

Apollo (South Africa) Holdings Proprietary Limited
(Registration number 2005/035030/07)
Audited Annual Financial Statements
for the year ended 31 March 2018

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Investment holding company
Directors	Mr. R Rohit Arora Mr. M Maharaj
Registered office	150 Denne Road Hughes Boksburg 1459
Holding company	Apollo Tyres Cooperatief U.A
Ultimate holding company	Apollo Tyres Limited incorporated in India
Auditor	Grant Thornton Johannesburg Partnership Chartered Accountants (S.A.) Registered Auditors A South African member of Grant Thornton International
Level of assurance	These audited annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The audited annual financial statements were internally compiled by: Eben Muller (Manager: Commercial)

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Contents

Index	Page
Directors' Responsibilities and Approval	3
Directors' Report	4 - 5
Independent Auditor's Report	6 - 7
Statement of Financial Position	8
Statement of Profit or Loss and Other Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12 - 14
Notes to the Audited Annual Financial Statements	15 - 18
The following supplementary information does not form part of the audited annual financial statements and is unaudited:	
Detailed Income Statement	19

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the audited annual financial statements and related financial information included in this report. It is their responsibility to ensure that the audited annual 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 period then ended, in conformity with International Financial Reporting Standards. The external auditor is engaged to express an independent opinion on the audited annual financial statements.

The audited annual 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.

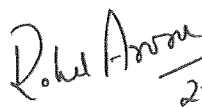
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards 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 endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour 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 provides reasonable assurance that the financial records may be relied on for the preparation of the audited annual 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 31 March 2019 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's audited annual financial statements. The audited annual financial statements have been examined by the company's external auditor and their report is presented on pages 6 to 7.

The audited annual financial statements set out on pages 4 to 19, which have been prepared on the going concern basis, were approved by the board of directors on 25 April 2018 and were signed on their behalf by:


27/4/2018

Director

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Directors' Report

The directors have pleasure in submitting their report on the audited annual financial statements of Apollo (South Africa) Holdings Proprietary Limited for the year ended 31 March 2018.

1. Nature of business

The company is an investment holding company.

2. Review of financial results and activities

The audited annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these audited annual financial statements.

3. Stated capital

Authorised			2018	2017
Ordinary shares			Number of shares	Number of shares
			1 000	1 000
Issued	2018	2017	2018	2017
130 ordinary shares	R	R	Number of shares	Number of shares
	130	130	130	130

There have been no changes to the authorised or issued stated capital during the year under review.

4. Dividends

No dividends were declared or paid during the current or prior financial year.

5. Directorate

The directors in office at the date of this report are as follows:

Directors	Nationality	Changes
Mr. S. Sarkar	Indian	Resigned 31 July 2017
Mr. M. Bhatla	Indian	Resigned 31 July 2017
Mr. R Rohit Arora	Indian	Appointed 31 July 2017
Mr. M Maharaj	Indian	Appointed 31 July 2017
Mr. P. C Ojha	Indian	Resigned 31 July 2017

6. Interest of directors in the stated capital of the company

The directors do not have any disclosable interest in the shares of the company or any of its subsidiaries.

7. Investment in subsidiary

The company holds an investment in the following subsidiary company:
- Apollo Tyres Africa Proprietary Limited (South Africa)

8. Holding company

Apollo Tyres Cooperatief U.A which holds 100% (2017: 100%) of the company's share capital. The ultimate holding company is Apollo Tyres Limited, incorporated in India.

9. Special resolutions

No special resolutions, the nature of which might be significant to the shareholder in their appreciation of the state of affairs of the company were made by the company during the period covered by this report.

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Directors' Report

10. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

11. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the audited annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

12. Auditors

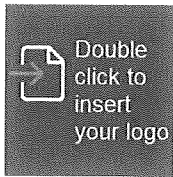
Grant Thornton Johannesburg Partnership continued in office as auditors for the company for 2018.

13. Directors emoluments

No directors' emoluments were paid by the company during the current and prior year.

14. Consolidation

Group accounts have been separately prepared as the directors have elected the exemption contained in IFRS 10: Consolidated and separate financial statements.



Independent Auditor's Report

To the director of Apollo (South Africa) Holdings Proprietary Limited

Opinion

I have audited the audited annual financial statements of Apollo (South Africa) Holdings Proprietary Limited set out on pages 8 to 18, which comprise the statement of financial position as at 31 March 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the audited annual financial statements, including a summary of significant accounting policies.

In my opinion, the audited annual financial statements present fairly, in all material respects, the financial position of Apollo (South Africa) Holdings Proprietary Limited as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the audited annual financial statements section of my report. I am independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of audited annual financial statements in South Africa. I have fulfilled my other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

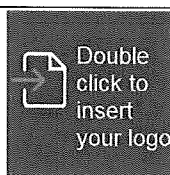
The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008 of South Africa, which we obtained prior to the date of this report. Other information does not include the audited annual financial statements and my auditor's report thereon.

