



ESL VENTURES
CAPITAL JAMAICA LIMITED



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ANNUAL REPORT

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WHO WE ARE

SSL Venture Capital Jamaica Limited is a publicly traded venture capital company, listed on the Jamaica Stock Exchange. We believe that access to capital is what is needed for the entrepreneurial eco-system in Jamaica.

OUR APPROACH

We take a hands-on approach to venture capital investment; supporting business strategy, governance, financial controls and business development

VISION/MISSION STATEMENT

- To become a symbol of patriotism for entrepreneurship in Jamaica;
- To manifest the dreams of Jamaican business owners through equity capital and activist intervention;
- To find the "sweet spot" between being a local innovator and operating a scalable and sustainable company;
- To create a network of Jamaican businesses that blend competencies to maximize revenues for each other and grow the economy.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of SSL Venture Capital Jamaica Limited (“SSL Ventures”) will be held on **Thursday, the 30th day of July 2020** at the Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5, Saint Andrew at 3:00 p.m., to consider and, if thought fit, the passing of the following ordinary resolutions:

1. Audited Accounts

Resolution No. 1 - Directors and Auditors Reports, and Audited Financial Statements

THAT the Audited Financial Statements for the year ended June 30, 2019 and the Reports of the Directors and Auditors, circulated with the Notice convening the Meeting, be and are hereby adopted.

2. Election of Directors

Pursuant to Article 103 of the Company’s Articles of Incorporation, Mr. Zachary Harding was appointed a Director of the Company on 1st June 2019, Mr. Jeffery Cobham was appointed a Director of the Company on the 14th September 2019 and on the 2nd December 2019, Messrs. John Jackson and Brent Ciurlino and Miss Christine Birch were appointed Directors of the Company. Being eligible, they have offered themselves for election:

Resolution 2a

THAT Mr. Jeffrey Cobham be and is hereby elected a Director of the Company.

Resolution 2b

THAT Mr. Zachary Harding be and is hereby elected a Director of the Company.

Resolution 2c

THAT Mr. John Jackson be and is hereby elected a Director of the Company.

Resolution 2d

THAT Mr. Brent Ciurlino be and is hereby elected a Director of the Company.

Resolution 2e

THAT Miss Christine Birch be and is hereby elected a Director of the Company.

3. Appointment of Auditors and their Remuneration:

Resolution No. 3 - Appointment of Auditors and their Remuneration

THAT Baker Tilly Strachan Lafayette, Chartered Accountants of 14 Ruthven Road, Kingston 10, having signified their willingness to serve, continue in office as Auditors of the Company, until the conclusion of the next Annual General Meeting, at a remuneration to be agreed with the Directors.

4. Directors’ Remuneration:

Resolution No. 4 - Directors’ Remuneration

THAT the total remuneration of all the Directors combined, other than the Executive Director, for year ended June 30, 2019 be and is hereby fixed at \$300,000.00 per annum.

BY ORDER OF THE BOARD

Anya Hylton
SECRETARY

Dated 2nd December 2019

Note: Any member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A proxy is prohibited to speak at the meeting unless he or she is also a member of the Company.

The attached proxy form must be completed, impressed with stamp duty of \$100 (cancelled by the person signing the proxy for) and lodged at the office of the Company's Registrar and Transfer Agents, the Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston, not less than forty-eight (48) hours before the time appointed for holding the meeting.

CORPORATE DATA

The Members of the Board of Directors as at June 30, 2019 are: -

Mr. Harry Abrikian
Mr. Mark Croskery
Mr. Zachary Harding
Mr. Kadeen Mairs
Dr. Germaine Spencer
Mr. Gavin Valentine
Mrs. Cecile Watson
Mrs. Anya Hylton - Company Secretary

Registered Office

Unit 15, Barbican Business Centre
88 Barbican Road
Kingston 6
St. Andrew
Jamaica

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info@sslvcapital.com
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Bankers

Sagicor Bank Jamaica
17 Dominica Drive
Kingston 5
Jamaica

Auditors

Baker Tilly Strachan Lafayette
Accountants and Auditors
14 Ruthven Road
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Attorneys

Myers Fletcher & Gordon
21 East Street, Kingston Jamaica
Phone (876)922 5860

Registrar and Transfer Agent

Jamaica Central Securities Depository ("JCSD")
40 Harbour Street
P.O. Box 1084
Kingston
Jamaica

Tel.: (876) 967.3271
Fax: (876) 924.9090
www.jamstockex.com

CHAIRMAN'S MESSAGE TO SHAREHOLDERS

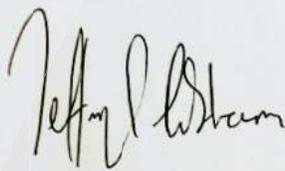
“ Venture capital firms are without a doubt the muscle behind innovation as they support the companies they invest in, from the early stages, all the way to IPO.... ”

Alejandro Cremades, author of “The Art of Startup Fundraising”

In the last twenty years, Jamaica has witnessed the growing confidence of a number of young, bright people whose life goals are no longer to gain employment for a lifelong career with an established company, but who instead put their energies into building and developing businesses, many of which have the potential to disrupt the traditional business models. In the potential and the vision of these entrepreneurs lies the possibility, not merely of claiming a larger slice of the existing Jamaican economy, but of expanding the overall size of that economy. A facility that nourishes these new businesses and ideas is needed in today's Jamaica and the buoyancy of the present economy presents SSL Venture Capital Jamaica Limited (“SSL Ventures”) with the opportunity to fill that need.

When SSL Ventures was launched in 2018, it was in recognition of the vision and potential of the country's new entrepreneurs, and with the aim of providing the necessary guidance and analysis. We provide a platform for access to capital, credit and equally important, a governance framework which is essential to continued success.

The Ministry of Finance's declaration of a J\$1.8 billion fund to provide loans to the Micro, Small and Medium-sized Enterprise (MSME) sectors and J\$200 million reserved for equity investments as well as the revision of investment limits (from 0% to 5%) for pension funds to allow them to invest in venture capital and private equity are all promising factors to foster an environment of growth. Our aim at SSL Ventures is to use this opportunity to take advantage of the identified potential businesses, of ourselves, and ultimately, the country. We thank our shareholders for continuing to not only believe in us but to support our efforts to expand Jamaica's business horizons increasing employment for all.



Jeffrey C. Cobham
Chairman

**Mr. Jeffrey Cobham was appointed Chairman of SSL Venture Capital Jamaica Limited in September 2019.

CEO'S MESSAGE TO SHAREHOLDERS

We are living in a unique period in Jamaica's history. Our macro-economic factors are all heading in the right direction, with Jamaica experiencing the best economic times in the last 50 years. We have had low, stable inflation over the past four years and among the lowest inflation rates in our history as an independent country. Domestic interest rates are at an all-time low and all indications are that they will drop even further. Jamaica has also enjoyed an unprecedented sixteen consecutive quarters of year-over-year economic growth. I am overjoyed to even be able to put those words on paper at this time.

Since Jamaica started measuring economic growth quarterly in 1997, this is the longest unbroken stretch of growth that Jamaica has ever experienced. Jamaica's Debt to GDP ratio is at the lowest level in almost twenty years while our credit rating is at the highest level in 10 years. With more persons being employed in Jamaica today than ever before in the history of the country, it is clear that the private sector, given the right economic environment is doing its part in creating opportunities to deliver exciting and innovative new products and services to the marketplace.

This has forced the financial sector to think differently and at SSL Venture Capital Jamaica Limited (SSL Ventures) we see a landscape of opportunities for both the conservative and the opportunistic investor. The onus is now on us to help identify the right businesses that have the potential to deliver positive returns and to create wealth and opportunity for our investors, partners and team members and we can hardly contain ourselves as we prepare to unveil some of the new deals we are working on for 2020. We are seeing tremendous opportunity in Fintech, Hospitality, Food and Beverage and Environmentally Sustainable Businesses and we look forward to supporting the right partners with aligned interest in that space.

All businesses go through different stages and being our own startup at SSL Ventures we have been on a steep learning curve and have gone through the necessary challenges to streamline ourselves into a well-oiled machine. After enduring a period of being suspended from trading on the Jamaica Stock Exchange due to the late completion of audited financials from our portfolio companies and by extension SSL Ventures itself, we are happy to report that we have now successfully completed and submitted clean, unqualified audits for all of our portfolio businesses and for SSL Ventures itself.

The necessary systems, structures, policies, procedures and personnel are now in place to execute on our mandate of **identifying, investing in, growing and exiting from businesses, while carefully managing risk and providing solid returns to our shareholders and partners.**

None of this would be possible without the right governance and oversight. For that reason, we have ensured that we have an A-class lineup of board members with the right blend of, experience, energy, objectivity and creativity to guide us on our path to success. In keeping with our renewed focus of the company, a decision was made to divert from music publishing to Venture Capital and Private Equity.

We are in now in capital raising and acquisition mode, with a healthy pipeline of proprietary, off market deals, carefully curated in sectors we have confidence in and which we believe possess the greatest opportunities for growth and sustainability, whilst minimizing risk. It is our intention to raise a new fund toward the third quarter of 2020, so that we will have sufficient long term, patient capital to take advantage of these opportunities in a timely and responsive manner. Our aim is to fully understand and get to know the individuals driving each business, so we can be confident that our interests are aligned both financially and morally and that we share the same values and socially responsible goals. We are hungry to do what is right for our investors with the confidence that profits will follow when you have good people, with the right resources working on good ideas.

As we close out the chapter of the 2019 financial year which had some ups as well as some downs, we are all laser focused on cherry picking the best deals supported with the right talent to execute and win. It is time for growth, and we will hold ourselves accountable, at the highest standards, to deliver on our commitments to you our valued shareholders..



Zachary Harding
Chief Executive Officer

BOARD OF DIRECTORS**Mr. Gerald Wight****Independent Non Executive Director**

Gerald Wight is a seasoned banking professional with over 15-years of experience in developing profitable relationships via cross-selling banking products and financial services covering multiple industries and geographies. He holds a Masters in Finance (MBA) from Florida International University, Florida and a Law Degree from the University of Wolverhampton, United Kingdom. Gerald began his professional career at Citibank-Jamaica, in 1996 as a Relationship Manager. Between 1998 and 2010, he has held various positions in the field of Credit within institutions based in Jamaica and the United States of America, including the National Australia Bank, the National Commercial Bank - Jamaica, and the CIBC. In 2011, he became a founding member of the Jamaican investment bank, BCW Capital. He held the position of Vice-President, Head of Portfolio Management at Carver Federal Savings Bank in New York, USA. In this position, he has, more specifically, overseen the management of a commercial loans' portfolio of over 600million U.S. Dollars. He is a member of the Board of Directors of ProFin and also Chairman of the Board of Directors of the Haitian company Caribbean Investor Capital (CIC).

Mr. Wight served on the board until June 4, 2019.

Mr. Marc Ramsay**Independent Non Executive Director**

Marc Ramsay is a Partner at RamsaySmith where he advises various corporate and commercial clients including startups and finance, private equity, and venture capital interests. Marc is called to the Bar in Barbados, Jamaica, and Belize and is a Professionally Accredited Corporate Secretary and Professionally Accredited Director (GovStrat). He has a Bachelor of Laws degree from the University of the West Indies and has read the private and public international law courses at the Hague Academy of Law at the International Court of Justice, The Hague, Netherlands.

Mr. Ramsay served on the board until June 19, 2019.

Mr. Drew Gray**Executive Director & CEO**

Drew Gray holds an MBA from the University of Notre Dame and has previously worked for Scotiabank and at Gray's Pepper Products as manager for corporate stability and development. Prior to joining SSL Venture Capital as CEO, he worked at Royal Bank of Canada in group risk management.

Mr. Gray served on the board until May 5, 2019.

Mr. Sheldon Powe
Independent Non-Executive Director

Sheldon Powe is a serial entrepreneur with many successful businesses to his credit and is the CEO and Director of Markets and Commercialization at Innovate 10x. As the former Group Chief Information Officer of Jamaica Money Market Brokers (JMMB), Sheldon has over two decades in his position as Head of the Technology Unit. He was in charge of creating and maintaining highly professional, customer-oriented and innovative IT functions whilst ensuring that the introduction of new IT solutions were delivered in alignment with the company's corporate strategy.

Sheldon holds a Bachelor of Science degree from the University of the West Indies, Mona and a Masters degree in Industrial and Systems Engineering from the University of Florida. His expertise is supported by various certifications, including Project Management Professional (PMP), Certified Information Systems Auditor (CISA), Certified Information Security Manager (CISM), Certified Scrum Master and ITIL V certified.

Mr. Sheldon Powe served on the board until May 5, 2019.

Mr. Mark Croskery
Executive Chairman & CEO

Mark Croskery has been involved with SSL since 2006, and previously served as President and CEO of Stocks and Securities Limited (SSL), and Chairman and CEO of SSL Venture Capital Jamaica Limited until March 2018 and September 2019 respectively. He steered SSL into a leading investment bank with a brokerage distribution arm, that sells leading managed financial plans and brokerage accounts for Jamaicans. SSL manages in excess of US\$260 million of Assets under Management and 7,000 investment accounts in 2018.

Mr. Croskery specializes in providing growth equity, investment advice and other services to Companies and Families in Jamaica and the wider Caribbean. He received a M.Sc. in Global Financial Analysis and a dual B.Sc. in Corporate Finance/Accounting from Bentley University in Boston, Massachusetts. He is also a Member of Young Presidents' Organization (YPO).

Mr. Croskery served on the board until September 13, 2019.

Mr. Gavin Valentine
Independent Non-Executive Director

Gavin Valentine is currently the CEO for Select Private Services Limited (SPSL) a credit investment firm where he manages the current credit investment portfolio as well as oversees the growth of the core business of credit investment and is also instrumental in the raising of capital. He was appointed CEO in April 2018 based on his entrepreneurial background coupled with his over 10 years combined experience in Banking, Finance and Insurance.

