

GLOBAL ASSET MANAGEMENT LIMITED
Registration number
2002/003192/06

FINANCIAL STATEMENTS
30 November 2014

FINANCIAL STATEMENTS

for the year ended 30 November 2014

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 objective is to become the financing partner and investment vehicle of choice for customers, investors and entrepreneurs, generating long term wealth by focusing on sustainable growth and income generating opportunities within the Southern African region.

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)

*AA Maren resigned as a non-executive director at the 1 July 2014

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)
Assistant Secretary	Frans Sarel Jacobus Els (ID: 721009 5029 086)
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).

Independent Auditor's Report

To the Shareholders of Global Asset Management Limited

We have audited the financial statements of Global Asset Management Limited set out on pages 11 to 37, which comprise the Statement of financial position as at 30 November 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 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 requirements of the Companies Act 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 misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 2014, 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 2014, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between this report and the audited financial statements. The Directors' Report is the responsibility of the directors. Based on reading the Directors' Report we have not identified material inconsistencies between this report and the audited financial statements. However, we have not audited the Directors' Report and accordingly do not express an opinion thereon.



Per: S Bloch
Partner
Registered Auditor

Sandton
23 February 2015

DIRECTORS' RESPONSIBILITIES AND APPROVAL

for the year ended 30 November 2014

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.

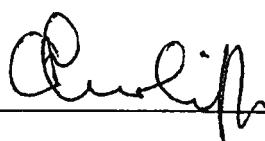
The Financial Statements are prepared in accordance with IFRS and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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 2015 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 11 – 37, which have been prepared on the going concern basis, were approved by the Board of Directors on 23 February 2015 and were signed on its behalf by:



G Cunliffe
Non-executive Chairperson
23 February 2015



N Penzhorn
Managing Director
23 February 2015

REPORT OF THE DIRECTORS

for the year ended 30 November 2014

1 Basis of preparation

The board of directors is pleased to present the Company's audited results for the year ended 30 November 2014. 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").

The same accounting policies and methods of computation have been followed as compared to the prior year.

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		Re-appointed	Resigned
GK Cunliffe	CA(SA)	23 May 2013	–
GT Magomola	B.Com(SA), MBA, MRDT (MIT)	23 May 2013	–
AA Maren	Dip Credit Man, Banking	23 May 2013	1 July 2014
AJ Naidoo	BCom, Banking	23 May 2013	–
Executive Directors		Appointed	–
N Penzhorn	Msc CFA	1 December 2009	–
MCC van Ettinger	Banking	13 February 2002	–
WP Basson	CA(SA)	14 November 2012	–

Interests in the issued ordinary shares

As at 30 November 2014, the Directors' interests were as follows:

	2014			2013		
	Beneficial			Beneficial		
	Direct	Indirect	%	Direct	Indirect	%
N Penzhorn	-	4 077 350	8.86	-	4 289 247	9.68
MCC van Ettinger	-	4 520 540	9.82	-	4 755 619	10.73
Total	-	8 597 890	18.68	-	9 044 866	20.41

4 Employment

Employee costs and statistics

	2014 R'	2013 R'
Number of permanent staff		
Number of staff beginning of the year	3	12
New employees	1	1
Resigned	(1)	(10)
Number of staff as at the end of the year	3	3

Details of directors' emoluments and employee costs are set out under directors' emoluments in note 22 and operating profit (loss) in note 13 to the financial statements respectively.

On a salary basis, the Company offers voluntary contributions to a Pension Fund and voluntary participation in a Company Medical Scheme and Company Life Benefits. Additional benefits include a discretionary annual service bonus and possible participation in performance incentive scheme. Where applicable, the Company offers additional benefits including travel allowances, home-office allowances and inconvenience allowances.

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 or
- To make a counter-offer to a resigning employee provided the overall cost-to-company remains within the reward level for the job performed.

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 Company.

The discretionary Executive Incentive Bonus applies only to the Executive Directors of the Company. The bonus calculation takes into account the Company'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 are no proceedings which may be pending or threatened, that might have or which have had a material effect on the financial position of the Company.

6 Contingent Liabilities

At the balance sheet date the Company does not have any contingent liabilities (2013: R Nil).

7 Corporate Actions

Issue of shares for cash

The Company has raised R3 098 452 in cash through the issue of 1 347 153 ordinary shares for cash at 230 cents per ordinary share. The issue of 1 347 153 shares was under the general authority to issue shares cash as follows:

Date Issued	No. of shares	Price
9 January 2014	577 795	R2.30
23 January 2014	136 087	R2.30
21 February 2014	81 000	R2.30
25 February 2014	160 966	R2.30
21 July 2014	86 957	R2.30
22 August 2014	304 348	R2.30

Applications for the listing of these shares on the Johannesburg Stock Exchange ("JSE") were made and the shares were listed during the financial year respectively.