My opinion on the audited annual financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit of the audited annual financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited annual financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Auditor's responsibilities for the audit of the Audited Annual Financial Statements

My objectives are to obtain reasonable assurance about whether the audited annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these audited annual financial statements.





Independent Auditor's Report

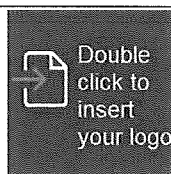
As part of an audit in accordance with International Standards on Auditing, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the audited annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the audited annual financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the audited annual financial statements, including the disclosures, and whether the audited annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Grant Thornton Johannesburg Partnership
Partner
Chartered Accountant (SA)
Registered Auditor
A South African member of Grant Thornton International

25 April 2018
Place of signature



Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Statement of Financial Position as at 31 March 2018

	Notes	2018 R'000	2017 R'000
Assets			
Non-Current Assets			
Investment in subsidiary	3	50 125	50 125
Current Assets			
Loan to group company	4	12 982	13 028
Cash and cash equivalents	5	2 327	2 193
Total current assets		15 309	15 221
Total Assets		65 434	65 346
Equity and Liabilities			
Equity			
Retained income		65 364	65 312
Liabilities			
Current Liabilities			
Current tax payable		70	34
Total Equity and Liabilities		65 434	65 346

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Statement of Profit or Loss and Other Comprehensive Income

	Notes	2018 R'000	2017 R'000
Operating expenses		(10)	(12)
Operating loss	8	(10)	(12)
Investment income	9	137	132
Profit before taxation		127	120
Taxation	10	(75)	(34)
Profit for the year		52	86
Other comprehensive income		-	-
Total comprehensive income for the year		52	86

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Statement of Changes in Equity

	Stated capital	Retained income	Total equity
	R'000	R'000	R'000
Balance at 1 April 2016	-	65 226	65 226
Profit for the year	-	86	86
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	86	86
Balance at 1 April 2017	-	65 312	65 312
Profit for the year	-	52	52
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	52	52
Balance at 31 March 2018	-	65 364	65 364
Note	7		

* Amount is less than R 1 000

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Statement of Cash Flows

	Notes	2018 R'000	2017 R'000
Cash flows from operating activities			
Cash used in operations	11	(10)	(12)
Interest income		137	132
Tax paid	12	(39)	(16)
Net cash from operating activities		88	104
Cash flows from investing activities			
Decrease in loan to group company		46	27
Total cash movement for the year		134	131
Cash at the beginning of the year		2 193	2 062
Total cash at end of the year	5	2 327	2 193

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1. Significant accounting policies

The principal accounting policies applied in the preparation of these audited annual financial statements are set out below.

1.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act 71 of 2008 in South Africa. The financial statements have been prepared under the historical cost convention except for the valuation of certain financial instruments, which are carried at fair value. They are presented in South African Rands.

The preparation of financial statements in conformity with the IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period based on management's best knowledge of current events and actions. Actual results may ultimately differ from these estimates. The significant estimates and assumptions made by the board of directors in preparing these financial statements include assumptions used in estimating the following items:

Income taxes

The Company is subject to income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax 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 current and deferred income tax assets and liabilities in the period in which such determination is made.

These accounting policies are consistent with the previous period.

1.2 Investment in subsidiary

Investment in subsidiary is carried at cost less any accumulated impairment losses.

1.3 Financial instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:

- Loans and receivables
- Financial liabilities measured at amortised cost

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

Initial recognition and measurement

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

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

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

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.3 Financial instruments (continued)

Subsequent measurement

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

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

Derecognition

Financial assets are derecognised 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.

Impairment of financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through profit or loss, 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 of 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 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 current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity as a reclassification adjustment to other comprehensive income and recognised in profit or loss.

Impairment losses are recognised in profit or loss.

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 of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Reversals of impairment losses are recognised in profit or loss except for equity investments classified as available-for-sale.

Impairment losses are also not subsequently reversed for available-for-sale equity investments which are held at cost because fair value was not determinable.

Where financial assets are impaired through use of an allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When such assets are written off, the write off is made against the relevant allowance account. Subsequent recoveries of amounts previously written off are credited against operating expenses.

Loan to group company

Loan to group company consists of the loan to the subsidiary and is recognised initially at fair value plus direct transaction costs.

Loan to group company is classified as loans and receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Accounting Policies

1.4 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 period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

1.5 Impairment of assets

At each statement of financial position date, the company reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The carrying amount of an asset or cash-generating unit is reflected at the lower of cost and the recoverable amount. Impairment losses, or reversals thereof, are recognised as expenses or income. An impairment loss reversal, however, cannot result in a carrying amount exceeding original cost.

