GLOBAL ASSET MANAGEMENT LIMITED

Registration number
2002/003192/06

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FINANCIAL STATEMENTS

30 November 2015

FINANCIAL STATEMENTS

for the year ended 30 November 2015

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

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CORPORATE INFORMATION

Nature of business

The company is an investment holding and financing company.

Directors	GK Cunliffe	Independent	Non-executive Chairperson
	AJ Naidoo	Independent	Non-executive
	GT Magomola	Independent	Non-executive
	MCC van Ettinger	Executive	Director (COO)
	N Penzhorn	Executive	Director (CEO)
	WP Basson	Executive	Director (CFO)

Business address	Ruimsig Country Office Park, Block E 129 Hole in One Avenue Ruimsig Roodepoort 1724
Postal address	PO Box 73614 Fairland 2030
Bankers	Standard Bank
Auditor	Horwath Leveton Boner Registered Auditor
Secretary	Arbor Capital Company Secretarial (Pty) Ltd (Registration number 1998/025284/07)
Registration number	2002/003192/06
Ultimate holding company	Inshare (Proprietary) Limited
Level of assurance	These Financial Statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Compiler	The Financial Statements were internally compiled by: Werner Basson CA (SA).

REPORT OF THE INDEPENDENT AUDITOR

To the Shareholders of Global Asset Management Limited

We have audited the financial statements of Global Asset Management Limited set out on pages 10 to 37, which comprise the statement of financial position as at 30 November 2015, 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.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies of South Africa, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 Global Asset Management Limited as at 30 November 2015, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act

As part of our audit of the financial statements for the year ended 30 November 2015, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between this report and the audited financial statements. This report is the responsibility of the preparer.

Based on reading this report we have not identified material inconsistencies between this report and the financial statements. However we have not audited this report and accordingly do not express an opinion on this report.

Horwath Leveton Boner

Horwath Leveton Boner
Registered Auditor

Per: Selwyn Bloch
Partner

3 Sandown Valley Crescent
Sandton
24 February 2016

DIRECTORS' RESPONSIBILITIES AND APPROVAL

for the year ended 30 November 2015

The directors are required by the South African Companies Act, 2008 (as amended), to maintain adequate accounting records and are responsible for the content and integrity of the Financial Statements and related financial information included in this report.

It is the directors' responsibility to ensure that the Financial Statements fairly present the state of affairs of the company as at the end of the financial year and the results of their operations and cash flows for the year then ended, in conformity with IFRS and the provisions of the Companies Act. The external auditors are engaged to express an independent opinion on the Financial Statements.

The Financial Statements are prepared in accordance with IFRS and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board of Directors sets standards for internal control through various forums aimed at reducing the risk of error or loss in a cost-effective manner.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the Financial Statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the twelve months ended 30 November 2016 and, in the light of this review and the current financial position is satisfied that the company have or had access to adequate resources to continue in operational existence for the foreseeable future.

The Financial Statements set out on pages 10 – 37, which have been prepared on the going concern basis, were approved by the Board of Directors on 24 February 2016 and were signed on its behalf by:

G Cunliffe
Non-executive Chairperson
24 February 2016

N Penzhorn
Managing Director
24 February 2016

REPORT OF THE DIRECTORS

for the year ended 30 November 2015

1 Basis of preparation

The board of directors is pleased to present the company's audited results for the year ended 30 November 2015. The accounting policies adopted for purposes of this report comply, and have been consistently applied in all material respects with International Financial Reporting Standards ("IFRS").

2 Dividends

No dividends were proposed or paid during the year under review.

3 Directors

Directors of the company during the accounting period and up to the date of this report were as follows:

Non-executive Directors	**Qualifications**
GK Cunliffe	CA (SA)
GT Magomola	B.Com (SA), MBA, MRDT (MIT)
AJ Naidoo	B Com
Executive Directors	
N Penzhorn	MSc, CFA
MCC Van Ettinger	
WP Basson	CA (SA)

4 Employment

Employee statistics

	2015	**2014**
Number of permanent staff		
Number of staff beginning of the year	3	3
New employees	-	1
Resigned	(1)	(1)
Number of staff as at the end of the year	**2**	**3**

Details of directors' emoluments and employee costs are set out under directors' emoluments and the operating profit notes to the financial statements respectively.

On a salary basis benefits include a discretionary annual service bonus.

Fixed remuneration
Guaranteed cost-to-company remuneration is reviewed annually in line with current remuneration surveys and using as a guideline the average percentage increase recommended by the chairman and the board's executive directors.

Interim increases or ad hoc increases
These increases are only allowed if justified in view of the following:

- Promotion or transfer to another role which is graded at a higher remuneration level or
- Evidence of below market salaries or
- An increase in workload that justifies an increase in reward level or
- To establish internal equity.

All increases must remain within the available salary budget. Interim increases must be proposed by the relevant manager for approval by the chief executive officer.

The company makes use of incentive bonuses, paid annually on approval by the chairman and the board's executive directors. The incentive bonuses will be governed by rules as set out in the Remuneration Policy of the Group.

The discretionary Executive Incentive Bonus applies only to the Executive Directors of the company. The bonus calculation takes into account the Group's increase in earnings per share, the performance of the executive team, the performance of the specific executive's business unit and the executive's personal performance as determined in line with the Board, peer reviews, 360 degree reviews and the reporting line expectations.

The same Management and Staff Incentive Bonus process applies to management and staff where the performance of those individuals warrants such a bonus payment. These final bonus payments are subject to the approval of the Board's executive members.

