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Accounts receivable consist of:

Figures in ZAR '000	March 31, 2015	December 31, 2014
Trade debtors	81,126	73,582

The Operating Entities' sole trade debtor, Eskom, is a state owned entity. The PPA also makes provision in the event that Eskom defaults on payment, the South African Department of Energy will settle the outstanding debt. As the amounts owing by Eskom have been guaranteed by a governmental agency, all amounts owing by Eskom are considered fully recoverable. Further, no allowance for doubtful accounts has been recognized as no default indicator has been identified.

None of the receivables are past due or impaired.

The full value of accounts receivable has been pledged as collateral against the long-term debt of the Operating Entities.

**6. Property, plant and equipment**

Property, plant and equipment, net, consists of the following:

Figures in ZAR '000	March 31, 2015	December 31, 2014
Solar energy systems	2,261,735	2,270,811
Less: accumulated depreciation—solar energy systems	(48,123)	(29,325)
Property, plant and equipment, net	<b>2,213,612</b>	<b>2,241,486</b>

The Operating Entities recorded depreciation expense related to property, plant and equipment of R18 798 827 for the three months ended March 31, 2015. No depreciation expense was recognized for the three months ended March 31, 2014.

Included in the balance of solar energy systems is capitalized interest on expenditures directly attributable to the construction of the solar energy systems of R115 407 221 as at March 31, 2015 and at December 31, 2014.

Also included in the balance of solar energy systems is an asset relating to the ARO, which is depreciated over the remaining term of the land lease. No additional amounts were capitalized as at March 31, 2015. R41 284 442 was capitalized as at December 31, 2014.

The full value of the solar energy systems has been pledged as collateral against the long-term debt of the Operating Entities. The fair value of the property, plant and equipment is considered to approximate its carrying amount for the three months ended March 31, 2015 and for the year ended December 31, 2014.

**7. Deferred financing costs**

Debt issuance costs, comprising legal fees, which were incurred by both Core and Erika in establishing their loan facilities with the Standard Bank of South Africa Limited ("Standard Bank"), have been deferred on the balance sheet and are amortized based on the effective interest rate over the period of the loan.

The Operating Entities are also required to pay to an agent (for onward distribution to the relevant lenders) a commitment fee for the facility during a specified availability period. The commitment fee is calculated daily during the defined availability period and is payable quarterly in arrears on March 31, June 30, September 30

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