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The asset retirement obligations for the three months ended March 31, 2015 and for the year ended December 31, 2014 are as follows:

Figures in ZAR '000	March 31, 2015	December 31, 2014
Balance at the beginning of the period	43,991	14,671
Recognition of liability	—	26,613
Accretion expense	1,148	2,707
Balance at the end of the period	45,139	43,991

The fair value of the ARO was estimated based on techniques that made use of third party data and management judgment.

The Operating Entities do not have any assets that are legally restricted for the purpose of settling the asset retirement obligations as at March 31, 2015 and December 31, 2014.

14. Power energy revenue

The Operating Entities entered into PPAs with Eskom, a state owned entity. In accordance with the PPAs, the counterparty acquires the full output generated by the plant on an "as available" basis.

Figures in ZAR '000	March 31, 2015	March 31, 2014
Revenue earned from power sales	109,186	—

As the quantity to be sold under the PPAs is based on the power plants' actual output on an "as available basis", the Operating Entities considered all payments as contingent rent (i.e. contingent on generation).

The cost, accumulated depreciation and carrying amount of the property, plant and equipment used as part of the PPAs, for the year ended December 31, 2014 and for the three months ended March 31, 2015, has been disclosed in note 6.

15. Other income/(expenses)

Figures in ZAR '000	March 31, 2015	March 31, 2014
Other Income		
Interest income earned on cash and cash equivalents	3,901	8,579
Other refunds	3,024	—
	6,925	8,579
Other Expenses		
Interest expense on long-term debt	(57,388)	(44,458)
Interest expense on shareholder loans—related parties	(14,118)	—
Less: capitalized interest	—	27,649
	(71,506)	(16,809)
Total	(64,581)	(8,230)

The interest expense was capitalized at a rate of 10.05% for Core, and 10.59% for Erika in 2014 based on the effective interest rate for each instrument. There was no interest expense capitalized in 2015.

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