On 10 November 2014, the Company announced an intention to issue an additional 10 869 565 ordinary shares of no par value under the general authority for a minimum subscription price of 230 cents per share. It was further announced that the company intends to proceed with a claw-back offer to raise R15 million by issuing 6 521 739 ordinary shares with a subscription price of 230 cents. The claw back subscription is expected to be concluded by the end of February 2015 and thereafter the claw back offer to shareholders will be finalised and a road show to potential investors for the placing of additional shares will commence.

At the annual general meetings of the company held on 1 July 2014, 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.

8 Special resolutions passed during the year

Special resolutions were proposed and passed at the Annual General Meeting held on 1 July 2014:

- 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 Subsequent events

The Terms of the Claw-back Offer

In pursuance of the capitalisation strategy and the equitable treatment of current shareholders, the company has entered into a subscription agreement which the Group intends to exercise with Insure Group Managers Limited (a fellow subsidiary) for an amount of R15 million at an issue price of 230 cents per share. The Claw-back offer will give current shareholders the opportunity to claw-back their shareholding by subscribing for the shares held by Insure in the ratio of 14.25769 Claw-Back Shares for every 100 Global shares held at the record date, which date is to be announced in due course.

Exercise of the Earthwise option

Shareholders are advised that the Group was granted an option subsequent to the financial year end which the Group intends to exercise through its subsidiary GAM New Energy to take up a further 20% in Earthwise for an amount of R20 million by way of a subscription for new shares in Earthwise. This will take GAM New Energy stake in Earthwise to 24% on a diluted basis. Shareholders are advised that negotiations are underway to take the GAM New Energy stake in Earthwise to 51% and hence to become the controlling shareholder of Earthwise.

Further capital injections in EWEH will serve the sole purpose of funding the roll out of the first plastic waste to oil conversion factory, to be established in Springs. The first factory is to be co-funded together with Futuregrowth Asset Management (Pty) Ltd.

The construction and engineering works are to commence during the first quarter of 2015.

STATEMENT OF FINANCIAL POSITION

as at 30 November 2014

	Notes	2014 R'	2013 R'
ASSETS			
Non-current assets		55 904 358	49 897 410
Property, plant and equipment	2	338 237	401 956
Investment in subsidiaries	3	49 497 454	49 495 454
Loans receivable	5	6 016 208	-
Deferred tax asset	4	52 459	-
Current assets		38 856 304	31 313 317
Loan to subsidiary	5	15 976 384	12 200 534
Trade and other receivables	6	15 424 874	4 584 290
Cash and cash equivalents	7	7 455 046	14 528 493
Disposal group held for sale	8	-	4 889 030
Total assets		94 760 662	86 099 757
EQUITY AND LIABILITIES			
Equity			
Ordinary share capital	9	34 795 085	31 942 487
Reserves		42 976 489	42 816 188
Total equity		77 771 574	74 758 675
Liabilities			
Non-current liabilities		7 602 867	7 800 701
Deferred tax liability	4	7 602 867	7 800 701
Current liabilities		9 386 221	2 780 711
Loan payable	5	613 054	1 352 207
Trade and other payables	10	7 822 568	870 739
Taxation		950 599	557 765
Disposal group held for sale	8	-	759 670
Total equity and liabilities		94 760 662	86 099 757

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 November 2014

	Notes	2014 R'	2013 R'
Revenue	11	20 089 371	8 606 607
Cost of Sales		12 419 215	1 368 327
Gross Profit		7 670 156	7 238 280
Other income	12	1 312 135	502 405
Operating expenses		(8 177 896)	(7 070 559)
Income from operations	13	804 395	670 126
Investment revenue		828 762	7 217
Finance costs	14	(100 058)	(96 122)
Profit before taxation		1 533 099	581 221
Taxation	15	(573 985)	1 834 363
Profit for the year		959 114	2 415 584
Other comprehensive income		798 813	-
Fair value adjustment on disposal group			
Held for sale		(981 922)	-
Taxation		183 109	-
Total comprehensive income		160 301	2 415 584
Total comprehensive income attributable to:		959 114	2 415 584
Equity holders of the parent		959 114	2 415 584

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 November 2014

	Share capital R'	Available for sale reserve R'	Retained earnings R'	Total equity R'
Balances at 30 November 2012	4 279 776	798 813	39 601 791	44 679 880
Share issue	29 307 959	-	-	29 307 959
Share issue expense	(1 644 748)	-	-	(1 644 748)
Total comprehensive income	-	-	2 415 584	2 415 584
Total changes	27 663 211	-	2 415 584	30 078 795
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

