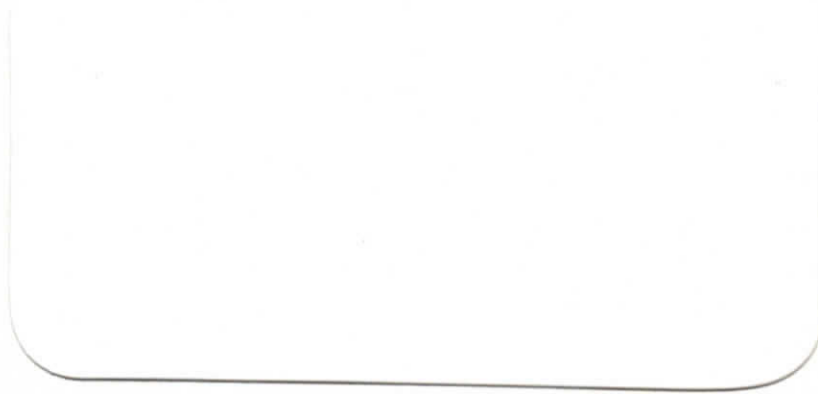
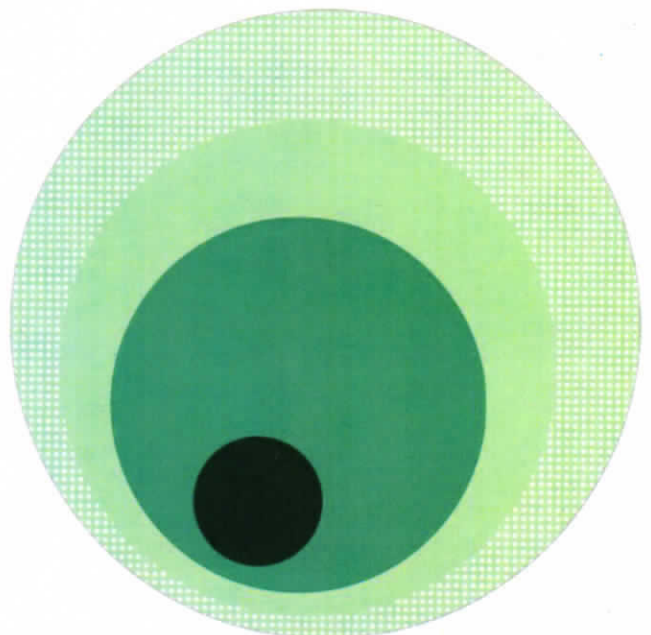




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SOLANTIS SOLAR LIMITED
THREE MONTH PERIOD REPORT AND AUDITED FINANCIAL
STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2016

Solantis Solar Limited*Three month period report and financial statements**For the period ended 30 June 2016*

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The following do not form an integral part of these financial statements:

Detailed Profit or Loss Statement
Tax computation

Appendix I
Appendix II

Solantis Solar Limited*Three month period report and financial statements**For the period ended 30 June 2016*

COMPANY INFORMATION

Country of Incorporation and Domicile	: Uganda
Nature of Business and principal activities	: To carry on the business within the broader field of solar, renewable energy renewable energy and energy efficiency.
Status of the Company	: Private limited Company
Board of Directors	: Ms. Ines Schreckeneder : Mr. Lukas Gruner
Company secretary	: Ms. Sarah Pirker P. o Box 710, Kampala, Uganda
Registered office	: Plot 22C Prince Charles Drive Kololo, Kampala. P. o Box 710, Kampala, Uganda
Auditors	: UHY Thakkar & Associates Certified Public Accountants P.O. Box. 9098, Plot 1 Mackenzie Close, Kololo, Kampala.
Principal bankers	: Stanbic Bank (U) Limited

DIRECTOR'S RESPONSIBILITY AND APPROVAL

The Directors are required by the Ugandan Companies Act (No.1) 2012 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control policies reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatement or loss.

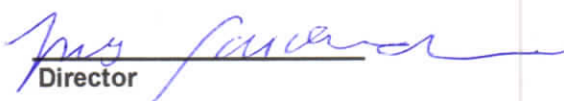
The directors have reviewed the company's cash flow forecast for the year to 30 June 2017 and in light of this review and the current financial position, They are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on page 3.

