

MAINSAIL TRADING 55 (PTY) LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note	As at 31st	As at 31st
		March, 2016	March, 2015
		RAND	RAND
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds:			
(a) Share capital	2	100	100
(b) Reserves and surplus	3	-91,075,665	-90,659,529
		-91,075,565	-90,659,429
(2) Non-Current Liabilities:			
(a) Long-term Borrowings	4	121,423,752	121,423,451
		121,423,752	121,423,451
TOTAL		30,348,188	30,764,022
I ASSETS			
(1) Non-current assets:			
(a) Non-Current investments	5	6,000,000	6,000,000
(b) Long-term loans and advances	6	24,347,788	24,763,922
		30,347,788	30,763,922
(2) Current assets:			
(a) Cash and Bank balances	7	-	100
(b) Trade Receivables	8	400	-
TOTAL		30,348,188	30,764,022
SIGNIFICANT ACCOUNTING POLICIES	1		
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MAINSAIL TRADING 55 (PTY) LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note	For the year	For the year
		ended 31st	ended 31st
		March, 2016	March, 2015
		RAND	RAND
I Revenue from Operations		-	-
II Other income	9	279,191	1,852,777
III Total Revenue (I+II)		279,191	1,852,777
IV Expenses:			
Finance Costs		695,327	-
Total Expenses		695,327	-
V Profit before tax (III-IV)		-416,136	1,852,777
VI Tax Expenses		-	-
VII Profit for the year (V-VI)		-416,136	1,852,777
VII Earning per Share Basic and Diluted		-41.61	185.28

MAINSAIL TRADING 55 (PTY) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	Note	For the year	For the year
		ended 31st	ended 31st
		March, 2016	March, 2015
		RAND	RAND
CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax		-416,136	1,852,777
Adjusted for:			
Other Current Assets		-400	-
Other Liabilities & Provisions		301	-
Changes in interest receivable		416,134	-1,852,777
NET CASH FLOW FROM OPERATING ACTIVITIES		-100	-
CASH FLOW FROM INVESTING ACTIVITIES			
NET CASH FLOW FROM INVESTING ACTIVITIES		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Long Term Borrowings		-	-
NET CASH FLOW FROM FINANCING ACTIVITIES		-	-
Cash and Cash Equivalents - Opening Balance		100	100
Cash and Cash Equivalents - Closing Balance		-	100

MAINSAIL TRADING 55 (PTY) LIMITED
NOTES ACCOMPANYING TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note : 2	As at 31st March, 2016	As at 31st March, 2015		
SHARE CAPITAL	RAND	RAND		
Authorised: 100,000 Equity Shares of Rand 0.01 each (Previous year 100,000 Equity shares of Rand 0.01 each)	1,000	1,000		
Issued: 10,000 Equity Shares of Rand 0.01 each (Previous year 10,000 Equity shares of Rand 0.01 each)	100	100		
Subscribed and paid up: 10,000 Equity Shares of Rand 0.01 each (Previous year 10,000 Equity shares of Rand 0.01 each)	100	100		
	100	100		
1) Details of shareholding	As at 31st March, 2016	As at 31st March, 2015		
a) Details of aggregate shareholding by Holding Company, Subsidiary of Holding Company or Associate of Holding Company or Associate of Holding Company	No of Shares	No of Shares		
JSW Energy Natural Resources South Africa Ltd	10,000	10,000		
b) Details of shareholding more than 5%				
JSW Energy Natural Resources South Africa Ltd	10,000	10,000		
2) Terms & Rights attached to equity shares The Company has only one class of equity shares having a par value of Rand 0.01/ share. Each holder of equity shares is entitled to one vote per share.				
3) The reconciliation of the number of shares outstanding and the amount of share capital is set out below:				
	As at 31-03- 2015	As at 31-03- 2014	As at 31-03-2016	As at 31-03- 2015
Particulars	No of Shares	No of Shares	No of Shares	No of Shares
Opening Balance	10,000	10,000	100	100
Issue of Shares during the year	-	-	-	-
Closing Balance	10,000	10,000	100	100
Note : 3	As at 31st March, 2016	As at 31st March, 2015		
RESERVES AND SURPLUS	RAND	RAND		
Surplus :				
As per last balance sheet	-90,659,529	-92,512,306		
Add: Profit during the year	-416,136	1,852,777		
Balance as at the end of the year	-91,075,665	-90,659,529		
Note : 4	As at 31st March, 2016	As at 31st March, 2015		
LONG TERM BORROWINGS	RAND	RAND		
From Related Party	107,312,803	107,312,802		
From Others	14,110,950	14,110,649		
	121,423,752	121,423,451		
Note : 5	As at 31st March, 2016	As at 31st March, 2015		
NON-CURRENT INVESTMENTS	RAND	RAND		
South Africa Coal Mining Limited	6,000,000	6,000,000		
	6,000,000	6,000,000		
Note : 6	As at 31st March, 2016	As at 31st March, 2015		
LONG TERM LOANS AND ADVANCES	RAND	RAND		
Advances to related party	13,321,603	13,274,487		
Interest accrued but not due	11,026,185	11,489,435		
	24,347,788	24,763,922		
Note : 7	As at 31st March, 2016	As at 31st March, 2015		
CASH AND BANK BALANCES	RAND	RAND		
Cash and Bank balances	-	100		
	-	100		