Note 9

STATEMENT OF CASH FLOW

for the year ended 30 November 2014

	Notes	2014 R'	2013 R'
Cash flows from operating activities			
Cash generated from / (utilised in) operations	16	(2 687 559)	(2 211 528)
Interest income		828 762	7 217
Finance cost		(100 058)	(96 122)
Taxation paid	17	(248 334)	(285 616)
Net cash from operating activities		(2 207 189)	(2 586 049)
Cash flows from investing activities			
Cash flow to maintain activities			
Property, plant and equipment additions		(14 536)	-
Proceeds on disposal group held for sale		967 455	-
Investment in subsidiaries		(2 000)	-
Net cash from investing activities		950 919	-
Cash flows from financing activities			
Proceeds from the issue of share capital		2 852 598	27 663 211
Repayments of other financial liabilities		-	(2 332 130)
Proceeds from (repayment to) holding company		1 122 283	(4 799 048)
Payment to subsidiaries		(9 792 058)	(3 070 382)
Net cash from financing activities		(5 817 177)	17 461 651
Total cash movement for the year		(7 073 447)	14 875 602
Cash at the beginning of the year		14 528 493	(347 109)
Cash at the end of the year	7	7 455 046	14 528 493

ACCOUNTING POLICIES

for the twelve months ended 30 November 2014

1 Presentation of Annual Group 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.

Statement of compliance

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRS") and its interpretations issued by the International Accounting Standards Board ("IASB") and applicable legislation.

The 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. The accounting policies have been applied consistently for all years presented by the Company. These accounting policies are consistent with the previous period.

1.1 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 statement and estimates with a significant risk of material adjustment in the next year are disclosed in the notes to the financial statements where appropriate.

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

The Company assesses its loans and receivables for impairment at each balance sheet 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.

1.1.2 Available for sale financial assets

The Company follows the guidance of IAS 39 to determine when an available-for-sale financial asset is impaired. This determination requires significant judgment. In making this judgment, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

1.1.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Company is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) 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 balance sheet 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 fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date.

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.

1.1.4 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 goodwill and tangible assets.

1.1.5 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. By their nature provisions arise from expected outflows whose timing and amount may be uncertain.

1.1.6 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 forecast 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 balance sheet date could be impacted.

1.2 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 is 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 is carried at cost less accumulated depreciation and any impairment losses.

Item	Average useful life
Furniture and fixtures	6 Years
Office equipment	6 Years
IT equipment	3 Years
IT Software	3 Years
Containers	20 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 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.

1.3 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.

1.4 Financial instruments

1.4.1 Initial recognition

The Company and 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 other comprehensive income, transaction costs are included in the initial measurement of the instrument.

The Company designate on initial recognition financial instruments at fair value through other comprehensive income.

1.4.2 Subsequent measurement

1.4.2.1 Financial assets

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

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

1.4.2.2 Financial liabilities

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

1.5 Taxation

1.5.1 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 balance sheet date.

1.5.2 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 balance sheet date.

1.5.3 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.

1.6 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.

1.6.1 Finance leases - lessor

The Company recognises finance lease receivables on the statement of financial position. Finance lease income is recognised as an income over the lease term by applying the effective interest rate method. Income for leases is disclosed in profit or loss.

1.6.2 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.

1.7 Impairment of assets

The Company assesses at each balance sheet 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 other than goodwill 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 other than goodwill 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 other than goodwill is recognised immediately in profit or loss.

1.8 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 and sick leave, bonuses, and non-monetary benefits such as medical care), 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.

1.9 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the balance sheet date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company;
- the stage of completion of the transaction at the balance sheet date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at balance sheet date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

Dividends are recognised, in profit or loss, when the Company's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.10 Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each balance sheet date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and prepayments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.11 Discontinued operations

The Company discloses the amount of income from continuing operations and from discontinued operations attributable to owners of the parent.

1.12 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.

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

- IFRS 1: First-time adoption of International Financial Reporting Standards: Amendments add an exception to the retrospective application of IFRSs to require that first time adopters apply the requirements in IFRS 9 Financial Instruments and IAS 20 Accounting for government Grants and Disclosure of Government Assistance prospectively to government loans existing at the date of transition to IFRSs (effective: 1 January 2013).
- IFRS 1: First-time adoption of International Financial Reporting Standards: Annual Improvements 2009-2011 Cycle: Amendments clarify the options available to users when repeated application of IFRS 1 is required and to add relevant disclosure requirements (effective: 1 January 2013).
- IFRS 1: First-time adoption of International Financial Reporting Standards: Annual Improvements 2009-2011 Cycle: Amendments to borrowing costs (effective: 1 January 2013).