5 Litigation

There is no litigation pending against the company, which is expected to have a material impact on the results of the company.

6 Contingent Liabilities

At the reporting date the company does not have any contingent liabilities (2014: RNil).

7 Corporate Actions

Issue of shares for cash and share repurchases
There were no issues of shares for cash during the current financial year.

At the annual general meeting of the company which was held on 15 July 2015, the requisite majority of shareholders approved an ordinary resolution authorising the directors to issue shares for cash in accordance with the JSE Listings Requirements.

During the year under review, the company did not repurchase any shares.

Issue of shares for acquisitions
No shares were issued during the year under review. However, shareholders are referred to Post Reporting Date Events below.

8 Special resolutions passed during the year

Special resolutions were proposed and passed at the Annual General Meeting held on 15 July 2015:

- A general authority to acquire/repurchase shares in Global;
- The approval of non-executive directors' remuneration; and
- General authority to enter into funding agreements, provide loans or other financial assistance.

No other special resolutions were proposed or passed during the year under review for Global or any of its subsidiary companies.

9 Events after the reporting period

Claw-back Offer and BEE subscription
The company elected not to pursue a claw back offer following advanced negotiations with a BEE investor, which intends subscribing for new shares in Global for R 40 million. The R 40 million will be raised in pursuance of the capitalisation strategy for the various waste to energy and concentrated solar power projects in the group.

Acquisition of a controlling interest in Earthwise Energy Holdings Proprietary Limited ("EWEH")
Subsequent to year end, Global has acquired a further 85.25% in EWEH for a maximum consideration of R37 858 358.16, settled as follows:

- Through the issue of 8 111 309 Global shares at the 30 day Volume Weighted Average Price being R1.90;
- An amount of R2 368 055 payable in cash;
- The issue of a maximum of 2 703 766 earn-out Global shares, to be issued at the earlier of the Global share price reaching R5.00 per share or the achievement of profit warranties over a six year period, being a maximum consideration of R13 518 830.
- An additional maximum earn-out cash amount of R4 559 891.06 payable over a period of six years; and
- 9.5% of the existing issued share capital of TRR for a consideration of R95.00 at R1.00 per share.

In addition, the company has entered into a separate agreement dated 18 December 2015 for the acquisition of a further 5% in EWEH for a cash consideration of R 2 million.

This takes Global's shareholding in EWEH to 95.25%.

STATEMENT OF FINANCIAL POSITION

as at 30 November 2015

	Notes	2015 R'	2014 R'
ASSETS			
Non-current assets		**52 305 205**	**55 904 358**
Property, plant and equipment	2	2 807 751	338 237
Investment in subsidiaries	3	49 497 454	49 497 454
Deferred tax asset	4	-	52 459
Loans receivable	5	-	6 016 208
Current assets		**42 227 093**	**38 856 304**
Loan to subsidiary	5	21 130 469	15 976 384
Trade and other receivables	6	17 547 434	15 424 874
Cash and cash equivalents	7	3 549 190	7 455 046
Total assets		**94 532 298**	**94 760 662**
EQUITY AND LIABILITIES			
Equity			
Ordinary share capital	8	34 795 085	34 795 085
Reserves		42 806 672	42 976 489
Total equity		**77 601 757**	**77 771 574**
Liabilities			
Non-current liabilities		**7 462 504**	**7 602 867**
Deferred tax liability	4	7 361 146	7 602 867
Other financial liability	9	101 358	-
Current liabilities		**9 468 037**	**9 386 221**
Loan payable	5	251 841	613 054
Other financial liability	9	49 507	-
Trade and other payables	10	8 974 007	7 822 568
Taxation		192 682	950 599
Total equity and liabilities		**94 532 298**	**94 760 662**

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 November 2015

	Notes	2015 R'	2014 R'
Revenue	11	**31 060 348**	**20 089 371**
Cost of Sales		**24 202 060**	**12 419 215**
Gross Profit		**6 858 288**	**7 670 156**
Other income	12	293 248	1 312 135
Operating expenses		(8 095 069)	(8 177 896)
Income from operations	13	**(943 533)**	**804 395**
Investment revenue		646 246	828 762
Finance costs	14	(3 577)	(100 058)
Profit before taxation		**(300 864)**	**1 533 099**
Taxation	15	131 047	(573 985)
Profit for the year		**(169 817)**	**959 114**
Other comprehensive income		**(169 817)**	**798 813**
Reclassification adjustment on disposal of available for sale investments		**-**	**(981 922)**
Taxation		**-**	**183 109**
Total comprehensive income		**(169 817)**	**160 301**
Total profit attributable to equity holders of the parent		**(169 817)**	**959 114**
Total comprehensive income attributable to equity holders of the parent		**(169 817)**	**160 301**

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 November 2015

	Share capital R'	Available for sale reserve R'	Retained earnings R'	Total equity R'
Balances at 30 November 2013	**31 942 487**	**798 813**	**42 017 375**	**74 758 675**
Share issue	3 098 452	-	-	3 098 452
Share issue expense	(245 854)	-	-	(245 854)
Profit on the sale of disposal group	-	(798 813)	798 813	-
Total comprehensive income	-	-	160 301	160 301
Total changes	**2 852 598**	**(798 813)**	**959 114**	**3 012 899**
Balances at 30 November 2014	**34 795 085**	**-**	**42 976 489**	**77 771 574**
Total comprehensive income	-	-	(169 817)	(169 817)
Total changes	**-**	**-**	**(169 817)**	**(169 817)**
Balances at 30 November 2015	**34 795 085**	**-**	**42 806 672**	**77 601 757**