The financial statements set out on pages 5 to 23, which have been prepared on the going concern basis were approved by the board on 29/11/2016 and were signed on its behalf by:

Approval of the financial statements


Director


Director

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SOLANTIS SOLAR LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of Solantis Solar Limited, set out on pages 5 to 23 which comprise the statement of financial position as at 30 June 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Ugandan Companies Act (No.1) 2012. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depended on our professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the accompanying financial statements give a true and fair view of the state of financial affairs of Solantis Solar Limited as at 30 June 2016 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the Ugandan Companies Act (No.1) 2012.

Going concern: Without qualifying our opinion we draw attention to note 15 to the financial statements that indicates that the company incurred a net loss of 173,314,339 for the year ended 30 June 2016. However the directors confirmed their continued support of the company's operations for the next 12 months from the date of this report.

Report on Other Legal Requirements

As required by the Ugandan Companies Act (No.1) 2012, we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the company's statement of financial position and statement of comprehensive income are in agreement with the books of account.



UHY Thakkar & Associates
Certified Public Accountants

Date: 10/02/2017

Solantis Solar Limited

Three month period report and financial statements

For the period ended 30 June 2016

DIRECTOR'S REPORT

The directors submit their report together with the audited financial statements for the year ended 30 June 2016.

1. Incorporation

The company is incorporated in Uganda under the Ugandan Companies Act (No.1) 2012 and is domiciled in Uganda. The address of the registered office is as set out on page 1.

2. Principal activities

The company is involved in the business within the broader field of solar, renewable energy and energy efficiency.

3. Financial Results

The operating results and state of affairs of the company are fully set out in the financial statements.

4. Going Concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

5. Events after the reporting period

The directors are not aware of any matter or circumstances after the reporting period which require amendment or adjustment to the financial statements.

6. Authorised and issued share capital

There were no changes in the authorised or issued share capital of the company during the year.

7. Dividends

No dividends were declared or paid during the year.

8. Director

The directors of the company during the year and to date of this report is as follows :

Name	Nationality
Ms. Ines Schreckeneder	Austrian
Mr. Lukas Gruner	Austrian

9. Secretary

The secretary of the company is Ms. Sarah Pirker.

10. Auditors

During the year, UHY Thakkar & Associates were appointed as the company's auditors and have expressed their willingness to continue in office in accordance with Section 167 of the Ugandan Companies Act (No.1) 2012.

The financial statements set out on pages 5 to 23 which have been prepared on the going concern basis were approved by the board on 28/12/2016 and were signed on its behalf by :

By order of the board



Company Secretary
Kampala, Uganda

	Note(s)	2016 Ugx
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Non-current assets		
Property, Plant and Equipment	3	149,922,118
		<u>149,922,118</u>
Current assets		
Trade and other receivables	6	28,742,136
Inventory	7	180,117,930
Cash and Bank balances	5	54,785,692
		<u>263,645,758</u>
TOTAL ASSETS		<u>413,567,876</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	8	50,000,000
Accumulated losses		(223,314,340)
Shareholder's fund		<u>(173,314,340)</u>
Liabilities		
Non current Liabilities		
Related party borrowings	4	86,948,020
Borrowings	10	476,414,060
		<u>563,362,080</u>
Current Liabilities		
Trade and other payables	9	20,829,904
Provisions	11	2,690,232
Total Current Liabilities		<u>23,520,136</u>
TOTAL EQUITY AND LIABILITIES		<u>413,567,876</u>

The financial statements and the notes on pages 5 to 23 were approved by the board on 28/12/2016 and were signed on its behalf by:


Director


Director

Solantis Solar Limited
Financial Statements
For the period ended 30 June 2016

	Note(s)	2016 Ugx
STATEMENT OF COMPREHENSIVE INCOME		
Revenue	12	4,021,626
Cost of sales	13	(15,109,904)
Gross Profit/(loss)		(11,088,278)
Other income		2,389,921
Operating costs	14	(214,615,984)
Operating Profit (loss)		(223,314,341)
Profit/(loss) before tax		(223,314,341)
Taxation		-
Net(loss) for the year		(223,314,341)
Other Comprehensive Income net of tax		-
Total Comprehensive (loss) Income for the year		(223,314,340)