- IFRS 7: Financial Instruments: Disclosures: Amendments require entities to disclose gross amounts subject to rights of set-off, amounts set off in accordance with the accounting standards followed, and the related net credit exposure. This information will help investors understand the extent to which an entity has set off in its balance sheet and the effects of rights of set-off on the entity's rights and obligations (effective: 1 January 2013).
- IFRS 10: Consolidated financial statements: New standard that replaces the consolidation requirements in SIC-12 Consolidation—Special Purpose Entities and IAS 27 Consolidated and Separate Financial Statements. Standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company and provides additional guidance to assist in the determination of control where this is difficult to assess (effective: 1 January 2013).
- IFRS 10: Consolidated financial statements: Amendments to the transition guidance of IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, thus limiting the requirements to provide adjusted comparative information (effective: 1 January 2013).
- IFRS 11: Joint arrangements: New standard that deals with the accounting for joint arrangements and focuses on the rights and obligations of the arrangement, rather than its legal form. Standard requires a single method for accounting for interests in jointly controlled entities (effective: 1 January 2013).
- IFRS 11: Joint arrangements: Amendments to the transition guidance of IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, thus limiting the requirements to provide adjusted comparative information (effective: 1 January 2013).
- IFRS 12: Disclosures of interests in other entities: New and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles (effective: 1 January 2013).
- IFRS 12: Disclosures of interests in other entities: Amendments to the transition guidance of IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, thus limiting the requirements to provide adjusted comparative information (effective: 1 January 2013).
- IFRS 13: Fair value measurement: New guidance on fair value measurement and disclosure requirements (effective: 1 January 2013).
- IAS 1: Presentation of financial statements: Annual Improvements 2009-2011 Cycle: Amendments clarifying the requirements for comparative information including minimum and additional comparative information required (effective: 1 January 2013).
- IAS 19: Employee benefits: Amendments to the accounting for current and future obligations resulting from the provision of defined benefit plans (effective: 1 January 2013).
- IAS 27: Consolidated and Separate Financial Statements: Consequential amendments resulting from the issue of IFRS 10, 11 and 12 (effective: 1 January 2013).
- IAS 28: Investments in Associates: Consequential amendments resulting from the issue of IFRS 10, 11 and 12 (effective: 1 January 2013).

- IAS 32: Financial instruments: Presentation Amendments require entities to disclose gross amounts subject to rights of set-off, amounts set off in accordance with the accounting standards followed, and the related net credit exposure. This information will help investors understand the extent to which an entity has set off in its balance sheet and the effects of rights of set-off on the entity's rights and obligations (effective: 1 January 2013).
- IAS 32: Financial instruments: Presentation Annual Improvements 2009–2011 Cycle: Amendments to clarify the tax effect of distribution to holders of equity instruments (effective: 1 January 2013).
- IAS 34: Interim Financial Reporting Annual Improvements 2009–2011 Cycle: Amendments to improve the disclosures for interim financial reporting and segment information for total assets and liabilities (effective: 1 January 2013).

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.

1.14 Statements issued but not yet effective

The Group 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 1: <i>First-time adoption of International Financial Reporting Standards</i>	<ul style="list-style-type: none"> • Annual improvements 2011-2013 Cycle: Amendments to the Basis of Conclusion clarify the meaning of "effective IFRSs" 	1 July 2014
IFRS 2: <i>Share based Payment</i>	<ul style="list-style-type: none"> • Annual Improvements 2010-2012 Cycle: Amendments added the definitions of performance conditions and service conditions and amended the definitions of vesting conditions and market conditions. 	1 July 2014
IFRS 3: <i>Business Combinations</i>	<ul style="list-style-type: none"> • Annual Improvements 2010-2012 Cycle: Amendments to the measurement requirements for all contingent consideration assets and liabilities including those accounted for under IFRA 9. • Annual Improvements 2011-2013 Cycle: Amendments to the scope paragraph for the formation of a joint arrangement. 	1 July 2014 1 July 2014
IFRS 8: <i>Operating Segments</i>	<ul style="list-style-type: none"> • Annual Improvements 2010-2012 Cycle: Amendments to some disclosure requirements regarding the judgements made by management in applying the aggregation criteria, as well as those to certain reconciliations. 	1 July 2014
IFRS 9: <i>Financial instruments</i>	<ul style="list-style-type: none"> • New standard that forms the first part of a three-part project to replace IAS 39 Financial Instruments: Recognition and Measurement. <p><i>Phase 1: Classification and measurements (completed)</i></p> <p><i>Phase 2: Impairment methodology (outstanding)</i></p> <p><i>Phase 3: Hedge accounting (completed)</i></p> <ul style="list-style-type: none"> • Most of the requirements for financial liabilities were carried forward unchanged from IAS 39. However, some changes were made to the 	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

