The Sibona Ilanga Trust

(Registration number: IT2222/2011)

Financial Statements
for the year Ended 28 February 2014

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The reports and statements set out below comprise the financial statements presented to the trustee:

Trustee's Responsibilities and Approvals

The trustee is responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the financial statements of the Trust. The financial statements have been prepared in accordance with International Financial Reporting Standards and include amounts based on judgements and estimates by management.

The trustee considered that in preparing the financial statements they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all International Reporting Standards that they consider to be applicable have been followed. The Trustee is satisfied that the information contained in financial statements fairly present s the results of operations for the year and the financial position of the Trust at year end. The trustee also prepared the other information inclined in the trustee report and is responsible for its accuracy and its consistency with the financial statements

The going concern basis has been adopted in preparing the financial statements. The trustee has no reason to believe that the Trust will not be a going concern in the foreseeable future based on forecasts and available cash resources. These financial statements support the viability of the trust.

The financial statements have been audited by the Independent Auditors, Ernst & Young Inc., who were given unrestricted access to all financial records and related data, including minutes of all meetings of the board of trustees. The trustees believe that all representations made to the independent auditors during their audit are valid and appropriate.

The audit report of Ernst & Young Inc. is presented on page 4.

The financial statemnts set out on pages 6 to 14 were approved by the trustees on 20 April 2017 and are signed on its behalf by:

M T Green-Thompson (Trustee)

N Gabriel (Trustee)

Cape Town

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Independent Auditor's Report

To the Trustees of The Sibona Ilanga Trust

Report on the Financial Statements

We have audited the financial statements of The Sibona Ilanga Trust set out on pages 6 to 13, which comprise the statement of financial position as at 28 February 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Responsibilities of the Trustees for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in the manner required by the trust deed, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Amandla Omoya Trust as at 28 February 2014, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the in terms of the trust deed.

Ernst & Young Inc.

Ernst & Young Inc.
Pierre du Plessis
Director
Registered Auditor
21 April 2017

Trustee's Report

The trustee submits her report on the activities of the Trust for the year ended 28 February 2014.

Country of incorporation
The Trust is incorporated in South Africa.

Nature of business

The principal object of the Trust is to carry on public benefit activities within a 50 kilometre radius of the De Aar Solar Project by providing funds and resources to other organisations which are engaged in land reform, enterprise development, energy, education and healthcare activities. The Trust has an effective ownership of 8% of De Aar Solar Power (RF) (Pty) Ltd which is the entity that owns the De Aar Solar Project. The Trust's holding in the solar project is thourgh a wholly-owned special purpose entity called Rebuna Litsatsi De Aar Renewable Energy Company (RF) (Pty) Ltd.

Financial Results
The results of the Trust are clearly set out in the accompanying financial statements.

Trustee and secretary

The trustees of the Trust during the financial period and at the date of this report are as follows:

L D N Thompson	Appointed to the board on 11 August 2011 and resigned on 2 September 2013
M T Green-Thompson	Appointed to the board on 2 September 2013

Trust secretarial work is performed by Kilgetty Statutory Services (Pty) Ltd.

Registered Office

Business address
5th Floor, Unit 5a
Sunclare Building
21 Dreyer Street
Claremont
7708

Postal address
Postnet Suite 205
Private Bag X1005
Claremont
7735

Going concern

The financial statements have been prepared on the going concern basis, since the trustees have every reason to believe that the Trust has adequate resources in place to continue in operation for the foreseeable future. We, however, draw attention to the fact that the Trust has not incurred any income or expenditure in the current period and that its total liabilities equal its total assets as at 28 February 2014.

At the year end the entity's assets equalled its liabilities. This would, however, not have been the position if the investment in the financing Special Purpose Vehicle (SPV) was carried at fair value (refer note 5). The financing SPV in turn holds an investment in the operating entity, giving the Trust an effective ownership in operations. The Commercial Operating Date of the operating entity was reached on 5 April 2014 and consistent returns have been generated in excess of the financial model since that date. Funds received from the operating entity are required to be utilised to firstly repay the debt in respect of its investment in the operating entity, which is anticipated to be at the end of 2016, and thereafter the operating entity will begin to distribute dividends to the trust. Currently there are sufficient cash flows being generated by the operating entity to meet the obligations of this entity as they fall due.