Solantis Solar Limited*Financial Statements**For the period ended 30 June 2016*

	Share Capital Ugx	Accumulated Losses Ugx	Total Equity Ugx
STATEMENT OF CHANGES IN EQUITY			
Issued capital during the period	50,000,000	-	50,000,000
Profit or Loss for the period		(223,314,340)	(223,314,340)
Balance at end 30 June 2016	50,000,000	(223,314,340)	(173,314,340)

	Note(s)	2016 Ugx
STATEMENT OF CASH FLOWS		
Cash flows from operating activities		
Profit before taxation		(223,314,341)
Adjustments for:		
Depreciation on Property, Plant & Equipment	3	7,890,638
Loss/(Profit) on disposal of equipment		-
Operating Profit before working capital changes		(215,423,703)
(increase) / decrease in trade and other receivables		(28,742,136)
(increase) / decrease in inventory		(180,117,930)
Increase / (decrease) in trade and other payables		23,520,136
Cash from operations / (Used in)		(400,763,633)
Income tax paid		-
Net cash (used in) operating activities		(400,763,633)
Cash flows from investing activities		
Purchase of Property, Plant and equipment	3	(157,812,756)
Net cash (used in) investing activities		(157,812,756)
Cash flows from financing activities		
Issue of share capital		50,000,000
(Decrease)/increase in related party borrowings		563,362,080
Net cash generated from financing activities		613,362,080
Net (decrease)/increase in cash and cash equivalents		54,785,692
Cash and cash equivalents at start of the year		-
Cash and cash equivalents at 30 June		54,785,692
Represented by cash and cash equivalents		54,785,692

ACCOUNTING POLICIES

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with International Financial Reporting standards and the Ugandan Companies Act (No.1) 2012. The financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below. The functional currency for preparation is Uganda Shillings.

1.1 Significant Judgments and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that effect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could defer from these estimates which may be material to the financial statements. Significant Judgments include :

a. Financial assets measured at cost and amortized cost

The company assesses its financial assets measured at cost and amortised cost for impairment at each reporting date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the company makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for financial assets measured at cost and amortised cost is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry - specific economic conditions and other indicators present at the reporting period that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

b. Impairment testing

The recoverable amounts of cash generating units or individual assets have determined based on the higher of the value in use calculations and fair values. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is only tested for impairment when there is an indicator of impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including supply, demand, together with economic factors such as exchange rates and inflation.

1.2 Provisions

Provisions were made and management determines an estimate based on the information available. Additional disclosure of these estimates of provisions are included in Note 11 - Provisions.

1.3 Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

ACCOUNTING POLICIES

1.4 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes, and
- are expected to be used for more than one period.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognized in the carrying amount of an item of Property, plant and equipment the carrying amount of the replaced part is derecognized.

Major parts and standby equipment which are expected to be used for more than one year are included in Property, Plant and Equipment. In addition, spare parts and standby equipment which can only be used in connection with an item of PPE.

Property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Property, plant and equipment are depreciated on reducing balance method to write down the cost of each asset over their estimated useful lives as follows.

The useful lives of items of property, plant and equipment has been assessed as follows:

Item	Rate
Furniture & Fittings	20%
Solar Molds	20%
Kitchen Material	20%

The Asset residual value, depreciation method and the useful life of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimates.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item and have significantly different patterns of consumption of economical benefits is depreciated separately over its useful life.

The depreciation charge for each year is recognized in the income statement unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item property, plant and equipment is included in the income statement when the item is derecognised. The gain or loss arising from derecognition of an item of property, plant & equipment is determined as the difference between the net disposal proceeds if any, and the carrying amount of the item.

Assets classified as capital work in progress are not depreciated. Upon completion of the project, the accumulated cost is transferred to an appropriate asset category where it is depreciated accordingly to the company policy (As above).