Standard	Details of Amendment	Annual periods beginning on or after
	<p>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.</p> <ul style="list-style-type: none"> <i>Annual Improvements 2010-2012 Cycle:</i> Amendments to the measurement requirements for all contingent consideration assets and liabilities under IFRS 9. 	1 July 2014.
IFRS 10: <i>Consolidated financial statements</i>	<ul style="list-style-type: none"> 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, <i>Financial Instruments: Recognition and Measurement</i>. 	1 January 2014
IFRS 12: <i>Disclosures of interests in other entities</i>	<ul style="list-style-type: none"> New disclosures required for Investment Entities (as defined in IFRS 10). 	1 January 2014
IFRS 13: <i>Fair value measurement</i>	<ul style="list-style-type: none"> <i>Annual Improvements 2010-2012 Cycle:</i> Amendments to clarify the measurement requirements for those short term receivables and payables. <i>Annual Improvements 2011-2013 Cycle:</i> 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. 	<p>1 July 2014</p> <p>1 July 2014</p>
IAS 16: <i>Property, Plant and Equipment</i>	<ul style="list-style-type: none"> <i>Annual Improvements 2010-2012 Cycle:</i> Amendments to the <i>Revaluation model</i> – proportionate restatement of accumulated depreciation. 	1 July 2014
IAS 19: <i>Employee benefits</i>	<ul style="list-style-type: none"> Amendments to Defined Benefit Plans: Employee Contributions whereby the requirements in IAS 19 for contributions from employees or third parties that are linked to service have been amended. 	1 July 2014
IAS 24: <i>Related Party Disclosures</i>	<ul style="list-style-type: none"> <i>Annual Improvements 2010-2012 Cycle:</i> Amendments to the definitions and disclosure requirements for key management personnel. 	1 July 2014
IAS 27: <i>Separate Financial Statements</i>	<ul style="list-style-type: none"> Requirement to account for interests in 'Investment Entities' at fair value under IFRS 9, <i>Financial Instruments: Recognition and Measurement</i>, in the separate financial statements of a parent. 	1 January 2014
IAS 38 <i>Intangible Assets</i>	<ul style="list-style-type: none"> <i>Annual Improvements 2012-2012 Cycle:</i> Amendments to the <i>Revaluation method</i> – proportionate restatement of accumulated depreciation. 	1 July 2014

Interpretations	Annual periods beginning on or after
IFRIC Interpretation 21 <i>Levies</i> .	1 January 2014

The impact of this standard is not yet known.

2 Property plant and equipment

Non-current assets – Property, plant and equipment

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

2013	Cost R'	Accumulated depreciation R'	Carrying value R'
Furniture and Fittings	26 482	(21 905)	4 577
Office equipment	12 000	(4 168)	7 832
IT equipment	76 632	(53 837)	22 795
Computer software	12 613	(8 370)	4 243
Tank containers	1 051 750	(689 241)	362 509
	1 179 477	(777 521)	401 956

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

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

2013	Carrying value opening balance R'	Additions R'	Disposals R'	Depreciation R'	Carrying value closing balance R'
Forklifts	8 811 486	-	(7 443 159)	(1 368 327)	-
Furniture and Fittings	7 853	-	-	(3 276)	4 577
Office equipment	9 838	-	-	(2 006)	7 832
IT equipment	43 470	-	-	(20 675)	22 795
Computer software	3 344	5 113	-	(4 214)	4 243
Tank containers	415 095	-	-	(52 586)	362 509
	9 291 086	5 113	(7 443 159)	(1 451 084)	401 956

Pledged as security

No assets are pledged as security.

3 Investment in subsidiaries

Name and nature of business	Percentage Held		Issued Shares R'		Carrying amount as at R'	
	2014	2013	2014	2013	2014	2013
Direct Interests						
LFS Assets (Pty) Ltd	100%	100%	2 000	2 000	49 495 454	49 495 454
GAM New Energy (Pty) Ltd	100%	-	1 000	-	1 000	-
Energy Efficiency Company (Pty) Ltd	100%	-	1 000	-	1 000	-
					49 497 454	49 495 454

The carrying amounts of subsidiaries are shown at cost. There was no evidence of impairment for the year ended 30 November 2014.

