KALIMATI COAL COMPANY PTY LTD

ABN: 24 114 975 398

Annual Financial Report For The Year

Ended 31 March

Kalimati Coal Company Pty Ltd
Statement of profit or loss and other comprehensive income
For the financial year ended 31 March 2017

	Note	31-Mar-17 $	31-Mar-16 $
Continuing operations			
Service income	2	-	576,826
Cost of sales		-	-
Gross profit/(loss)		-	576,826
Other income	2	496,952	36
Administration expenses		(54,228)	(606,413)
Depreciation and amortisation expense		-	(25,191)
Profit/(Loss) before tax		442,724	(54,742)
Income tax expense		-	-
Profit/(Loss) for the year from continuing operations		442,724	(54,742)
Less : Adjustment for service income reversal FY16		93,092	-
Profit/(Loss) for the year		349,632	(54,742)
Other comprehensive loss for the year		-	-
Total comprehensive income/(loss)		349,632	(54,742)

Kalimati Coal Company Pty Ltd
Statement of Financial Position as at 31 March 2017

	Note	31-Mar-17 $	31-Mar-16 $
Current assets			
Cash and cash equivalents	4	44,230	25,657
Trade and other receivables	5	-	139,223
Total current assets		44,230	164,880
Non-current assets			
Property, plant and equipment	6	-	-
Total non-current assets		-	-
Total assets		44,230	164,880
Current liabilities			
Trade and other payables	7	22,794	41,490
Borrowings	8	45,410,286	45,802,286
Provisions	9	-	59,587
Total current liabilities		45,433,080	45,903,363
Total liabilities		45,433,080	45,903,363
Net assets		(45,388,850)	(45,738,483)
Equity			
Issued capital	10	6,000,000	6,000,000
Retained earnings		(51,388,850)	(51,738,483)
Total equity		(45,388,850)	(45,738,483)

Kalimati Coal Company Pty Ltd
Statement of Changes in Equity
For the financial year ended 31 March 2017

	Issued Capital	Retained Earnings	Total Equity
	$	$	$
Balance as at 1 April 2015	6,000,000	(51,683,741)	(45,683,741)
Total comprehensive income for the year	-	(54,742)	(54,742)
Balance as at 31 March 2016	6,000,000	(51,738,483)	(45,738,483)
Balance as at 1 April 2016	6,000,000	(51,738,483)	(45,738,483)
Total comprehensive income for the year	-	349,633	349,632
Balance as at 31 March 2017	6,000,000	(51,388,850)	(45,388,851)

There were no movements in share capital during the year.
The Company does not have authorised capital or par value in respect of its issued shares.
All issued shared are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Kalimati Coal Company Pty Ltd
Statement of cash flows
For the financial year ended 31 March 2017

	Note	31-Mar-17 $	31-Mar-16 $
Cash flows from operating activities			
Cash receipts from customers		-	762,786
Cash payments to suppliers and employees		(86,380)	(822,870)
Interest and other costs of finance paid		-	-
Net Cash (utilised in)/provided by operating activities	11	(86,380)	(60,084)
Cash flows from investing activities			
Net cash inflow from Insurance proceeds		496,912	-
Payment for property, plant and equipment		-	-
Interest received		40	36
Net cash (utilised in)/provided by investing activities		496,952	36
Cash flows from financing activities			
Repayment of borrowings		(392,000)	-
Net cash utilised in financing activities		(392,000)	-
Net increase/(decrease) in cash and cash equivalents		18,573	(60,048)
Cash and cash equivalents at the beginning of the financial year		25,657	85,705
Cash and cash equivalents at the end of the financial year	4	44,230	25,657

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 1: Statement of significant accounting policies

The financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the Corporations Act 2001. The Company is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, these special purpose financial statements have been prepared to satisfy the directors' reporting requirements under the Corporations Act 2001. Kalimati Coal Company Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Statement of compliance

The financial report has been prepared in accordance with the requirements of the Corporations Act 2001, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cashflows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 'Australian Additional Disclosures'.

Basis of preparation

The financial report has been prepared on the basis of historical cost. Historical cost is based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

Going concern

In the financial year to 31 March 2017 the company made a profit after tax of $349,632 (2016: loss after tax of $54,742) to give a total of accumulated losses carried forward of $51,388,850 (2016: $51,738,483).

The company is dependent on the continued financial support of its parent entity which has been obtained by the director through a letter of support to enable the company to pay its debts as and when they fall due for the 12 months from the date of signing this financial report.

Accordingly, the directors have prepared the financial report on a going concern basis as they are of the opinion the company will realise its assets and settle its liabilities and commitments in the normal course of business and for at least the amounts stated in this financial report for assets.