ACCOUNTING POLICIES (continued)

1.5 Financial instruments

A financial instrument is a contract that gives rise to both a financial asset of one entity and a financial liability of another entity.

Financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

Financial instruments are recognised initially at fair value, for instruments not at fair value through profit and loss, any directly attributable transaction costs. Subsequent to initial recognition, financial instruments are measured as described below.

Cash and cash equivalents comprise cash balances and call deposits. Company overdrafts that are payable on demand form an integral part of the company's cash management and are included as a component of cash and cash equivalents for the purposes of the statement of cash flows.

i. Classification

Classification depends on the purpose for which the financial instruments were obtained/incurred and takes place at the initial recognition. Classification is re-assessed on the annual basis, except for derivatives and financial assets designated as at fair value through the statement of comprehensive income, which shall not be classified out of fair value through the statement of comprehensive income category.

ii. Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provision of the instruments.

The company classifies financial instruments, or the component parts, on initial recognition as a financial asset a financial liability or an equity instrument in accordance with the substance of the contractual agreement.

Financial instruments are measured initially at fair value except for equity investments for which a fair value is not determinable, which are measured at a cost and are classified as available for sale financial assets.

For financial instruments which are not at fair value through the statement of comprehensive income transaction costs are included in the initial measurement of the instrument.

Regular way purchases of financial assets are accounted for at trade date.

iii. Subsequent Measurement

Loans and receivables are subsequently measured at amortised cost, using the effective interest methods, less accumulated impairment losses.

Financial liabilities at Amortised cost are subsequently measured at Amortised cost using the effective interest method.

iv. Derecognition

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

ACCOUNTING POLICIES (continued)

1.6 Financial Instruments

Impairment of Financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through the income statement, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the company, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default payments are all considered indicators of impairment.

In the case of equity securities classified as available for sale a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator of impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value less impairment loss on the financial asset previously recognised in the income statement is removed from equity as a reclassification adjustment to other comprehensive income and recognised in the income statement.

Impairment losses are recognised in the income statement.

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount to the financial asset at the date of impairments reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in the income statement except for equity investments which are held at cost because fair value was determinable.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in the statement of comprehensive income with operating expenses. When such assets are written off, the write off is made against the relevant allowance account subsequently recoveries of amount previously written off are credited against operating expense.

1.7 Loan to (from) group companies

Loans from group companies are classified as financial liabilities measured at amortised cost.

1.8 Cash and Cash equivalent

Cash and cash equivalents comprises cash and demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and a subject to an insignificant risk of change in value.

These are initially and subsequently recorded at fair value.

ACCOUNTING POLICIES (continued)

1.9 Tax

Current tax assets and Liabilities

Current tax for current and prior periods is to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax Liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and liabilities

Deferred tax is provided for temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax asset is not recognised on the carry forward of unused tax losses and unused withholding tax credits to the extent that it is not probable that future taxable profit will be available against which the unused tax losses and unused withholding tax credits can be utilised.

1.10 Impairment of assets

The company assesses at each reporting period date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the company also:

Tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset, if it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash generating unit to which the asset belongs is determined.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in the prior years. A reversal of impairment is recognised immediately in the statement of comprehensive Income. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.11 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ACCOUNTING POLICIES (continued)

1.12 Employee

Short-term employee benefits

The cost of short term employee benefits, (those payable with 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non - monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.13 Provision and contingencies

Provisions are recognised when :

- the company has an obligation at the reporting period date as result of a past event;
- it is probable that the company will be required to transfer economic benefits in settlement; and
- the amount of the obligation can be estimated reliably.

Contingent assets and contingent liabilities are not recognised.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre - tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settle the obligation. the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restriction arises when an entity :

- has a detailed formal plan for the restructuring, identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location, function and appropriate number of employees who will be compensated for terminating their services;
 - the expenditure that will be undertaken; and
 - when the plan will be implemented; and
- Has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

Contingent assets and contingent liabilities are not recognised. Contingencies if any are disclosed.

1.14 Intangible Assets

An intangible asset is recognised when :

- (i) It is probable that the expected future economic benefits that are attributable to the asset will flow to the entity ; and
- (ii) The cost of the asset can be measure reliably.