4 Deferred tax

	2014 R'	2013 R'
Deferred tax asset		
Tax losses available for set off against future taxable income	52 459	-
	52 429	-
Deferred tax liability		
Capital gains tax	(7 426 882)	(7 609 991)
Timing differences	(175 985)	(190 710)
	(7 602 867)	(7 800 701)
Capital gains tax – other comprehensive income		
At beginning of year	(183 109)	(183 109)
Movement for the year	183 109	-
	-	(183 109)
Timing differences		
At beginning of the year	(7 800 701)	(10 281 682)
Movement for the year	14 725	2 480 981
Other comprehensive income	183 109	-
	(7 602 867)	(7 800 701)

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)
Provisions	-	-	52 459	52 459
	(7 800 701)	183 109	67 184	(7 550 408)

2013	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)	-	-	(7 609 991)
Tank Containers	(205 435)	-	14 725	(190 710)
Trucks owned	(2 466 256)	-	2 466 256	-
	(10 281 682)	-	2 480 981	(7 800 701)

5 Loans receivable (payable)

	2014 R'	2013 R'
LFS Assets (Pty) Ltd	15 976 384	12 200 534
Inshare (Pty) Ltd	(613 054)	(1 352 207)
The loan is unsecured, bears interest and is repayable on demand.		
GAM New Energy (Pty) Ltd	3 965 362	-
Energy Efficiency Company (Pty) Ltd	2 050 846	-
These loans are unsecured, bear no interest and are not repayable within the next 12 months.		
	21 379 538	10 848 317
Current assets	15 976 384	12 200 534
Non-current assets	6 016 208	-
Current liabilities	(613 054)	(1 352 207)
	21 379 538	10 848 327

The fair value of the loans approximate the carrying values as stated.

6 Trade and other receivables

	2014 R'	2013 R'
Trade receivables	15 348 330	4 508 423
Other receivables	76 544	75 867
	15 424 874	4 584 290

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 2014: R 7 136 684 (2013: R 1 754 183) were past due but not impaired.

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

1 month past due	443 360	285 000
2 months past due	576 546	399 000
3 months and more past due	6 116 778	1 070 183

No impairment loss was recognised.

7 Cash and cash equivalents

Consists of:	2014 R'	2013 R'
Bank balances	7 455 046	14 528 493
	7 455 046	14 528 493
Current assets	7 455 046	14 528 493
	7 455 046	14 528 493

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

8 Disposal group held for sale

The company decided to dispose of its investment operations. The decision was made by the directors to dispose of these assets as part of the disposal of its non-core assets.

Assets classified as held for sale	2014 R'	2013 R'
Financial assets – Unlisted shares held for trading		
11 DREIG Dallas Real Estate Investment Group shares held in Dallas, Texas, USA	-	3 289 011
Financial assets – Debentures		
325 Redeemable debentures in The Golf Resort Club	-	650 000
Property units		
Details of property: Section 26, Eagle Reef and Section 22, Bella Donna, Midrand.		
These Property units are encumbered by mortgage bonds as per the table below.	-	950 019
	-	4 889 030
Liabilities classified as held for sale	2014 R'	2013 R'
Disposal group held for sale	-	759 670

The loans were repaid in the current financial year.

Assets and liabilities are measured at fair value less cost to sell.

9 Share capital

	2014 R'	2013 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 (2013: 955 300 887) unissued ordinary shares are under the control of the directors in terms of the latest annual general meeting.

	2014 R'	2013 R'
Opening balance	31 942 487	4 279 276
Issued	2 852 598	27 663 211
Closing balance	34 795 085	31 942 487

Issued share capital consists of 46 046 266 (2013: 44 699 113) Ordinary share at no par value.

10 Trade and other payables

	2014 R'	2013 R'
Trade payables	7 508 072	457 511
Other payables	314 496	413 228
	7 822 568	870 739

The fair value of the trade and other receivables approximates the carrying value.

11 Revenue

	2014 R'	2013 R'
Rental Income	6 349 560	1 122 209
Maintenance Income	7 028 513	-
Rendering of services	6 711 298	7 484 398
	20 089 371	8 606 607

12 Other income

	2014 R'	2013 R'
Profit on the sale of disposal group held for sale	981 923	-
Foreign exchange profit	175 531	368 511
Other income	154 681	133 894
	1 312 135	502 405

13 Operating profit (loss)

	2014 R'	2013 R'
Operating profit for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
Contractual amounts	1 108 008	964 708
Equipment		
Contractual amounts	96 454	76 072
	1 204 462	1 040 780
 Audit fees	 323 000	 414 190
Depreciation on property plant and equipment	78 255	1 451 084
Employee costs	3 426 023	2 701 463