Audited financial statements

The financial statements have been audited in terms of clause 38 of the Trust Deed.

Events after reporting date

The trustee is not aware of any matter or circumstance arising since the end of the financial period, not otherwise dealt with in the financial statements, which significantly affects the financial position of the Trust or the results of its operations.

Preparation of the financial statements

These financial statements have been audited by our external auditor Ernst & Young Inc. in compliance with the applicable requirements of the Trust Deed. They were prepared by Matt McLagan, CA (SA).

The Sibona Ilanga Trust

(Registration number: IT2222/2011)

Financial Statements for the year ended 28 February 2014

Statement of Financial Position as at 28 February 2014

	Notes	R 2014	R 2013
Assets			
Non - Current Assets			
Avaiable for sale investment	5	1 000	1 000
		1 000	**1 000**
Current Assets			
Other receivables	6	100	100
		100	**100**
Total Assets		**1 100**	**1 100**
Capital and reserves			
Trust capital	7	100	100
Accumulated loss		-	-
		100	**100**
Current Liabilities			
Trade and other payables	8	1 000	1 000
		1 000	**1 000**
Total Equity and Liabilities		**1 100**	**1 100**

The Sibona Ilanga Trust
(Registration number: IT2222/2011)
Financial Statements for the year ended 28 February 2014

Statement of Changes in Equity for the period ended 28 February 2014

	Share Capital	Accumulated Profit	Total
	R	R	R
Balance at 1 January 2012	-	-	-
Contribution to Trust Capital received during the period	(100)	-	(100)
Total comprehensive loss	-	-	-
Balance at 28 February 2013	**(100)**	**-**	**(100)**
Contribution to Trust Capital received during the period	-	-	-
Total comprehensive loss	-	-	-
Balance at 28 February 2014	**(100)**	**-**	**(100)**
Note(s)	7		

Accounting Policies

1. Accounting policies

The annual financial statements have been prepared in accordance with International Financial Reporting Standards. The annual financial statements have been prepared on the historical cost basis and incorporate the following principal accounting policies which have been consistently applied in all material respects. They are presented in South African Rands.

1.1 Basis of preparation

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards. The principal accounting policies adopted are set out below.

1.2 Financial instruments

The Trust classifies its financial assets and financial liabilities at initial recognition into categories, namely financial assets held at fair value through profit or loss, loans and receivables, available-for-sale investments, financial liabilities at fair value through profit or loss and financial liabilities measured at amortised cost using the effective interest rate method. Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated at fair value through profit or loss, which shall not be classified out of the fair value through profit or loss category.

Initial recognition

Financial instruments are recognised initially when the Trust becomes party to the contractual provisions of the instruments. The Trust classifies financial instruments, or their component parts, on initial recognition as a financial asset, as financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Initially financial assets and liabilities should be measured at fair value (including transaction costs for assets and liabilities not measured at fair value through profit or loss). Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

For financial instruments which are not at fair value through profit or loss, the transaction costs are included in the initial measurement of the instrument. Transaction costs on the financial instruments at fair value through profit or loss are recognised in profit or loss.

Subsequent measurement

Financial assets at fair value through profit and loss are designated at fair value through the profit and loss by management at inception. Derivatives are also classified as held-for-trading in this category unless they are designated as hedges.

Available for sale investments relate to any non-derivative financial assets which are designated on initial recognition as available for sale. They are measured at fair value in the balance sheet with fair value changes recognised directly in equity, through the statement of changes in equity, except for impairment losses which are recognised through profit or loss. The cumulative gain or loss that was recognised in equity is recognised in profit or loss when an available-for-sale financial asset is derecognised.

Loans and receivables are non-derivative financial assets with fixed or determinable payments, originated or acquired, that are not quoted in an active market, not held for trading, and not designated on initial recognition as assets at fair value through profit or loss or as available-for-sale. Loans and receivables for which the holder may not recover substantially all of its initial investment other than because of credit deterioration should be classified as available-for-sale. Loans and receivables are measured at amortised cost using the effective interest method.

Financial liabilities include trade and other payables as well as long-term interest bearing loans. These are all measured at amortised cost, using the effective interest rate method.

Amortised cost is calculated using the effective interest method with the effective interest rate being the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or liability.