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when :

- (i) It is technically feasible to complete the asset so that it will be available for use or sale.
- (ii) There is an intention to complete and use or sell it.
- (iii) There is an ability to use or sell it.
- (iv) Will generate probable future economic benefits.
- (v) There are available technical, financial and other resources to complete the development and to use or sell the asset.
- (vi) The expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated depreciation and any impairment losses.

ACCOUNTING POLICIES (continued)

1.15 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specially borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The costs capitalised should not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the year in which they are incurred.

1.16 Translation of foreign currencies

A foreign currency transaction is recorded, on initial recognition in Uganda Shilling, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange difference arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a monetary item is recognised to other comprehensive income and accumulated in equity any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in the income statement, any exchange component of that gain or loss is recognised in the statement of comprehensive income.

Cash flows arising from transactions in a foreign currency are recorded in Uganda Shilling by applying to the foreign currency amount the exchange rate between the Uganda Shilling and the foreign currency at the date of the cash flow.

ACCOUNTING POLICIES

2.0 Adoption of new and revised Standards and interpretations

New standards or amendments	Effective for annual periods beginning on or after
Sale or contribution of Assets between Investor and its associate or Joint Venture (amendments to IFRS 10 and IAS 28)	1st January 2016
Accounting for Acquisition of interests in Joint operations (Amendments to IFRS 11)	1st January 2016
Amendments to IAS 41 - Bearer Plants (Amendments to IAS 16 and IAS 41)	1st January 2016
Amendments to IAS 16 and IAS 38 - Clarification of acceptable methods of Depreciation and Amortisation	1st January 2016
Equity method in Separate Financial Statements (amendments to IAS 27)	1st January 2016
IFRS 14 - Regulatory deferral Accounts	1st January 2016
Investment Entities: Applying the consolidation 1 exception (amendments to IFRS 10, IFRS 12, IAS 28)	1st January 2016
Disclosure Initiative (amendments to IAS 1)	1st January 2016
IFRS 15 - Revenue from contracts with customers	1st January 2017
IFRS 9 - Financial Instruments (2014)	1st January 2018
IFRS 16 Leases	1st January 2019

All standards and interpretations will be adopted at their effective date (except for those Standards and Interpretations that are not applicable to the entity).

ACCOUNTING POLICIES

Sale or Contribution of Assets between an investor and its Associate or Joint Venture (amendments to IFRS 10 and IAS 28)

The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3 Business Combinations. Where the assets transferred do not meet the definitions of a business, a partial gain to the extent of unrelated investors' interest in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised. The amendments will be effective from annual periods commencing on or after 1 January 2016. *The adoption of these changes will not affect the amounts and disclosures of the company's financial statements.*

Accounting for Acquisitions of Interests in Joint Operations (amendments to IFRS 11)

The amendments require business combination accounting to be applied to acquisitions of interests in a joint operation that constitutes a business. Business combination accounting also applies to the acquisition of additional interests in a joint operation while the joint operator retains joint control. The additional interest acquired will be measured at fair value. The previously held interest in the joint operation will not be remeasured. The amendments apply prospectively for annual periods beginning on or after 1 January 2016 with early adoption permitted.

The adoption of the amendments did not have a significant impact on the financial statements

Amendments to IAS 41 - Bearer Plants (amendments to IAS 16 and IAS 41)

The amendments to IAS 16 - Property, Plant and Equipment and IAS 41 - Agriculture require a bearer plant (which is a living plant used solely to grow produce over several periods) to be accounted for as property, plant and equipment in accordance with IAS 16 - Property, Plant and Equipment instead of IAS 41 - Agriculture. The produce growing on bearer plants will remain within the scope of IAS 41.

The new requirements are effective from 1 January 2016, with earlier adoption permitted.

The adoption of these changes will not affect the amounts and disclosures of the company's financial statements.

Clarification of acceptable methods of depreciation and Amortisation (amendments to IAS 16 and IAS 38)

The amendments to IAS 16 Property, Plant and Equipment explicitly state that revenue based methods of depreciation cannot be used for property, plant and equipment. The amendments to IAS 38 Intangible Assets introduce a rebuttable presumption that the use of revenue based amortisation methods for intangible assets is inappropriate. The presumption can be overcome only when revenue and the consumption of economic benefits of the intangible asset are 'highly correlated' or when the intangible asset is expressed as a measure of revenue.

