 649	-	-	-	8 703 649	-	8 703 649
Attributable to equity holders of the parent	32 866 323	12 980	6 136 850	(3 830 271)	35 185 882	(450 514)	34 735 368

STATEMENTS OF CASH FLOWS

For the year ended 31 March 2015

	TRUST		GROUP	
	2015 MK'000	2014 MK'000	2015 MK'000	2014 MK'000
Cash flows from operating activities				
Surplus/ (deficit) for the year before charitable expenditure	482 759	258 744	(1 303 398)	(210 935)
Adjustments for:-				
- Depreciation	44 792	15 649	191 872	177 816
- Amortisaton	-	-	41 148	40 360
- Dividends receivable	(901 195)	(689 414)	(901 195)	(689 414)
- Interest receivable	(121 849)	(130 830)	(47 576)	(88 610)
- Interest payable	-	-	1 431 243	1 347 190
- Asset transfers	-	-	130	260
- (Profit)/loss on disposal of plant and equipment	444	(5 944)	(651 326)	(1 029 596)
- Standing crops write offs	-	-	178	-
- Loss on disposal of investments	-	443	-	443
Provision for doubtful loans	182 050	182 810	-	-
Unrealised exchange/gain on foreign currency loan	(174 112)	(1 159)	-	-
Project funding disbursements	(354 345)	(207 868)	(354 345)	(207 868)
Donations made	(25 176)	(18 262)	(25 176)	(18 262)
Cash absorbed by operating activities before changes in net operating assets	(866 632)	(595 831)	(1 618 445)	(678 616)
Movement in sublease fees	-	-	163 753	161 911
Movement in inventories	-	-	(62 283)	(4 922)
Movement in growing crops	-	-	(373 954)	(143 463)
Taxation (recovered)/paid	-	-	30 408	(17 386)
Movement in receivables and prepayments	(5 881)	3 307	332 696	(1 113 260)
Movement in accounts payable	14 002	(58 790)	150 452	(83 246)
Movement in provisions	-	-	50 995	33 292
Net cash absorbed in operating activities	(858 511)	(651 314)	(1 326 378)	(1 845 690)

STATEMENTS OF CASH FLOWS (CONTINUED)

For the year ended 31 March 2015

	TRUST		GROUP	
	2015 MK'000	2014 MK'000	2015 MK'000	2014 MK'000
Cash flows from investing activities				
Assets held for sale	-	-	-	263 780
Purchase of property, plant and equipment	(279 700)	(7 800)	(413 202)	(17 585)
Standing crops additions	-	-	(14 500)	(13 036)
Purchase of equity investments	(77 474)	(7 592)	(77 474)	(7 592)
Recoveries from loans interest	41 289	-	-	-
Proceeds on disposal of equity investments	-	37 408	-	37 408
Proceeds on disposal of plant and equipment	31	20 287	1 060 864	1 353 103
Recoveries from loans advanced	33 711	-	-	-
Interest received	38 911	73 174	47 576	88 610
Interest paid	-	-	(1 459 345)	(1 347 190)
Loan received	-	-	3 723 641	-
Accrued interest and exchange loss on loan capitalised	-	(123 995)	1 468 959	1 392 613
Loan repaid	-	-	(4 638 976)	(660 557)
Dividends received	901 195	673 390	901 195	673 717
Net cash flows from investing activities	657 963	664 872	598 738	1 763 271
Net (decrease)/increase in cash and cash equivalents	(200 548)	13 558	(727 640)	(82 419)
Cash and cash equivalents at beginning of the year	359 777	346 219	492 835	575 254
Cash and cash equivalents at end of the year	159 229	359 777	(234 805)	492 835
Cash and cash equivalents comprise of:-				
Bank balances and cash	159 229	359 777	235 666	492 632
Bank Overdraft	-	-	(470 663)	-
Funds held by brokers	-	-	192	203
Total cash and cash equivalents	159 229	359 777	(234 805)	492 835

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

1. NATURE OF THE TRUST

1.1 Applicable Law and Tax Status

The Trust was incorporated under the Trustees Incorporation Act on 5 March 1982. The original trust deed dated 10 February 1982 was revised by the Press Trust Reconstruction Act, 1995. The Trust was created to apply income for or towards such charitable purposes as are in the interest and for the benefit of the people of Malawi. The Trust's registered office is in the Press Trust offices in Kang'ombe House, Capital City, Lilongwe and its postal address is Private Bag 359, Capital City, Lilongwe 3. The Trust has 14 (2014: 14) employees. As a Trust of public character, Press Trust is exempt from income tax under paragraph (b) (ix) of the First Schedule of the Taxation Act.

Press Trust has a 100% owned foreign subsidiary, Press Trust Overseas Limited. The subsidiary was incorporated to hold certain offshore investments for the Trust. The incorporation and basis of operation has been approved by the Reserve Bank of Malawi. The company is resident in Jersey, Channel Islands, and British Isles. Its investments are managed by IMARA Asset Management (Zimbabwe) (Pvt) Limited.

Press Trust also has a controlling interest of 93.7% in Press Agriculture Limited (PAL) group.

During the year the Trust registered Press Farming, and Chemical Company Limited. The Company has authorised share capital of 10 000 ordinary shares of MK1each. The Trust and Agriculture Trading and Financing Company Limited each holds 1 share, representing 50% shareholding each.

During the year the Trust also registered Farm Management Company Limited. The company has 10 000 ordinary shares of MK1 each. The Trust and Exagris Africa Limited each holds 1 share, representing 50% shareholding each.

As of 31 March 2015 the operations of Press Farming, Chemical Company and Farm Management Company Limited had not yet commenced as such no transactions occurred in the year except for the initial legal expenses incurred in respect of incorporating the companies.

1.2 Nature of PAL group business

The group is involved in the agriculture industry and grows crops on some of its farms while sub leasing others to third parties. The company's registered office is Kulima house in Kasungu, Private Bag B352, Kasungu, Malawi.

The immediate and substantive control vests in the Press Trust.

Activities during the year were carried out under Press Agriculture Limited through General Farming Limited and Press Estate Division, which is a division of Press Agriculture Limited whilst estates under Press Farming Limited were subleased to Gala Tobacco Company Limited, for the growing of tobacco which commenced in April 2007.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

The activities of its subsidiaries are:

Subsidiary	Activity
General Farming Company Limited	Growing of seed maize
Press Farming Limited	Subleased to Gala Tobacco Company Limited

Restructuring

In the prior year the group restructured its operations. The objective of the restructuring was to streamline operations and thus achieve operational efficiencies and improve financial performance.

The group stopped growing tobacco effective 2011/2012 growing season. As a result, the group has retrenched a significant number of its staff and sold or has put up for sale some of its property, plant and equipment which were used mostly for tobacco farming. The group will now focus on growing seed maize.

1.3 Going concern

The group incurred a deficit of MK1 786 million (2014: deficit of MK534 million) and the Trust realised a surplus of MK24 million (2014: a deficit of MK35 million) during the year ended 31 March 2015 and, as at that date, the group had net current liabilities of MK1 654 million (2014: MK1 099 million) and the Trust had net current liabilities of MK69 million (2014: net current assets MK94 million). The group had accumulated deficit of MK3 830 million (2014: MK2 436 million) and the Trust had accumulated surplus of MK1 391 million (2014: MK1 367 million). The group through its subsidiary Press Agriculture Limited had a short term loan amounting to MK4 007 million rescheduled to be repaid by 30 June 2015.

Subsequent to the year ended 31 March 2015 but before the date of approval of these financial statements, the Trust repaid MK3.66 billion towards CDH Investment Bank short term facility (Note 30).

The Group liquidated some of its investments that were held as security for the loan by disposing of all the unlisted shares it held in Inde Bank Limited and some of its investments held in Press Trust Overseas Limited at MK1 862 million and MK1 800 million, respectively. The repayments were made on 1 and 7 October 2015. The Group's position after repayments of CDH investment Bank short term loan changes to a net current asset position (unaudited) of MK2 042 million.

In the opinion of the Trustees, these events are likely to create spin-offs on the financial prospects of the group and likely to turn around the operations of Press Agriculture Limited provided Press Agriculture Limited contains and reduces its cost of production and capitalise on volumes and modern efficient farming methods in the long run in order to realise profits from its operations.

Due to the repayment of CDH Investment Bank short term loan facility after the year end which was the major reason for the net current liability position as at 31 March 2015 there is no longer the existence of a material uncertainty that may cast significant doubt about the ability of the group to continue in operational existence as going concern into the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

1. NATURE OF THE TRUST (CONTINUED)

1.4 Distribution of the Trust's Income

Clause 3(b) and Clause 3(c) of the Deed of Variation annexed to the Press Trust Reconstruction Act, state that:

"the Trustees shall distribute not less than 50% of the Trust's income in any financial year", and "if at the end of the five financial years the total amount of income distributed is less than 66% of the income arising to the Trust during that period then the Trustees shall distribute sufficient of the income accumulated during that period as if the same were income of the Trust arising in the then current year so that not less than 66 per cent of the total income of the Trust is distributed in any five year period".

1.4 Distribution of the Trust's Income (Continued)

In the current year, 50% of the Trust's income amounted to MK241 million and for the five-year period ended 31 March 2015, 66% of the Trust's income amounted to MK951 million. For the current year, MK458.6 million was distributed representing 95% and for the five-year period ended 31 March 2015 a total of MK1.3 billion was distributed representing 92%. The distributions for the five-year period ended 31 March 2015 were above the minimum level as set out in clause 3(c) and the distributions for the year ended 31 March 2015 were also above the minimum levels as set in clause 3(b).