Accounting Policies (continued)

1.2 Financial Instruments (continued)

Impairment

A financial asset or group of assets is impaired and impairment losses are incurred only if there is objective evidence as a result of one or more events that occurred after the initial recognition of the asset. The Trust assesses at each balance sheet date whether there is any objective evidence of impairment. If any such evidence exists, a detailed impairment calculation is done to determine whether an impairment loss should be recognised. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the financial asset's original effective interest rate.

If, in a subsequent period, the amount of the impairment loss relating to a financial asset carried at amortised cost or a debt instrument carried as available-for-sale decreases due to an event occurring after the impairment was originally recognised, the previously recognised impairment loss is reversed through profit and loss. Impairments relating to investments in available-for-sale equity instruments are not reversed.

1.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.4 Taxation

Current tax assets and liabilities

Current tax for the current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

Deferred tax liabilities are recognised for all taxable temporary differences, except to the extent that the deferred tax liability arise from initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible taxable temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- A transaction or event which is recognised in the same or a different period to other comprehensive income, or
- A business combination

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are charged or credited, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

Accounting Policies (continued)

2. Adoption of new and revised standards

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards. The principal accounting policies adopted are set out below.

Standards and Interpretations effective in the current period

Standard	About	Effective Date	Impact
IAS 1	Presentation of financial statements: Disclosure relating to other comprehensive income	01-Jan-13	No material impact
IAS 39	Presentation of financial statements: Disclosure relating to restatements	01-Jan-13	No material impact
IAS 36	Offsetting financial assets and financial liabilities	01-Jan-13	No material impact
IFRS 13	Fair value measurement	01-Jan-13	No material impact
AIS 19	Employee benefits	01-Jan-13	No material impact

Standards and Interpretations not yet effective

Standard	About	Effective Date	About
VARIOUS	2013 Annual Improvements	01-Jan-14	No material impact
IFRS 9	Financial assets and liabilities	01-Jan-18	No material impact
IFRS 9	Financial assets and liabilities	01-Jan-18	No material impact
IAS 32	Offsetting financial assets and financial liabilities	01-Jan-14	No material impact

The Trust has identified the accounting policies that are most significant to its operations and the understanding of its results.

3. Use of estimates and judgements in the preparation of annual financial statements

In the preparation of the annual financial statements, management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the financial statements within the next financial period.

No significant judgements have been made by management that could have a significant effect on the amounts recognised in the financial statements.

Notes to the Annual Financial Statements

	R 2014	R 2013

4 DEFERRED TAXATION

Deferred tax asset

A deferred tax asset has not been recognised on accumulated tax losses amounting to R7 334 at the end of February 2014 (2013: R6 667). This position will be reviewed going forward as future taxable profits become more probable for accumulated tax losses to be utilised against.

5 AVAILABLE FOR SALE INVESTMENT

	2014	2013
Investment in Rebuna Litsatsi De Aar Renewable Energy Company (RF) (Pty) Ltd	1 000	1 000
	1 000	1 000

The Trust has an effective ownership of 8% of De Aar Solar Power (RF) (Pty) Ltd which is the operating entity that owns the De Aar Solar Project. The Trust's holding in the solar project is through a wholly-owned special purpose entity called Rebuna Litsatsi De Aar Renewable Energy Company (RF) (Pty) Ltd.

The investment in the operating entity should be carried at fair value in terms of the entity's accounting policies. However, until such time as the entity starts earning a steady stream of dividend flows from the Trust company, historical information is not available and it is not possible to reliably calculate the fair value of the investment. The fair value currently is in excess of cost however, until a steady dividend distribution stream is observable, which is expected to be during 2016, the investment will be carried at historic cost. There are no indicators of impairment of the investment at the reporting date.

6 OTHER RECEIVABLES

	2014	2013
Other receivables	100	100
	100	100

The other receivable amount is made up of amounts due from De Aar Solar Power (RF) (Pty) Ltd. This was for an irrevocable donation as defined by the Trust Deed.

7 CAPITAL CONTRIBUTION

	2014	2013
Trust Capital	100	100
	100	100

A contribution to Trust capital was made by De Aar Solar Power (RF) (Pty) Ltd.

8 TRADE AND OTHER PAYABLES

	2014	2013
Other payables	1 000	1 000
	1 000	1 000

The other payable amount is made up of the amount due to Rebuna Litsatsi De Aar Renewable Energy Company (RF) (Pty) Ltd for the Trust's investment in it, and it is classified as a financial liability at amortised cost as per IAS 39. The payable is interest-free, non-redeemable and restricted to the purchase of shares in Rebuna Litsatsi De Aar Renewable Energy Company (RF) (Pty) Ltd. Accrued expenses consist of the respective years audit fees.