Mr. Valentine started his career at Scotiabank Jamaica where he spent over 8 years performing many different job functions ranging from Retail Support, Adjudication and Personal Banking. It is here that his love for the credit business developed and he honed his people skills. He also spent time with Sagicor Life and Caribbean Assurance Brokers.

Mr. Valentine served on the board until October 15, 2019.

Mr. Kadeen Mairs
Independent Non-Executive Director

Kadeen Mairs is CEO of Dolla Financial Services Limited and is responsible for the execution of the company's business strategy, operating guidelines, and internal controls. Mairs has a wealth of experience in the areas of change management, organizational restructuring, credit and risk administration, process efficiency, and human resource development. He also serves as director of Dolla Financial Inc, a subsidiary of Dolla Financial Jamaica. He has a BBA in Management from the Montego Bay Community College and an MBA in Marketing from the University of Technology, Jamaica.

Mr. Mairs served on the board until October 15, 2019.

Mr. Zachary Harding

Independent Non-Executive Director (currently Executive Director & CEO)

Zachary Harding is the Group CEO of the SSL Group with responsibility for SSL Growth Equity Limited, Stocks & Securities Limited and SSL Venture Capital Jamaica Limited. He is also the founder and chairman of Hyperion Equity, a private firm with investments in entertainment, biometric research, agriculture, fintech and traffic management. Over the years, Zachary has developed a solid reputation in senior management and strategic marketing roles enjoying stellar track records in positions including Chief Executive Officer, Head of Strategy and Director of Marketing at companies including ATL, Wisynco and Red Stripe. He has often been dubbed a “rain-maker” and “marketing guru” based on several successful brand campaigns and turnaround situations. From 2008 to 2010 he was seconded to the Tourism Ministry as Special Adviser to the Minister and Deputy Director at the Jamaica Tourist Board. Zachary serves on several boards and was named as one of the top “50-under-Fifty Business Leaders Shaping Jamaica’s Future” by the Private Sector Organization of Jamaica and The Gleaner Newspaper.

Mr. Harding was appointed to the board on June 1, 2019.

Dr. Germaine Spencer

Independent Non-Executive Director

Germaine Spencer is a graduate of the University of the West Indies, where he earned MBBS and doctor of medicine degrees. He completed a gynae-oncology degree at TATA Memorial Hospital in Mumbai. In addition to his position at Baywest Wellness Clinic, he is also the owner and Director of Laser Vaginal Rejuvenation of Jamaica, the owner of 876 Legends Sports Bar, and a board member of the Montego Bay United Football Club.

Mr. Spencer served on the board until October 15, 2019.

Mr. Harry Abrikian

Independent Non-Executive Director

Harry Abrikian was a senior lecturer in finance at the Mona School of Business and enjoyed a ten-year career at the University of the West Indies as an educator. During his tenure he developed, implemented, and coordinated the ‘Career Development’ program in 2007. Successfully presented to the Part Time & Full-Time MBA classes, co-managed a joint Wharton Business School / Mona School of Business student consulting project in 2004/05 and was responsible for the Gilt-Edge 2004 & 2005 publication, a joint MSB/Daily Gleaner project. Prior to UWI he was the Business Support Manager at Desnoes and Geddes Limited and Chief Financial Officer of Jamaica Flour Mills. He holds an MBA in Financial/General Management from Stanford University and an MIA in International Economics from Columbia University.

Mr. Abrikian served on the Board until August 1, 2019.

Ms. Annette Cecile Watson

Independent Non-Executive Director

Cecile Watson is an entrepreneur and former banker with over 30 years in the banking and finance sectors. She has extensive experience as a manager in the private and public sectors and is celebrated for her expertise in customer service, corporate governance and strategy. Cecile currently serves on the board of the Development Bank of Jamaica and the National Health Fund. In May 2017 Cecile registered her business, ShredWIZ to satisfy the urgent need for companies to up level their defense against growing threats that seek to steal information by exploiting the vulnerabilities in their operations.

Ms. Watson served on the board until September 27, 2019.

** Above are the Directors who were appointed during the period under review. SSL Venture Capital Jamaica Limited notes that Mr. Jeffrey Cobham has been appointed Chairman of the Board effective September 16, 2019.

Senior Management

Miss Kamille Martin - appointed June 10, 2019

Vice President, Finance

Ms. Martin in her capacity as Vice President Finance will oversee the financial operations of SSL Venture Capital Jamaica Limited. She has over twelve (12) years of Auditing and Accounting experience with over ten (10) years at supervisory and management level working in the insurance industry within the GraceKennedy Group.

Having completed an MBA in Management Information Systems and the Project Management Professional Certification (PMP), which she leverages to achieve greater efficiencies, Kamille has managed finance related projects which includes accounting software implementations, development of management report templates, testing and implementing solutions to integrate information from different sources in order to facilitate accurate financial and management reporting. She also holds a BSc. in Accounting and Management

CORPORATE STRUCTURE

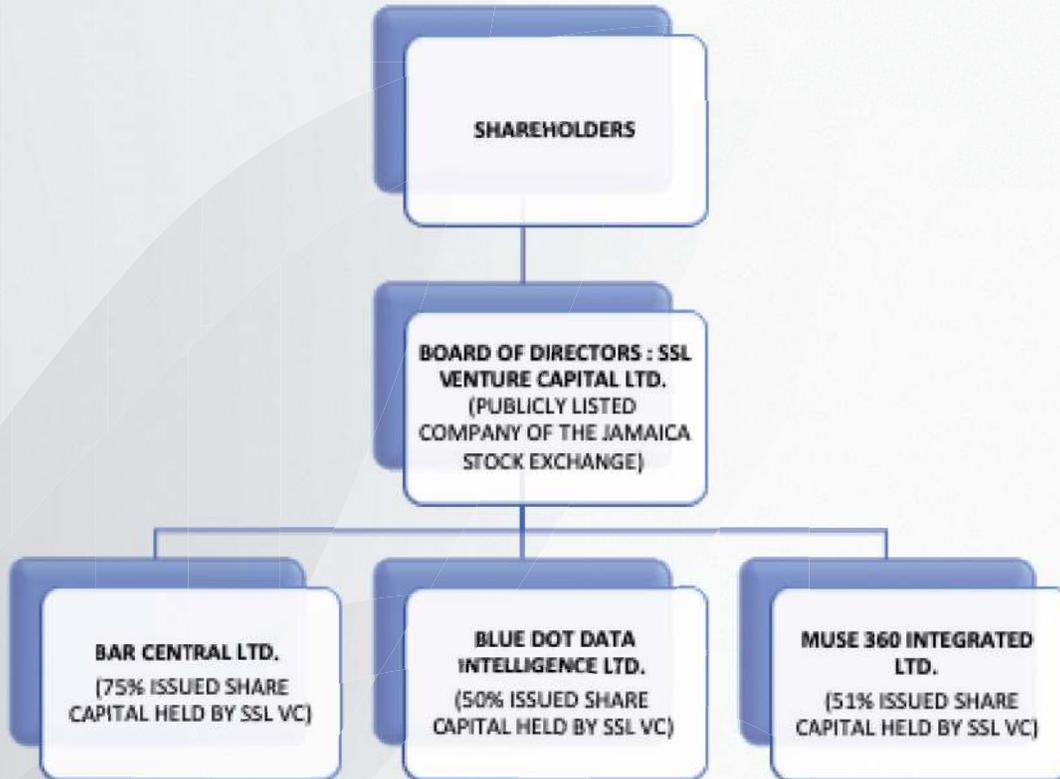
On August 8, 2018, C2W Music Limited's name was legally changed to SSL Venture Capital Jamaica Limited ("SSL Ventures"). This was done through a block transfer of 215,978,588 shares to SSL Ventures from C2W Music Limited, which allowed SSL Ventures owning 80% of C2W Music Limited.

Consequent to the transfer of ownership, the existing team and directors of C2W Music Limited retired, allowing Stocks and Securities Limited to utilize its own management team and Board of Directors. The vision of the new Board of Directors was to move away from the current business model and pursue a Venture Capital driven business model. Moreover, this was passed at an Extra-Ordinary General Meeting ("EGM") held on July 30, 2018, with regards to special resolutions passed to effectively change the name of the company from C2W Music Limited to SSL Venture Capital Jamaica Limited ("SSLVC") and to amend the Company's articles to enable it to operate as a Venture Capital Company.

SSLVC main purpose as the name suggests 'Venture Capital' is to take up equity stakes in promising Jamaican startups and Small to Medium Enterprises (SME's) with the aim of SSLVC realizing investments within a 3-5-year horizon. This was achieved through a capital injection of US\$850,000.00 from Stock and Securities Limited which was used to complete SSLVC's initial equity investment in three (3) young companies.

On July 2, 2018, July 20, 2018 and August 7, 2018, SSL Ventures acquired majority shareholding in Bar Central Limited, Muse 360 Integrated Limited and Blue Dot Data Intelligence Limited. Below is the governance structure for SSLVC and its portfolio companies:

SSL VENTURE CAPITAL JAMAICA LIMITED GOVERNANCE STRUCTURE



SUMMARY ON PORTFOLIO COMPANIES

Date of Acquisition	Subsidiaries	Principal Activities	Proportion of issued share capital held by company	Purchase Consideration
July 2, 2018	Bar Central Limited	Distribution and provision of branding services	75%	\$5.9M
August 7, 2018	Blue Dot Data Intelligence Limited	Marketing and Commercial Solutions	50%	\$53.7M
July 20, 2018	Muse 360 Integrated Limited	Marketing and Commercial Solutions	51%	\$26.3M

PORTFOLIO COMPANIES' PROFILE

Bar Central Limited: - is a distribution and branding company that currently has signed with a global branded spirits company and one of the Caribbean's largest manufacturers to service the bar market in parishes across Jamaica with the intention to expand into other beverages. Bar Central Limited is positioned to capture a significant share of the market given the Company's unique value proposition of offering distribution and branding services while maintaining the relationships with small bar owners. The Company is looking to sign on other beverage companies in the coming year with a view to expand its beverage line and offerings.

Blue Dot Data Intelligence Limited: - is the Caribbean's leading data insights agency providing critical decision support services including qualitative and quantitative market research, data-driven strategy recommendations, social media optimization solutions and management consulting services. Blue Dot's data service business line uses private and public data to extract business insights such as trends, problems, solutions and opportunities. Blue Dot's market research line of business utilizes technology to transform the way companies conduct primary research, such as biometric testing, facial coding and eye tracking. The shopper and retail business line help our clients understand the consumers behavior and what drives their purchase patterns. Blue Dot works closely with some of the Caribbean's largest corporate organizations. With the passage of the Data Protection Bill, the company is looking to capitalize on the new industry that is expected to evolve from the passage of the bill and will be looking to partner with Data Protection Officers to expand its suite of services. With 2021 being an election year, the company is also poised to capitalize on opportunities for voter research and insights.

Muse 360 Integrated Limited: - is a full-service marketing agency and content production company. Its range of services and creative development, project management, design, film production, photography, radio production and events management. Muse has utilized the "sharing economy model with regard to its creative talent which has proven to increase the quality of the world as well as contain fixed cost.

CORPORATE GOVERNANCE

Our Board of Directors recognizes that a robust corporate governance structure is critical to sustaining value and preserving the long-term financial viability of SSL VC for the benefit of all stakeholders.

The Board of Directors

The Board of Directors supervises and monitors management's performance against the Board approved parameters and compliance with applicable legal and regulatory requirements. At all times, our Directors are expected to exercise sound, independent, business judgment in the best interest of the Company and to balance the interests of various stakeholders. They may rely on the expertise of the Company's senior management, external advisors and auditors.

Board Responsibility

The management of the Company undertakes the day-to-day functions of the Company's operations, it is the Board of Directors which remain ultimately accountable to the Company's stakeholders for the Company's performance and adherence to applicable laws and sound business practices.

The primary responsibilities of the Board include oversight for SSL VC and its portfolio companies, Bar Central Limited, Blue Dot Data Intelligence Limited and Muse 360 Integrated Limited:

- Approving and monitoring strategic plans,
- Reviewing, and approving annual performance targets, annual budget, quarterly financial statements, audited financial statements
- Approval of acquisitions and major capital expenditure;
- Oversight of parent and portfolio companies' operations including compliance with statutory requirements of the Companies Act of Jamaica 2004;
- Evaluating company performance against set financial targets;
- Monitoring the performance of the CEO and senior management relative to agreed performance metrics;
- Reviewing and monitoring risk management, adequacy of internal controls, compliance of management with the Codes of Conduct and regulatory compliance;
- Reviewing and approving company disclosures externally;
- Selecting and appointing suitably qualified directors to the Board.

The Board of Directors have access to independent professional advice at the Company's expense where it is deemed necessary to effectively execute its functions and responsibilities. This includes the appointment of attorney(s) to provide representation and advice.

SSL Venture Capital Jamaica Limited previous Board of Directors met four (4) times during financial year:

Board Members*	Meeting Attended	Percentage
Mark Croskery (resigned Sept. 13, 2019)	4	100
Drew Gray (resigned May 5, 2019)	4	100
Sheldon Powe (resigned May 5, 2019)	3	75
Marc Ramsay (resigned June 19, 2019)	3	75
Gerald Wight (resigned June 4, 2019)	4	100

* The newly appointed Board of Directors are noted at page 11.

Board Composition

As at June 30, 2019, the Board comprised of seven (7) Directors chaired by Mr. Mark Croskery as prescribed by Article 76 of the Company's Articles of Incorporation. Mr Mark Croskery is an Executive Director while Messrs Harry Abrikian, Zachary Harding, Kadeen Mairs, Gavin Valentine, Germaine Spencer and Mrs. Annette Cecile Watson are Independent Non-Executive Directors.