1.6 Stated 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.

1.7 Provisions

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

1.8 Revenue

Interest is recognised on a time proportional basis, which takes into account the effective yield on the asset over the period it is held.

1.9 Critical accounting judgements and key sources of estimation uncertainty

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date that management have assessed as having a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Notes to the Audited Annual Financial Statements

Figures in Rand thousand	2018	2017
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2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">Amendments to IAS 7: Disclosure initiative	1 January 2017	The impact of the standard is not material.
<ul style="list-style-type: none">Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017	The impact of the amendments is not material.

2.2 Standards and interpretations not yet effective

The following standards and interpretations have been published and are mandatory for the company's accounting periods beginning on or after 1 April 2018 or later periods.

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">IFRS 9 Financial Instruments	1 January 2018	Unlikely there will be a material impact

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Notes to the Audited Annual Financial Statements

	2018 R'000	2017 R'000
3. Investment in subsidiary		
	%	%
	holding	holding
	2018	2017
	%	%
	Carrying	Carrying
	amount 2018	amount 2017
	R'000	R'000
Apollo Tyres Africa Proprietary Limited 707 (2017: 707) ordinary shares	100,00 %	100,00 %
	400 000	400 000
	400 000	400 000
Impairment of investment in subsidiary	(349 875)	(349 875)
	50 125	50 125
4. Loan to group company		
Subsidiary		
Apollo Tyres Africa Proprietary Limited	12 982	13 028
The loan is interest-free unsecured and there are no fixed terms of repayment.		
5. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	2 327	2 193
6. Financial assets by category		
The accounting policies for financial instruments have been applied to the line items below:		
2018		
	Loans and receivables	Total
Loan to group company	12 982	12 982
Cash and cash equivalents	2 329	2 329
	15 311	15 311
2017		
	Loans and receivables	Total
Loan to group company	13 028	13 028
Cash and cash equivalents	2 193	2 193
	15 221	15 221

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Notes to the Audited Annual Financial Statements

	2018 R'000	2017 R'000
7. Stated capital		
Authorised		
1 000 Ordinary shares	1	1
Unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.		
Issued		
130 ordinary shares	-	-
* Amount is less than R 1 000.		
8. Operating loss		
Operating loss for the year is stated after charging the following, amongst others:		
Remuneration, other than to employees		
Consulting and professional services	7	9
9. Investment income		
Interest income		
Bank	137	132
10. Taxation		
Major components of the tax expense		
Current		
Local income tax - current period	38	34
Local income tax - recognised in current tax for prior periods	37	-
	<u>75</u>	<u>34</u>
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit	127	120
Tax at the applicable tax rate of 28% (2017: 28%)	36	34
Tax effect of adjustments on taxable income		
Prior year adjustment	37	-
Non-deductible expenditure	2	-
	<u>75</u>	<u>34</u>
11. Cash used in operations		
Profit before taxation	127	120
Adjustments for:		
Interest income	(137)	(132)
	<u>(10)</u>	<u>(12)</u>

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Notes to the Audited Annual Financial Statements

	2018 R'000	2017 R'000
12. Tax paid		
Balance at beginning of the year	(34)	(16)
Current tax for the year recognised in profit or loss	(75)	(34)
Balance at end of the year	70	34
	<u>(39)</u>	<u>(16)</u>

13. Related parties

Relationships

Ultimate holding company

Apollo Tyres Limited

Holding company

Apollo Tyres Cooperatief U.A

Directors

Mr. R Arora

Mr. M Maharaj

Related party balances

Loan owing by related party

Apollo Tyres Africa Proprietary Limited

12 982

13 028

14. Risk management

Capital risk management

The capital structure of the Company consists of cash and cash equivalents as disclosed in note 5 and equity attributable to equity holders of the Company which comprises issued stated capital and premium and accumulated profits disclosed in note 6 and the statement of changes in equity respectively.

The Company's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the Company's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure), repay borrowings as they fall due and continue as a going concern.

Market risk

The company activities expose it primarily to the financial risk of changes in foreign currency exchange rates. There has been no changes to the company's exposure to market risk or the manner in which it manages and measures the risk.

Liquidity risk

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Interest rate risk

The company is not sensitive to movements in the ZAR interest rates.

Apollo (South Africa) Holdings Proprietary Limited

(Registration number 2005/035030/07)

Audited Annual Financial Statements for the year ended 31 March 2018

Detailed Income Statement

	Notes	2018 R'000	2017 R'000
Operating expenses			
Bank charges		(3)	(3)
Consulting fees		(7)	(9)
		<u>(10)</u>	<u>(12)</u>
Operating loss	8	<u>(10)</u>	<u>(12)</u>
Investment income	9	137	132
Profit before taxation		<u>127</u>	<u>120</u>
Taxation	10	(75)	(34)
Profit for the year		<u>52</u>	<u>86</u>