14 Finance costs

	2014 R'	2013 R'
Interest bearing borrowings	57 536	58 578
Other	42 522	37 544
	100 058	96 122

15 Income taxation expense

South African – Normal taxation

Components of the tax expense	2014 R'	2013 R'
Current		
Local income tax – current period	641 168	646 619
	641 168	646 619
Deferred		
Originating and reversing temporary differences	(67 184)	(159 120)
Recognition (de-recognition) of capital gains tax on fair value adjustments	(183 109)	(2 335 603)
	(250 293)	(2 480 982)
	390 875	(1 834 363)
 Reconciliation of taxation expense		
Standard tax rate	28,00%	28,00%
Disallowable charges	9,40%	(343,61%)
Effective rate	37,40%	(315,61%)

16 Cash generated from operations

	2014 R'	2013 R'
Profit before taxation from continuing operations	1 533 099	581 221
Adjusted for:		
Depreciation	78 255	1 451 084
Profit on the sale of disposal group held for sale	(981 923)	-
Profit on foreign exchange	(175 531)	(368 511)
Interest received	(828 762)	(7 217)
Finance costs	100 058	96 122
Corporate services	1 476 000	-
Changes in working capital		
Trade and other receivables	(10 840 584)	(4 356 574)
Trade and other payables	6 951 829	392 347
	(2 687 559)	(2 211 528)

17 Taxation paid

	2014 R'	2013 R'
Balance at the beginning of the period	(557 765)	(196 762)
Current tax for the year recognised in profit	(641 168)	(646 619)
Balance at the end of the period	950 599	557 765
	(248 334)	(285 616)

18 Related parties

Relationships

Holding company:	Inshare (Pty) Ltd
Subsidiaries:	LFS Assets (Pty) Ltd
	Energy Efficiency Company (Pty) Ltd
	GAM New Energy (Pty)Ltd
	Total Rubber Recycling (Pty)Ltd
Fellow subsidiaries:	Inshare Asset Finance Holdings (Pty) Ltd
	Ocean Crest Trading 11 (Pty) Ltd
	EBM Project (Pty) Ltd
	Arbor Capital Company Secretarial (Pty) Ltd
	Dalton Sugar Company (Pty) Ltd
	Inshare Properties (Pty) Ltd

Related party transactions were as follows:

	2014 R'	2013 R'
Related party balances		
Owing (to) by related parties		
Inshare (Pty) Ltd	(613 054)	(1 352 207)
LFS Assets (Pty) Ltd	15 976 384	12 200 534
GAM New Energy (Pty) Ltd	3 965 362	-
Energy Efficiency Company (Pty) Ltd	2 050 846	-
The loans are unsecured, do not bear interest and are payable on demand. There was no evidence of impairment for the year ended 30 November 2014, 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	739 153	(4 799 048)
LFS Assets (Pty) Ltd	(3 775 850)	(12 525 960)
GAM New Energy (Pty) Ltd	(3 965 362)	-
Energy Efficiency Company (Pty) Ltd	(2 050 846)	-
Interest paid to (received from)		
LFS Assets (Pty) Ltd	(820 766)	-
Forklift truck rentals and maintenance paid to		
LFS Assets (Pty) Ltd	12 419 215	(234 837)
Administration fees paid to (received from)		
LFS Assets (Pty) Ltd	(2 676 298)	(2 130 728)
Rent paid to (received from) related parties		
LFS Assets (Pty) Ltd	(627 000)	(570 000)
Ocean Crest Trading 11 (Pty) Ltd	798 600	726 000
Management fee paid to (received from)		
Inshare (Pty) Ltd	840 000	840 000
Inshare Asset Finance Holdings (Pty) Ltd	636 000	604 200
Energon SA (Pty) Ltd	(300 000)	-
Energy Efficiency Company (Pty) Ltd	(300 000)	-
Dalton Sugar Company (Pty) Ltd	(75 000)	-
Proceeds on the sale of the disposal group held for sale		
LFS Assets (Pty) Ltd	-	(7 443 159)
Inshare Properties (Pty) Ltd	(4 333 895)	-
Consulting fee paid to (received by)		
EBM Project (Pty) Ltd	(3000 000)	(1 250 000)
Arbor Capital (Pty) Ltd	350 263	533 815

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:

	2014 R'	2013 R'
Financial Assets:		
Loans to subsidiaries	21 992 592	12 200 534
Cash and cash equivalents	7 455 046	14 528 493
Trade and other receivables	15 424 874	4 584 290
Financial liabilities:		
Loans payable	613 054	1 352 207
Trade and other payables	7 822 568	703 664
Liabilities classified as held for sale	-	759 670

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. 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 into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

2014	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	-	-	-

2013	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Liability classified as held for sale	29 238	730 432	-	-
Loan payable	1 352 207	-	-	-
Trade and other payables	703 664	-	-	-

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/ (decreasing) the rental agreements accordingly.