Note : 8	As at 31st March, 2016	As at 31st March, 2015
TRADE RECEIVABLES	RAND	RAND
Cash and Bank balances (Provision for Rehab (10583) as adjusted by Cash Balance of (85)	400	-
	400	-
Note : 9	As at 31st March, 2016	As at 31st March, 2015
OTHER INCOME	RAND	RAND
Interest Income	279,191	1,852,777
	279,191	1,852,777

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE '1'

Significant Accounting Policies and Notes to Accounts:

1. Significant Accounting Policies

a) General

(i) The financial statements are prepared under the historical cost convention, on the accounting principles of a going concern.

(ii) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting standards to the extent applicable.

(iii) All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.

(iv) The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual result could differ from these estimates. Any revision to accounting estimates is recognized prospectively.

b) Investment

Long term Investments are stated at cost. In case, there is a decline other than temporary in the value of any Investments, a provision for the same is made. Current Investments are valued at lower of cost or fair value.

c) Fixed Assets

Fixed assets are stated at cost which includes all direct and indirect expenses up to the date of acquisition, installation and / or commencement of commercial operation.

Expenditure incurred during construction period:

Apart from costs related directly to the construction of an asset, indirect expenses incurred up to the date of commencement of commercial production which are incidental and related to construction are capitalised as part of construction cost.

Income, if any, earned during the construction period is deducted from the indirect costs.

d) Borrowing Costs

(i) Borrowing Costs (including exchange differences) directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the date when the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. The borrowing cost eligible for capitalization is being netted off against any income arising on temporary investment of those borrowings. The capitalization of the borrowing costs shall cease when substantially all activities necessary to prepare the qualifying asset for its intended use are complete.

(ii) Refinancing Costs of borrowings are charged to Revenue. Expenses relating to issue of debentures are adjusted against Securities Premium Account.

e) Provisions and Contingent Liabilities

Provisions are recognized based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date when,

(i) the Company has a present obligation as a result of a past event.

(ii) a probable outflow of resources is expected to settle the obligation and

(iii) the amount of the obligation can be reliably estimated

Where some or all the expenditure required to settle a provision is expected to be reimbursed by another party, such reimbursement is recognised to the extent of provision or contingent liability as the case may be, only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of:

(i) a present obligation arising from a past event, when it is not probable that a outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.

(ii) a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the enterprise.

f) Revenue Recognition

Revenues are recognized when services are completed and invoice had been issued. Expenses are recognized when occurred.