A Director is not considered independent if: -

- The Director has been an employee of the Company within the last five (5) years;
- The Director is, or has been within the last three (3) years, an employee or executive officer of the Company;
- The Director has received or receives additional remuneration from the Company apart from a director's fee, participates in the Company's share option plan or performance related pay scheme, or is a member of the Company's pension scheme;
- The Director has close family ties with any of the Company's advisors, directors or senior employees;
- The Director represents a significant shareholder;

Board Diversity

Our Directors have diverse skill sets, experience and backgrounds which include local and international expertise in general management, information technology, strategic management, finance, risk management and corporate law.

Director Name	General Management	Information Technology	Strategic Management	Finance	Risk Management	Corporate Law
Gerald Wight	X				X	
Marc Ramsay	X					X
Drew Gray	X		X	X	X	
Sheldon Powe	X	X	X		X	
Mark Croskery	X		X	X		
Gavin Valentine	X		X		X	
Kadeen Mairs	X		X	X	X	
Zachary Harding	X	X	X		X	
Germaine Spencer	X		X			
Harry Abrikian	X			X		
Annette Cecile Watson	X		X		X	

Board Committees

The Board has constituted three (3) standing committees to which specific responsibilities of the Board have been delegated. The Chairperson for each Sub-Committee is selected by the Board. These Committees are:

- Audit;
- Investments; and
- Compensation.

1. Audit Committee

The current Board members have not yet convened a meeting of the Audit Committee. Prior to this, the former Board members of the Audit Committee Mr. Gerald Wight (Chairman), Mr. Drew Gray, and Mr. Marc Ramsay had oversight responsibility for:

- Approving Risk Management Policies/Procedures for management to effectively identify, manage, monitor and escalate risk related issues to the Board;
- Ensuring compliance with applicable laws and the Jamaica Stock Exchange Rules
- Reviewing and approving the Company's Quarterly and Audited Financial Statements and the impact of new accounting standards on the financials;
- Reviewing the Internal Audit Report, the Internal Audit Plan, External Audit Report and Management letter and tracking management's response;
- Reviewing and approving the appointment of senior management

During the year in review, the previous Audit Committee convened once, as reflected in the Table below:

Meeting of the Audit Committee

Director	Attendance
Gerald Wight (Chairman)*	1
Drew Gray**	1
Marc Ramsay***	1

* resigned from the Board on June 4, 2019

**resigned from the Board on May 5, 2019

***resigned from the Board on June 19, 2019

2. Investment Committee

The Investment Committee assists the Board in overseeing investments made by the Company and approving or recommending future investments to the board. The Committee has oversight responsibility for:-

- developing investment objectives and policies on investing; and
- assessing investment performance

The previous Members of the Investment Committee are Mr. Drew Gray, Mr. Gerald Wight and Mr. Mark Croskery who subsequently resigned from the Board of Directors on May 5, 2019, June 4, 2019 and September 13, 2019 respectively. On July 9, 2019, the Board of Directors approved the nomination to appoint Mr. Zachary Harding, Mr. Kadeen Mairs and Mrs. A. Cecile Watson to the Investment Committee.

3. Compensation Committee

The Compensation Committee functions as an advisor to the Board of Directors on best practices, trends and regulations regarding non executives and executive compensation that is in keeping with the Company's mission and values.

A meeting of the Compensation Committee was not convened for the year ended June 30, 2019.

Appointment, Term, Election and Retirement of Directors

The appointment of the Board members is governed by the Company Articles of Incorporation. Article 103 of the Articles of Incorporation states that the directors shall have power at any time, and from time to time, to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors shall not at any time exceed the number fixed in accordance with the regulations. Any director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation at such meeting.

Rotation, Retirement and Tenure

Board rotation and retirement is also governed by the Company's Articles. At the first Annual General Meeting, one-third (1/3) of the directors shall retire. The Director who has been in office longest, since their last election or appointment, shall retire. However, retiring directors shall be eligible for re-election or re-appointment. A Board member may resign or retire at any time by providing the Chairman with a written notice of resignation.

Disclosure and Communication with Shareholders

The Board provides accurate and timely information on the operations of the company. The Annual General Meeting of Shareholders serves as a forum through which:

- Audited Accounts, Directors' Report and Auditor's Reports are approved and adopted respectively;
- Resolutions on dividend payments are approved; and
- Directors are elected and re-elected; and
- External Auditors are appointed or reappointed.

Shareholders are provided an opportunity during and after the Annual General Meeting to raise questions relating to the financial statements and operation of their Company as well as provide suggestions to management and the Board of Directors.

DISCLOSURE OF SHAREHOLDINGS
AS AT JUNE 30, 2019
Ten Largest Shareholders as at June 30, 2019

Authorised Ordinary Share Capital	1,000,000,000	shares
Issued Ordinary Share Capital	400,000,000	shares

TOP TEN SHAREHOLDERS - ORDINARY			
Rank	Shareholders	Shareholding	% of Issued Shares
1	Stocks and Securities Ltd (Alpha)	316,329,891	79.08%
2	Mr. Kris Astaphan	20,000,000	5.00%
3	Drew Gray	8,000,000	2.00%
4	Marc Ramsay	6,000,000	1.50%
	Anna-Lisa Ramsay		
5	Gerald Wight	6,000,000	1.50%
6	Croskery Holdings Limited	6,000,000	1.50%
7	Sheldon Powe	6,000,000	1.50%
	Mellissa Green-Powe		
8	Nkrumah Wilson	4,570,860	1.14%
9	Alanah Jones	4,000,000	1.00%
10	Stocks and Securities Ltd - Managed A/c	3,756,000	0.94%
		380,656,751	95.16%

TOTAL ACCOUNT HOLDERS	
JCSD Register	272

EXECUTIVE AND NON-EXECUTIVE DIRECTORS' SHAREHOLDING		
Executive	Shareholding	Connected Party
Mark Croskery	Nil	
	316,329,891	Stocks and Securities Ltd (Alpha)
	6,000,000	Croskery Holdings Limited
	40,000	Mark Croskery

SENIOR MANAGEMENT'S SHAREHOLDING		
Senior Management	Shareholding	Connected Party
Kamille Martin	Nil	

Financial Results - Management Discussion and Analysis

The Board of Directors of SSL Venture Capital Limited is pleased to present the Group's Audited Financial Results for the year ending 30th June 2019.

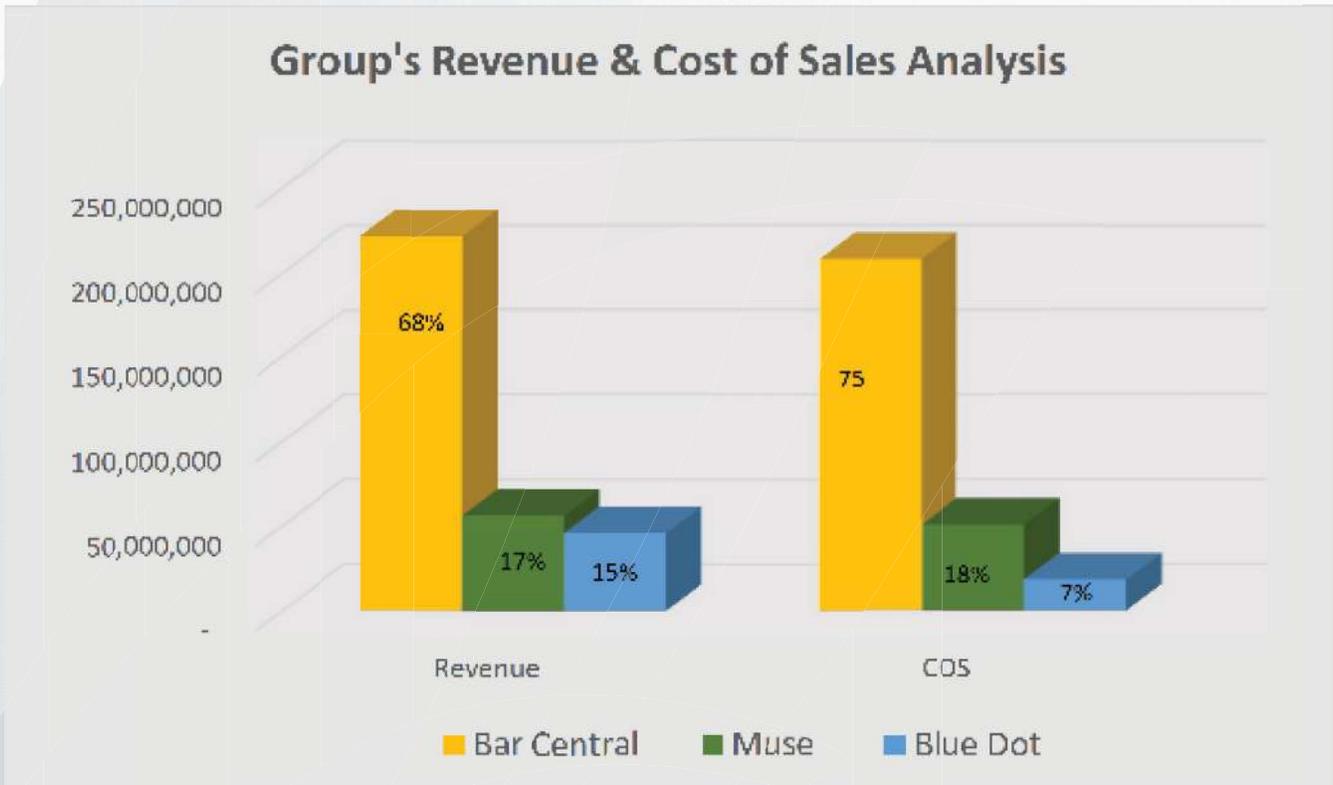
SSL Ventures Consolidated Group

The 2018-2019 period was the first full financial year of operation for the SSLVC Group. During the year we focused on implementation of strategies to improve the governance and financial management structures of our portfolio companies in order to improve accountability and to enhance and deliver on shareholder value.

It should be mentioned at this time that the comparative data does not reflect the three (3) Investment Holdings (Bar Central Limited, BlueDot Data Intelligence Limited and Muse 360 Integrated Limited) which were acquired in 2018.

Revenues & Cost of Sales

SSL Ventures Consolidated Group achieved revenues of \$332 million for the year ended 30 June 2019 which was an increase from revenues recorded in 2018 of \$0.5 million. The Cost of Sales for the period was \$275M which is a 100% increase over last year nil figure. These increases were driven by the acquisition of the three portfolio companies.



Gross Profit

Gross profit in 2019 grew to \$56,400,030 from \$510,419 recorded in the previous year with a healthy increase for the year ended 30 June 2019. The Gross Profit Margin for 2019 was 17% which would have been a reduction over last year as the group has now brought to book Cost of Sales from its trading businesses which previously was not reflected.

Operating Expenses

Expenses were categorized as Operating & Administrative expenses and Financing expenses. There were increases in both items for the year ended June 2019. Operating expenses was \$146 million which increased by \$123 million and Financing expenses of \$4.5 million increased by \$3.0 million. These increases were due to Operational improvements in structure and processes, especially at our Portfolio companies to ensure their full compliance with best practice operating standards and to meet compliance with regulatory standards.



Net Loss

A Net Loss of \$46 million for the year ended 30 June 2019 was recorded by the group compared with a Net loss of \$21 million in the prior year. The losses were mainly driven by one off expenses for legal and auditing outside of increased operational costs as our companies improve internal governance procedures and efficiencies and invested in operational improvements for future growth and profitability. With the restructuring that was undertaken and the efficiency and financial control improvements as well as the engagement of experienced management and staff, we believe we now possess the right team, strategies and motivation to drive and enhance shareholder value from our portfolio companies. We will continue to assess our operations and overall businesses to ensure we remain innovative and responsive to the needs of the changing business landscape and to respond to our customers with innovative products and services whilst reducing acquisition and operational costs.

Total Assets

Total Assets increased to \$219 million as at June 30, 2019 when compared to the \$257,784 for the last financial year. This growth was attributable to the capital and financial management support provided to the portfolio companies as well as an increase in our goodwill based on an independent assessment of our investments in these three young but promising entities.

Total Liabilities

Total Liabilities increased to \$306 million as at June 30, 2019 when compared to the \$32 million for prior year. This growth was attributable to the capital support from our parent company to allow us to re-invest in our portfolio companies and scale our operations.

Total Equity

Our Equity deteriorated due to the additional losses from our portfolio companies. However, based on the investments we have made and the efficiency improvements in the portfolio companies, we expect to see a reversal in this trend for the foreseeable future.

SSL Venture Company

The Holding Company achieved revenues of \$9.8 million which was \$9.3 million over the prior year. The net loss for 2019 was \$23.3 million when compared to a net profit of \$6.8 million. The increase in our loss position was mainly driven by one off cost incurred for legal and audit fees and professional fees due to acquisition costs and our restructuring and financial management improvement for our portfolio companies that are non-recoverable. The company's income is mainly comprised of management fees charged to the portfolio companies.

Risk Management

The Group is involved in two different market segments, namely Distribution & Branding and Data Mining and Marketing. These segments are susceptible to varied business risks. The main business risks include competition from existing players, economic climate, consumer preferences and costs relating to inputs. The Group is also susceptible to financial risks which include credit risk, interest rate risk and liquidity risk. However, with the new management structure and strategies being implemented we hope to minimize and eliminate some of these risks which will result in lower costs of operations for the group. We also intend to bring together necessary synergies across the group where applicable.

Cashflow Management

Based on the Group's performance its cashflow is a critical area and as such more effective and efficient management of working capital across our portfolio companies is being implemented to ensure we are operating at minimum, within acceptable industry standards.