Note 8

STATEMENT OF CASH FLOW

for the year ended 30 November 2015

	Notes	2015 R'	2014 R'
Cash flows from operating activities			
Cash generated from / (utilised in) operations	16	**(854 931)**	**(2 687 559)**
Interest income		646 246	828 762
Finance cost		(3 577)	(100 058)
Taxation paid	17	(113 867)	(248 334)
Net cash from operating activities		**(326 129)**	**(2 207 189)**
Cash flows from investing activities			
Cash flow to maintain activities			
Property, plant and equipment additions		(2 821 153)	(14 536)
Proceeds on disposal group held for sale		-	967 455
Investment in subsidiaries		-	(2 000)
Net cash from investing activities		**(2 821 153)**	**950 919**
Cash flows from financing activities			
Proceeds from the issue of share capital		-	2 852 598
Proceeds from of other financial liabilities		150 865	-
Proceeds from (repayment to) holding company		(361 213)	1 122 283
Payment to subsidiaries		(548 226)	(9 792 058)
Net cash from financing activities		**(758 574)**	**(5 817 177)**
Total cash movement for the year		(3 905 856)	(7 073 447)
Cash at the beginning of the year		7 455 046	14 528 493
Cash at the end of the year	7	**3 549 190**	**7 455 046**

ACCOUNTING POLICIES

for the twelve months ended 30 November 2015

1 Presentation of the Financial Statements

Global Asset Management is a company domiciled in South Africa. The going concern principal has been adopted in the preparation of the financial statements.

Global Asset Management is a company listed on the Johannesburg Stock Exchange and is domiciled in South Africa. The going concern principal has been adopted in the preparation of the financial statements.

1.1 Statement of compliance

The company's financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRS").

The company's financial statements are prepared using a combination of historical cost and fair value bases of accounting. Those categories to which fair value basis of accounting has been applied are indicated in the individual accounting policies.

The financial statements are presented in Rand, which is the company's functional currency. These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from the other sources. Actual results may differ from these estimates.

The accounting estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected. Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are disclosed in the notes to the financial statements where appropriate.

1.2.1 Trade receivables and/or loans and other receivables and advances

The company assesses its loans and receivables for impairment at each reporting date. In determining whether an impairment loss should be recorded in the profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

1.2.2 Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

1.2.3 Impairment testing of non-financial assets

The recoverable amounts of cash-generating units and individual assets, including intangible assets, have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

1.2.4 Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred tax assets recorded at the reporting date could be impacted.

1.3 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

Property, plant and equipment are initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

Item	Average useful life
Furniture and fixtures	6 Years
Motor vehicles	5 Years
Office equipment	6 Years

IT equipment	3 Years
IT Software	3 Years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset. The depreciation charge gets recognised when the asset is available for use.

The gain or loss arising from the de-recognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.4 Investment in subsidiaries

Company financial statements

In the company's separate financial statements, investments in subsidiaries are carried at cost less impairment.

The cost of an investment in a subsidiary is any costs directly attributable to the purchase of the subsidiary.

1.5 Financial instruments

1.5.1 Initial recognition

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

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

The company designate on initial recognition financial instruments at fair value through profit or loss.

1.5.2 Subsequent measurement

1.5.2.1 Financial assets

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Most of the company's financial instruments are classified as loans and receivables and are measured at amortised cost.

1.5.2.2 Financial liabilities

All of the company's financial liabilities are classified at amortised cost using the effective interest rate method.

1.5.2.3 Available for sale reserve

When the investment is disposed of or is determined to be impaired, the accumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified through profit or loss.

1.6 Taxation

1.6.1 Current tax liabilities and assets

Current tax for 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 reporting date.

1.6.2 Deferred tax liabilities and assets

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability 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 all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible 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 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 which 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 reporting date.

1.6.3 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, directly in equity, or other comprehensive income, or
- a business combination.

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.

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

1.7.1 Finance leases – lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as other financial liabilities.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

1.7.2 Operating leases - lessor

Operating lease income is recognised as an income over the lease term on a straight line basis. Income for leases is disclosed in profit or loss.

1.7.3 Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted. Any contingent rents are expensed in the period they are incurred.

1.8 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in profit or loss.

1.9 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave, sick leave and bonuses), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.10 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and that revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable. Value added tax is excluded.

Revenue is recognised on the following basis:

- Sale of forklifts is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer;
- Rendering of services relates to maintenance of forklifts and management fees and is recognised when the service has been provided;
- Rental income arising from operating leases on forklift trucks is accounted for on a straight – line basis over the lease terms; and
- Interest income is recognised on instalment sale agreements as interest accrues using the effective interest method.