1.5 Limitations on Investments

Clause 4a, 4b and 4c of the Deed of variation annexed to the Press Trust Reconstruction Act, states that:

In addition to the Trustees' investment powers under the general law, money to be invested may be applied or invested as the Trustees shall in their absolute discretion think fit in:-

a) the purchase of or an interest upon security of any shares, stocks, funds or securities quoted on any recognised stock exchange anywhere in the world (subject to the Exchange Control Act and the Regulations made thereunder) provided that the Trustees shall not control more than 50 per cent of the voting rights of any company which forms part of the Trust Fund unless the company is the Press Corporation Limited or any other company that by reason of any reorganisation of the Press Corporation Limited or any of its subsidiaries may be owned directly by the Trustees;

b) the purchase of or at interest upon security of any land or building (the "Relevant Land") provided that before any such transaction the Trustees obtain from a qualified Chartered Surveyor selected by the Trustees for such purpose, a written report covering the following:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

i) a full description of the Relevant Land; and

ii) the Surveyor's opinion as to the current value of the Relevant Land having regard to its current state of repair and other relevant circumstances.

c) Assets which in the opinion of the Trustees have a development benefit to Malawi but would not normally be considered a suitable investment for Trustees provided that monies so applied or invested represent no more than 50 per cent of the total value of such asset and provided that the Trustees satisfy themselves that the Co-investor being a Pension Fund, Financial Institution or reputable developer has carried out (and made available to the Trustees) appropriate due diligence work in respect of the proposed investment and has provided the remainder of the funding for the total value of such asset. Investment in such assets is within the sole discretion of the Trustees and no more than five per cent of the Trust income arising in a Financial Year may be invested in such assets.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

2.1 Standards and Interpretations affecting amounts reported in the financial statements

In the current year, the Trust has adopted those new and revised Standards and Interpretations issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee of the International Accounting Standards Board that are relevant to its operations and are effective for annual reporting periods beginning on 1 April 2014.

The adoption of these new and revised Standards and Interpretations did not have a significant impact on the financial statements of the Trust.

2.2 Standards and Interpretations in issue, not yet effective

At the date of authorisation of these financial statements, the following relevant Standards and Interpretations were in issue but not yet effective:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

2.2 Standards and Interpretations in issue, not yet effective (Continued)

Pronouncement	Issued	Effective date
IFRS 9 Financial Instrument: Disclosures • Contains accounting requirements for financial instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement	November 2013	Annual periods beginning on or after 1 January 2018
IFRS 14 Regulatory Deferral Accounts • Adopters of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.	January 2014	Applicable to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2017
IFRS 15 Revenue from Contracts with Customers • Provides a single, principles based five-step model to be applied to all contracts with customers.	May 2014	Applicable to an entity's first annual IFRS Financial statements for a period beginning on or after 1 January 2017
IAS 19 Employee Benefits • Amendments clarifies the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service.	November 2013	Annual periods beginning on or after 1 July 2014
• Amendments resulting from *Annual Improvements 2012-2014 (Clarifies high quality bonds used in estimating the discount rate).*	September 2014	Annual periods beginning on or after 1 July 2016
IFRS 11 Joint Arrangements • Requires an acquirer of an interest in a joint operation in which the activity constitutes a business to apply all of the business combination accounting principles and disclose information required by IFRSs for business combination.	May 2014	Annual periods beginning on or after 1 January 2016
IFRS 2 Share Based Payments • Amendments resulting to Annual Improvements 2010-2012 Cycle (Amends the definitions of 'vesting condition' and 'market condition' and adds definitions for 'performance condition' and 'service condition').	December 2013	Annual periods beginning on or after 1 July 2014

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

Pronouncement	Issued	Effective date
IFRS 3 Business Combinations		
• Amendments resulting to Annual Improvements 2010-2012 Cycle (Requires fair value measurement for contingent consideration at each reporting date).	December 2013	Annual periods beginning on or after 1 July 2014
• Annual Improvements 2011-2013 Cycle (Clarifies exclusion from its scope the accounting for the formation of a joint arrangement).	December 2013	Annual periods beginning on or after 1 July 2014
IFRS 8 Operating Segments		
• Amendments resulting to Annual Improvements 2010-2012 Cycle (Requires disclosure of the judgments made by management).	December 2013	Annual periods beginning on or after 1 July 2014
IFRS 13 Fair Value Measurement		
• Amendments resulting from *Annual Improvements 2010-2012 Cycle* (Clarifies measurement of certain short-term receivables and payables on an undiscounted basis).	December 2013	Annual periods beginning on or after 1 July 2014
• Annual Improvements 2011-2013 Cycle (Clarifies scope of the portfolio exception in paragraph 52.	December 2013	Annual periods beginning on or after 1 July 2014
IAS 16 Property, Plant and Equipment		
• Amendments resulting from *Annual Improvements 2010-2012 Cycle* (proportionate restatement of accumulated depreciation on revaluation).	December 2013	Annual periods beginning on or after 1 July 2014
• Amends the definition of a bearer plant and requires biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with this standard.	December 2013	Annual periods beginning on or after 1 July 2016
IFRS 1 First time Adoption of International Financial Reporting Standards		
• Annual Improvements 2011-2013 Cycle (clarifies which versions of IFRSs can be used on initial adoption).	December 2013	Annual periods beginning on or after 1 July 2014
IAS 24 Related Party Disclosures		
• Amendments resulting from *Annual Improvements 2010-2012 Cycle* (management entities).	December 2013	Annual periods beginning on or after 1 July 2014
IAS 40 Investment Property		
• •Amendments resulting from Annual Improvements 2011-2013 Cycle (interrelationship between IFRS 3 and IAS 40).	December 2013	Annual periods beginning on or after 1 January 2014

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

2.2 Standards and Interpretations in issue, not yet effective (Continued)

Pronouncement	Issued	Effective date
IAS 41 Agriculture • Clarifies that produce growing on bearer plants remains within the scope of IAS 41.	June 2014	Annual periods beginning on or after 1 January 2016
IAS 38 Intangible Assets • Amendments resulting from Annual Improvements 2010-2012 Cycle (proportionate restatement of accumulated depreciation on revaluation).	December 2013	Annual periods beginning on or after 1 July 2014
IAS 27 Separate Financial Statements • Amends to permit investments in subsidiaries, joint ventures and associate to be optionally accounted for using the equity method.	August 2014	Annual periods beginning on or after 1 January 2016
IAS 28 Investment in Associate and Joint Ventures • Clarifies the treatment of the sale or contribution of assets from an investor to its associate or joint venture. • Consolidation exception for investment entities.	September 2014 December 2014	Annual periods beginning on or after 1 January 2016 Annual periods beginning on or after 1 January 2016
IFRS 10 Consolidated Financial Statements • Clarifies the treatment of the sale or contribution of assets from an investor to its associate or joint venture. • Consolidation exception for investment entities.	September 2014 December 2014	Annual periods beginning on or after 1 January 2016 Annual periods beginning on or after 1 January 2016
IFRS 5 Non-current Assets Held and Discontinued Operation • Amendments resulting from *Annual Improvements 2012-2014 Cycle* (Clarifies the reclassification of an asset from held for sale to held for distribution or vice versa).	September 2014	Annual periods beginning on or after 1 July 2016
IFRS 7 Financial Instrument; Disclosure • Amendments resulting from *Annual Improvements 2012-2014 (Clarifies on offsetting disclosures).*	September 2014	Annual periods beginning on or after 1 July 2016

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

Pronouncement	Issued	Effective date
IAS 34 Interim Financial Reporting • Amendments resulting from *Annual Improvements 2012-2014 (Clarifies the meaning of 'elsewhere in the interim report' and require a cross reference).*	September 2014	Annual periods beginning on or after 1 July 2016
IAS 1 Presentation of Financial Statements • Amendments resulting from *Annual Improvements 2012-2014 (Amendments to address perceived impediments to preparers exercising their judgments in presenting their Financial reports).*	September 2014	Annual periods beginning on or after 1 July 2016
IFRS 12 Disclosure of Interests in Other Entities • Consolidation exception for investment entities.	December 2014	Annual periods beginning on or after 1 January 2016

The Trustees anticipate that other than IFRS 9these Standards and Interpretations in future periods will have no significant impact on the financial statements of the Trust except for IFRS 9 which will impact the measurement of financial instruments.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with International Financial Reporting Standards.

The financial statements have been prepared in terms of the historical cost basis, except for the revaluation of certain financial instruments and property. Procedures are not adopted to reflect the impact on the financial statements of specific price changes or changes in the general level of prices.

The significant accounting policies of the Group, which are set out below, have been consistently followed in all material respects.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Press Trust (the Trust) and entities controlled by the Trust. Control is achieved where the trust has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring all intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Minority interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interest of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

3.1 Subsidiary investment and associates

Investments are recognised and derecognised on a trade date where the purchase or sale of an investment done, and are initially measured at fair value, net of transaction costs. Subsequently these are measured at cost less impairment loss.

3.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using Malawi Kwacha, the functional currency of the primary economic environment in which the entire Group operates. The consolidated financial statements are presented in Malawi Kwacha, which is the Group's functional and presentation currency.

(b) Transactions and balances

Transactions in currencies other than Malawi Kwacha are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

3.3 Financial assets

Investments are recognised and derecognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Financial assets are classified into the following specified categories: financial assets as 'at fair value through profit or loss' (FVTPL), 'held-to-maturity investments', 'available-for-sale' (AFS) financial assets and 'loans and receivables'.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period. Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL.

Financial assets at FVTPL

Financial assets are classified as at FVTPL where the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

AFS financial assets

Listed shares and listed redeemable notes held by the Group that are traded in an active market are classified as being AFS and are stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss. Where the investment is disposed

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial assets (Continued)

of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss for the year.

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The change in fair value attributable to translation differences that result from a change in amortised cost of the asset is recognised in profit or loss, and other changes are recognised in other comprehensive income.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

3.4 Financial liabilities and equity instruments issued by the Group

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the company.

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Trust are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and loan receivables, where the carrying amount is reduced through the use of an allowance account. When trade and loans receivable are considered uncollectible, they are written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the income statement.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3.6 Property, plant and equipment

Land and buildings are shown at the latest valuation, with subsequent additions at cost. Valuations are carried out with sufficient regularity so that the carrying value reflects the fair value of the properties on the open market at the balance sheet date.

Surpluses on revaluation are transferred to a non-distributable property revaluation reserve. On disposal of the assets, the appropriate portion of the revaluation reserve is transferred to the general fund. The excess of depreciation based on the revalued carrying amount of the asset over depreciation based on the asset's original cost is transferred to the general fund annually.