9 TAXATION

South African normal taxation

	2014	2013
Deferred tax credit	-	-

Refer to note 4 for details of why the Trust has not recognised any deferred tax amounts per the Statement of Comprehensive Income.

Reconciliation of the rate of taxation

Reconciliation between applicable tax rate and average effective tax rate:

	2014	2013
South African normal tax rate	40.00%	40.00%
Unrecognised deferred tax on accumulated losses	-40.00%	-40.00%
Effective income tax rate	0.00%	0.00%

Notes to the Annual Financial Statements (continued)

10 FINANCIAL STATEMENTS

A statement of comprehensive income and statement of cash flows have not been prepared as there were no transactions and no cash movements within the trust. The contribution to Trust capital is still receivable and the investment in the investee company is still payable as at 28 February 2014.

11 RELATED PARTIES

Related party relationships

Principal donor	De Aar Solar Power (RF) (Pty) Ltd
Investee company	Rebuna Litsatsi De Aar Renewable Energy Company (RF) (Pty) Ltd

Related party balances	R 2014	R 2013
Other receivable - Principal Donor	100	100
Other payable - Investee Company	1 000	1 000

12 FINANCIAL INSTRUMENTS

Capital risk

The Trust manages its capital to ensure that the entity will be able to continue as a going concern. The capital structure of the Trust consists of equity attributable to the Trust, comprising a donation to Trust capital and retained earnings as disclosed in the statement of changes in equity.

Credit risk management

Potential concentrations of credit risk consist mainly of investments and intercompany loans. At the end of the period the trustee did not consider there to be any significant concentration of credit risk which had not been adequately provided for.

Foreign exchange risk management

The trustee does not incur any expenses or receive any income in a foreign currency. There are no foreign currency balances at the period end.

Fair value of financial instruments

Except for the available for sale investment the carrying amounts of the financial assets and liabilities reported in the statement of financial position approximate fair value at the end of the period.

Interest rate risk management

As the Trust has no significant interest-bearing assets, the Trust's income and operating cash flows are substantially independent of changes in the market interest rates.

Notes to the Annual Financial Statements (continued)

12 FINANCIAL INSTRUMENTS (continued)

Liquidity risk management

The Trust manages liquidity risk through ongoing review of future commitments and credit facilities.

	Year 1	Years 2 - 5	Over 5 years	Total
2014	R	R	R	R
Assets				
Other receivables	100	-	-	100
	100	-	-	100
2013	R	R	R	R
Assets				
Other receivables	100	-	-	100
	100	-	-	100

	Year 1	Years 2 - 5	Over 5 years	Total
2014	R	R	R	R
Liabilities				
Trade and other payables	1 000	-	-	1 000
	1 000	-	-	1 000
2013	R	R	R	R
Liabilities				
Trade and other payables	1 000	-	-	1 000
	1 000	-	-	1 000

13 SUBSEQUENT EVENTS

There were no significant events after the reporting date, being 28 February 2014, to the date of approval of the financial statements. The ultimate investee company reached its commercial operating date on 5 April 2014.

14 GOING CONCERN

The financial statements have been prepared on the going concern basis, since the trustees have every reason to believe that the Trust has adequate resources in place to continue in operation for the foreseeable future. We, however, draw attention to the fact that the Trust has not incurred any income or expenditure in the current period and that its total liabilities equal its total assets as at 28 February 2014.

At the year end the entity's assets equalled its liabilities. This would, however, not have been the position if the investment in the financing Special Purpose Vehicle (SPV) was carried at fair value (refer note 5). The financing SPV in turn holds an investment in the operating entity, giving the Trust an effective ownership in operations. The Commercial Operating Date of the operating entity was reached on 5 April 2014 and consistent returns have been generated in excess of the financial model since that date. Funds received from the operating entity are required to be utilised to firstly repay the debt in respect of its investment in the operating entity, which is anticipated to be at the end of 2016, and thereafter the operating entity will begin to distribute dividends to the trust. Currently there are sufficient cash flows being generated by the operating entity to meet the obligations of this entity as they fall due.