Subsequent Events

On July 15, 2019, the Company entered into a Share Subscription Agreement with Alpha Imaging Limited ("Alpha") to acquire a 20% shareholding in Alpha ("the Agreement"). Subsequent review of the merits of the transaction by incoming management resulted in a decision that the transaction as previously negotiated and agreed was not in the best interest of shareholders. Management therefore sought to renegotiate the terms of the arrangement and following several meetings with the shareholders of Alpha, the parties agreed to terminate the Agreement.

Group's Future

The Group's board will continue to focus on maximizing shareholder value through cost and operational efficiencies as well as growth in revenue. The aim is to continue to support our entrepreneurs and help them to realize their vision. We will, however, ensure that our principles of good governance, financial management and ethical behaviour in how we do business is enshrined in our selection and partnership and that our strategy is effective and responsive to the needs of the market and economies in which we operate. We will continue to focus on opportunities that provides high value at the least costs but with maximum efficiency and productivity for the benefit of our shareholders and stakeholders.

With this in mind, it is our intention to raise a new Private Equity fund in the near future to secure long term, patient capital which we will deploy in strategic business opportunities that will generate positive cashflows and profits and where we can improve operations and unlock value for the benefit of our shareholders.

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

Consolidated Financial Statements
30 June 2019

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

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30 June 2019

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Independent Auditors' Report to the Members

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INDEPENDENT AUDITORS' REPORT

To the Members of
SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

14 Ruthven Road
Kingston 10
Jamaica

T: 876 906 1658-9
F: 876 920 3226

admin@bakertilly.com.jm
www.bakertilly.com.jm

Report on the Audit of the Consolidated and Stand-Alone Financial Statements

Opinion

We have audited the separate financial statements of SSL Venture Capital Jamaica Limited ("the Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group") set out on pages 1 – 55, which comprise the separate and consolidated statement of financial position as at 30 June 2019, and the separate and consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements give a true and fair view of the financial position of the Company and the Group as at 30 June 2019 and its separate and consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard (IFRS) and the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty relating to Going Concern

We draw attention to Note 30 in the financial statements which indicates that the Group reported losses in 2019 of \$45,594,888 and a profit of \$6,826,292 in 2018; the Company reported losses in 2019 of \$23,374,004 and a profit of \$6,826,292 in 2018. The Group and the Company as at 30 June 2019 has accumulated deficit of \$180,602,406 (2018: \$144,041,434) and \$167,415,438 (2018: \$144,041,434) respectively. Further, as at 30 June 2019, the Group's and the Company's current liabilities exceeded its current assets by \$97,732,899 (2018: \$32,201,297) and \$41,933,477 (2018: \$32,201,297) respectively. This indicates the existence of material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

ADVISORY • ASSURANCE • TAX

PARTNERS: Wayne Strachan; FCA;FCCA;MBA Emile Lafayette; FCA;FCCA;MBA PRINCIPAL: Roxiana Malcolm-Tyrell; FCA;FCCA;MBA

Baker Tilly Strachan Lafayette trading as BakerTilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)
Page 2

Report on the Audit of the Consolidated and Stand-Alone Financial Statements (continued)

Material Uncertainty relating to Going Concern (continued)

Until the Group and the Company are able to sustain profitable operations, they remain dependent on their ultimate parent (SSL Growth Equity Limited) for continued financial support. SSL Growth Equity Limited has indicated that it has the intent and ability to provide financial support to the Group and the Company for the foreseeable future. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Relating to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter

The carrying value of the Group's goodwill and intangible assets.

The carrying value of the Group's goodwill and intangible assets may not be recoverable due to changes in the business and economic environment in which the subsidiaries operates. These factors create inherent uncertainty in forecasting and require significant judgement in estimating and discounting future cash flows that support the assessment of recoverability. See Note 8 of the financial statements.

How our audit addresses the Key audit matter

We tested the reasonableness of the Group's forecast and discounted cash flows including:

- The valuations of the companies. Historical data, was used to assess the reliability of these assumptions.
- We reviewed the valuations of the companies presented by the client and reviewed the goodwill impairment tests conducted by the firm's specialists.
- We found management's valuation of the carrying value of goodwill in these level 3 investments to be within an acceptable range of our estimation of fair value based on the outcome of our procedures.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)
Page 3

Report on the Audit of the Consolidated and Stand-Alone Financial Statements (continued)

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies 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.

In preparing the financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is responsible for overseeing the Group's and the Company's financial reporting process.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)
Page 4

Report on the Audit of the Consolidated and Stand-Alone Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ❖ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ❖ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)
Page 5

Report on the Audit of the Consolidated and Stand-Alone Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- ❖ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- ❖ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

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

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

In our opinion, proper accounting records have been maintained, so far as appears from our examinations of those records, and the financial statements, which are in agreement therewith give the information required by the Jamaican Companies Act, in the manner so required.

The engagement partner on the audit resulting in this independent auditors' opinion is Emile Lafayette.



Chartered Accountants

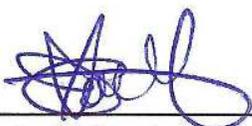
Kingston, Jamaica
27 September 2019

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

Consolidated Statement of Financial Position
As at 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
Non-current assets			
Property, plant and equipment	5	18,499,874	40,030
Intangible assets	6	2,645,479	130
Goodwill	8	112,013,299	-
Deferred income taxes	9	33,151,288	-
		166,309,940	40,160
Current assets			
Inventories	10	6,707,076	-
Receivables	11	23,463,577	-
Taxation recoverable		1,471,114	184,113
Cash at bank and in hand	12	21,055,955	33,511
		52,697,722	217,624
TOTAL ASSETS		219,007,662	257,784
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	111,880,297	111,880,297
Capital reserves	14	294,881	-
Accumulated deficit		(180,602,406)	(144,041,434)
		(68,427,228)	(32,161,137)
Non-controlling interest	15	(19,779,173)	-
		(88,206,401)	(32,161,137)
Non-current liabilities			
Directors' loans	16	2,110,620	-
Due to related companies	17	148,794,752	-
Long term loans	18	5,878,070	-
		156,783,442	-
Current liabilities			
Payables	19	103,738,252	19,693,074
Short term loans	20	37,524,966	12,725,847
Current portion of long-term loans	18	6,221,558	-
Taxation payable		967,854	-
Bank overdraft	21	1,977,991	-
		150,430,621	32,418,921
TOTAL EQUITY AND LIABILITIES		219,007,662	257,784

Approved for issue by the Board of director on 27 September 2019 and signed on its behalf by:



Gavin Valentine Director



Zachary Harding Director

SSL Venture Capital Jamaica Limited

(formerly C2W Music Limited)

**Consolidated Statement of Comprehensive Income
Year ended 30 June 2019**

	Note	<u>2019</u>	<u>2018</u>
		\$	\$
Revenue	22	332,267,569	510,419
Cost of sales		<u>(275,867,539)</u>	<u>-</u>
Gross profit		56,400,030	510,419
Other operating income	23	20,100,728	1,909,458
Operating and administrative expenses	24	(145,931,139)	(22,728,334)
Impairment losses	3a	<u>(2,955,380)</u>	<u>-</u>
Operating loss	25	(72,385,761)	(20,308,457)
Finance costs, net	27	<u>(4,502,996)</u>	<u>(807,386)</u>
Loss before taxation		(76,888,757)	(21,115,843)
Taxation	28	<u>31,293,869</u>	<u>-</u>
Loss after taxation		(45,594,888)	(21,115,843)
Other comprehensive profit, net of income tax:			
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange gains due to translation		-	27,942,135
Total comprehensive (loss)/profit		<u>(45,594,888)</u>	<u>6,826,292</u>
Net loss attributable to:			
Stockholders of the Company		(35,958,783)	-
Non-controlling interests		<u>(9,636,105)</u>	<u>-</u>
		<u>(45,594,888)</u>	<u>-</u>
(Loss)/profit per stock unit	31	<u>(.09)</u>	<u>0.02</u>

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

Consolidated Statement of Changes in Equity
Year ended 30 June 2019

	Number of Shares	Equity Attributable to Stockholders of the Company			Non-controlling	Total Equity
		Share Capital	Capital Reserves	Accumulated Deficit	Interest	
		\$	\$	\$	\$	\$
Balance at 1 July 2017	1,000,000,000	111,880,297	-	(150,867,726)	(38,987,429)	- (38,987,429)
Total comprehensive profit	-	-	-	6,826,292	6,826,292	- 6,826,292
Balance at 30 June 2018	1,000,000,000	111,880,297	-	(144,041,434)	(32,161,137)	- (32,161,137)
Adjustment on initial application of IFRS 9	-	-	-	(602,189)	(602,189)	(200,728) (802,917)
Restated total equity at 1 July 2018	1,000,000,000	111,880,297	-	(144,643,623)	(32,763,326)	(200,728) (32,964,054)
Non-controlling interest arising on acquisition of subsidiaries	-	-	-	-	-	(10,225,657) (10,225,657)
Capital reserves	-	-	294,881	-	294,881	283,317 578,198
Total comprehensive loss	-	-	-	(35,958,783)	(35,958,783)	(9,636,105) (45,594,888)
Balance at 30 June 2019	1,000,000,000	111,880,297	294,881	(180,602,406)	(68,427,228)	(19,779,173) (88,206,401)

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

Consolidated Statement of Cash Flows
Year ended 30 June 2019

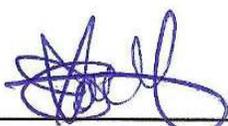
	2019	2018
	\$	\$
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Loss before taxation	(76,888,757)	(21,115,843)
Adjustments for:		
Amortisation	554,543	-
Amortisation cost adjustment	-	(2,627,591)
Bad debt	654,885	20,422,290
Depreciation	4,055,170	27,240
Loss on disposal of plant and equipment	1,646,600	43,682
Interest expenses	3,214,007	720,219
Interest income	(178,451)	(261)
	<u>(66,942,003)</u>	<u>(2,530,264)</u>
Changes in operating assets and liabilities:		
Decrease in receivables	8,907,515	2,658,633
Increase in payables	9,183,502	5,091,942
Increase in inventories	(3,583,618)	-
Cash (used in)/provided by operating activities	<u>(52,434,604)</u>	<u>5,220,311</u>
Taxes paid	(1,064,580)	(2,498)
Interest paid	(3,214,007)	(720,219)
Interest received	178,451	261
Net cash (used in)/provided by operating activities	<u>(56,534,740)</u>	<u>4,497,855</u>
Investing Activities		
Acquisition of subsidiary, net of cash acquired	(88,705,888)	-
Purchase of property, plant and equipment	(7,773,165)	-
Purchase of intangible assets	(3,138,298)	-
Proceeds from disposal of plant and equipment	1,330,000	-
Net cash used in investing activities	<u>(98,287,351)</u>	<u>-</u>
Financing Activities		
Increase in related companies	148,794,752	-
Directors' loans, net	(5,589,685)	(4,223,844)
Long term loans, net	9,965,358	883,161
Short term loans, net	20,696,119	-
Net cash provided by/(used in) financing activities	<u>173,866,544</u>	<u>(3,340,683)</u>
Net increase in cash and cash equivalents	19,044,453	1,157,172
Effects of changes in exchange rates on cash and cash equivalents	-	(1,165,077)
Cash and cash equivalents at beginning of year	<u>33,511</u>	<u>41,416</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>19,077,964</u>	<u>33,511</u>
Represented by:		
Cash at bank and in hand	21,055,955	33,511
Bank overdraft	(1,977,991)	-
	<u>19,077,964</u>	<u>33,511</u>

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

Company Statement of Financial Position
As at 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
Non-current assets			
Property, plant and equipment	5	858,511	40,030
Intangible assets	6	96,520	130
Investments in subsidiaries	7	86,070,182	-
Due from related companies	17	34,367,835	-
Deferred income taxes	9	3,778,713	-
		<u>125,171,761</u>	<u>40,160</u>
Current assets			
Receivables	11	2,827,327	-
Taxation recoverable		1,471,114	184,113
Cash at bank and in hand	12	14,826,529	33,511
		<u>19,124,970</u>	<u>217,624</u>
TOTAL ASSETS		<u>144,296,731</u>	<u>257,784</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	111,880,297	111,880,297
Accumulated deficit		<u>(167,415,438)</u>	<u>(144,041,434)</u>
		<u>(55,535,141)</u>	<u>(32,161,137)</u>
Non-current liabilities			
Directors' loans	16	-	-
Due to related companies	17	138,773,425	-
		<u>138,773,425</u>	<u>-</u>
Current liabilities			
Payables	19	23,533,481	19,693,074
Short-term loans	20	37,524,966	12,725,847
		<u>61,058,447</u>	<u>32,418,921</u>
TOTAL EQUITY AND LIABILITIES		<u>144,296,731</u>	<u>257,784</u>

Approved for issue by the Board of director on 27 September 2019 and signed on its behalf by:



Gavin Valentine Director



Zachary Harding Director

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

Company Statement of Comprehensive Income
Year ended 30 June 2019

	Note	<u>2019</u>	<u>2018</u>
		\$	\$
Revenue	22	9,889,432	510,419
Other operating income	23	10,453,660	1,909,458
Operating and administrative expenses	24	<u>(46,172,146)</u>	<u>(22,728,334)</u>
Operating loss	25	(25,829,054)	(20,308,457)
Finance costs, net	27	<u>(1,323,663)</u>	<u>(807,386)</u>
Loss before taxation		(27,152,717)	(21,115,843)
Taxation	28	<u>3,778,713</u>	<u>-</u>
Loss after taxation		(23,374,004)	(21,115,843)
Other comprehensive loss, net of income tax:			
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange gains due to translation		-	27,942,135
Total comprehensive (loss)/profit		<u>(23,374,004)</u>	<u>6,826,292</u>

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

Company Statement of Changes in Equity
Year ended 30 June 2019

	Share Capital	Accumulated Deficit	Total
	\$	\$	\$
Balance at 01 July 2017	111,880,297	(150,867,726)	(38,987,429)
Profit for the year	-	6,826,292	6,826,292
Balance at 30 June 2018	111,880,297	(144,041,434)	(32,161,137)
Loss for the year	-	(23,374,004)	(23,374,004)
Balance at 30 June 2019	111,880,297	(167,415,438)	(55,535,141)