Depreciation is charged so as to write off the cost of the assets over their estimated useful lives less residual values, using the straight line method as follows: -

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

Buildings	-	20-50 years
Furniture and equipment	-	3-10 years
Motor vehicles	-	4-5 years
Lease hold property	-	6-20 years
Land development and buildings	-	6-100 years
Office and workshop buildings	-	40 years
Water and electricity supply and conservation works	-	6-40 years

3.7 Inventories

Inventories and work in progress, are valued at the lower of cost and net realisable value and, where applicable, include direct labour costs and those overheads that have been incurred in bringing the inventory to its present location and condition. Inventory is valued using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs necessary to make the sale.

3.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statements of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Taxation (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in the comprehensive income or directly in equity respectively. Where current and deferred tax arise from the initial accounting for a business combination, the tax effect is taken into account in the accounting for the business combination.

3.9 Impairment of non-financial assets

At the end of each reporting period, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is land or buildings, other than investment property, carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior year. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.10 Biological assets

In line with International Accounting Standard 41 Agriculture, paragraph 30, plantations are accounted for at cost less accumulated depreciation and accumulated impairment losses. Costs comprise all directly

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

attributable costs incurred until the biological asset reaches full productive capacity.

Plantations are accounted for at cost less accumulated depreciation and accumulated impairment losses rather than at annually appraised fair values (the benchmark presentation under IAS 41) because there are no active markets for cashew, coffee, macadamia and forestry plantations in Malawi. Further the produce market prices and Malawi Kwacha exchange rates are considered too volatile for alternative valuation methods to give reliable fair value estimates at the end of the reporting period.

The capitalisation periods after planting are seven years for macadamia and cashew.

Plantations are depreciated on a straight line basis over their expected useful economic lives as follows:

Macadamia plantations	12 years
Coffee plantations	8 years
Cashew plantations	12 years
Timber plantations	12 years

In addition to the long-term development costs, the group incurs recurring direct plantation management costs, which enhance the yields for the next harvest season. For cashew and macadamia such costs are capitalised until the next harvest when they are transferred to inventory as the cost of agricultural produce. The extent of capitalised costs is limited to the projected net realisable value after allowing for selling costs.

Other crops are carried at fair value less estimated cost at point of sale. Fair value is determined based on estimated yield and estimated percentage of completion of biological transformation.

3.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earning on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they incurred.

3.12 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances. Sales of goods are recognised when goods are delivered and title has passed.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

- the group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3.13 Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable amount is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.14 Dividend income

Income from investments is recognised when the shareholders' rights to receive payment have been established.

3.15 Interest income

Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Trust.

3.16 Retirement benefit costs

The Trust operates a defined contribution externally managed plan. The retirement benefit plan is funded by payments from employees and the Trust. The Trust's contributions are charged as an expense as they fall due.

3.17 Project expenditure

Project expenditure is accrued when the Trustees have approved the project creating a legal obligation on the Trust. All payments made are debited to the project accruals account. On completion of the project any under/over accruals are taken to the statement of comprehensive income.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

4.1 *Critical judgements in applying the Trust's accounting policies*

No critical judgements were made by the Trustees during the current period which would have a material impact on the financial statements.

4.2 *Key sources of estimation uncertainty*

The key assumption concerning the future and key sources of estimation uncertainty at the reporting date, that has a significant risk of causing a material adjustment to the carrying amount of assets within the next financial year is discussed below.

4.2.1 Valuation of property, plant and equipment

Property is carried at fair value in accordance with IAS 16 Property, Plant and Equipment. The fair value is determined by a qualified valuer based on expected market property prices.

Management has reviewed the residual values used for the purposes of depreciation calculations in the light of the requirement for an annual review of residual values in IAS 16 Property, Plant and Equipment.

4.2.2 Fair value of standing crops

The estimation of the fair value of growing crops are at the end of the reporting period based on estimated yields and an estimated percentage of completion of biological transformation and is carried out by management. In most cases crops are sold at determined contract prices: subsequent cost up to and including harvesting are reasonably predictable.

The harvest may differ in yield from expectation. The percentage completion estimate relies not only on the pro-rated portion of the expected growing season, but is also weighted to produce a valuation which approximates to a potential market value of the crop in the field, though there is no such active market. In the present period, subsequent realisations substantially support the estimate made reasonable

4.2.3 Listed and unlisted investments

Listed and unlisted investment are measured at fair value for financial reporting purposes. The board of trustees determines the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value for listed and unlisted investments, the trustees uses market-observable data to the extent it is available. Where level 1 inputs are not available, the trustees engage third party qualified external valuers to establish the appropriate techniques and inputs to the model.

Information about the valuation technique and inputs used in determining the fair value of these investments is disclosed in note 3.3.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

	TRUST		GROUP	
	2015	2014	2015	2014
	MK'000	MK'000	MK'000	MK'000
5. DIVIDEND INCOME				
Listed equity investments (note 15)	879 699	655 469	879 699	655 469
Unlisted equity investments (note 16)	21 496	33 945	21 496	33 945
Total dividend receivable	901 195	689 414	901 195	689 414
6. INTEREST				
Interest income				
Loan interest				
Press Agriculture Limited	82 940	57 656	-	-
Share ownership scheme	334	360	334	360
Staff loans	1 750	754	1 750	754
Total loan interest	85 024	58 770	2 084	1 114
Other interest				
Short-term bank deposits	36 825	72 060	45 492	87 496
Total other interest	36 825	72 060	45 492	87 496
Total interest income	121 849	130 830	47 576	88 610
Interest expense				
Interest on borrowings	-	-	1 421 375	1 347 184
Interest on overdrafts	-	-	9 868	6
Total interest expense	-	-	1 431 243	1 347 190

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

	TRUST		GROUP	
	2015	2014	2015	2014
	MK'000	MK'000	MK'000	MK'000
7. OTHER INCOME				
Exchange gains/(losses)	177 528	1 145	8 644	(17 238)
Sundry income	5 766	7 875	218 712	356 327
(Loss)/profit on disposal of plant and equipment	(444)	5 944	651 326	867 212
Total other income	182 850	14 964	878 682	1 206 301

8. LONG-TERM LOANS

Due from Press Agriculture Limited

	2015	2014
At the beginning of the year	2 478 033	2 295 223
Principal repayments	(33 711)	-
Unrealised exchange gain	174 112	1 159
Interest repayments	(41 289)	-
Accrued interest	82 938	181 651
	2 660 083	2 478 033
Provision for doubtful loans	(2 660 083)	(2 478 033)
At the end of the year	-	-

Maturity Profile

	2015	2014
Receivable within 1Year	-	-
Receivable after 1Year	2 660 083	2 478 033
At the end of the year	2 660 083	2 478 033

Movement in long-term loans provision

	2015	2014
At the beginning of the year	2 478 033	2 295 223
Additional provision	182 050	182 810
At the end of the year	2 660 083	2 478 033

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

8. LONG-TERM LOANS (CONTINUED)

Press Agriculture

The Press Agriculture Limited (PAL) loan is denominated in United States Dollars and bears interest at 1.5% above LIBOR and is repayable within 20 semi-annual installments. It is secured over tobacco proceeds from General Farming Company Limited. The initial amount obtained in 2003 was for US$2.4 million. Additional loans amounting to US$2.4 million and US$5.9 million were advanced by the Trust and its subsidiary Press Trust Overseas Limited to Press Agriculture Limited in April 2008 and August 2013 respectively, to enable it to repay its indebtedness to Limbe Leaf Tobacco Company Limited that had fallen due and the Trust had become liable as a guarantor.

PAL has not been able to meet its obligations as per agreement due to cash flow problems, and thus technically in default. The loan provides for a clause to notify Press Trust Limited if any failure to pay and thus management has utilised this clause and repayment of the loan for the period ended 31 March 2015 has been deferred subject to a positive cash flow. Management obtained approval from the holding entity (Press Trust) on 5 May 2010 to defer repayment of the loan, subject to a positive cash flow.

Accordingly, the loan has been classified as non-current in line with paragraph 75 of International Accounting Standard 1, Presentation of Financial Statements. The carrying amounts of the total loans advanced to PAL were written down to nil in prior years due to significant financial difficulties affecting the entity. The status has not changed as at 31 March 2015 and the Trustees have maintained full provisions against the principal and accrued interest on the loan.

9. REALISED (LOSS)/PROFIT ON SALE OF LISTED EQUITY INVESTMENTS

	TRUST		GROUP	
	2015	2014	2015	2014
	MK'000	MK'000	MK'000	MK'000
Local equity investments	-	(443)	-	(443)
Foreign equity investments	-	-	-	-
Total	-	(443)	-	(443)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

10. SURPLUS/ (DEFICIT) BEFORE CHARITABLE EXPENDITURE

Surplus/ (deficit) before charitable expenditure is arrived at after taking into account:-

		TRUST		GROUP	
		2015 MK'000	2014 MK'000	2015 MK'000	2014 MK'000
Staff costs		233 936	198 542	422 903	321 890
Depreciation		44 792	15 649	191 872	177 816
Board expenses		83 230	34 822	84 330	35 967
Gratuity		5 400	10 563	5 400	10 563
Auditor's remuneration	- current year	11 817	11 768	50 866	42 926
	- prior year	4 453	-	4 453	-
Legal fees		1 403	-	1 403	-
Pension contribution		18 003	8 531	24 433	-

11. PROJECT FUNDING (TRUST AND GROUP)

For the year ended 31 March 2015

	Brought forward from 2014 MK'000	Disbursement MK'000	Approvals accrued MK'000	Completed Projects MK'000	Carried forward to 2015 MK'000
Biography of Aleke Banda	1 900	-	-	-	1 900
Chikonde II Primary School Project	43 375	(15 925)	21 812	- 49 262	
Chimwemwe Primary School Project	-	(407)	39 200	-	38 793
Chizumbi Primary School	(1)	-	-	-	(1)
Department of Forestry	(125)	(11 086)	11 750	-	539
Disaster Relief Fund	6 309	(6 304)	10 000	-	10 005
Economics Association of Malawi	-	(1 999)	1 800	199	-
Gravity-fed Piped Water Scheme (Tikoliwe)	1 496	-	-	-	1 496
HHI Secondary School	1 781	(1 409)	-	(372)	-
Hospital Equipment Fund	-	(83 168)	84 020	(852)	-
Kabudula Community Hospital Project	-	(7 875)	10 467	(2 592)	-
Kalimanjira Health Centre	179	(731)	302	-	(250)
Kamuzu Academy – National Science Fair	623	(3 267)	3 220	-	576
Kamwendo Primary School Project	13 976	-	-	-	13 976