The amendments apply prospectively for annual periods beginning on or after 1 January 2016 and early adoption is permitted.

The adoption of these changes will not affect the amounts and disclosures of the company's financial statements.

ACCOUNTING POLICIES

Equity method in Separate Financial Statements (amendments to IAS 27)

The amendments allow the use of equity method in separate financial statements and apply to the accounting not only for associates and joint ventures but also for subsidiaries.

The amendments apply prospectively for annual periods beginning on or after 1 January 2016 with early adoption permitted.

The adoption of these changes will not affect the amounts and disclosures of the company's financial statements.

IFRS 14 - Regulatory Deferral Accounts

IFRS 14 provides guidance on accounting for regulatory deferral account balances by first time adopters of IFRS. To apply this standard, the entity has to be rate regulated, i.e. the establishment of prices that can be charged to its customers for goods and services is subject to oversight and/or approval by an authorised body.

The standard is effective for financial reporting years beginning on or after 1 January 2016 with early adoption permitted.

The adoption of these changes will not affect the amounts and disclosures of the company's financial statements.

Investment Entities: Applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)

The amendments to IFRS 10 - Consolidated Financial Statements clarifies which subsidiaries of an investment entity are consolidated instead of being measured as fair value through profit and loss. The amendment also modifies the condition in the general consolidation exemption that requires an entity's parent or ultimate parent to prepare consolidated financial statements. The amendment clarifies that this condition is also met where the ultimate parent or any intermediary parent of a parent entity measures subsidiaries at fair value through profit and loss in accordance with IFRS 10 and not only where the ultimate parent or intermediate parent consolidates its subsidiaries. The amendment to IFRS 12 - Disclosure of Interests in Other Entities requires an entity that prepare financial statements in which all its subsidiaries are measured as fair value through profit or loss in accordance with IFRS 10 to make disclosures required by IFRS 12 relating to investment entities.

The amendments to IAS 28 - Investments in Associates and Joint Ventures modifies the condition where an entity need not apply the equity method to its investments in associates or joint ventures to align these to the amended IFRS 10 conditions for not presenting consolidated financial statements. The amendments introduce relief when applying the equity method which permits a non-investment entity investor in an associate or joint venture that is an investment entity to retain the fair value through profit or loss measurement applied by the associate or joint venture to its subsidiaries.

The amendments apply retrospectively for annual periods beginning on or after 1 January 2016 with early adoption permitted.

The adoption of these changes will not affect the amounts and disclosures of the company's financial statements.

ACCOUNTING POLICIES

Disclosure Initiative (amendments to IAS 1)

The amendments provide additional guidance on the application of materiality and aggregation when preparing financial statements. The measurements apply for annual periods beginning on or after 1 January 2016 with early adoption permitted.

The adoption of these changes will not affect the amounts and disclosures of the company's financial statements.

IFRS 15 - Revenue from Contract with Customers

This standard replaces IAS 11 (Construction Contracts), IAS 18 - Revenue, IFRIC 13 - Customer Loyalty Programmes, IFRIC 15 - Agreements for the Construction of Real Estate, IFRIC 18 - Transfer of Assets from Customers and SIC 31 - Revenue Barter of Transactions Involving Advertising Services.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue; at a point in time or over time. The standard specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principle-based five step model to be applied to all contracts with customers in recognising revenue being:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to performance obligations in the contract; and
- recognise revenue when (or as) the entity satisfies a performance obligation.

The adoption of these changes will not affect the amounts and disclosures of the company's financial statements.

IFRS 9 - Financial Instruments (2014)

On July 2014 the IASB issued the final IFRS 9 - Financial Instruments Standard, which replaces the earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments - Recognition and Measurement.

This standard introduces changes in the measurement basis of the financial assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an 'incurred loss' model from IAS 39 to an 'expected credit loss' model. The standard is effective for annual periods beginning on or after 1 January 2018 with retrospective application with early adoption permitted.