At 30 November 2014, if interest rates on Rand-denominated borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the year would have been R 4 414 (2013: R 15 205) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings. Other components of equity would not have been affected.

Credit risk

Credit risk relates to potential exposures where funds are placed with banks on call deposits or loans or trade receivables. At the Financial Position date, the company did not consider there to be any

significant concentration of credit risk which has not been adequately provided for. There is no credit risk on trade and other receivables for which collateral is required to be held and a provision is deemed necessary. Refer to the notes for the detail of collateral held on other loans and receivables. Maximum exposure to credit risk is as per the table below.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board.

The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards.

Financial instruments impaired are detailed in the notes.

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

	2014 R'	2013 R'
Loans to subsidiaries	21 992 592	12 200 534
Trade and other receivables	15 424 874	4 584 290
Cash and cash equivalents	7 455 046	14 528 493

Foreign exchange risk

The company was exposed to foreign exchange risk arising from the DREIG Shares.

The company does not hedge foreign exchange fluctuations. The company reviews its foreign currency exposure, including commitments on an ongoing basis.

At the financial year end the foreign exchange risk exposure to the company is immaterial.

Fair value hierarchy of financial assets at fair value through profit or loss

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

Level 1 represents those assets which are measured using unadjusted quoted prices for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3 applies inputs which are not based on observable market data.

	2014 R'	2013 R'
Level 3		
Dreig Shares		
Opening balance	3 289 011	2 920 500
Foreign exchange rate adjustment through profit and loss	175 531	368 511
Disposal of Dreig Shares	(3 464 542)	-
Closing balance	-	3 289 011

Price risk

The Group is exposed to equity securities price risk because of the investment held by the Group and classified in the consolidated statement of financial position as investment in financial assets.

The Group is also exposed through the investment meeting its projected profits.

At the financial year end the price risk exposure to the Group was immaterial.

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 (excluding derivative financial liabilities), 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 Subsequent Events

The Terms of the Claw-back Offer

In pursuance of the capitalisation strategy and the equitable treatment of current shareholders, the company has entered into a subscription agreement subsequent to the financial year end with Insure Group Managers Limited (a fellow subsidiary) for an amount of R15 000 000 at an issue price of 230 cents per share. The Claw-back offer will give current shareholders the opportunity to claw-back their shareholding by subscribing for the shares held by Insure in the ratio of 14.25769 Claw-Back Shares for every 100 Global shares held at the record date, which date is to be announced in due course.

Exercise of the Earthwise Energy Holdings (Pty) Ltd (EWEH) option

Shareholders are advised that the company was granted an option subsequent to the financial year end which was exercised through its subsidiary GAM New Energy (PTY) Ltd (GAMNE) to take up a further 20% in Earthwise Energy Holdings (PTY) Ltd for an amount of R20million. This will take GAMNE stake in EWEH to 24%. Shareholders are advised that negotiations are underway to take the GAMNE stake in EWEH to 51% and hence to become the controlling shareholder of EWEH.

Further capital injections in EWEH will serve the purpose of funding the roll out of the first plastic waste to oil conversion factory, to be established in Springs. The first factory is to be co-funded together with Futuregrowth Asset Management (PTY) Ltd, a member of the Old Mutual Investment Group (OMIGSA).

The construction and engineering works are to commence during the first quarter of 2015.

21 Commitments

At the balance sheet date the Company does not have any commitments. (2013: R-)

22 Directors' emoluments

2014	Services	Total cost to company	Total 2014
Non-Executive			
GK Cunliffe	364 260	364 260	364 260
GT Magomola	120 000	120 000	120 000
AA Maren	70 000	70 000	70 000
AJ Naidoo	120 000	120 000	120 000
Executive			
N Penzhorn	1 423 902	1 423 902	1 423 902
MCC van Ettinger	240 000	240 000	240 000
WP Basson	300 000	300 000	300 000
TOTAL	2 638 162	2 638 162	2 638 162

2013	Services	Total cost to company	Total 2013
Non-Executive			
GK Cunliffe	360 000	360 000	360 000
GT Magomola	120 000	120 000	120 000
AA Maren	120 000	120 000	120 000
AJ Naidoo	120 000	120 000	120 000
Executive			
N Penzhorn	1 337 886	1 337 886	1 337 886
MCC van Ettinger	240 000	240 000	240 000
WP Basson	300 000	300 000	300 000
TOTAL	2 597 886	2 597 886	2 597 886