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

11. PROJECT FUNDING (TRUST AND GROUP) (CONTINUED)

For the year ended 31 March 2015 (continued)

	Brought forward from 2014 MK'000	Disbursement MK'000	Approvals accrued MK'000	Completed Projects MK'000	Carried forward to 2015 MK'000
Kasungu District Hospital	4 668	-	-	(4 668)	-
Lilongwe Wildlife Trust	-	(1 599)	1 500	99	-
Loudon Teachers Training Project	31 682	(12 441)	44 555	-	63 796
Majiga CDSS Project	1 711	(5 606)	3 400	494	(1)
Manolo Health Centre	559	(1 794)	1 300	(64)	1
Matapila Heath Centre Project	-	(309)	38	500	38 191
Mchengautuwa CDSS	54 936	(73 865)	52 000	-	33 071
Milepa Health Centre	1 606	(25 022)	20 998	-	(2 418)
Ministry of Education	(270)	-	272	-	2
Mothers Day Donations	(58)	(7 141)	7 310	-	(111)
Mwatibu CDSS	41 991	(14 043)	-	(27 948)	-
Mwenilondo CDSS Project	16 104	(11 015)	-	-	5 089
Mzuzu Flea Market	18 033	(5 821)	-	-	(12 212)
Nanthomba Primary School Project	-	(12 127)	12 786	-	659
Nkhoma University Project	21 065	(21 675)	6 500	-	5 890
Operation Smile	-	(10 934)	11 000	-	66
Projects Monitoring and Evaluation	-	(1 268)	-		(1 268)
Projects Promotional Activities	-	(15 834)	20 700		4 866
Put a Child on a Desk Programme	-	(854)	16 000		15 146
Rebranding Malawi	1 201	-	-	-	1 201
Thomasi Health Centre	-	(751)	49 707	-	48 956
Usisya Rural Hospital	-	(75)	75	-	-
Sub-Total	262 741	(354 345)	469 174	(35 704)	341 866

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

For the year ended 31 March 2014

	Brought forward from 2013 MK'000	Disbursement MK'000	Approvals accrued MK'000	Completed Projects MK'000	Carried forward to 2014 MK'000
Biography of Aleke Banda	1 900	-	-	-	1 900
Chikonde II Primary School Project	22 120	-	21 255	-	43 375
Chisamba CDSS Project	973	(802)	-	(171)	-
Chizumbi Primary School Project 258	-	-	(259)	(1)	
Department of Forestry	133	(11 758)	11 500	-	(125)
Disaster Relief Fund	(191)	(3 500)	10 000	-	6 309
Gravity-fed Piped Water Scheme (Tikoliwe)	1 536	(40)	-	-	1 496
HHI Secondary School	6 283	(26 022)	21 520	-	1 781
Hospital Equipment Fund	15 000	(15 000)	-	-	-
Kabudula Community Hospital Project	404	(532)	-	128	-
Kalimanjira Health Centre	63	(1 384)	1 500	-	179
Kamuzu Academy – National Science Fair	1 057	(3 244)	2 810	-	623
Kamuzu Barracks Camp Hospital	629	(7 167)	7 000	(462)	-
Kamwendo Primary School Project	14 561	(585)	-	-	13 976
Kasungu District Hospital	5 972	(1 304)	-	-	4 668
Loudon Teachers Training Project	32 185	(503)	-	-	31 682
Majiga CDSS Project	(6 131)	(13 053)	20 895	-	1 711
Manolo Health Centre	2 935	(29 516)	27 140	-	559
Mchengautuwa CDSS	16 766	-	38 170	-	54 936
Milepa Health Centre	2 933	(31 997)	30 670	-	1 606
Ministry of Education	3 454	(3 724)	-	-	(270)
Mwatibu CDSS	(575)	-	42 566	-	41 991
Mwenilondo CDSS Project	22 805	(17 701)	11 000	-	16 104
Mzuzu Flea Market	16 295	(11 968)	13 706	-	18 033
Nkhoma University Project	33 335	(12 270)	-	-	21 065
Projects Monitoring and Evaluation	(1 046)	-	-	1 046	-
Projects Promotional Activities	119	(10 889)	10 200	570	-
Rebranding Malawi	1 201	-	-	-	1 201
Mothers Day Celebrations	121	(4 909)	4 730	-	(58)
Sub-Total	195 095	(207 868)	274 662	852	262 741

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

12. DONATIONS

	TRUST AND GROUP	
	2015	2014
	MK'000	MK'000
Malawi Law Society	-	500
Malawi National Assembly	-	500
Beautify Malawi Trust	700	-
Economics Association of Malawi	-	1 558
Kamuzu Central Hospital/Rotary Club of Bwaila	2 110	-
Malawi Girl Guides Association	-	100
MBC Golden Jubilee	350	-
Mzuzu University	2 000	-
Press Trust Merit Bursary	18 016	15 604
Public Service Reforms	2 000	-
Total donations	25 176	18 262

13. TAXATION

	TRUST		GROUP	
	2015	2014	2015	2014
	MK'000	MK'000	MK'000	MK'000
Taxation credit	-	-	24 985	29 402
Prior year over provision	-	-	-	-
Deferred tax	-	-	(1 212)	-
Total taxation	-	-	23 773	29 402

The group has estimated losses carried forward for the period for taxation purposes of approximately MK10 952 million (2014: MK9 594 million). These are all subject to agreement with the Malawi Revenue Authority.

Deferred tax

No deferred tax asset has been recognised in respect of the above mentioned tax losses as this will only be recognised where there is likelihood that the group will be profitable to utilise the losses in the near future.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

14. PROPERTY, PLANT AND EQUIPMENT (TRUST)

	Freehold land and buildings MK'000	Furniture and equipment MK'000	Motor vehicles MK'000	Total MK'000
For the year ended 31 March 2015				
COST OR VALUATION				
At the beginning of the year	108 147	34 525	45 821	188 493
Additions	86 459	7 816	185 425	279 700
Revaluation	130 854	-	-	130 854
Disposals	-	(1 312)	-	(1 312)
At the end of the year	325 460	41 029	231 246	597 735
ACCUMULATED DEPRECIATION				
At the beginning of the year	6 812	23 213	16 047	46 072
Charge for the year	1 698	4 867	38 227	44 792
Revaluation	(8 510)	-	-	(8 510)
Disposals	-	(837)	-	(837)
At the end of the year	-	27 243	54 274	81 517
NET BOOK VALUE				
At the end of the year	325 460	13 786	176 972	516 218

The land and buildings were revalued as at 31 March 2015 using an open market value basis. The resultant surpluses were taken to other comprehensive income and allocated to property revaluation reserve in the statement of changes in reserves. The valuations were carried out by an independent registered valuer Mr TG Msonda, Chartered Valuation Surveyor BSc Land Administration MSIM, MRICS. The register of land and buildings is available for inspection at the Trust's registered offices.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

14. PROPERTY, PLANT AND EQUIPMENT (TRUST) (CONTINUED)

	Freehold land and buildings MK'000	Furniture and equipment MK'000	Motor vehicles MK'000	Total MK'000
For the year ended 31 March 2014				
COST OR VALUATION				
At the beginning of the year	108 147	28 633	69 286	206 066
Additions	-	7 800	-	7 800
Disposals	-	(1 908)	(23 465)	(25 373)
At the end of the year	108 147	34 525	45 821	188 493
ACCUMULATED DEPRECIATION				
At the beginning of the year	5 114	20 725	15 614	41 453
Charge for the year	1 698	4 233	9 718	15 649
Disposals	-	(1 745)	(9 285)	(11 030)
At the end of the year	6 812	23 213	16 047	46 072
NET BOOK VALUE				
At the end of the year	101 335	11 312	29 774	142 421

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

	Freehold land and buildings MK'000	Leasehold land and buildings MK'000	Furniture and equipment MK'000	Motor vehicles MK'000	Total MK'000
For the year ended 31 March 2015					
COST OR VALUATION					
At the beginning of the year	108 147	2 500 399	218 472	247 472	3 074 490
Additions	86 459	-	141 318	185 425	413 202
Assets held for sale	-	(248 023)	-	-	(248 023)
Transfers	-	-	(69 382)	(107 252)	(176 634)
Disposals	-	(284 683)	(31 067)	-	(315 750)
Revaluation	130 854	2 336 694	-	-	2 467 548
At the end of the year	325 460	4 304 387	259 341	325 645	5 214 833
ACCUMULATED DEPRECIATION					
At the beginning of the year	6 812	411 686	157 852	196 649	772 999
Charge for the year	1 698	117 003	32 555	40 616	191 872
Transfers	-	-	(95 782)	(69 254)	(165 036)
Disposals	-	(23 556)	(27 069)	-	(50 625)
Assets held for sale	-	(15 549)	-	-	(15 549)
Revaluation	(8 510)	(396 604)	-	-	(405 114)
At the end of the year	-	92 980	67 556	168 011	328 547
NET BOOK VALUE					
At the end of the year	325 460	4 211 407	191 785	157 634	4 886 286

Property, plant and equipment are encumbered as disclosed in note 24.

Leasehold land and buildings have a lease period of 99 years commencing from between 1970 and 1975.

Land and buildings were revalued as at 31 March 2015 on an open market value basis. The resultant surpluses were taken to other comprehensive income and allocated to property revaluation reserve in the statement of changes in equity. The valuation was carried out by an independent registered valuer, Mr. Don Whayo BSc Dip (Urd Man) BA MSIM MRICS Chartered Valuation Surveyor and Mr T.G Msonda, a Chartered Valuation Surveyor BSc Land Administration MSIM MRICS.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

14. PROPERTY, PLANT AND EQUIPMENT (TRUST) (CONTINUED)

Land and buildings were previously revalued as at 30 September 2010.

Property registers giving details required under the Companies Act, 1984, Schedule 3 Section 16 are maintained at the registered offices of the respective companies and are open for inspection by members or their duly authorised agents.