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

Company Statement of Cash Flows
Year ended 30 June 2019

	<u>2019</u>	<u>2018</u>
	\$	\$
CASH RESOURCES WERE PROVIDED BY/(USED IN):		
Operating Activities		
Loss before taxation	(27,152,717)	(21,115,843)
Adjustments for:		
Amortisation and depreciation	78,766	27,240
Amortisation cost adjustment	-	(2,627,591)
Bad debt	-	20,422,290
Loss on disposal of plant and equipment	-	43,682
Interest expenses	1,121,452	720,219
Interest income	(100,872)	(261)
	<u>(26,053,371)</u>	<u>(2,530,264)</u>
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	(2,827,327)	2,658,633
Increase in payables	<u>3,840,407</u>	<u>5,091,942</u>
Cash (used in)/provided by operating activities	(25,040,291)	5,220,311
Taxes paid	(1,287,001)	(2,498)
Interest paid	(1,121,452)	(720,219)
Interest received	<u>100,872</u>	<u>261</u>
Net cash (used in)/provided by operating activities	<u>(27,347,872)</u>	<u>4,497,855</u>
Investing Activities		
Acquisition of subsidiaries	(86,070,182)	-
Purchase of intangibles	(102,000)	-
Purchase of property, plant and equipment	<u>(891,637)</u>	<u>-</u>
Net cash used in investing activities	<u>(87,063,819)</u>	<u>-</u>
Financing Activities		
Directors' loans repayment	-	(4,223,844)
Related companies, net	104,405,590	-
Short-term loans, net	<u>24,799,119</u>	<u>883,161</u>
Net cash provided by/(used in) financing activities	<u>129,204,709</u>	<u>(3,340,683)</u>
Net increase in cash and cash equivalents	14,793,018	1,157,172
Effects of changes in exchange rates on cash and cash equivalents	-	(1,165,077)
Cash and cash equivalents at beginning of year	<u>33,511</u>	<u>41,416</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>14,826,529</u>	<u>33,511</u>
Represented by:		
Cash at bank	<u>14,826,529</u>	<u>33,511</u>

SSL Venture Capital Jamaica Limited

(formerly C2W Music Limited)

Notes to the Financial Statements

30 June 2019

1. Identification and principal activities

The company was incorporated under the Companies Act of Jamaica on 24 November 2011. The registered office of the company is located at Unit 21, Seymour Park, 2 Seymour Avenue, Kingston 10.

On July 1, 2018, the shareholders of Stocks and Securities Limited entered into a rescue plan to acquire the majority shares in C2W Music Limited in an effort to rescue the company from financial failure. The rescue of C2W Music Limited was approved by the Jamaica Stock Exchange and the Financial Services Commission.

The business model of the company was changed to specializing in investing in equity of companies that show great potential through sale to private parties. The company's income thereafter, consists mainly of management fees earned from its affiliated companies.

Effective August 8, 2018, C2W Music Limited's name was legally changed to SSL Venture Capital Jamaica Limited ("SSL Ventures"). The Company is listed as a member of the Junior Market of the Jamaica Stock Exchange.

The company's subsidiaries, together with the company are referred to as "the group"; the subsidiaries are as follows:

Date of Acquisition	Subsidiaries	Principal Activities	Proportion of issued share capital held by company
July 2, 2018	Bar Central Limited	Distribution and provision of branding services	75%
August 7, 2018	Blue Dot Data Intelligence Limited	Marketing and commercial solutions	50%
July 20, 2018	Muse 360 Integrated Limited	Marketing and commercial solutions	51%

All of the company's subsidiaries are incorporated and domiciled in Jamaica.

The consolidated financial statements include the financial statements for the company and its subsidiaries. These financial statements are presented in Jamaican dollars, which is the functional currency.

SSL Venture Capital Jamaica Limited

(formerly C2W Music Limited)

Notes to the Financial Statements**30 June 2019**

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied for all the years presented. Where necessary, prior year comparatives have been restated and reclassified to conform to current year presentation.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and their interpretations adopted by the International Accounting Standards Board and have been prepared under the historical cost convention. They are also prepared in accordance with the provisions of the Jamaican Companies Act.

The financial statements comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes.

The preparation of financial statements in compliance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the end of the reporting period and the total comprehensive income during the reporting period. The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis and any adjustments that may be necessary would be reflected in the year in which actual results are known. The areas involving a higher degree of judgement in complexity or areas where assumptions or estimates are significant to the financial statements are discussed in note 4.

SSL Venture Capital Jamaica Limited

(formerly C2W Music Limited)

Notes to the Financial Statements**30 June 2019**

2. Summary of significant accounting policies (continued)**(a) Basis of preparation (continued)****Standards and amendments to published standards effective in the current year that are relevant to the group's operations**

The following new standards, amendments and interpretations are effective for the first time for periods beginning on or after 1 January 2018 but are either not relevant or have not had a material effect on the group and company and so have not been discussed in detail in the notes to the financial statements:

Cycle Annual improvements to IFRS, 2014-2016 cycles contain amendments to certain standards and interpretations and are effective for accounting periods beginning on or after 1 January 2018. IAS 28 Investments in Associates and Joint Ventures clarifies that the election to measure fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

IFRIC 22, 'Foreign currency transactions and advance consideration' (effective for annual periods beginning on or after 1 January 2018). This IFRIC addresses foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment/receipt is made as well as for situations where multiple payment/receipt are made. The guidance aims to reduce diversity in practice. It does not apply when an entity measures the related asset, expense or income on initial recognition at fair value of the consideration received or paid at a date other than the date of initial recognition of the non-monetary asset or non-monetary liability. Also, the interpretation need not be applied to income taxes, insurance contracts or reinsurance contracts.

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Standards and amendments to published standards effective in the current year that are relevant to the group's operations (continued)

New standards impacting the group that have been adopted in the annual financial statements for the year ended 30 June 2019, and which have given rise to changes in the group's accounting policies are:

IFRS 15, 'Revenue from Contracts with Customers', replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC – 31 Revenue – Barter Transactions involving Advertising Services. The new standard applies to contracts with customers. However, it does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other IFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sales to other parties. Furthermore, if a contract with a customer is partly in the scope of another IFRS, then the guidance on separation and measurement contained in the other IFRS takes precedence.

The adoption of IFRS 15 Revenue from Contracts with Customers from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transitional provisions in IFRS 15 the group and company has elected to use the cumulative effect method and as such, comparative figures have not been restated. As a result, the comparative information provided continues to be accounted for in accordance with the company's previous accounting policy. The reclassifications and the adjustments arising from the implementation of the standard are therefore recognised in the opening balance sheet on 1 January 2018. The group and company has also elected to apply the new standard only to those contracts that are not considered complete contracts at the date of initial application.

The amendments did not result in any material effect on the group's financial statements.

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Standards and amendments to published standards effective in the current year that are relevant to the group's operations (continued)

IFRS 9, 'Financial instruments', replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 Financial Instruments from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transitional provisions in IFRS 9(7.2.15) and (7.2.26), comparative figures have not been restated. As a result, the comparative information provided continues to be accounted for in accordance with the company's previous accounting policy. The reclassifications and the adjustments arising from the new impairment rules are therefore not reflected in the restated balance sheet as at 30 June 2018 but are recognised in the opening balance sheet on 1 July 2018.

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Standards and amendments to published standards that are not yet effective and have not been early adopted by the group

At the date of authorisation of these financial statements, certain new accounting standards, amendments and interpretation to existing standards have been issued which are not yet effective, and which the group has not early adopted. The group has assessed the relevance of all such new standards, interpretations and amendments and has determined that the following may be relevant to its operations. Unless stated otherwise, the impact of the changes is still being assessed by management.

Amendments to IFRS 9 ‘Financial Instruments’, ‘Prepayment Features with Negative Compensation’ (effective for annual periods beginning on or after 1 January 2019). Under the current IFRS 9 requirements, the solely for payments of principal and interest (SPPI) condition is not met if the lender has to make a settlement payment in the event of termination by the borrower (also referred to as early repayment gain). ‘Prepayment Features with Negative Compensation’ amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

The final amendments also contain (in the Basis for Conclusions) a clarification regarding the accounting for a modification or exchange of a financial liability measured at amortised cost that does not result in the derecognition of the financial liability. The IASB clarifies that an entity recognises any adjustment to the amortised cost of the financial liability arising from a modification or exchange in profit or loss at the date of the modification or exchange. A retrospective change of the accounting treatment may therefore become necessary if in the past the effective interest rate was adjusted and not the amortised cost amount.

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Standards and amendments to published standards that are not yet effective and have not been early adopted by the group (continued)

IFRS 16 'Leases', specifies how an IFRS reporter will recognise, measure, present and disclose leases. IFRS 16 was issued January 2016 and becomes effective 1 January 2019. It replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. It will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed.

Adoption of IFRS 16 will result in the company recognising right-of-use assets and lease liabilities for all contracts that are, or contain, a lease. The only exceptions are short-term (less than 12 months) and low-value leases. For leases currently classified as operating leases, under current accounting requirements the group does not recognise related assets or liabilities, and instead spreads the lease payments on a straight-line basis over the lease term, disclosing in its annual financial statements the total commitment.

The group will apply the standard from its mandatory adoption date of 1 January 2019. The group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses). Commitments relating to short-term leases and low value leases will be recognised on a straight-line basis as expense in profit and loss.

At 30 June 2019 operating lease commitments for the group and the company amounted to \$7.5 million and \$3.4 million respectively (see note 24), which is not expected to materially differ to the anticipated position on 30 June 2020. However further work still needs to be carried out to fully determine the right-of-use assets and lease liabilities being recognised on July 1, 2020 and the resulting impact on the company's financial position and net profit after tax.

Instead of recognising an operating expense for its operating lease payments, the group will instead recognise interest on its lease liabilities and amortisation on its right-of-use assets. Operating cash flows will increase, and financing cash flows decrease as repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities.

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Standards and amendments to published standards that are not yet effective and have not been early adopted by the group (continued)

Amendments to IAS 19, ‘Employee benefits’ on ‘plan amendment, curtailment or settlement’ (effective for annual period beginning on or after 1 January 2019). These amendments require an entity to: use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Annual improvements to IFRS 2015 - 2017 Cycle – Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23 (effective for annual periods beginning on or after 1 January 2019). The amendments to IFRS 3 clarifies how a company remeasures its previously held interest in a joint operation when it obtains control of a business. The amendments to IAS 12 clarify that all income tax consequences of dividends should be recognised in profit or loss, regardless of how the tax arises. The amendments to IAS 23 clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a material impact on the operations of the group.

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

2. Summary of significant accounting policies (continued)

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries as at 30 June 2019. A subsidiary is an entity controlled by the company. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the group controls an investee, if and only if, the group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Where necessary, adjustments are made to the financial statements of the subsidiaries to bring its accounting policy in line with the group's accounting policy. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the group are eliminated in full on consolidation.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee that makes strategic decisions.

SSL Venture Capital Jamaica Limited

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Notes to the Financial Statements

30 June 2019

2. Summary of significant accounting policies (continued)

(d) Property, plant and equipment

(i) Owned assets:

Items of plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and related costs to put the asset into service.

The cost of replacing part of an item of plant and equipment is recognized in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the business and its cost can be measured reliably. The costs of day-to-day servicing of plant and equipment are recognized in profit or loss as incurred.

(ii) Depreciation

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see below). Depreciation is calculated on a straight-line basis at rates to write off the carrying value of the assets over their period of expected useful lives. The annual depreciation rates are as follows:

Camera equipment	10%
Computer equipment	25%
Furniture and fixtures	10%
Leasehold improvements	10%
Motor vehicles	20%
Office equipment	10%

Gains and losses on disposal are determined by comparing proceeds with the carrying amount and are included in the statement of comprehensive income.

Repairs and maintenances are charged to the statement of comprehensive income during the financial period in which they are incurred.

SSL Venture Capital Jamaica Limited

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Notes to the Financial Statements**30 June 2019**

2. Summary of significant accounting policies (continued)**(e) Financial Instruments****Classification**

From 1 July 2018, the group and company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The group and company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group and company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the group and company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. IFRS 9 (4.3.2),(4.3.3).

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

2. Summary of significant accounting policies (continued)

(e) Financial Instruments (continued)

Debt instruments

Subsequent measurement of debt instruments depends on the group and company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group and company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Impairment

From 1 July 2018, the group and company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

SSL Venture Capital Jamaica Limited

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Notes to the Financial Statements**30 June 2019**

2. Summary of significant accounting policies (continued)**(f) Intangible assets**

Items of intangible assets represent purchased computer software not integral to computer hardware, with finite useful lives that are acquired separately and are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life of three years.

(g) Impairment of non-financial assets

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

(h) Inventories

Inventories are stated at the lower of cost and net realizable value, cost being determined on a first in first out basis. Net realizable value is the estimate of the selling price in the ordinary course of the business, less selling expenses.

(i) Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance. For trade receivables impairment provisions, the group and company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

Under the simplified approach within IFRS 9, the impairment provision is assessed using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the consolidated statement of comprehensive income. On confirmation that the trade receivables will not be collectable, the gross carrying value of the asset is written off against the associated provision.

SSL Venture Capital Jamaica Limited

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Notes to the Financial Statements**30 June 2019**

2. Summary of significant accounting policies (continued)**(j) Cash at bank and in hand**

Cash comprises cash in hand and demand and call deposits with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitment rather than for investment or other purposes.

(k) Share capital

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(l) Interest bearing loans and borrowings

Borrowings are stated initially at cost, being the fair value of the consideration received, net of issue costs associated with the borrowings. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between proceeds and the redemption value is recognized in the statement of comprehensive income over the period of the borrowings.