The company will need to assess the potential impact on its financial statements the application of this standard.

IFRS 16: Leases

On 13 January 2016, the IASB issued IFRS 16 Leases, completing the IASB's project to improve the financial reporting for leases. IFRS 16 replaces the previous leases standard, IAS 17 Leases and related interpretations.

IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the lease (Customer) and the supplier (lessor). The standard defines a lease as a contract that conveys to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

A company assesses whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time.

The standard eliminates the classification of leases as either operating leases or finance leases for a lease and introduces a single lessee accounting model. All leases are treated in a similar way to finance leases. Applying that model significantly affects the accounting and presentation of leases and consequently, the lessee is required to recognise:

- a. Assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A company recognises the present value of the unavoidable lease payments and shows them either as lease assets (right-of-use assets) or together with property with property, plant and equipment. If lease payments are made over time a company also recognises a financial liability representing its obligation to make future lease payments.
- b. Depreciation of lease assets and interest on lease liabilities in profit or loss over the lease term; and
- c. Separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (typically presented within either operating or financing activities) in the statement of cash flows.

IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. However, compared to IAS 17, IFRS 16 requires a lessor to disclose additional information about how it manages the risk related to its residual interest in assets subject to leases.

The standard does not require a company to recognise assets and liabilities for:

- a. short-term leases (i.e. leases of 12 months or less) and
- leases of low-value assets.

The new standard is effective for annual periods beginning on or after 1 January 2019. Early application is permitted.

The company will need to assess the potential impact on its financial statements the application of this standard.

NOTES TO THE FINANCIAL STATEMENTS

3 Property, Plant and Equipment

	2016		
	Cost/Valuation	Accumulated depreciation	Carrying value
Furniture & Fittings	13,478,000	(673,900)	12,804,100
Solar Molds	142,584,756	(7,129,238)	135,455,518
Kitchen Material	1,750,000	(87,500)	1,662,500
	157,812,756	(7,890,638)	149,922,118

Reconciliation of property, plant and equipment - 2016

	Opening balance	Additions	Depreciation charge	Total
Furniture & Fittings	-	13,478,000	(673,900)	12,804,100
Solar Molds	-	142,584,756	(7,129,238)	135,455,518
Kitchen Material	-	1,750,000	(87,500)	1,662,500
	-	157,812,756	(7,890,638)	149,922,118

4 Related party balances

Ines Schreckeneder - Loan	(22,683,840)
Sarah Pirker - Loan	(22,683,360)
Actinnovative - Loan	(41,580,820)
	(86,948,020)

Solantis Solar Limited has loan agreements with

Breakdown of the Balances

Non current Liabilities	(86,948,020)
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Related party relationships

Name	Relationship
Ines Schreckeneder	Shareholder - 38 %
Sarah Pirker	Shareholder - 20 %
Actinnovative	Holding company - 42%

5 Cash and cash equivalents

Cash and cash equivalents consist of:	5,801,382
Cash on hand	
Bank Balances	
Bank Austria	23,407,615
Stanbic Bank	25,576,695
	54,785,692

6 Trade and other receivables

Prepayments - Rent	28,592,136
Staff debtors	150,000
	28,742,136

7 Inventory

Inventory in Transit	180,117,930
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8 Share capital

Issued, Subscribed and paid up share capital	50,000,000
The authorised share capital is 50,000,000 representing 1,000 ordinary shares with par value of Shs. 50,000 each.	

9 Trade and Other payables

Trade payables	20,829,904
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NOTES TO THE FINANCIAL STATEMENTS

10 Borrowings

Gruener Edith - Loan	(18,905,000)
Mr. Markus Gruener - Loan	(75,620,000)
Mr. Norbert Hellninch - Loan	(37,810,000)
Sailer Hansjorg - Loan	(18,905,000)
Stronger Together for Development - Loan	(98,314,060)
Waldboth Meinrad - Loan	(151,240,000)
Schwaiger Wolfgang	(75,620,000)
	(476,414,060)