	Freehold land and buildings MK'000	Leasehold land and buildings MK'000	Furniture and equipment MK'000	Motor vehicles MK'000	Total MK'000
For the year ended 31 March 2014					
COST OR VALUATION					
At the beginning of the year	108 147	3 539 434	252 518	269 063	4 169 162
Additions	-	-	17 585	-	17 585
Assets held for sale	-	(653 602)	(48 823)	24 069	(678 356)
Transfers	-	-	-	(22 195)	(22 195)
Disposals	-	(385 433)	(2 808)	(23 465)	(411 706)
At the end of the year	108 147	2 500 399	218 472	247 472	3 074 490
ACCUMULATED DEPRECIATION					
At the beginning of the year	5 113	432 127	159 573	205 524	802 337
Charge for the year	1 698	114 666	38 847	22 605	177 816
Transfers	-	-	260	(22 195)	(21 935)
Disposals	-	(76 269)	(2 645)	(9 285)	(88 199
Assets held for sale	-	(58 838)	(38 183)	-	(97 021)
At the end of the year	6 811	411 686	157 852	196 649	772 998
NET BOOK VALUE					
At the end of the year	101 336	2 088 713	60 620	50 823	2 301 492

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

The fair value measurement of the group's property

The group's leasehold land and buildings are stated at fair value amounts, being the fair value as at the date of revaluation, less any subsequent accumulated depreciation and subsequent impairment losses. The fair value measurements of the group's leasehold land and buildings as at 31 March 2015 have been based on Land and buildings revaluation done on 30 September 2010 on the open market value basis. The resultant surpluses were taken to other comprehensive income and allocated to the property revaluation reserve in the statement of changes in equity. The valuation was done by an independent registered valuer, Mr. Don Whayo BSc Dip (Urd Man) BA MSIM MRICS Chartered Valuation Surveyor.

Land and buildings have a lease period of 99 years effective between 1970 and 1975.

A register of land and buildings giving details required under the Companies Act 1984 Schedule 3 Section 16 is maintained at the administrative office of the company and is open for inspection by members or their duly authorised agents.

Details of the group's leasehold land and buildings, and other property and information about fair value hierarchy as at 31 March 2015 are as follows;

	Fair value Level 1 MK'000	Fair value Level 2 MK'000	Level 3 MK'000	2015 MK'000	2014 MK'000
TRUST					
Land and buildings	-	325 460	-	325 460	101 335
GROUP					
Land and buildings	-	5 305 734	-	5 305 734	2 190 049

There were no transfers between levels during the year.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

15. LISTED EQUITY INVESTMENTS

	TRUST		GROUP	
	2015 MK'000	2014 MK'000	2015 MK'000	2014 MK'000
At the beginning of the year	23 192 574	13 536 510	25 287 773	15 474 596
Additions	27 779	7 592	27 779	7 592
Fair value surplus taken to equity (pages 7 and 8)	8 486 724	9 686 323	8 703 649	9 843 436
Disposals	-	(37 851)	-	(37 851)
At the end of the year	31 707 077	23 192 574	34 019 201	25 287 773
Analysed as follows:				
Held by Press Trust	31 707 077	23 192 574	31 707 077	23 192 574
Held by Press Trust Overseas Limited	-	-	2 312 124	2 095 199
Total	31 707 077	23 192 574	34 019 201	25 287 773

Investments in listed companies are considered as available for sale financial assets and accounted for in accordance with accounting policy 3.5.

Investments held by Press Trust are listed on the Malawi Stock Exchanges and London Stock Exchange.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

	Nominal value per share	Number of shares 2015	Holding %	Number of shares 2014 MK	Share price 2015 MK	Share price 2014 MK'000	Valuation 2015 MK'000	Valuation 2014 MK'000	Dividends receivable 2015 MK'000	Dividends receivable 2014
Malawi Investments										
Press Corporation Limited	1 tambala	53 475 429	44.4	53 475 249	453.62	305.00	24 257 442	16 309 951	561 490	294 114
Illovo Sugar (Malawi) Limited	2 tambala	12 666 120	1.8	2 629 164	294.20	292.00	3 726 373	3 687 716	233 640	186 280
Standard Bank (Malawi) Limited	1 Kwacha	5 388 793	2.5	4 898 902	425.00	395.00	2 290 237	1 935 066	11 478	114 487
Blantyre Hotels Limited	25 tambala	33 979 219	26.3	33 979 219	8.00	8.00	275 232	271 834	20 388	13 592
National Bank of Malawi	1 Kwacha	3 869 966	0.83	3 794 433	241.00	220.00	932 662	834 775	44 698	39 804
National Investment Trust Limited	2 tambala	4 795 000	3.6	4 795 000	42.05	30.00	201 630	143 850	7 912	7 192
Malawi Property Investment Company Limited	5 tambala	4 690 887	0.4	4 690 887	5.01	2.00	23 501	9 382	93	-
							31 707 077	23 192 574	879 699	655 469

All listed equity investments are traded on the Malawi Stock Exchange. Press Corporation Limited is also listed on the London Stock Exchange.

	Number of shares 2015	Number of shares 2014	Share price 2015 USD	Share price 2014 USD	Valuation 2015 USD	2014 USD	Valuation 2015 MK'000	Valuation 2014 MK'000	Dividend Valuation 2015 MK'000	Dividends rereceivable 2014 MK'000
Investments held by Press Trust Overseas Limited										
Imara Global Fund	175 212	175 212	27.00	26.06	4 730 724	4 566 025	2 083 115	1 871 710	-	-
Imara African Opportunities Fund	32 627	32 627	15.94	16.71	520 075	545 198	229 009	223 489	-	-
					5 250 799	5 111 223	2 312 124	2 095 199	-	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

16. UNLISTED EQUITY INVESTMENTS

	TRUST		GROUP	
	2015 MK'000	2014 MK'000	2015 MK'000	2014 MK'000
At the beginning of the year	307 447	307 447	307 568	307 568
Investments held for sale	(124 814)	-	(124 814)	-
Additions	49 695	-	49 695	-
At the end of the year	232 238	307 447	232 449	307 568

Listed and unlisted investments are measured at fair value for financial reporting purposes. The board of trustees determines the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value listed and unlisted investments the Group uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation or uses level 3 inputs to perform the valuations. The valuation committee works closely with the qualified external valuer to establish the appropriation valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of these investments is disclosed in note 3.3 to these financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

	Nominal value per share	Number of shares 2015	Holding %	Number of shares 2014	Shareholding % 2015	Shareholding % 2014	Trustees' valuation 2015 MK'000	Trustees' valuation 2014 MK'000	Dividends receivable 2015 MK'000	Dividends receivable 2014 MK'000
Malawi Investments										
Kang'ombe Investments Limited	1 Tambala	499 900 000	25	499 900 000	24 .995	24.99	78 319	78 319	21 496	26 245
Continental Discount House Limited	1 Kwacha	21 860 712	13.4	17 343 000	15.00	15.00	110 395	60 700	-	7 700
Mwaiwathu Private Hospital Limited	21.66 Kwacha	3 779 991	23	3 779 991	22.97	22.97	43 614	43 614	-	-
INDEbank Limited	1 Kwacha	25 200 000	30	25 200 000	30.00	30.00	-	124 814	-	-
							232 328	307 447	21 496	33 945

Investments in unlisted companies are accounted for at cost less impairment.

The Trustees have valued unlisted investments at cost. All investments where there is evidence of poor past historic performance and uncertainty on future prospects, an impairment loss has been recognised.

	Nominal value per share	Number of shares 2015	Number of shares 2014	Shareholding % 2015	Shareholding % 2014	Trustees' valuation 2015 MK'000	Trustees' valuation 2014 MK'000	Dividends receivable 2015 MK'000	Dividends receivable 2014 MK'000
Malawi Investments									
Kang'ombe Investments Limited	10 Tambala 499 900 000	4	99 900 000	24.9995	-	78 319	78 319	21 496	26 245
Continental Discount House Limited	1 Kwacha	21 860 712	17 343 000	15.00	15.00	110 395	60 700	-	7 700
Mwaiwathu Private Hospital Limited	21.66 Kwa-cha	3 779 991	3 779 991	22.90	22.97	43 614	43 614	-	-
INDEbank Limited	1 Kwacha	25 200 000	25 200 000	30.00	30.00	-	124 814	-	-
Auction Holdings Limited	1 Kwacha	120 000	120 000	-	-	120	121	-	-
						232 448	307 568	21 496	33 945

Investments in unlisted companies are accounted for at cost less impairment.

The Trustees have valued unlisted investments at cost. All investments where there is evidence of poor past historic performance and uncertainty on future prospects, an impairment loss has been recognised.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

17. INVESTMENTS IN SUBSIDIARIES

	TRUST	
	2015 MK'000	2014 MK'000
Press Trust Overseas Limited		
At the beginning of the year	2 167 553	2 014 504
Fair value adjustment	55 024	154 516
Translation gain/ (loss)	160 693	(1 467)
Balance at the end of the year	2 383 270	2 167 553

The Trust has invested in 50 000 ordinary shares of US$1 each, being the whole issued share capital of Press Trust Overseas Limited.

Press Agriculture Limited

The Trust has invested in 8 626 512 ordinary shares of MK1 each, being 93.7% of the issued share capital of Press Agriculture Limited. The remaining 6.3% is held by Old Mutual Plc.

The original value of this investment was MK505 901 million but it has been written down to nil due to permanent diminution in value of the investment.

18. STANDING CROPS

	GROUP	
	2015 MK'000	2014 MK'000
Plantations		
COST		
At the beginning of the year	510 047	497 011
Additions	14 500	13 036
Write offs	(277)	-
At the end of the year	524 270	510 047
AMORTISATION		
At the beginning of the year	289 581	249 221
Charge for the year	41 148	40 360
Write offs	(99)	-
At the end of the year	330 630	289 581
NET BOOK VALUE		
At the end of the year	193 640	220 466

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

Plantations comprise of cashew, macadamia and forestry plantations. The plantations are valued at their amortised cost in line with accounting policy on note 3.10.

Other crops comprise of seed maize, soya beans, groundnuts, commercial maize and sugar beans. Growing crops are carried at fair value in line with accounting policy on note 3.10

Fair value measurement of Group's standing crops

Details of the group's standing crops and information about their value hierarchy as at 31 March 2015 are analysed as follows:

	Level 1	Level 2	Level 3	Fair Value	
	2015	2015	2015	2015	2014
	MK'000	MK'000	MK'000	MK'000	MK'000
Standing crops					
Growing timber	-	193 640	-	193 640	220 466
Other growing crops	-	705 198	-	705 198	331 244
Total standing crops at fair value	-	898 838	-	898 838	551 710

There were no transfers between the levels during the year. For financial reporting purposes fair value measurement are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described in note 34.