1.11 Standards, interpretations and amendments to published standards applied for the first time during the current financial year

- IFRS 9: *Financial instruments* New standard that forms the first part of a three-part project to replace IAS 39 Financial Instruments: Recognition and Measurement.
    - *Phase 1: Classification and measurements (completed)*
    - *Phase 2: Impairment methodology (outstanding)*
    - *Phase 3: Hedge accounting (completed)*
    - Most of the requirements for financial liabilities were carried forward unchanged from IAS 39. However, some changes were made to the fair value option for financial liabilities to address the issue of credit risk. Entities may voluntarily continue to measure their financial instruments in accordance with IAS 39 but benefit from the improved accounting for own credit risk in IFRS 9 by early adopting only that aspect of IFRS 9 separately

    - *Annual Improvements 2010-2012 Cycle:* Amendments to the measurement requirements for all contingent consideration assets and liabilities under IFRS 9. (effective 1 July 2014) (The mandatory effective date for IFRS 9 will be announced when the IASB has completed all outstanding parts of IFRS 9. however, entities may still choose to apply IFRS 9 immediately)

- IFRS 10: *Consolidated financial statements* IFRS 10 exception to the principle that all subsidiaries must be consolidated. Entities meeting the definition of 'Investment Entities' must be accounted for at fair value under IFRS 9, *Financial Instruments,* or IAS 39*, Financial Instruments: Recognition and Measurement*. (effective 1 January 2014)

- IFRS 12: *Disclosures of interests in other entities.* New disclosures required for Investment Entities (as defined in IFRS 10). (effective 1 January 2014)
- IFRS 13: *Fair value measurement. Annual Improvements 2010-2012 Cycle*: Amendments to clarify the measurement requirements for those short term receivables and payables
- *Annual Improvements 2011-2013 Cycle:* Amendments to clarify that the portfolio exception applies to all contracts within the scope of, and accounted for in accordance with, IAS 39 or IFRS 9. (effective 1 July 2014)
- *IAS 24: Related Party Disclosures Annual Improvements 2010-2012 Cycle*: Amendments to the definitions and disclosure requirements for key management personnel. (effective 1 July 2014)
- IAS 27 Separate Financial Statements Requirement to account for interests in 'Investment Entities' at fair value under IFRS 9, Financial Instruments, or IAS 39, Financial Instruments: Recognition and Measurement, in the separate financial statements of a parent. (1 January 2014)

The implications of these statements have no impact on measurements of assets and liabilities at the year end. Comparatives are provided for new disclosures where required in terms of the standards.

1.12 Statements issued but not yet effective

The company will comply with the new standard and interpretations from the effective date unless otherwise noted:

Standard	Details of Amendment	Annual periods beginning on or after
IFRS 7 Financial Instruments: Disclosures	• Annual Improvements 2012-2014 Cycle: Amendment clarifying under what circumstances an entity will have continuing involvement in a transferred financial asset as a result of servicing contracts. • Annual Improvements 2012-2014 Cycle: Amendment clarifying the applicability of previous amendments to IFRS 7 issued in December 2011 with regard to offsetting financial assets and financial liabilities in relation to interim financial statements prepared under IAS 34.	1 January 2016 1 January 2016
IFRS 9 Financial Instruments	• A final version of IFRS 9 has been issued which replaces IAS 39 Financial Instruments: Recognition and Measurement. The completed standard comprises guidance on Classification and Measurement, Impairment Hedge Accounting and Derecognition: > IFRS 9 introduces a new approach to the classification of financial assets, which is driven by the business model in which the asset is held and their cash flow characteristics. A new business model was introduced which does allow certain financial assets to be categorised as "fair value through other comprehensive income" in certain circumstances. The requirements for financial liabilities are mostly carried forward unchanged	1 January 2018 *IFRS 9 (2014) supersedes any previous versions of IFRS 9, but earlier versions of IFRS 9 remain available for application if the relevant date of application is before 1

Standard	Details of Amendment	Annual periods beginning on or after
	from IAS 39. However, some changes were made to the fair value option for financial liabilities to address the issue of own credit risk. > The new model introduces a single impairment model being applied to all financial instruments, as well as an "expected credit loss" model for the measurement of financial assets. > IFRS 9 contains a new model for hedge accounting that aligns the accounting treatment with the risk management activities of an entity, in addition enhanced disclosures will provide better information about risk management and the effect of hedge accounting on the financial statements > IFRS 9 carries forward the derecognition requirements of financial assets and liabilities from IAS39	February 2015*
IFRS 10 Consolidated Financial Statements	• Investment Entities: Applying the Consolidation Exception: Narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28 introduce clarifications to the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards. • Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.	1 January 2016
IFRS 11 Joint Arrangements	• Amendments adding new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business which specify the appropriate accounting treatment for such acquisitions.	1 January 2016
IFRS 12 Disclosure of Interests in Other Entities	• Investment Entities: Applying the Consolidation Exception: Narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28 introduce clarifications to the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards.	1 January 2016
IFRS 15 Revenue from Contracts from	• New standard that requires entities to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled	1 January 2016

Standard	Details of Amendment	Annual periods beginning on or after
Customer	in exchange for those goods or services. This core principle is achieved through a five step methodology that is required to be applied to all contracts with customers. • The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements. • The new standard supersedes: (a) IAS 11 Construction Contracts; (b) IAS 18 Revenue; (c) IFRIC 13 Customer Loyalty Programmes; (d) IFRIC 15 Agreements for the Construction of Real Estate; (e) IFRIC 18 Transfers of Assets from Customers; and (f) SIC-31 Revenue—Barter Transactions Involving Advertising Services.	
IFRS 16 Leases	• New standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying IAS 7 Statement of Cash Flows. • IFRS 16 contains expanded disclosure requirements for lessees. Lessees will need to apply judgement in deciding upon the information to disclose to meet the objective of providing a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the lessee. • IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. • IFRS 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor’s risk exposure, particularly to residual value risk.	1 January 2019