(m) Payables

Payables, including provisions, are stated at their nominal value. A provision is recognised in the statement of financial position when the group has a present legal or constructive obligation as a result of a past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability.

SSL Venture Capital Jamaica Limited

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Notes to the Financial Statements**30 June 2019**

2. Summary of significant accounting policies (continued)**(n) Provisions**

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

(o) Fair value of financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. Financial assets carried on the statement of financial position include cash and cash equivalents and receivables. Financial liabilities consist of payables, borrowings, directors' accounts and related group accounts.

Generally financial instruments are recognized on the statement of financial position when the group becomes a party to the contractual provisions of the instruments. The particular recognition methods adopted are disclosed in the respective accounting policies associated with each items.

The fair values of the financial instruments are discussed in Note 3(f).

(p) Related party transactions

Related parties:

A party is related to the group, if:

- (i) directly, or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the group (this includes parents, subsidiaries and fellow subsidiaries); has an interest in the group that gives it significant influence over the group; or has joint control over the group;
- (ii) the party is an associate of the group;
- (iii) the party is a joint venture in which the group is a venturer;
- (iv) the party is a member of the key management personnel of the group or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is the group that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the group, or of any group that is a related party of the group.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

SSL Venture Capital Jamaica Limited

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Notes to the Financial Statements**30 June 2019**

2. Summary of significant accounting policies (continued)**(q) Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable of goods and customer acceptance or performance of service. Revenue is shown net of General Consumption Tax, returns, rebates and discounts. Revenue is recognized as follows:

i) Sales of goods

Sales of goods are recognized upon the delivery of goods and acceptance or performance of services.

ii) Interest income

Interest income and expense are recognized in the statement of comprehensive income for all interest-bearing instruments on an accrual basis using the effective yield method based on the actual purchase price.

SSL Venture Capital Jamaica Limited

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Notes to the Financial Statements**30 June 2019**

2. Summary of significant accounting policies (continued)**(r) Taxation**

Taxation on the profit or loss for the year comprises current and deferred tax. Current and deferred taxes are recognized as income tax expense or benefit in the statement of comprehensive income except, where they relate to items recorded in shareholders' equity, they are also charged or credited to shareholders' equity.

(i) Current taxation

Current tax is the expected taxation payable on the taxable income for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable and tax losses in respect of previous years.

(ii) Deferred income taxes

Deferred tax liabilities are recognized for temporary differences between the carrying amounts of assets and liabilities and their amounts as measured for tax purposes, which will result in taxable amounts in future periods. Deferred tax assets are recognized for temporary differences which will result in deductible amounts in future periods, but only to the extent it is probable that sufficient taxable profits will be available against which these differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realized or the liability will be settled based on enacted rates.

Current and deferred tax assets and liabilities are offset when the legal right of offset exists.

(s) Foreign currency translation

Foreign currency transactions are accounted for at the exchange rate prevailing at the dates of the transactions. Monetary assets and liabilities that are denominated in foreign currencies are translated into Jamaican dollars at the exchange rate prevailing at the statement of financial position date; that is, in the case of each currency, the Bank of Jamaica weighted average buying and selling rates at that date. Gains or losses arising from fluctuations in the exchange rates are reflected in the statement of comprehensive income.

SSL Venture Capital Jamaica Limited

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Notes to the Financial Statements

30 June 2019

3. Financial Risk Management

The group's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance.

The group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the group's risk management framework. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

(a) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as outstanding receivables from credit sales.

Risk management

Management has established a credit policy under which each new customer is analysed individually for credit worthiness before the Group's standard payment and delivery terms and conditions are offered.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, management assesses the credit quality of the customer, considering its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by management.

Management determines concentrations of credit risk by monitoring the credit-worthiness rating of existing customers and through a monthly review of the trade receivables ageing analysis. In monitoring the customers' credit risk, customers are grouped according to their credit characteristics. Customers that are graded as "high risk" are placed on a restricted customer list, and future credit sales are made only with approval.

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3. Financial Risk Management (continued)

(a) Credit risk (continued)

On that basis, the loss allowance as at 1 July 2018 and 30 June 2019 (on adoption of IFRS 9) was determined as follows for both trade receivables and contract assets:

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2019					
Expected loss rate	13.57%	12.06%	12.06%	12.73%	12.66%
Gross carrying amount – trade receivables	2,638,370	3,557,680	2,073,013	14,974,214	23,243,277
Loss allowance	358,029	429,137	250,052	1,906,522	2,943,740
30 June 2018					
Expected loss rate	0%	0%	0%	0%	0%
Gross carrying amount – trade receivables	-	-	-	-	-
Loss allowance	-	-	-	-	-

The closing loss allowances for trade receivables as at 30 June 2019 reconcile to the opening loss allowances as follows:

	Trade receivables
	2019
	\$
30 June 2018 – calculated under IAS 39	-
Amounts restated through opening retained earnings	802,917
Opening loss allowance as at 1 July 2018 – calculated under IFRS 9	802,917
Increase in loss allowance recognised in profit or loss during the year	2,955,380
Bad debts recovered during the year	(814,557)
At 30 June 2019	2,943,740

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group and company, and a failure to make contractual payments for a period of greater than 90 days past due.

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3. Financial Risk Management (continued)

(a) Credit risk (continued)

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

As at 30 June 2019 trade receivables of \$23,243,277 (2018: \$Nil) had lifetime expected credit losses of 2,943,740 (2018: \$Nil). The ageing of these receivables is as follows:

	<u>2019</u>	<u>2018</u>
	\$	\$
0-30 days	2,638,370	-
31-60 days	3,557,680	-
61-90 days	2,073,013	-
Over 91 days	14,974,214	-
	<u>23,243,277</u>	<u>-</u>

Previous accounting policy for impairment of trade receivables

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet been identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment. The group and company considered that there was evidence of impairment if any of the following indicators were present:

- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or late payments (more than 30 days overdue).

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

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3. Financial Risk Management (continued)

(a) Credit risk (continued)

Debt investments

All of the entity's debt investments FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Other financial assets at amortised cost

Other financial assets at amortised cost include loans to related parties and key management personnel and other receivables.

While the other financial assets at amortised cost are subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Debt investments at fair value through other comprehensive income

Debt investments at fair value through other comprehensive income (FVOCI) include listed and unlisted debt securities. The loss allowance for debt investments at FVOCI is recognised in profit or loss and reduces the fair value loss otherwise recognised in OCI.

While the debt investments at FVOCI are subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Net impairment losses on financial and contract assets recognised in profit or loss

During the year, the following gains/(losses) were recognised in profit or loss in relation to impaired financial assets:

	2019	2018
	\$	\$
Impairment losses	-	-
- movement in loss allowance for trade receivables and contract assets	2,955,380	-
Reversal of previous impairment losses	-	-
Net impairment losses on financial and contract assets	<u>2,955,380</u>	<u>-</u>

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3. Financial Risk Management (continued)

(b) Liquidity risk (continued)

Liquidity risk is the risk that the group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process

The group's liquidity management process includes:

- (i) Monitoring future cash flows and liquidity on a daily basis;
- (ii) Maintaining marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- (iii) Maintaining a committed line of credit;
- (iv) Optimising cash returns on investment.

Undiscounted cash flows of financial liabilities

The maturity profile of the group's financial liabilities at year end on contractual undiscounted payments was as follows:

The Group:

	1 to 3 months	3 to 12 months	1 to 5 Years 2019	Total	Contractual cashflows	Carrying amount
	\$	\$	\$	\$	\$	\$
Due to related companies	-	-	148,794,752	148,794,752	148,794,752	148,794,752
Directors loans	-	-	2,110,620	2,110,620	2,110,620	2,110,620
Long term loans	2,311,900	4,133,858	6,392,630	12,838,388	12,838,388	12,099,628
Payables	103,738,252	-	-	103,738,252	103,738,252	103,738,252
Short-term loans	-	37,524,966	-	37,524,966	37,524,966	37,524,966
Bank overdraft	1,977,991	-	-	1,977,991	1,977,991	1,977,991
	108,028,143	41,658,824	157,298,002	306,984,969	306,984,969	306,246,209
			2018			
Payables	19,693,074	-	-	19,693,074	19,693,074	19,693,074
Short-term loans	12,725,847	-	-	12,725,847	12,725,847	12,725,847
	32,418,921	-	-	32,418,921	32,418,921	32,418,921

Assets available to meet all of the liabilities and to cover financial liabilities include Cash at bank and in hand and other assets.

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3. Financial Risk Management (continued)

(b) Liquidity risk (continued)

Undiscounted cash flows of financial liabilities (continued)

The maturity profile of the company's financial liabilities at year end on contractual undiscounted payments was as follows:

The Company:

	1 to 3 months	3 to 12 months	1 to 5 Years 2019	Contractual cashflows	Carrying amount
	\$	\$	\$	\$	\$
Due to related companies	-	-	138,773,425	138,773,425	138,773,425
Payables	23,533,481	-	-	23,533,481	23,533,481
Short-term loans	37,524,966	-	-	37,524,966	37,524,966
	61,058,447	-	138,773,425	199,831,872	199,831,872
	2018				
	\$	\$	\$	\$	\$
Payables	19,693,074	-	-	19,693,074	19,693,074
Short-term loans	12,725,847	-	-	12,725,847	12,725,847
	32,418,921	-	-	32,418,921	32,418,921

Assets available to meet all of the liabilities and to cover financial liabilities include Cash at bank and in hand and other assets

(c) Market risk

The group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in interest rates (see 3 (e)) and foreign currency exchange rates (see 3 (d)). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk exposures are measured using sensitivity analysis. There has been no significant change in exposure to market risks or the manner in which it manages and measures the risk.

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4. Financial Risk Management (continued)

(d) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group is exposed to foreign exchange risk arising from currency exposure primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The group is primarily exposed to such risks arising from foreign currency translation in relation to cash at bank and in hand, payables and short term loans.

The group and company statement of financial position at 30 June 2019 includes aggregate net foreign liabilities of approximately \$745,700 (2018: -) and Nil (2018: Nil) in respect of transactions arising in the ordinary course of business.

The following tables indicate the currency to which the group had significant exposure on its monetary assets and its forecast cash flows. The change in currency rate below represents management's assessment of the possible change in the foreign exchange rate. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for changes in foreign currency rates as indicated in the table below. The sensitivity of the surplus was as a result of foreign exchange gains/losses on translation of US dollar denominated financial instruments. The correlation of variables will have a significant effect in determining the ultimate impact on market risk, but to demonstrate the impact due to changes in each variable; variables had to be on an individual basis. It should be noted that movements in these variables are non-linear.

The Group & the Company:

	<u>2019</u>	<u>2019</u>	<u>2018</u>	<u>2018</u>
	\$	\$	\$	\$
	Effect on Profit and loss and equity			
	Revaluation	Devaluation	Revaluation	Devaluation
	4%	-6%	2%	-4%
Currency:				
USD	<u>29,828</u>	<u>(44,742)</u>	<u>-</u>	<u>-</u>

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Notes to the Financial Statements**30 June 2019**

3. Financial Risk Management (continued)**(e) Interest rate risk**

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the group to cash flow interest risk, whereas fixed interest rate instruments expose the group to fair value interest risk.

The group's interest rate risk mainly arises from cash and cash equivalents and long term loans. This risk is managed by analysing the economic environment and obtaining fixed rate loans when interest rates are expected to rise and floating rate loans when interest rates are expected to fall. It also manages the maturities of interest-bearing financial assets and interest-bearing financial liabilities. At 30 June 2019, the Group had no significant exposure to variable rate interest rate risk.

(f) Fair value estimates

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction. Market price is used to determine fair value where an active market (such as a recognized stock exchange) exists as it is the best evidence of the fair value of a financial instrument.

The amount included in the financial statements for cash at bank and in hand, receivables, payables, short term loans and bank overdraft reflect their approximate fair values because of the short-term maturity of these instruments.

The fair value of long-term loans approximates amortised costs.

The fair values of directors' account and due to related companies could not be reasonably assessed as there are no set repayment terms.

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4. Critical accounting estimates and judgments in applying accounting policies

The group and company makes estimates, assumptions and judgements that affect the reported amounts of, and disclosures relating to, assets, liabilities, income and expenses reported in these financial statements. Amounts and disclosures based on these estimates assumptions and judgements may be different from actual outcomes, and these differences may be reported in the financial statements of the next financial year. Estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

(i) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The group and company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group and company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the Credit risk note.

(ii) Income taxes

Estimates and judgements are required in determining the provision for income taxes. The tax liability or asset arising from certain transactions or events may be uncertain in the ordinary course of business. In cases of such uncertainty, the group and company recognises liabilities for possible additional taxes based on its judgement. Where, on the basis of a subsequent determination, the final tax outcome in relation to such matters is different from the amount that was initially recognised, the difference will impact the current and deferred income tax provisions in the period in which such determination is made.

(iii) Depreciable assets

Estimates of the useful life and the residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The group and company applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in profit or loss through impairment or adjusted depreciation provisions.

(iv) Recognition and measurement of intangible assets

The recognition and measurement of intangible assets, other than goodwill, in a business combination, involve the utilization of valuation techniques. These intangibles may be market related, consumer related, contract based or technology based. For significant amounts of intangibles arising from a business combination, the group and company has utilized independent professional advisors to assist management in determining the recognition and measurement of these assets.

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4. Critical accounting estimates and judgments in applying accounting policies (continued)**(v) Valuation of financial instruments**

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the group and company determines fair values using valuation techniques. Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premium used in estimating discount rates.

Considerable judgment is required in interpreting market data to arrive at estimates of fair values. Consequently, the estimates arrived at may be significantly different from the actual price of the instrument in an arm's length transaction.