Valuation techniques and assumptions applied for the purposes of measuring fair value

Management considers that the carrying amounts of standing crops recognised at amortised cost in the financial statements approximate their fair values.

The company's finance department is responsible for performing the valuation of fair value measurements included in the financial statements including level 3 fair value. The valuation processes and results for recurring measurements are reviewed and approved by management at least once every quarter.

The fair values of standing crops are determined as follows:

- The fair values of standing crops are determined in accordance with generally accepted pricing models (costs approach model) based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar crops.
- Costs comprise all directly attributable costs incurred until 31 March 2015 and that prices for the transactions were from observable current transactions.

Had Press Agriculture Limited had more than two groups of standing crops classified in level 3, a further disaggregation of these standing crops into separate classes might have been necessary.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

	TRUST		GROUP	
	2015	2014	2015	2014
	MK'000	MK'000	MK'000	MK'000

19. INVENTORIES

Consumable stores	-	-	80 439	84 294
Farm crops	-	-	89 284	14 385
Future crop expenditure	-	-	4 213	4 667
Provision for obsolete inventory	-	-	(75 705)	(67 398)
Total inventories	-	-	98 231	35 948

20. RECEIVABLES AND PREPAYMENTS

Dividends receivable	6 393	16 525	6 393	16 525
Less provision for doubtful dividends receivable	(2 847)	(2 847)	(2 847)	(2 847)
Trade receivables	-	-	35 899	1 086
Less: Provision for doubtful debts	-	-	(56 741)	(15 309)
Prepayments and other receivables	56 975	25 655	967 559	1 268 197
Impairment on staff loans receivables and other	(23 781)	(8 823)	(23 781)	(8 823)
Press Corporation Limited – Share Ownership Fund	880	1 229	880	1 229
Receivables from Trustees	2 402	2 402	2 402	2 402
Less: provision for doubtful Receivables	(2 402)	(2 402)	(2 402)	(2 402)
Total receivables and prepayments	37 620	31 739	927 362	1 260 058

The Trustees consider that the carrying amount of receivables and prepayments approximate their fair value.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

21. BANK BALANCES AND CASH

	TRUST		GROUP	
	2015 MK'000	2014 MK'000	2015 MK'000	2014 MK'000
Short-term bank deposits	44 702	303 031	44 702	302 828
Current accounts	64 124	8 652	67 091	141 507
Foreign currency accounts	50 353	48 044	123 728	48 044
Cash on hand	50	50	145	50
Bank Balances and Cash	159 229	359 777	235 666	492 429
Funds held by brokers	-	-	192	203
Bank overdraft	-	-	(470 663)	-
Total cash and cash equivalents	159 229	359 777	(234 805)	492 632

CDH Investment Bank (CDHIB) provided overdraft facilities of MK594 million to the group as seasonal loan. The facility was in two categories. The first category is for a MK400 million working capital facility to finance the purchase of fertiliser, chemicals and to pay wages for rain fed and winter crop operations. The second category is for MK194 million working capital to buy a tractor, boom sprayers and planters. For the second category, only MK 134 million was used during the year. The group facility is secured against proceeds from Monsanto, Seedco, Pannarseed, Spectrascape and Demeter Agriculture. The second category of the facility is secured against the fixed debenture over the equipment being financed and comprehensive insurance with the bank interest noted therein. Interest is calculated at CDHIB base lending rate of 39.5% plus 1% making an effective rate of 40.5% per annum.

22. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

	TRUST 2015 MK'000	TRUST 2014 MK'000	GROUP 2015 MK'000	GROUP 2014 MK'000
Opening balance	-	-	715 263	397 707
Transfer from property, plant and equipment	-	-	232 474	678 356
Valuation surplus for assets held for sale	-	-	451 262	-
Assets sold during the period	-	-	(128 263)	(360 800)
Total	-	-	1 270 736	715 263

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

22. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

(i) The group decided in the previous periods to dispose of some property, plant and equipment and some of these assets have been disposed of in the current year.

(ii) As described in note 1.2 the group stopped growing tobacco effective 2011/2012 agricultural season. As a result, the group decided to dispose of property, plant and equipment used in growing tobacco, which constituted a significant part of the entity's business. A search is underway for buyers. The major classes of assets and liabilities related to tobacco growing at the end of the reporting period were as follows:

	TRUST		GROUP	
	2015 MK'000	2014 MK'000	2015 MK'000	2014 MK'000
Leasehold land and building	-	-	-	73 982
Total assets	-	-	-	73 982

23. SUBLEASE FEES

	GROUP	
	2015 MK'000	2014 MK'000
At the beginning of the year	551 052	389 141
Additions	-	192 135
Premium Deposit Fund	(109 820)	-
Amounts released to income	(53 933)	(30 224)
At the end of the year	387 299	551 052
The deferred sublease fees are to be leased to income as follows:		
Within one year	13 013	241 289
After one year	374 286	309 763
Total deferred sublease fees	387 299	551 052

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

The entity subleased its estates to Gala Tobacco Company, Exagris Africa Limited, Clinton Development Initiative and Foods and Feeds. As per the lease agreement, Gala Tobacco Company is supposed to pay land rentals to Ministry of Lands on behalf of Press Farming Limited for leased estates and the other subleased estates fees is paid into FDH Escrow account under Deloitte/Press Agriculture Limited agreement.

The deferred sublease fees relate to sublease fees received from Gala Tobacco Company, Exagris Food and Feeds and Kazombo for a period of 30 years commencing from 2011/2012 crop season. The sublease income is allocated over the lease term and sublease income is allocated over the lease term and sublease income relating to the period is released to the statement of comprehensive income.

24. DEFERRED TAX

	GROUP	
	2015	2014
	MK'000	MK'000
At the beginning of the period	647 909	674 083
Equity movement	785 370	(26 174)
Recognised in profit and loss	(1 212)	-
At the end of the year	1 432 067	647 909

25. LONG-TERM BORROWINGS

GROUP
31 March 2014

	INDEBank	FDH Bank	Limbe Leaf NBS Bank	Tobacco	CDH	Total
	MK'000	MK'000	MK'000	MK'000	MK'000	MK'000
At the beginning of the year	276 378	2 164 247	24 321	1 075 543	-	3 540 489
Realised exchange loss	-	-	11 057	68 862	-	79 919
Accrued interest	120 130	1 169 557	-	23 007	-	1 312 694
Repayments	(88 057)	(500 379)	(35 448)	(36 673)	-	(660 557)
	308 451	2 833 425	(70)	1 130 739	-	4 272 545
Long-term portions						1 085 647
Current term portion						3 186 898
Total long-term borrowing						4 272 545

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

25. LONG-TERM BORROWINGS (CONTINUED)

31 March 2015

	INDEBank MK'000	FDH Bank MK'000	Limbe Leaf NBS Bank MK'000	Tobacco MK'000	CDH MK'000	Total MK'000
At the beginning of the year	308 451	2 833 425	(70)	1 130 739	-	4 272 546
Loans Advanced	-	-		-	3 723 641	3 723 641
Accrued interest	32 430	394 589	-	98 418	943 522	1 468 959
Repayments	(340 882)	(3 228 757)	-	(44 284)	(1 025 053)	(4 638 976)
	-	(743)	(70)	1 184 873	3 642 110	4 826 170

Long-term portions	1 135 428
Current term portion	3 690 742
Total long-term borrowing	4 826 170

a) *Limbe Leaf Tobacco Company Limited*

This long-term loan to rehabilitate the estates was for US$12.7 and repayable over a period of 10 years in various installments which commenced in September 2003. The loan attracted interest at the rate of Libor plus 2%.

Part of the loan amounting to US$8.3 million was paid off by the group through finance from its parent company who guaranteed the amounts. The outstanding amount of US$4.4 million is for General Farming Company Limited (US$3.8 million) and Press Farming Limited (US$0.6 million). The General Farming Company Limited loan is repayable over seven years and attracts interest at 2% above LIBOR. The loan is secured by a debenture over all General Farming Company Limited and Press Farming Limited estates and a lien over all General Farming Company Limited tobacco production. The loan for Press Farming Limited is repayable over a ten year period and does not attract interest. It is secured by a lien over 30% of lease fee payments from Press Farming Limited.

b) *FDH Limited*

This loan represents a commercial paper of MK2.2 billion obtained by General Farming Company Limited to finance tobacco farming for the 2010/2011 cropping season. It attracts interest at FDH bank lending rate of 17.8%. It was secured by a parent company (Press Trust) guarantee duly supported by listed shares equivalent to the value of the facility. This loan has been fully settled through CDH Investment bank loan.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

c) Indebank Limited

This loan of MK280 million was to facilitate the staff retrenchment obligations due to the restructuring of the operations which resulted into some staff being laid off and some property, plant and equipment put on sale. It attracts interest at Indebank lending rate of 47%. It is secured by a parent company (Press Trust) guarantee for MK340 million not supported by shares. The loan was due for repayment by 31 January 2012. However full repayment was not made by the schedule date and default interest was being charged by the bank as stipulated in the loan agreement at the floating rate of the bank's prime lending rate in effect from time to time plus 10%. This loan has been fully settled through CDH Investment bank loan.

d) CDH Investment Bank

The loan related to the restructure of the group's debt stock of MK3.37 billion. The group as at 27 June 2014, entered into an arrangement with CDH Investment Bank for a commercial paper of MK3.37 billion as a way of restructuring its indebtedness with other lenders who have since been paid off from this commercial paper arrangement. The commercial paper is valid for a period of one year to 30 June 2015 and renewable for a further period of one year. In the event of default on any payment or repayment due or non-compliance with any terms and conditions of the facility, all amounts due shall immediately become due and payable.