The loans with Schwaiger Wolfgang and Sailer Hansjorg are both repayable at 5% per year, The loans from Gruener Edith and markus Gruener are both repayable at 3%, The loan from Nobert Hellninch is repayable at 8%,

Breakdown of the loans

Non current Assets	(476,414,060)
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11 Provisions / Accruals

Reconciliation of provisions - 2016

	Opening Balances	Provision for the year	Reversed during the year	Total
Provision for audit fees	-	2,690,232	-	2,690,232

12 Revenue

Export Sales	4,021,626
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13 Cost of sales

Clearing Charges	280,000
Freight Charges	14,829,904
	15,109,904

14 Operating expenses

Accommodation Expenses	10,430,897
Audit fees	2,690,232
Casual Labor	370,000
Directors Expenses	100,000
Deprecation	7,890,638
Garbage Collection	41,943
Installation Expenses	1,000,000
Legal Expenses	26,668,810
Loan Commitment Fees	1,904,915
Marketing Expenses	169,000
Office Expenses	12,242,095
Registration & Annual Subscription	400,000
Reimbursement	132,538,006
Rent	7,148,035
Repair and Maintenance	2,028,800
Security Expenses	2,118,485
Staff welfare	1,834,280
Telephone & Internet Expenses	2,018,000
Training Expenses	200,000
Transport Expenses	340,000
Bank Charges	2,481,848
	214,615,984

15 Auditors' Remuneration

Audit fees	2,690,232
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16 Going Concern

We draw attention to the fact at 30 June 2016, the company incurred net losses of Ugx 173,314,340.

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and the realisations of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the on going operations for the company. However the directors have confirmed their continued support of the company's operations for the next 12 months from the date of this report.

17 Taxation

No provision has been made for the year ended 30 June 2016 as the company has no taxable income, The estimated tax loss available for set off against future taxable income is Ugx. 262,767,529.

18 Events after the end of the reporting period

The directors are not aware of any events after the reporting date which require amendment or adjustment to the financial statements as at the date of this report.

Solantis Solar Limited
Detailed Profit or Loss Statement

Particulars	30 June 2016
	Ugx.
REVENUE	4,021,626
COST OF SALES	
Clearing Charges	280,000
Freight Charges	14,829,904
	15,109,904
GROSS LOSS	(11,088,278)
Other income	
Unrealised Exchange gain	2,389,921
Operating Costs	
Accommodation Expenses	10,430,897
Audit fees	2,690,232
Casual Labor	370,000
Directors Expenses	100,000
Depreciation	7,890,638
Garbage Collection	41,943
Installation Expenses	1,000,000
Legal Expenses	26,668,810
Loan Commitment Fees	1,904,915
Marketing Expenses	169,000
Office Expenses	12,242,095
Registration & Annual Subscription	400,000
Reimbursement	132,538,006
Rent	7,148,035
Repair and Maintenance	2,028,800
Security Expenses	2,118,485
Staff welfare	1,834,280
Telephone & Internet Expenses	2,018,000
Training Expenses	200,000
Transport Expenses	340,000
Bank Charges	2,481,848
	214,615,984
OPERATING LOSS	(223,314,341)
FINANCE COSTS	-
Loss before taxation	(223,314,341)
Taxation	-
Loss for the year	(223,314,341)
Other comprehensive income net of taxes	-
Total Comprehensive Loss for the year	(223,314,341)

	Ugx	Ugx
1. TAX COMPUTATION		
Profits before tax as per financial Statements		(223,314,341)
Add : Disallowable Items		
Depreciation on property, plant and equipment	7,890,638	
		7,890,638
		(215,423,703)
Less : Allowable Expenses		
Wear and Tear allowance	(31,562,551)	
Unrealised gain	(2,389,921)	
		(33,952,472)
Adjusted Tax Profit		(249,376,175)
Taxable loss		(249,376,175)
Corporation tax @ 30%		-
2 WEAR AND TEAR SCHEDULE		
	Class IV	
	20%	
	Ugx.	
WDV as at 1 June 2015	-	
Additions	157,812,756	
Disposals	-	
	157,812,756	
Initial Allowance	-	
Wear & tear allowance	(31,562,551)	
WDV as at 31 May 2016	126,250,205	