Standard	Details of Amendment	Annual periods beginning on or after
	• IFRS 16 supersedes the following Standards and Interpretations: • (a) IAS 17 Leases; • (b) IFRIC 4 Determining whether an Arrangement contains a Lease; • (c) SIC-15 Operating Leases—Incentives; and • (d) SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.	
IAS 16 Property, Plant and Equipment	• Amendment to both IAS 16 and IAS 38 establishing the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. Clarifying that revenue is generally presumed to be an inappropriate basis for measuring the consumption of economic benefits in such assets. • Amendment to IAS 16 and IAS 41 which defines bearer plants and includes bearer plants in the scope of IAS 16 Property, plant and Equipment, rather than IAS 41, allowing such assets to be accounted for after initial recognition in accordance with IAS 16.	1 January 2016
IAS 27 Consolidated and Separate Financial Statements	• Amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.	1 July 2016
IAS 28 Investments in Associates and Joint Ventures	• Investment Entities: Applying the Consolidation Exception: Narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28 introduce clarifications to the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards. • Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.	1 January 2016
IAS 34 Interim Financial	• Annual Improvements 2012-2014 Cycle: Clarification of the meaning of disclosure of information 'elsewhere in	1 January 2016

Standard	Details of Amendment	Annual periods beginning on or after
Reporting	the interim financial report'.	
IAS 38 Intangible Assets	• Amendments to IAS 16 and IAS 38 to clarify the basis for the calculation of depreciation and amortisation, as being the expected pattern of consumption of the future economic benefits of an asset. • Amendment to both IAS 16 and IAS 38 establishing the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. Clarifying that revenue is generally presumed to be an inappropriate basis for measuring the consumption of economic benefits in such assets.	1 January 2016

Other than new disclosure requirements, these are not expected to have a significant impact on the company's results.

2 Property plant and equipment

Non-current assets – Property, plant and equipment

2015	Cost R'	Accumulated depreciation R'	Carrying value R'
Furniture and Fittings	26 482	(25 651)	1 121
Office equipment	12 000	(12 000)	-
IT equipment	78 382	(77 314)	1 068
Computer software	25 400	(20 424)	4 975
Tank containers	1 051 750	(1 051 750)	-
Motor vehicles	158 500	(10 567)	147 933
Plant under construction	2 652 653	-	2 652 653
	3 275 337	**(1 197 706)**	**2 807 751**

2014	Cost R'	Accumulated depreciation R'	Carrying value R'
Furniture and Fittings	26 482	(24 653)	1 829
Office equipment	12 000	(6 168)	5 832
IT equipment	78 382	(68 667)	9 715
Computer software	25 400	(14 459)	10 941
Tank containers	1 051 750	(741 830)	309 920
	1 194 014	**(855 777)**	**338 237**

Carrying amounts of Property, plant and equipment can be reconciled as follows:

2015	Carrying value opening balance R'	Additions R'	Disposals R'	Depreciation R'	Carrying value closing balance R'
Furniture and Fittings	1 829	-	-	(708)	1 121
Office equipment	5 832	-	(3 998)	(1 834)	-
IT equipment	9 715	-	-	(8 647)	1 068
Computer software	10 941	-	-	(5 966)	4 975
Tank containers	309 920	-	(309 920)	-	-
Motor vehicles	-	158 500	-	(10 567)	147 933
Plant under construction	-	2 652 653	-	-	2 652 653
	338 237	**2 821 153**	**(313 918)**	**(27 722)**	**2 807 751**

2014	Carrying value opening balance R'	Additions R'	Disposals R'	Depreciation R'	Carrying value closing balance R'
Furniture and Fittings	4 577	-	-	(2 748)	1 829
Office equipment	7 832	-	-	(2 000)	5 832
IT equipment	22 795	1 750	-	(14 830)	9 715
Computer software	4 243	12 786	-	(6 088)	10 941
Tank containers	362 509	-	-	(52 589)	309 920
	401 956	**14 536**	**-**	**(78 255)**	**338 237**

3 Investment in subsidiaries

	Percentage Held		Issued Shares R'		Carrying amount as at R'	
Name and nature of business	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Direct Interests						
LFS Assets (Pty) Ltd	100%	100%	2 000	2 000	49 495 454	49 495 454
GAM New Energy (Pty) Ltd	100%	100%	1 000	1 000	1 000	1 000
Energy Efficiency Company (Pty) Ltd	100%	100%	1 000	1 000	1 000	1 000
					49 497 454	49 497 454

The carrying amounts of subsidiaries are shown at cost. There was no evidence of impairment for the year ended 30 November 2015.

4 Deferred tax

	2015 R'	2014 R'
Deferred tax liability		
Capital gains tax	(7 426 882)	(7 426 882)
Working capital	65 736	52 459
Temporary differences	-	(175 985)
	(7 361 146)	**(7 550 438)**
Capital gains tax – other comprehensive income		
At beginning of year	-	(183 109)
Movement for the year	-	183 109
	-	**-**

2015	**Opening balance R'**	**Recognised in other comprehensive income R'**	**Recognised in profit and loss R'**	**Closing balance R'**
Deferred tax assets/(liabilities) arise from the following:				
Capital gains	(7 426 882)	-	-	(7 426 882)
Tank Containers	(175 985)	-	175 985	-
Working capital	52 459	-	13 277	65 736
	(7 550 408)	**-**	**189 262**	**(7 361 146)**

2014	**Opening balance R'**	**Recognised in other comprehensive income R'**	**Recognised in profit and loss R'**	**Closing balance R'**
Deferred tax assets/(liabilities) arise from the following:				
Capital gains	(7 609 991)	183 109	-	(7 426 882)
Tank Containers	(190 710)	-	14 725	(175 985)
Working capital	-	-	52 459	52 459
	(7 800 701)	**183 109**	**67 184**	**(7 550 408)**

5 Loans receivable (payable)

	2015 R'	2014 R'
LFS Assets (Pty) Ltd	9 314 711	15 976 384
Inshare (Pty) Ltd	(251 841)	(613 054)
The loans are unsecured and bear interest.		
GAM New Energy (Pty) Ltd	9 764 911	3 965 362
Energy Efficiency Company (Pty) Ltd	2 050 846	2 050 846
The loans are unsecured and bear no interest.		
	20 878 627	**21 379 538**
Current assets	21 130 468	15 976 384
Non-current assets	-	6 016 208
Current liabilities	(251 841)	(613 054)
	20 878 627	**21 379 538**

The fair value of the loans approximate the carrying values as stated. Refer to note 19.