The commercial paper would be repaid from the proceeds from the sale of estates with the confirmed assignment as at the date of agreement (27 June 2014) of proceeds from Malawi Government- MK 471 million (2014: MK471 million), NASFAM – MK 305 million (2014: MK788 million) and Vikawu Trust – 56 million (2014: MK75 million). The commercial paper would also be settled from the proceeds of sale of estates from other buyers such as Gala Tobacco company Limited (MK1.2 billion) and MEV-One Limited (MK538 million) whose agreements were still under negotiation as 31 March 2015.
The commercial paper would also be settled from the confirmed sale of commodities to: Demeter Limited (K105.6 million), Seed-Co (MK279 million), Pannar Seed Limited (MK40.5 million) and Spectrascape (MK875 million) and (MK1.3 billion) from other buyers.

The commercial paper is based on the prime lending rate of 37.75% per annum minus 2.75% thereby making an effective current interest rate of 35% per annum.

The commercial paper is secured by Press Trust on its investment on listed companies of the total market value as at the agreement date of MK 4.2 billion and Kulima House belonging to Press Agriculture Limited with a total market value of MK1.2 billion.

On 4 August 2015 the board of trustees passed a resolution for the Trust to liquidate some of its investments to repay the entire indebtedness of Press Agriculture Limited to CDH Investment Bank by 30 November 2015. The Trust has since made payments of MK1.80 billion and MK1.86 billion on 1 October 2015 and 7 October 2015, respectively.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

	TRUST		GROUP	
	2015	2014	2015	2014
	MK'000	MK'000	MK'000	MK'000
26. PROVISIONS				
At the beginning of the year	-	-	128 900	95 608
Charge for the year	-	-	50 995	33 292
At the end of the year	-	-	179 895	128 900
27. ACCOUNTS PAYABLE				
Trade payable	-	-	200 526	102 612
Accruals and other payables	48 563	34 561	230 801	178 263
Total accounts payable	48 563	34 561	431 327	280 875

The Trustees consider that the carrying amount of payables approximate their fair value.

28. CAPITAL COMMITMENTS

	TRUST 2015 MK'000	TRUST 2014 MK'000	GROUP 2015 MK'000	GROUP 2014 MK'000
Approved and contracted for	81 527	7 800	413 202	7 800

The capital commitments comprising of plant and equipment assets expenditure are to be funded from internal resources.

29. CONTINGENT LIABILITIES

Press Agriculture Limited

The Trust guaranteed Press Agriculture Limited's seasonal finance borrowings for 2010/2011 to assist the company to access credit from local banks amounting to MK2.3 billion. The Trust has offered its shares in Standard Bank Limited, Illovo Sugar Corporation Limited, National Bank of Malawi and Press Corporation Limited as security for the borrowings.

The Trust pledged: 3,400,420 Standard Bank Limited shares, 3,000,000 Press Corporation Limited shares and 3,642,314 shares in Illovo Sugar Corporation Limited to First Discount House Limited for a facility of MK1.7 billion; 1,735,550 shares in Illovo Sugar Corporation Limited and 1,458,400 shares in National Bank of Malawi Limited to Indebank Limited for a facility of MK300 million.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

30. POST BALANCE SHEET EVENTS

Listed equity investments

The market value of the shares in listed equity investment moved as follows after year-end.

	3 November 2015 Kwacha per share	31 March 2015 Kwacha per share	31 March 2014 Kwacha per share
Press Corporation Limited	535.00	453.62	305.00
ILLOVO Sugar Corporation Limited	260.00	294.20	292.00
Standard Bank Malawi Limited	440.00	425.00	395.00
Blantyre Hotels Limited	9.60	8.00	8.00
National Bank of Malawi	258.00	241.00	220.00
National Investment Trust Limited	55.00	42.05	30.00
Malawi Property Investment Company Limited	9.80	5.01	2.00

The share price movement has resulted into net fair value gains of MK6 895 million in the current year (2014: MK8 271 million). The net gains have occurred as follows:

	3 November 2015 MK'000	06 February 2015 MK'000
Press Corporation Limited 4 351 830 7 946 422		
Blantyre Hotels	54 367	-
ILLOVO Sugar Corporation Limited	(433 181)	27 784
Standard Bank Malawi Limited	80 832	146 967
National Bank of Malawi	65 789	79 683
National Investment Trust Limited	62 095	57 780
Mpico Limited	22 469	12 665
Total net fair value gains	4 204 202	8 271 301

Debt restructuring and repayment

On 27 June 2014 PAL entered into an arrangement with CDH Investment Bank for a Commercial Paper of MK3.37 billion as a way of restructuring its indebtedness with other lenders who have since been paid off from this Commercial Paper arrangement. The Commercial Paper is valid for a period of one year up to 30 June 2015 and renewable for a period of one year. In the event of default on any payment or repayment due to non-compliance with any terms and conditions of the facility, all amounts due shall immediately become due and payable.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

30. POST BALANCE SHEET EVENTS (CONTINUED)

Debt restructuring and repayment (continued)

As disclosed in note 25, the CDH debt has been substantially repaid after the year end but before the date of approval of the financial statements by the Trustees.

The Trust received US $3.370 (MK 1.87 billion) from Press Trust Oversees Limited and MK1.89 billion from the sale of Inde Bank shares

The trust used MK3.66 billion from the proceeds to pay off CDH Investment Bank short term loan facility on behalf of Press Agriculture Limited as disclosed in note 1.3 and note 25 as above.

The group has also managed to sell some of its estates, the proceeds of which have been used to settle part of its current liabilities.

These arrangements have therefore eased the group's pressure arising from its current liabilities that significantly exceeded its current assets at year end.

31. RELATED PARTIES

In terms of the Trust related parties mean subsidiaries, Trustees and their associates.

Paragraph 2(f) of the Press Trust Reconstruction Act, 1995, defines an "Associate" as one of the following:

i) a Trustee's spouse;
ii) a Trustee's parents, sister, brother, child, business partner and the spouse of any of them;
iii) a Trustee's spouse;
iv) a Trustee's parents, sister, brother, child, business partner and the spouse of any of them;
v) a company controlled by a Trustee or a person or persons falling within paragraphs i) and ii) above; and
vi) Press Trust Overseas Limited.

Press Agriculture Limited
Press Farming Limited
General Farming Limited
Farm Management Company Limited
Press Farming and Chemical Company Limited
Press Corporation Limited
Kang'ombe Investments Limited
Mwaiwathu Private Hospital Limited
Indebank Limited
Blantyre Hotels Limited

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

Total emoluments of the management staff during the year amounted to MK97.7.million (2014: MK117.7 million).

Transactions with its subsidiaries, Press Trust Overseas Limited and Press Agriculture Limited, have been disclosed in notes 6, 8, 15, 16 and 17. Other related party transactions are as disclosed in note 16.

32. KEY ECONOMIC INDICATORS

The average of the year-end buying and selling rates of foreign currency most affecting the performance of the group is stated below, together with interest rates and the increase in the National Composite Consumer Price Index for the preceding year which represents an official measure of inflation.

Date	MK/USD	National rate of inflation	Fixed deposit interest rates 2 months	3 months	6 months	Base lending rate
31 March 2014	410.1700	35.0%	19.00%	20.00%	25.00%	40.00%
3 November 2015	561.1265	24.0%	11.00%	10.00%	7.50%	32.00%
31 March 2015	440.3375	19.7%	22.00%	22.00%	22.00%	37.00%

33. FINANCIAL RISK MANAGEMENT

Categories of financial instruments

The analysis below sets out the Group's classification of financial assets and liabilities and their fair values including accrued interest.

	TRUST 2015 MK'000	TRUST 2014 MK'000	GROUP 2015 MK'000	GROUP 2014 MK'000
Financial assets				
Loans and receivables				
- receivables and prepayments	37 620	31 739	927 362	1 260 058
Held to maturity				
- funds held by brokers	-	-	192	203
- bank balances and cash	159 229	359 777	235 666	492 632
Available for sale				
- listed investments	31 707 077	23 192 574	34 019 201	25 287 773
- unlisted investments	232 328	307 447	232 44-	307 568
Total financial assets	32 136 254	23 891 537	35 414 870	27 348 234

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

Categories of financial instruments (continued)

	TRUST		GROUP	
	2015	2014	2015	2014
	MK'000	MK'000	MK'000	MK'000
Financial liabilities				
Financial liabilities held at amortised cost				
- Accounts payable	48 563	34 561	431 327	280 875
- Bank Overdraft	-	-	470 663	-
- Project funding	341 866	262 741	341 866	262 741
- Borrowings	-	-	4 826 1706	4 272 545
Total liabilities	390 429	297 302	6 070 026	4 816 161

Total liabilities

The Group has exposure to the following risks arising from its transactions in financial instruments:

· Capital risk;
· Foreign currency risk;
· Interest rate risk;
· Credit risk;
· Other price risk; and
· Liquidity risk.

This note presents information about the Group's exposure to each of the above risks, the Trust's objectives, policies and processes for identification, measurement, monitoring and controlling risk. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

(a) Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return available for its charitable works through the optimisation of the debt and equity balance. The Press Trust Reconstruction Act sets limits on the distributions it can make (note 1.2).

(b) Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

(c) Interest rate risk management

The Group is exposed to interest rate risk as it borrows funds at fixed interest rates. The risk is managed by maintaining an appropriate amount of the fixed rate borrowings.

(d) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties.

(e) Other price risk

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

The table below shows the maximum exposure to credit risk by class of financial instrument. Financial instruments include financial instruments defined and recognised under IAS 39 Financial Instrument Recognition and Measurement. The maximum exposure is shown gross, before the effect of mitigation through the use of master netting and collateral agreements.

	TRUST	
	2015	2014
	MK'000	MK'000
Gross Maximum Exposure		
Corporate loans and interest	2 660 083	2 478 033
Other	-	-
Security available	2 660 083	2 478 033
Net impaired loans	-	-
	2 660 083	2 478 033

These corporate loans are unsecured and are fully provided for.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

(f) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of Trustees, which has built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below analyses assets and liabilities into relevant maturity groupings based on the remaining period at 31 March 2015 to the contractual maturity date.