Accordingly, the financial report does not include any adjustment relating to the recoverability and classification of the recorded asset amounts or the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

Further, the company was in a net current liability position of $45,388,850 as at 31 March 2017 (2016: Net current liability of $45,738,483).

Adoption of new and revised Accounting Standards

Standards and Interpretations adopted with no effect on financial statements.

The following new and revised Standards and Interpretations have been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 1: Statement of significant accounting policies (continued)

Standards affecting presentation and disclosure	
AASB 2014-3 'Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations	This Standard amends AASB 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require: (a) the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and (b) the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations. This Standard also makes an editorial correction to AASB 11. This Standard applies to annual reporting periods beginning on or after 1 January 2016.
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation	This Standard amends AASB 116 and AASB 138 to: (a) establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; (b) clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset; and (c) clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits

Standards affecting presentation and disclosure	
	embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances. This Standard applies to annual reporting periods beginning on or after 1 January 2016.
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle	This Standard also makes various principal amendments to the standards and also editorial corrections to Australian Accounting Standards

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 1: Statement of significant accounting policies (continued)

New standards and interpretations not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective. The following standards are not expected to have significant impact for the company.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	31 June 2019
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15' AASB 2015-8 'Amendments to Australian Accounting Standard – Effective date of AASB 15'	1 January 2018	31 June 2019
AASB 16 'Leases'	1 January 2019	30 June 2020
AASB 2014-10 'Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture', AASB 2015-10 'Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128'	1 January 2018	31 June 2019
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107'	1 January 2017	31 June 2018

At the date of authorisation of the financial statements, the following IASB Standards and IFRIC Interpretations (for which Australian equivalent Standards and Interpretations have not yet been issued) were in issue but not yet effective:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
Clarifications to IFRS 15 'Revenue from Contracts with Customers'	1 January 2018	31 June 2019

The impacts of the above standards and interpretations have been considered and are being assessed. These standards are not expected to materially affect reported result and the financial position in the future.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 1: Statement of significant accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Material estimates include:

- useful economic lives of assets and coal reserves,
- impairment of assets,
- restoration, rehabilitation and environmental costs.

The use of inaccurate assumptions in calculations for any of these estimates could result in a significant impact on the financial results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and any future periods affected. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Income tax

Current Tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the [statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Adjustments are made for transactions and events occurring within the tax consolidated group that do not give rise to a tax consequence for the Group or that have a different tax consequence at the level of the Group.

Deferred Tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 1: Statement of significant accounting policies (continued)

(b) Financial assets

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classed as 'loans and receivables'. Loans and receivables are measured at amortised costs using the effective interest method less impairment. Interest income is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets, other than those at fair value through profit and loss, are assessed for indicators of impairment at each balance date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of financial assets have been impacted.

(c) Foreign currency transactions and balances

The financial statements of the company are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the financial statements, the results and financial position of the entity are expressed in Australian dollars, which is the functional currency of the company and the presentation currency for the financial statements.

In preparing the financial statements of the company, transactions in currencies other than the company's functional currency (foreign currencies) are recorded at rates of exchange prevailing on the dates of the transactions. At each Statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the Statement of financial position date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

(d) Property, plant and equipment

Recognition and measurement

Each class of property, plant and equipment is carried at cost less any accumulated depreciation, where applicable.

Freehold land is held at cost and not depreciated.

Property, leasehold improvements, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour and the initial estimate where relevant, of the cost of dismantling and removing the items and restoring the site on which they are located.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 1: Statement of significant accounting policies (continued)

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. Major spares purchased specifically for particular items of plant & equipment are included in the cost of those items.

Costs associated with commissioning new assets, in the period before they are capable of operating in the manner intended by management, are capitalised.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

(e) Exploration and evaluation expenditure

Exploration, evaluation and mine development costs, including original costs of acquisition, are monitored in respect of each separate area of interest.

Exploration and evaluation costs are expensed as incurred until activities in respect of an area of interest reach a stage where such costs are expected to be recouped through sale or successful development and exploitation of the area of interest.

When an area of interest is abandoned or the director decides that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

(f) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, which are transferred to the company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term, when there is no reasonable certainty that the ownership will be obtained by the end of the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis in the period in which they are incurred.

Lease incentives under operating leases are deferred and amortised on a straight-line basis over the life of the lease term.

Note 1: Statement of significant accounting policies (continued)

(g) Impairment of assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the statement of comprehensive income.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(h) Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When the company undertakes its activities under joint operations, the Company as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses.
When the company entity transacts with a joint operation in which the company is a joint operator (such as a sale or contribution of assets), the Company is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Company’s financial statements only to the extent of other parties' interests in the joint operation.