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Notes to the Financial Statements**30 June 2019****5. Property, plant and equipment****The Group:**

	Leasehold Improvements	Computer Equipment	Furniture & Fixtures	Office Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$
Cost -						
1 July 2017	-	1,901,302	-	240,010	-	2,141,312
Disposals	-	-	-	-	-	-
30 June 2018	-	1,901,302	-	240,010	-	2,141,312
Acquisition of subsidiaries	-	1,924,425	419,470	-	14,796,356	17,140,251
Additions	1,584,285	5,035,388	769,322	962,368	-	8,351,363
Disposals	-	-	-	-	(3,720,750)	(3,720,750)
30 June 2019	1,584,285	8,861,115	1,188,792	1,202,378	11,075,606	23,912,176
Depreciation -						
1 July 2018	-	1,901,173	-	172,869	-	2,074,042
Charge for the year	-	-	-	27,240	-	27,240
30 June 2018	-	1,901,173	-	200,109	-	2,101,282
Charge for the year	68,440	1,081,755	219,537	67,087	2,618,351	4,055,170
Relieved on disposals	-	-	-	-	(744,150)	(744,150)
30 June 2019	68,440	2,982,928	219,537	267,196	1,874,201	5,412,302
Net book value -						
30 June 2019	1,515,845	5,878,187	969,255	935,182	9,201,405	18,499,874
30 June 2018	-	129	-	39,901	-	40,030

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Notes to the Financial Statements**30 June 2019****5. Property, plant and equipment****The Company:**

	Computer Equipment	Camera Equipment	Office Equipment	Total
	\$	\$	\$	\$
Cost -				
1 July 2017	1,901,302	95,695	144,315	2,141,312
Additions	-	-	-	-
30 June 2018	1,901,302	95,695	144,315	2,141,312
Additions	301,401	590,236	-	891,637
30 June 2019	2,202,703	685,931	144,315	3,032,949
Depreciation -				
1 July 2017	1,901,173	46,561	126,308	2,074,042
Charge for the year	-	9,234	18,006	27,240
30 June 2018	1,901,173	55,795	144,314	2,101,282
Charge for the year	21,575	51,581	-	73,156
30 June 2019	1,922,748	107,376	144,314	2,174,438
Net book value -				
30 June 2019	279,955	578,555	1	858,511
30 June 2018	129	39,900	1	40,030

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6. Intangible assets

The Group

	Computer Software	Total
	\$	\$
Cost -		
1 July 2017/2018	2,302,184	2,302,184
Acquisition of subsidiaries	61,594	61,594
Additions	3,138,298	3,138,298
Balance at end of year	<u>5,502,076</u>	<u>5,502,076</u>
Amortization -		
1 July 2018	2,302,054	2,302,054
Charge for year	554,543	554,543
Balance at end of year	<u>2,856,597</u>	<u>2,856,597</u>
Net book value		
30 June 2019	<u>2,645,479</u>	<u>2,645,479</u>
30 June 2018	<u>130</u>	<u>130</u>

The Company

	Computer Software	Total
	\$	\$
Cost -		
1 July 2017/2018	2,302,184	2,302,184
Additions	102,000	102,000
30 June 2019	<u>2,404,184</u>	<u>2,404,184</u>
Amortization -		
1 July 2018	2,302,054	2,302,054
Charge for the year	5,610	5,610
Balance at end of year	<u>2,307,664</u>	<u>2,307,664</u>
Net book value -		
30 June 2019	<u>96,520</u>	<u>96,520</u>
30 June 2018	<u>130</u>	<u>130</u>

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7. Investments in subsidiaries

The Company

		<u>2019</u>	<u>2018</u>
		\$	\$
Investments at cost:			
MUSE 360 Limited	(a)	26,368,577	-
Blue Dot Data Intelligence Limited	(b)	53,704,605	-
Bar Central Limited	(c)	<u>5,997,000</u>	<u>-</u>
		<u>86,070,182</u>	<u>-</u>

- (a) Effective 20 July 2018 the company acquired 51% of the issued shares capital of Muse 360 Integrated Limited (MUSE). The principal activities of MUSE are marketing and commercial solutions. The acquisition is expected to increase revenues and profitability for the shareholders of the company. See Note #8 (Goodwill) for the identifiable assets acquired and liabilities assumed.
- (b) Effective 7 August 2018 the company acquired 50% of the issued shares capital of Blue Dot Data Intelligence Limited (Blue Dot). The principal activities of Blue Dot are marketing and commercial solutions. The acquisition is expected to increase revenues and profitability for the shareholders of the company. See Note #8 (Goodwill) for the identifiable assets acquired and liabilities assumed.
- (c) Effective 2 July 2018 the company acquired 75% of the issued shares capital of Bar Central Limited. The principal activities of Bar Central Limited are distribution and provision of branding services. The acquisition is expected to increase revenues and profitability for the shareholders of the company. See Note #8 (Goodwill) for the identifiable assets acquired and liabilities assumed.

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8. Goodwill

During the year, the Company acquired subsidiaries and voting shares as follows:

Date of Acquisition	Subsidiaries	Principal Activities	Proportion of issued share capital held by company
July 2, 2018	Bar Central Limited	Distribution and provision of branding services	75%
August 7, 2018	Blue Dot Data Intelligence Limited	Marketing and commercial solutions	50%
July 20, 2018	Muse 360 Integrated Limited	Marketing and commercial solutions	51%

The fair value of the identifiable assets and liabilities of the subsidiaries as at the date of acquisition were:

	Muse 360 Integrated Limited	Bar Central Limited	Blue Dot Data Intelligence Limited
	\$	\$	\$
Non-current assets			
Plant and equipment	485,003	16,299,856	355,392
Intangible asset	-	-	61,594
Deferred tax	924,414	-	187,572
	1,409,417	16,299,856	604,558
Current assets			
Inventories	-	3,123,458	-
Receivables	11,109,224	3,483,554	19,236,118
Cash at bank and in hand	482,727	2,000,000	5,502,057
	11,591,951	8,607,012	24,738,175
Non-current liabilities			
Long-term loans	-	2,134,270	-
Directors' loans	2,583,294	960,000	4,157,011
Deferred income tax	-	-	-
	2,583,294	3,094,270	4,157,011
Current liabilities			
Payables	-	44,683,881	30,177,797
Short term loan	-	4,103,000	-
Taxation payable	-	-	-
Bank overdraft	5,982,428	4,638,062	-
	5,982,428	53,424,943	30,177,797
	4,435,646	(31,612,345)	(8,992,075)

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8. Goodwill (continued)

	Muse 360 Integrated Limited	Bar Central Limited	Blue Dot Data Intelligence Limited	Total
	\$	\$	\$	\$
Goodwill at acquisition:				
Purchase consideration	26,368,577	5,997,000	53,704,605	86,070,182
Non-controlling interest	2,173,467	(7,903,086)	(4,496,038)	(10,225,657)
Less: Fair value of net liabilities acquired	4,435,646	(31,612,345)	(8,992,075)	(36,168,774)
	<u>24,106,398</u>	<u>29,706,259</u>	<u>58,200,642</u>	<u>112,013,299</u>

	Muse 360 Integrated Limited	Bar Central Limited	Blue Dot Data Intelligence Limited
	\$	\$	\$
Revenue	62,519,690	226,657,528	51,345,945
(Loss)/profit	<u>(22,974,010)</u>	<u>(5,050,872)</u>	<u>4,444,191</u>

Cash flow on acquisition

	<u>2019</u>	<u>2018</u>
	\$	\$
Total consideration transferred	(86,070,182)	-
Less: cash, overdraft, net transferred from subsidiaries on acquisition	<u>(2,635,706)</u>	-
Acquisition of subsidiaries, net of cash acquired	<u>(88,705,888)</u>	-

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Notes to the Financial Statements
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9. Deferred income taxes

Deferred income taxes are calculated in full on all temporary differences under the liability method using the applicable tax rate.

Deferred assets recognised on the statement of financial position are as follows:

	<u>The Group</u>		<u>The Company</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Deferred income taxes	<u>33,151,288</u>	<u>-</u>	<u>3,778,713</u>	<u>-</u>

The movement on the net deferred income tax balance is as follows:

	<u>The Group</u>		<u>The Company</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Net assets at beginning of year	-	-	-	-
Transferred on acquisition	1,111,986	-	-	-
Deferred tax credited to profit and loss (Note 28)	<u>32,039,302</u>	<u>-</u>	<u>3,778,713</u>	<u>-</u>
Net assets at end of year	<u>33,151,288</u>	<u>-</u>	<u>3,778,713</u>	<u>-</u>

Deferred income tax assets are attributable to the following items:

	<u>The Group</u>		<u>The Company</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Deferred income tax assets:				
Property, plant and equipment	82,120	-	324,372	-
Unutilized tax losses	<u>33,069,168</u>	<u>-</u>	<u>3,454,341</u>	<u>-</u>
Net assets at end of year	<u>33,151,288</u>	<u>-</u>	<u>3,778,713</u>	<u>-</u>

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9. Deferred income taxes (continued)

The amounts shown in the statement of financial position include the following:

	The Group		The Company	
	2019	2018	2019	2018
	\$		\$	\$
Deferred tax assets to be recovered:				
- after more than 12 months	33,151,288	-	3,778,713	-
- within 12 months	-	-	-	-
	33,151,288	-	3,778,713	-

10. Inventories

	The Group	
	2019	2018
	\$	\$
Liquor	4,880,287	-
Beverages	1,718,950	-
Other	107,839	-
	6,707,076	-

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Notes to the Financial Statements
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11. Receivables

	The Group		The Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Trade	23,243,277	-	-	-
Other	3,164,040	-	2,827,327	-
	26,407,317	-	2,827,327	-
Less: Provision for impairment	(2,943,740)	-	-	-
	<u>23,463,577</u>	<u>-</u>	<u>2,827,327</u>	<u>-</u>

12. Cash at bank and in hand

	The Group		The Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Cash at bank	19,005,283	33,511	14,826,529	33,511
Short-term deposits	2,048,750	-	-	-
Cash in hand	1,922	-	-	-
	<u>21,055,955</u>	<u>33,511</u>	<u>14,826,529</u>	<u>33,511</u>

Cash at bank substantially comprise savings and operating accounts at licensed commercial banks in Jamaica.

13. Share capital

	2019	2018
	No. of shares	No. of shares
Authorised-		
Ordinary shares of no-par value	<u>1,000,000,000</u>	<u>1,000,000,000</u>
	2019	2018
	\$	\$
Issued and fully paid:		
400,000,000 Ordinary shares of no par value	<u>111,880,297</u>	<u>111,880,297</u>

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

Notes to the Financial Statements
30 June 2019

14. Capital reserves

	The Group	
	2019	2018
	\$	\$
The movements during the year were as follows:		
Balance at beginning	-	-
Revaluation gains on plant and equipment	294,881	-
Balance at end of the year	<u>294,881</u>	<u>-</u>

15. Non-controlling interest

	The Group	
	2019	2018
	\$	\$
Balance at beginning of year-IFRS 9 adjustment	(200,728)	
Capital reserves	283,317	-
Share of loss for the year	(9,636,105)	-
Non-controlling interest arising on acquisition of subsidiaries	(10,225,657)	-
Balance at end of year	<u>(19,779,173)</u>	<u>-</u>

16. Directors' loans

This balance, which relates to amounts owed to the Directors, is unsecured, interest free and has no fixed repayment terms.

SSL Venture Capital Jamaica Limited
(formerly C2W Music Limited)

Notes to the Financial Statements
30 June 2019

17. Due from/(to) related companies

	The Group		The Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Due from:-				
Blue Dot Data Intelligence Limited	-	-	982,804	-
Select Private Services Limited	-	-	2,071,922	-
Bar Central Limited	-	-	31,313,109	-
	-	-	34,367,835	-
Due to:-				
Stocks and Securities Limited	(138,773,425)	-	(138,773,425)	-
Select Private Services Limited	(10,021,327)	-	-	-
	(148,794,752)	-	(138,773,425)	-
	(148,794,752)	-	(104,405,590)	-

These companies are related by common shareholders and directors. The balances are unsecured and have no fixed repayment terms.

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

18. Long term Loans

		The Group	
		2019	2018
		\$	\$
Simpson Finance Jamaica Limited	(a)	1,366,922	-
Simpson Finance Jamaica Limited	(b)	3,518,059	-
Sagicor Bank Limited	(c)	5,548,647	-
Carbyne Capital Investments Limited	(d)	1,666,000	-
		<u>12,099,628</u>	-
Less: Current portion		<u>(6,221,558)</u>	-
		<u>5,878,070</u>	-

(a) This loan, which was received November 16, 2017, attracts interest at 12.99% per annum.

(b) This loan, which was received November 16, 2017, attracts interest at 12.99% per annum.

(c) This loan which was received April 3, 2019 attracts interest rate of 11% per annum and is repayable over 24 monthly equal installments.

(d) This loan which was received April 8, 2019 attracts interest of 4% per month and is repayable over 12 equal monthly installments.

These loans are substantially secured by the following:

- i. Bill of sale over 2014 Suzuki APV (3764HQ and 2015 Mitsubishi Pajero (3736HQ)
- ii. Hypothecation/assignment of 15,000,000 units of Everything Fresh Company Limited shares valued at \$30,000,000 in the named of Stocks and Securities Limited.
- iii. Unlimited guarantee for Kevin Frith.
- iv. Assignments of receivables/third party agreement of proceeds from branding contract between Bar Central and J.Wray and Nephew.