	Up to 6 Months MK'000	6 to 12 Months MK'000	Over 1 Year MK'000	Total MK'000	Carrying Value MK'000
TRUST					
31 March 2015					
Assets					
Receivables and prepayments	19 208	18 412	-	37 620	37 620
Bank balances and cash	108 390	50 839	-	159 229	159 229
AFS financial assets (Listed investments)	-		31 707 077	31 707 077	31 707 077
AFS financial assets (Unlisted investments)	-	-	232 328	232 328	232 328
Total financial assets	127 598	69 251	31 939 405	32 136 254	32 136 254

	Up to 6 Months MK'000	6 to 12 Months MK'000	Over 1 Year MK'000	Total MK'000	Carrying Value MK'000
Liabilities					
Accounts payable	48 563	-	-	48 563	48 563
Project funding	170 933	130 933	40 000	341 866	341 866
Total liabilities	219 496	130 933	40 000	390 429	390 429
Gap	(91 898)	(61 682)	31 899 405	31 745 825	31 745 825
Cumulative Gap	(91 898)	(153 580)	31 745 825	-	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

The table below analyses assets and liabilities into relevant maturity groupings based on the remaining period at 31 March 2014 to the contractual maturity date.

	Up to 6 Months MK'000	6 to 12 Months MK'000	Over 1 Year MK'000	Total MK'000	Carrying Value MK'000
GROUP					
31 March 2015					
Assets					
Receivables and prepayments	911 494	15 868	-	927 362	927 362
Bank balances and cash	153 776	81 890	-	235 666	235 666
Funds held by brokers					
AFS financial assets					
(Listed investments)	192	-	-	192	192
	-	-	34 019 201	34 019 201	34 019 201
AFS financial assets					
(Unlisted investments)	-	-	232 449	232 449	232 449
Total financial assets	1 065 462	97 758	34 251 650	35 414 870	35 414 870
Liabilities					
Accounts payable	429 072	2 255	-	431 327	431 327
Bank overdraft	170 933	130 933	40 000	341 866	341 866
Project funding	-				-
Loan and advances	-	3 690 742	1 135 428	4 826 170	4 826 170
Total liabilities	1 070 668	3 823 930	1 175 428	6 070 026	6 070 026
Gap	(5 206)	(3 726 172)	33 076 221	29 344 844	29 344 844
Cumulative Gap	(5 206)	(3 731 378)	29 344 844	-	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

33. FINANCIAL RISK MANAGEMENT (CONTINUED)

The table below analyses assets and liabilities into relevant maturity groupings based on the remaining period at 31 March 2014 to the contractual maturity date.

	Up to 6 Months MK'000	6 to 12 Months MK'000	Over 1 Year MK'000	Total MK'000	Carrying Value MK'000
TRUST					
31 March 2014					
Assets					
Receivables and prepayments	15 868	15 871	-	31 739	31 739
Bank balances and cash	179 888	179 888	-	359 777	359 777
AFS financial assets (Listed investments)	-	-	23 192 574	23 192 574	23 192 574
AFS financial assets (Unlisted investments)	-	-	-	307 447	307 447
Total financial assets	195 760	195 760	23 891 537	23 891 537	23 891 537
Liabilities					
Accounts payable	17 280	17 281	-	34 561	34 561
Project funding	87 580	175 161	-	262 741	262 741
Total liabilities	104 860	192 442	-	297 302	297 302
Gap	90 896	3 318	23 500 021	23 594 235	23 594 235
Cumulative Gap	90 896	94 214	23 594 235	23 594 235	23 594 235

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

The table below analyses assets and liabilities into relevant maturity groupings based on the remaining period at 31 March 2014 to the contractual maturity date.

	Up to 6 Months MK'000	6 to 12 Months MK'000	Over 1 Year MK'000	Total MK'000	Carrying Value MK'000
GROUP					
31 March 2014					
Assets					
Receivables and prepayments	15 868	1 244 190	-	1 260 058	1 260 058
Bank balances and cash	209 159	211 614	71 859	492 632	492 632
Funds held by brokers	203	-	-	203	203
AFS financial assets (Listed investments)	-	-	25 287 773	25 287 773	25 287 773
AFS financial assets (Unlisted investments)	-	-	307 568	307 568	307 568
Total financial assets	225 230	1 455 804	25 667 200	27 348 234	27 348 234
Liabilities					
Accounts payable	280 875	-	-	280 875	280 875
Project funding	87 580	175 161	-	262 741	262 741
Loan and advances	-	3 186 898	1 085 647	4 272 545	4 272 545
Total liabilities	368 455	3 362 059	1 085 647	4 816 161	4 816 161
Gap (143 225)	(1 906 255)	24 581 553	22 532 073	22 532 073	
Cumulative Gap	(143 225)	(2 049 480)	22 532 073	22 532 073	22 532 073

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

34. ADMINISTRATION EXPENDITURE

	TRUST		GROUP	
	2015 MK'000	2014 MK'000	2015 MK'000	2014 MK'000
Staff costs	233 936	198 542	422 903	321 890
Depreciation	44 792	15 649	191 872	217 501
Board expenses	83 230	34 822	84 330	35 967
Motor vehicles expenses	24 351	59 698	135 464	59 698
Travel and accommodation	16 009	3 563	27 225	3 563
Office expenses	21 945	19 256	25 576	23 224
Office rent	18 241	14 400	56 620	14 400
Staff training	18 746	4 162	18 754	4 162
Postage and telephones	10 239	4 259	12 077	4 259
Guest house expenses	10 157	8 162	10 157	8 162
Auditors' remuneration	16 270	11 768	54 610	42 926
Internal audit fees	2 049	4 355	-	-
Motor vehicle insurance	12 658	5 501	35 618	5 501
Legal fees	1 403	-	4 652	-
Advertising	1 526	50	1 526	50
Printing and stationery	6 734	2 793	9 121	2 793
Bank charges	1 582	1 096	1 582	1 096
Interest charges	2 261	40	2 261	40
Overheads expenses	-	-	103 914	127 873
Total administration expenditure	526 129	388 116	1 198 262	873 105

35. FAIR VALUE MEASUREMENTS

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

35.1 Valuation techniques and assumptions applied for the purposes of measuring fair value

The Trustees consider that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values

The fair values of financial assets and financial liabilities are determined as follows.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).

35.1 Valuation techniques and assumptions applied for the purposes of measuring fair value (Continued)

- The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

35.2 Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2 fair value measurements are those derived from 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); and

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

35.3 Fair value of the Group’s financial assets and financial liabilities that are measured at fair value on a recurring basis

The Group had financial assets that are measured at fair value at the end of each reporting period as detailed below.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

35. FAIR VALUE MEASUREMENTS (CONTINUED)

35.3 Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

	2015 MK'000	2014 MK'000
Trust		
Financial assets		
Listed equity investments	31 707 077	23 192 574
Unlisted equity investments	232 328	307 447
Investments in subsidiaries	2 383 270	2 167 553
	34 322 675	25 667 574
Group		
Financial assets		
Listed equity investments	34 019 201	25 287 773
Unlisted equity investments	232 448	307 568
	34 251 649	25 595 341

35.4 Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

Except as detailed in the following table, the Trustees consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

	2015		2014	
	Carrying amount MK'000	Fair value MK'000	Carrying amount MK'000	Fair value MK'000
Trust				
Financial assets				
Loan and receivables				
Cash and cash equivalents	159 229	159 229	359 777	359 777
Receivables	37 620	37 620	31 739	31 739
Total	196 849	196 849	391 516	391 516
Trust				
Financial liabilities				
Financial liabilities held at amortised cost				
Payables	48 563	48 563	34 561	34 561
Project funding	341 866	341 866	262 741	262 741
	390 429	390 429	297 302	297 302

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2015

	2015 Carrying amount MK'000	2015 Fair value MK'000	2014 Carrying amount MK'000	2014 Fair value MK'000
Group				
Financial assets				
Listed equity Investments	34 019 201	34 019 201	25 287 773	25 287 773
Unlisted equity investments	232 449	232 449	307 568	307 568
Cash and cash equivalents	235 666	235 666	492 835	492 835
Taxation recoverable	135 866	135 866	166 407	166 407
Receivables	927 362	972 362	1 260 058	1 260 058
Total	35 550 544	35 550 544	27 514 641	27 514 641
Financial liabilities				
Financial liabilities held at amortised cost				
Bank overdraft	470 663	470 663	-	-
Payables	431 327	431 327	280 875	280 875
Borrowings	4 826 170	4 826 170	4 272 545	4 272 545
Project funding	341 866	341 866	262 741	262 741
Total	6 070 026	6 070 026	4 816 161	4 816 161

	Fair value hierarchy – 2015 Level 1	Level 2	Level 3	Total
Trust				
Financial assets				
Listed equity investments	31 707 077	-	-	31 707 077
Unlisted equity investments	-	-	232 328	232 328
Investment in subsidiaries	-	-	2 383 270	2 383 270
Loan and receivables	-	-	-	-
Cash and cash equivalents	159 229	-	-	159 229
Receivables	-	37 620	-	37 620
Total	31 866 306	37 620	2 615 598	34 519 524
Financial liabilities				
Financial liabilities held at amortised cost				
Bank overdraft	470 663	-	-	470 663
Payables	48 563	-	-	48 563
Project funding	-	341 866	-	341 866
Total	519 226	341 866	-	861 092

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 March 2015

35. FAIR VALUE MEASUREMENTS (CONTINUED)

35.3 Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

	Fair value hierarchy – 2015		
	Level 1	Level 2	Total
Group			
Financial assets			
Listed equity investments	34 019 201	-	34 019 201
Unlisted equity investments	232 449	-	232 449
Loan and receivables			
Cash and cash equivalents	-	235 666	235 666
Taxation recoverable	-	135 866	135 866
Receivables	-	927 362	927 362
Total	34 251 650	1 343 894	35 550 544
Financial liabilities			
Financial liabilities held at amortised cost			
Bank overdraft	470 663	-	470 663
Payables	-	431 327	431 327
Borrowings	-	4 826 170	4 826 170
Project funding	-	341 866	341 866
Total	470 663	5 599 363	6 070 026

	Fair value hierarchy - 2014		
	Level 1	Level 2	Total
Group			
Financial assets			
Listed equity investments	25 287 773	-	25 287 773
Unlisted equity investments	307 568	-	307 568
Loan and receivables			
Cash and cash equivalents	-	492 835	492 835
Taxation recoverable	-	166 407	166 407
Receivables	-	1 260 058	1 260 058
Total	25 595 341	1 919 300	27 514 641
Financial liabilities			
Financial liabilities held at amortised cost			
Payables	-	280 875	280 875
Borrowings	-	4 272 545	4 272 545
Project funding	-	262 741	262 741
Total	-	4 816 161	4 816 161