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The Operating Entities recorded depreciation expense related to property, plant and equipment of R29 324 589 and Rnil for the years ended December 31, 2014 and 2013, respectively.

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 and R19 031 454 as at December 31, 2014 and 2013, respectively.

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. Amounts totaling R41 284 442 and R14 670 965 were capitalized as at December 31, 2014 and 2013, respectively.

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 years ended December 31, 2014 and 2013.

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 and December 31 of each year. If any portion of the available commitment under the facility is canceled, the commitment fee is payable on any canceled amount at the time the cancellation is effective. Commitment fees are deferred and amortized on a straight-line basis during the availability period.

As at December 31, 2014 and 2013, deferred financing costs consist of:

Figures in ZAR '000	December 31, 2014	December 31, 2013
Current	150	1 004
Non-current	1 472	1 622
	1 622	2 626

Amortization of debt issuance costs amounted to R146 974 and R39 421 for the years ended December 31, 2014 and 2013, respectively. Amortization of commitment fees amounted to R1 054 893 and R13 720 873 for the years ended December 31, 2014 and 2013, respectively.

8. Derivatives

As part of the Operating Entities' risk management strategy, Core and Erika separately entered into interest rate swaps to mitigate interest rate exposure. Interest rate swap agreements are utilized in order to economically hedge the variability of Operating Entities' expected future cash interest payments, and are not utilized for speculative purposes.

These swap agreements were initiated in November 2012, concurrent with the inception of the term loan facilities with Standard Bank. Because these hedges are deemed economic hedges and not accounted for under hedge accounting, the changes in fair value are recorded to the combined statement of operations and comprehensive income.