6 Trade and other receivables

	2015 R'	2014 R'
Trade receivables	17 340 758	15 348 330
Other receivables	206 676	76 544
	17 547 434	**15 424 874**

The net carrying value of trade and other receivables is considered to be a reasonable approximation of its fair value.

The credit quality of the debtors not yet past due date and not yet impaired is considered to be satisfactory based on our credit evaluation.

Trade and other receivables past due but not impaired

Trade receivables past due date bears no interest.

Trade and other receivables which are past due are not considered to be impaired. At 30 November 2015: R 8 212 974 (2014: R 7 136 684) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	2015 R'	2014 R'
1 month past due	510 162	443 360
2 months past due	488 426	576 546
3 months and more past due	7 214 386	6 116 778

No impairment loss was recognised. Refer to note 19.

7 Cash and cash equivalents

Consists of:	2015 R’	2014 R’
Bank balances	3 549 190	7 455 046
	3 549 190	**7 455 046**
Current assets	3 549 190	7 455 046
	3 549 190	**7 455 046**

The net carrying value of Cash and cash equivalents is considered to be a reasonable approximation of its fair value. Refer to note 19.

8 Share capital

	2015 R’	2014 R’
Authorised		
1 000 000 000 Ordinary Shares at no par value	-	-
1,000,000,000 Class A (fixed rate), 1,000,000,000 Class B (zero rate), 1,000,000,000 Class C (variable rate), five year, redeemable, convertible, non-voting, non-participating Preference Shares at no par value	-	-

953 953 734 (2014: 953 953 734) unissued ordinary shares in terms of the memorandum of incorporation.

	2015 R’	2014 R’
Opening balance	34 795 085	31 942 487
Issued	-	2 852 598
Closing balance	34 795 085	34 795 085

Issued share capital consists of 46 046 266 (2014: 46 046 266) Ordinary share at no par value.

9 Other financial liabilities

	2015 R’	2014 R’
Held at amortised cost		
Standard Bank	150 865	-
Total facility available		
Interest at a variable rate linked to prime		
Monthly capital repayment at 30 November	5 200	-
	158 865	**-**
Non-current liabilities	101 358	-
Current liabilities	49 507	-
Financial liabilities at amortised cost	**150 865**	**-**

The carrying amount of the loans approximates its fair value. The fair value have been determined by applying a discounted cash flow approach with the key input being the expected interest rates which are linked to market rates (Prime), consequently the amortised cost approximates fair value excluding any noticeable deterioration in own credit risk of which there has been none as reflected by unchanged credit spreads on current or quoted facilities. The fair value of the liabilities is categorised as Level 2 of the fair value hierarchy.

The borrowings arose from the purchase of assets. Refer to note 19.

10 Trade and other payables

	2015 R'	**2014 R'**
Trade payables	8 636 714	7 508 072
Other payables	337 293	314 496
	8 974 007	**7 822 568**

The fair value of the trade and other receivables approximates the carrying value. Refer to note 19.

11 Revenue

	2015 R'	**2014 R'**
Rental Income	11 776 856	6 349 560
Maintenance Income	13 114 903	7 028 513
Rendering of services	6 168 589	6 711 298
	31 060 348	**20 089 371**

12 Other income

	2015 R'	**2014 R'**
Profit on the sale of disposal group held for sale	-	981 923
Foreign exchange profit	-	175 531
Other income	293 248	154 681
	293 248	**1 312 135**

The profit on the disposal of available for sale investments relates to the sale of the DREIG shares.

13 Operating profit (loss)

	2015 R'	2014 R'
Operating profit for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
Contractual amounts	1 227 354	1 108 008
Equipment		
Contractual amounts	111 545	96 454
	1 338 899	**1 204 462**
Audit fees	547 000	323 000
Depreciation on property plant and equipment	27 722	78 255
Employee costs	3 003 504	3 426 023
Loss on disposal of property, plant and equipment	313 918	-

14 Finance costs

	2015 R'	2014 R'
Interest bearing borrowings	-	57 536
Other	3 577	42 522
	3 577	**100 058**

15 Taxation

South African – Normal taxation

Components of the tax expense	2015 R'	2014 R'
Current		
Normal tax – current period	**58 215**	**641 168**
Deferred	**(189 262)**	**(250 293)**
Tax per the profit and loss for the year	**(131 047)**	**390 875**

Reconciliation of taxation expense

	2015	2014
Standard tax rate	28,00%	28,00%
Disallowable expenses	15,56%	9,40%
Effective rate	**43,56%**	**37,40%**