19. Payables

	The Group		The Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Trade payables	36,025,229	19,693,704	4,308,709	19,693,074
Accrued charges	5,450,877	-	-	-
Payroll liabilities	15,540,470	-	240,626	-
General Consumption Tax	11,930,861	-	-	-
Other	34,790,815	-	18,984,146	-
	<u>103,738,252</u>	<u>19,693,074</u>	<u>23,533,481</u>	<u>19,693,074</u>

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

20. Short-term loans

	The Group		The Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Alydar Investment Limited (a)	6,922,416	7,282,773	6,922,416	7,282,773
Gerald Hadeed (a)	5,602,550	5,443,074	5,602,550	5,443,074
Tweedside Holdings Limited (b)	25,000,000	-	25,000,000	-
	<u>37,524,966</u>	<u>12,725,847</u>	<u>37,524,966</u>	<u>12,725,847</u>

- (a) These amounts were disbursed on July 1, 2013 and evidenced by Promissory Notes. The loans were for a period of 1 year (repayable June 30, 2015 – the “repayment date”) at a rate of 8% per annum on the outstanding balances compounded quarterly. The lenders were not entitled to require repayment of the principal or interest before the repayment date, however the company at its option could have repaid the principal with interest accrued prorated up to the date of payment without penalty.

Provided the loans were still outstanding on the repayment date, the lenders had the option to convert the loans and the interest thereon into shares in the company at a price agreed between the parties not exceeding the price at which the company’s shares were being publicly traded on the Jamaica Stock Exchange as at the repayment date. The lenders were required to notify the company of their intention to exercise the option at least 14 days before the repayment date.

In respect of the loan with Alydar Investment Limited, the company was not notified by the lender of its intention to take up the equity option. The loan was not repaid and to date no notice of demand for repayment by the lender has been served on the company. The company is currently pursuing negotiations with the lender for the extension of the loan under the same terms and condition. However as at 30 June 2019, the negotiations were not yet finalised.

In respect of the loan with Gerald Hadeed, the lender decided not to exercise the equity option and agreed to extend the loans under the same terms and conditions.

At 30 June 2019, interest payable included in the above balance amounted to \$3,541,593 (30 June 2018: \$2,517,935).

- (b) This amount was advanced to the company and is repayable within a year.

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

21. Bank overdraft

	<u>The Group</u>		<u>The Company</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	\$	\$	\$	\$
Bank overdraft	<u>1,977,991</u>	<u>-</u>	<u>-</u>	<u>-</u>

Bank overdraft represents cheques drawn at year end, not yet presented to the bank.

22. Revenue

Revenue represents the price of goods sold or services rendered to customers, and management fees and is stated net of discounts and allowances and General Consumption Tax.

23. Other operating income

	<u>The Group</u>		<u>The Company</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	\$	\$	\$	\$
Payables write off	10,453,660	-	10,453,660	-
Incentive income	4,200,000	-	-	-
Other income	<u>5,447,068</u>	<u>1,909,458</u>	<u>-</u>	<u>1,909,458</u>
	<u>20,100,728</u>	<u>1,909,458</u>	<u>10,453,660</u>	<u>1,909,458</u>

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

24. Expenses by nature

	The Group		The Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Accounting fee	3,620,217	645,700	1,779,213	645,700
Advertising and promotions	4,223,974	57,372	1,858,255	57,372
Amortised cost adjustment on advances	-	(2,627,591)	-	(2,627,591)
Annual general meeting and reports	-	101,184	-	101,184
Asset tax	101,789	98,315	101,789	98,315
Audit fee	4,972,500	987,522	1,890,000	987,522
Bad debt	654,885	20,422,290	-	20,422,290
Business permits and licenses	1,013,817	-	1,013,817	-
Company secretary	2,915,117	-	2,915,117	-
Casual labour	20,000	-	20,000	-
Depreciation and amortisation	4,609,713	27,240	78,766	27,240
Development and song writing expenses	-	883,079	-	883,079
Discount allowed	-	-	-	-
Directors fees	6,835,611	-	420,000	-
Donations	1,330,208	-	-	-
Dues and subscriptions	1,262,500	-	932,000	-
Equipment rental	540,650	-	-	-
Interest and penalty	-	195,327	-	195,327
Insurance	362,128	-	-	-
Legal and professional fees	19,552,008	762,792	10,231,840	762,792
Loss on disposal of property, plant and equipment	1,646,600	43,682	-	43,682
Miscellaneous	2,919,167	-	-	-
Motor vehicle expense	406,449	-	146,376	-
Office expenses	7,544,223	103,216	3,066,879	103,216
Printing and reproduction	842,567	-	842,567	-
Staff costs (Note 26)	67,908,545	-	15,263,023	-
Security	422,842	-	-	-
Rent	7,540,681	-	3,398,140	-
Registration fees	767,296	1,028,206	767,296	1,028,206
Repairs and maintenance	1,861,357	-	-	-
Travelling and entertainment	1,739,403	-	870,044	-
Training	174,750	-	174,750	-
Utilities	3,097,522	-	402,274	-
	148,886,519	22,728,334	46,172,146	22,728,334
Finance costs, net (Note 27)	4,502,996	807,386	1,323,663	807,386
Cost of sales	275,867,539	-	-	-
	429,257,054	23,535,720	47,495,809	23,535,720

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

25. Operating loss

In arriving at the operating loss, the following have been charged: -

	<u>The Group</u>		<u>The Company</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	\$	\$	\$	\$
Auditors' remuneration	4,972,500	987,522	1,890,000	987,522
Increase in loss allowance	2,955,380	-	-	-
Depreciation and amortization	4,609,713	27,240	78,766	27,240
Directors' emoluments:				
Fee	6,835,611	-	420,000	-
Staff costs (Note 26)	<u>67,908,545</u>	<u>-</u>	<u>15,263,023</u>	<u>-</u>

26. Staff costs

	<u>The Group</u>		<u>The Company</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	\$	\$	\$	\$
Wages and salaries	57,669,758	-	12,794,973	-
Statutory contributions	7,761,778	-	1,910,894	-
Staff welfare	368,440	-	-	-
Sub-contractors	1,512,523	-	-	-
Casual labour	<u>596,046</u>	<u>-</u>	<u>557,156</u>	<u>-</u>
	<u>67,908,545</u>	<u>-</u>	<u>15,263,023</u>	<u>-</u>

27. Finance costs, net

	<u>The Group</u>		<u>The Company</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	\$	\$	\$	\$
Interest income	(178,451)	(261)	(100,872)	(261)
Foreign exchange gains	<u>(575,062)</u>	<u>-</u>	<u>(568,679)</u>	<u>-</u>
	(753,513)	(261)	(669,551)	(261)
Bank charges	1,230,521	83,190	96,847	83,190
Interest expense	3,214,007	720,219	1,121,452	720,219
Foreign exchange losses	<u>811,981</u>	<u>4,238</u>	<u>774,915</u>	<u>4,238</u>
	<u>4,502,996</u>	<u>807,386</u>	<u>1,323,663</u>	<u>807,386</u>

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
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28. Taxation

Taxation is computed on the loss for the year adjusted for taxation purposes and comprises:

	<u>The Group</u>		<u>The Company</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	\$	\$	\$	\$
Income tax at 25%	745,433	-	-	-
Deferred income taxes (Note 9)	<u>(32,039,302)</u>	-	<u>(3,778,713)</u>	-
	<u>(31,293,869)</u>	-	<u>(3,778,713)</u>	-

Entities listed on the Junior Stock Exchange in Jamaica benefit from tax incentives of tax rates of 0% in years 1-5, and 50% of regular tax rates in years 6-10.

Subject to agreement with the Commissioner, Taxpayer Audit and Assessment, the company has tax losses of approximately \$50,118,985 that can be carried forward indefinitely for offset against future taxable profits.

The taxation charged in the statement of comprehensive income differs from the theoretical amount that would arise using the appropriate income tax rate:

	<u>The Group</u>		<u>The Company</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	\$	\$	\$	\$
Loss before taxation	<u>(76,888,757)</u>	<u>(21,115,843)</u>	<u>27,152,717)</u>	<u>(21,115,843)</u>
Tax calculated at the appropriate rate	(15,828,100)	(2,639,480)	(3,394,090)	(2,639,480)
Adjusted for the effects of: -				
Expenses not allowed for tax purposes	825,568	-	-	-
Other charges and allowances	<u>(16,291,337)</u>	<u>2,639,480</u>	<u>(384,623)</u>	<u>2,639,480</u>
	<u>(31,293,869)</u>	-	<u>(3,778,713)</u>	-

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
30 June 2019

29. Segment financial information

	Management Services	Retail and Distribution	Marketing and Advertising	Eliminations	Group
	\$	\$	\$		\$
Gross Revenue	9,889,432	226,657,528	104,376,832	-	340,923,792
Inter-segment revenue	(8,656,223)	-	-	-	(8,656,223)
Revenue from external customers	1,223,209	226,657,528	104,376,832	-	332,267,569
Segment results	(27,152,717)	(21,079,613)	(28,656,427)		(76,888,757)
Loss before income tax					(76,888,757)
Taxation					31,293,869
					(45,594,888)
Total segment assets	144,296,731	42,434,333	42,605,039		229,336,103
Total segment liabilities	199,831,872	79,900,468	63,753,281		343,485,621
Other segment items					
Depreciation	73,156	3,210,145	771,869		4,055,170

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Notes to the Financial Statements
30 June 2019

30. Going concern

The Group reported losses in 2019 of \$45,594,888 and a profit of \$6,826,292 in 2018; the Company reported losses in 2019 of \$23,374,004 and a profit of \$6,826,292 in 2018. The Group and the Company as at 30 June 2019 has accumulated deficit of \$180,602,406 (2018: \$144,041,434) and \$167,415,438 (2018: \$144,041,434) respectively. Further, as at 30 June 2019, the Group's and the Company's current liabilities exceeded its current assets by \$97,732,899 (2018: \$32,201,297) and \$41,933,477 (2018: \$32,201,297) respectively. This indicates the existence of material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Based on the current plans and strategies being pursued and implemented, the directors and management believe that the company will generate adequate cash flows and profitability in the future which will allow it to continue in operational existence for the foreseeable future. The parent company has indicated that it has the intent and ability to provide financial support to the Group and the Company for the foreseeable future. On this basis, the directors have maintained the going concern assumption in the preparation of these financial statements.

The basis of preparation presumes that the company will be able to realize its assets and discharge its liabilities in the normal course of business.

31. (Loss)/profit per stock unit

(Loss)/profit per stock unit ("LPS/PPS") is computed by dividing the (loss)/profit attributable to stockholders of the parent of \$35,958,783 (2018: \$6,826,292) by the weighted average number of ordinary stock units in issue during the year, numbering 400,000,000 (2018: 400,000,000)

SSL Venture Capital Jamaica Limited
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Notes to the Financial Statements
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32. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Related party transactions and balances are recognised and disclosed below for the following:

- (a) Enterprises over which a substantial interest in the voting power is owned by a key management personnel, including directors and officers and close members of families; or
- (b) Enterprises over which such a person, in (a) above, is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the company.

The following was credited to the statement of comprehensive income:

	The Group		The Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Management fees	-	-	8,656,223	-

As at the statement of financial position date the following balances were outstanding: -

	The Group		The Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Due from:-				
Blue Dot Data Intelligence Limited	-	-	982,804	-
Muse 360 Integrated Limited	-	-	2,071,922	-
Bar Central Limited	-	-	31,313,109	-
	-	-	34,367,835	-
Due to:-				
Stocks and Securities Limited	(138,773,425)	-	(138,773,425)	-
Select Private Services Limited	(10,021,327)	-	-	-
	(148,794,752)	-	(138,773,425)	-
	(148,794,752)	-	(104,405,590)	-

FORM OF PROXY

I/We _____ of _____

being member/members of **SSL Venture Capital Jamaica Limited** ("SSL Ventures") hereby appoint _____ of _____ or _____

failing him _____ of _____

as my/our proxy vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on **Thursday, 30th July 2020 at 3:00 p.m.** at The **Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5, Saint Andrew** and at any adjournment thereof.

Please indicate with an X in the space provided how you wish your proxy to vote on the Resolution referred to. Unless otherwise indicated, the proxy will vote as he thinks fit.

RESOLUTIONS	FOR	AGAINST
NO. 1 – REPORTS & AUDITED FINANCIAL STATEMENTS THAT the Audited Financial Statements for the year ended June 30, 2019 and the Reports of the Directors and Auditors, circulated with the Notice convening the Meeting, be and are hereby adopted.		
NO. 2 – ELECTION OF DIRECTORS		
Resolution 2a THAT Mr. Jeffrey Cobham be and is hereby elected a director of the company.		
Resolution 2b THAT Mr. Zachary Harding be and is hereby elected a director of the company"		
Resolution 2c THAT Mr. John Jackson be and is hereby elected a director of the company.		
Resolution 2d THAT Mr. Brent Ciurlino be and is hereby elected a director of the company.		
Resolution 2e THAT Miss Christine Birch be and is hereby elected a director of the company.		
NO. 3 – APPOINTMENT OF AUDITORS & REMUNERATION THAT Baker Tilly Strachan Lafayette, Chartered Accountants of 14 Ruthven Road, Kingston 10, having signified their willingness to serve, continue in office as Auditors of the Company, until the conclusion of the next Annual General Meeting, at a remuneration to be agreed with the Directors.		
RESOLUTION NO. 4 – DIRECTORS' REMUNERATION THAT the total remuneration of all the Directors combined, other than the Executive Director, for year ended June 30, 2019 be and is hereby fixed at \$300,000.00 per annum.		

Signed this _____ day of _____ 2020

Signature: _____

Notes:

1. This Form of Proxy must be lodged at the office of the Company's Registrar and Transfer Agents, the Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston, not less than forty-eight (48) hours before the time appointed for holding the meeting.
2. Any alterations in this Form of Proxy should be initialed.
3. In the case of joint holders, the signature of one holder will be sufficient but the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint-holders, seniority being determined by the order in which the names stand on the register.
4. If the appointer is a Corporation, this Form of Proxy must be executed under its common seal or under the hand of an Officer or Attorney duly authorized.
5. An adhesive stamp of \$100.00 must be affixed to the Form of Proxy.