When a company entity transacts with a joint operation in which the company is a joint operator (such as a purchase of assets), the Company does not recognise its share of the gains and losses until it resells those assets to a third party.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 1: Statement of significant accounting policies (continued)

(i) Non-current assets held for sale

AASB5 Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales for such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Company discontinues the use of the equity method in relation to the portion that is classified a held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Company discontinues the use of the equity method at the time of disposal when the disposal results in the Company losing significant influence over the associate or joint venture.

After the disposal takes place, the Company accounts for any retained interest in the associate or joint venture in accordance with AASB 139 unless the retained interest continues to be an associate or a joint venture, in which case the Company uses the equity method (see the accounting policy regarding investments in associates or joint ventures above).

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

(j) Employee benefits

Wages, salaries, annual leave, sick leave, bonuses and non-monetary benefits.

Employee benefit provisions are a legal liability of the Joint Venture operator; however they have been recognised in the Joint Venture for completeness. Liabilities for employee benefits for wages, salaries, annual leave, sick leave and bonuses that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employee's services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Joint Venture expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

(k) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefit required to settle a provision are expected to be recovered from a third party, the receivables is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 1: Statement of significant accounting policies (continued)

(l) Financial instruments issued by the company

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transactions costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

(m) Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in banks net of outstanding bank overdrafts and deposits held at call with banks. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of financial position.

(n) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest revenue is recognised when it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

All revenue is stated net of the amount of goods and services tax (GST).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 1: Statement of significant accounting policies (continued)

(o) Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in Statement of comprehensive income in the period in which they are incurred.

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(q) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(r) Deferred mining expenditure

The costs incurred in the development of the longwall panels associated with underground mining are capitalised as "Deferred Mining Expenditure" and amortised to the cost of the related coal as it is mined on a units of production basis over the life of the longwall panel.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

	31-Mar-17	31-Mar-16
	$	$
Note 2: Revenue and other Income		
Service Income:	-	576,826
Other Income:		
Interest received	40	36
Sundry income	496,912	-
Total other income	496,952	36
Total sales revenue and other income	496,952	576,862
Note 3: Auditors' remuneration		
Auditors of the Company-Deloitte Touche Tohmatsu		
Audit or review of the financial report	19,000	25,000
Other non-audit services	4,000	2,000
	23,000	27,000
Note 4: Cash and Cash equivalents		
CURRENT		
Cash at bank and in hand	44,230	25,657
Note 5: Trade and other receivables		
CURRENT		
Trade receivables	-	139,223
	-	139,223
Note 6: Property, plant and equipment		
Furniture and Fixtures		
At cost	-	25,664
Accumulated depreciation	-	(25,664)
	-	-
Improvements		
At cost	-	72,229
Accumulated depreciation	-	(72,229)
	-	-
Computer Equipment		
At cost	-	10,504
Accumulated depreciation	-	(10,504)
	-	-
Total	-	-
Note 7: Trade and other payables		
CURRENT		
Trade payables	(175)	14,490
Sundry payables and accrued expenses	22,969	27,000
	22,794	41,490

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Note 8: Borrowings	31-Mar-17 $	31-Mar-16 $
CURRENT		
Tata Steel Global Minerals Holdings Pte Ltd	45,410,286	45,802,286
Total current borrowings	45,410,286	45,802,286
Note 9: Provisions		
CURRENT		
Operating Lease termination provision	-	59,587
Balance at end of the year	-	59,587
Note 10: Issued capital		
6,000,000 (2014: 6,000,000) fully paid ordinary shares	6,000,000	6,000,000
	6,000,000	6,000,000
Note 11: Cash Flow Information		
(a) Reconciliation of cash flow from operations with profit after income tax		
Profit/(Loss) after income tax	349,632	(54,742)
Non- operating income - Insurance claim receipt	(496,912)	-
Non-cash flows in profit:		
Depreciation and amortisation	-	25,191
Interest Income	(40)	-
Changes in assets and liabilities:		
Increase/(Decrease) in trade and other receivables	139,195	151,873
Increase/(Decrease) in other assets	-	4,494
Increase/(Decrease) in trade and other payables	(18,696)	(159,117)
Increase/(Decrease) in provisions	(59,587)	(27,747)
Net cash provided by operating activities	(86,379)	(60,048)

Note 12: Subsequent Events

There are no reportable subsequent events affecting the operations of the company, or the state of affairs of the company in future financial years.

Note 13: Company Details

The registered office of the company is:

GRT Lawyers
Level 2400, Queen Street
Brisbane QLD4000

The principal place of business is:

Level 2400, Queen Street
Brisbane QLD4000

Parent Company is:

Tata Steel Global Minerals Holdings Pte Ltd
22 Tanjong Kling Road
Singapore 628048

The ultimate parent company is:

Tata Steel Limited
24 Homi Mody Street
Mumbai India 400 001