16 Cash generated from operations

	2015 R'	2014 R'
Profit before taxation from continuing operations	(300 864)	1 533 099
Adjusted for:		
Depreciation	27 722	78 255
Profit on the sale of disposal group held for sale	-	(981 923)
Profit on foreign exchange	-	(175 531)
Loss in disposal of property plant and equipment	313 918	-
Interest received	(646 246)	(828 762)
Finance costs	3 577	100 058
Corporate services	1 476 000	1 476 000
Changes in working capital		
Trade and other receivables	(2 122 560)	(10 840 584)
Trade and other payables	393 522	6 951 829
	(854 931)	**(2 687 559)**

17 Taxation paid

	2015 R'	2014 R'
Balance at the beginning of the period	(248 334)	(557 765)
Current tax for the year recognised in profit	(58 215)	(641 168)
Balance at the end of the period	192 682	950 599
	(113 867)	**(248 334)**

18 Related parties

Relationships

Ultimate holding company:	Inshare (Pty) Ltd
Subsidiaries:	LFS Assets (Pty) Ltd
	Energy Efficiency Company (Pty) Ltd
	GAM New Energy (Pty)Ltd
	Total Rubber Recycle (Pty)Ltd
Fellow subsidiaries:	Inshare Asset Finance Holdings (Pty) Ltd
	Ocean Crest Trading 11 (Pty) Ltd
	EBM Project (Pty) Ltd
	Dalton Sugar Company (Pty) Ltd
	Inshare Properties (Pty) Ltd
Joint venture:	Energon SA (Pty) Ltd

Related party transactions were as follows:

	2015 R'	2014 R'
Related party balances		
Owing (to) by related parties		
Inshare (Pty) Ltd	(251 840)	(613 054)
LFS Assets (Pty) Ltd	9 314 711	15 976 384
The loans are unsecured and bear interest. There was no evidence of impairment for the year end 30 November 2015, thus the fair value of the loan approximates the carrying value as stated.		
GAM New Energy (Pty) Ltd	9 764 911	3 965 362
Energy Efficiency Company (Pty) Ltd	2 050 846	2 050 846
The loans are unsecured and do not bear interest. There was no evidence of impairment for the year ended 30 November 2015, thus the fair value of the loans approximates the carrying value as stated.		
Related party transactions are at arm's length.		
Loan received from (repay/advanced to)		
Inshare (Pty) Ltd	361 214	739 153
LFS Assets (Pty) Ltd	6 661 673	(3 775 850)
GAM New Energy (Pty) Ltd	(5 799 549)	(3 965 362)
Energy Efficiency Company (Pty) Ltd	-	(2 050 846)
Interest paid to (received from)		
Inshare (Pty) Ltd	(137 084)	-
LFS Assets (Pty) Ltd	(338 279)	(820 766)
Forklift truck rentals and maintenance paid to		
LFS Assets (Pty) Ltd	24 202 060	12 419 215
Administration fees paid to (received from)		
LFS Assets (Pty) Ltd	(2 243 588)	(2 676 298)
Rent paid to (received from) related parties		
LFS Assets (Pty) Ltd	(689 700)	(627 000)
Ocean Crest Trading 11 (Pty) Ltd	878 460	798 600
Management fee paid to (received from)		
Inshare (Pty) Ltd	-	840 000
Inshare Asset Finance Holdings (Pty) Ltd	1 476 000	636 000
Energon SA (Pty) Ltd	(85 000)	(300 000)
Energy Efficiency Company (Pty) Ltd	(300 000)	(300 000)
Dalton Sugar Company (Pty) Ltd	(300 000)	(75 000)
Proceeds on the sale of the disposal group held for sale		
Inshare Properties (Pty) Ltd	-	(4 333 895)
Consulting fee paid to (received by)		
EBM Project (Pty) Ltd	(3 000 000)	(3 000 000)

Company Information

Subsidiaries

Name	Activity
GAM Industrial (Pty) Ltd	Investments into industrial companies
LFS Assets (Pty) Ltd	Asset finance
GAM Business Solutions (Pty) Ltd	Investment in energy efficiency projects
Energy Efficiency Company (Pty) Ltd	Fund for energy efficiency equipment
GAM New Energy (Pty) Ltd	Investments into waste to energy projects

19 Risk management

Financial risk management

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

Categories of financial instruments at year end were as follows:

	Financial assets/ liabilities at amortised cost R'	Total R'
2015		
Financial Assets:		
Loans receivable	21 130 469	21 130 469
Trade and other receivables	17 547 434	17 547 434
Cash and cash equivalents	3 549 190	3 549 190
Financial liabilities:		
Loans payable	251 851	251 851
Trade and other payables	8 974 008	8 974 008
Other financial liabilities	150 865	150 865

	Financial assets/ liabilities at amortised cost R'	Total R'
2014		
Financial Assets:		
Loans receivable	21 992 592	21 992 592
Trade and other receivables	15 424 874	15 424 874
Cash and cash equivalents	7 455 046	7 455 046
Financial liabilities:		
Loans payable	613 054	613 054
Trade and other payables	7 822 568	7 822 568

Liquidity risk

The company's risk to liquidity is a result of available funds to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments, credit facilities and operations. In addition the obligations are met through the renting of forklifts trucks (which are classified as non-current assets). Management are confident that this will result in the company being able to meet future obligations.

The table below analyses the company's financial liabilities consisting of non-derivative financial liabilities only, into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date including estimated interest payments. The amounts disclosed in the table are the contractual undiscounted cash flows.

2015 R'	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loan payable	251 841	-	-	-
Trade and other payables	8 974 008	-	-	-
Other financial liabilities	54 334	111 240	-	-

2014 R'	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loan payable	613 054	-	-	-
Trade and other payables	7 822 568	-	-	-

Interest rate risk

The company is exposed to interest rate risk, as the company has significant interest-bearing assets and liabilities. Within the company, this interest rate fluctuation is counter balanced by increasing the rates on the rental agreements accordingly. This risk is thus mitigated by a corresponding increase in rental and finance income from customers.

