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13. Interest income

In US dollar	2015	2014
Interest on bank balances	282,959	90,022

14. Interest expense

In US dollar	2015	2014
Interest on borrowings	2,076,130	1,114,457
Interest on bank balances	84,233	84,983
Asset accretion obligation	7,744	—
	2,168,107	1,199,440

15. Taxation

In US dollar	2015	2014
Major components of the tax expense		
Deferred tax		
Reversing temporary differences	570,155	185,011
Reconciliation of tax expense to statutory tax rate		
Income before income taxes	1,795,091	495,248
Tax at the applicable tax rate of 28% (2014: 28%)	502,625	138,670
Tax effect of adjustments on taxable income		
Non-deductible expenses	67,530	46,341
Tax expense	570,155	185,011

16. Commitments and contingencies**Contingent asset**

The Company is involved in renewable energy and its business, of generating electricity from wind and solar power, has been certified in terms of the Clean Development Mechanism (CDM). The process allows for the reduction in carbon emissions to be converted to carbon credits after a verification process. The Certified Emission Reductions (CER's) can be sold in the open market, no asset has been recorded during the periods 31 March 2015 and 31 December 2014 as the number of CERs have not been quantified.

17. Operating lease

At the reporting date, the Company has commitments for future notarial and servitude lease payments over three land leases for the remaining term of the leases of 23 years as of 31 March 2015 amounting to:

- the greater of \$9,997 per turbine per year or 2% of gross revenue on the Klipheuwel-Dassiefontein Wind Energy Facility
- 0.5% of gross revenue on the Aries Solar PV Energy Facility
- \$17,062 per annum on the Konkoonies Solar PV Energy Facility

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