At 30 November 2015, if interest rates on Rand-denominated borrowings had been 1% higher with all other variables held constant This risk is thus mitigated by a corresponding increase in rental and finance income from customers, post-tax profit for the year would have been R 1 813 (2014: R 4 414) higher, mainly as a result of higher interest expense on variable rate borrowings. This risk is mitigated by a corresponding increase in rental and finance income from customers. Other components of equity would not have been affected.

The assumed movement in basis points for interest rate sensitivity is based on the currently observable market environment, showing a higher trend.

Credit risk

Credit risk arises from cash and cash equivalents, loans advanced and receivables.

The company only deposits short term cash surpluses with major banks of high quality credit standing.

Trade and other receivables consist mainly of corporate fees, operating rental income and maintenance contracts. At 30 November 2015, there are two debtors totalling R 16 632 319 exceeding 5% of the total debtors book and at 30 November 2014 there were four debtors totalling R 14 668 231 exceeding 5% of the total debtors book.

These are subject to credit granting procedures and rigorous monitoring.

Financial instruments impaired are detailed in the notes to the financial statements.

Financial assets exposed to credit risk at year end were as follows:

	2015 R'	2014 R'
Loans to subsidiaries	21 130 469	21 992 592
Trade and other receivables	17 547 432	15 424 874
Cash and cash equivalents	3 549 190	7 455 046

Foreign exchange risk

The company was exposed to foreign exchange risk arising from DREIG Shares in the previous financial year.

At the financial year end the company had no foreign exchange exposure.

Capital management

The company's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the company consists of debt, which includes the borrowings, cash and cash equivalents, and equity as disclosed in the Statement of Financial Position.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The company monitors capital on the basis of the gearing ratio.

There are no loan covenants imposed to meet borrowing requirements.

20 Events after the reporting period

Claw-back Offer and BEE subscription

The company elected not to pursue a claw back offer following advanced negotiations with a BEE investor, which intends subscribing for new shares in Global for R 40 million. The R 40 million will be raised in pursuance of the capitalisation strategy for the various waste to energy and concentrated solar power projects in the company.

Acquisition of a controlling interest in EWEH

During December 2015, after the financial period ended 30 November 2015, GAM acquired a controlling interest in Earthwise Energy Holdings (Pty) Ltd ("EWEH"). The controlling interest held after this transaction is 95,25% and is made up as follows:

- 5% acquired from Altena (transaction 1) during December 2015
- 85.25% acquired from vendors (transaction 2) during December 2015
- 5% acquired in previous financial periods

Transaction 1

A 5% interest in EWEH was acquired for a cash consideration of R 2 million from Altena, this transaction was in contemplation of transaction 2 described below.

Transaction 2

An 85.25% interest in EWEH was acquired from a combination of cash and equity instruments including components which are contingent on future events. Each of the major components, and the related **fair values** (which may differ from the agreement values between parties), are disclosed in the table below:

Acquisition of 85.25% in December 2015:

• 8 111 309 GAM shares	R 23 236 966
• Cash consideration	R 2 368 055
• Additional GAM shares contingent on profit warrants	R 1 724 567
• Additional contingent cash amount	R 826 585
• TRR shares transferred to vendors	R 6 021 152
Total	**R 34 177 325**

Previously held interest

IFRS 3 requires that when an entity acquires control over another entity it should include the fair value of any previously held interest as part of determining the consideration paid for that acquisition. In this instance GAM held 5% in EWEH from prior periods and the fair value of this 5% determined as R 2 million (based on the price achieved in Transaction 1 above).

The total consideration paid for the 95.25% interest in EWEH, inclusive of the previously held interest is therefore R 38,2 million. At the date of acquisition the fair value of EWEH's net assets was provisionally determined to be R 0,8 million. Consequently Goodwill on the acquisition of EWEH is provisionally determined as follows:

• Consideration paid	R 38,2 million
• Non-controlling interest	R 1,9 million
• Less, Fair value of assets acquired	(R 0,8 million)
Goodwill	**R 39,3 million**

GAM is of the view that the proprietary technology developed by EWEH in the area of plastic to oil operations will prove to become extremely valuable in the area of renewable energy and is therefore comfortable that the goodwill on the transaction is reflective of the value expected from the acquisition.

21 Commitments

At the reporting date the company does not have any commitments. (2014: R-)

22 Going concern

Management are satisfied, based on cash flow forecasts and borrowing facilities that the company will continue as a going concern in the foreseeable future.

23 Directors' emoluments

	2015 Services R'	2014 Services R'
Non-Executive		
GK Cunliffe	364 653	364 260
GT Magomola	120 000	120 000
AJ Naidoo	120 000	120 000
AA Maren	-	70 000
Executive		
N Penzhorn	1 509 783	1 423 902
MCC van Ettinger	240 000	240 000
WP Basson	300 000	300 000
TOTAL	**2 654 436**	**2 638 162**

24 Minimum contracted rental

The company leases forklift trucks under operating leases. Leases typically run for a period of five years. Future contractual amounts due in terms of operating lease agreements:

2015 R'	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Minimum contracted rental income	**24 847 878**	8 996 976	8 645 885	7 205 017	-

2014 R'	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Minimum contracted rental income	**33 791 941**	9 278 180	9 104 304	14 679 078	730 379