BERGER PAINTS EMIRATES LIMITED

Independent Auditors' Report

The Shareholders Berger Paints Emirates Limited Group

United Arab Emirates

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of Berger Paints Emirates Limited Group (the "Group"), which comprise the combined statement of financial position as of

31 March 2015, and the combined statement of comprehensive income, combined statement of changes in equity and combined statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined 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 about whether the combined financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined 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 combined financial statements present fairly, in all material respects, the financial position of Berger Paints Emirates Limited Group as at 31 March 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirements

Also, in our opinion, the Group has maintained proper books of accounts and the physical inventory was properly conducted. We obtained all the information and explanations which we considered necessary for our audit. According to the information available to us, there were no contraventions during the year of the U.A.E. Federal Commercial Companies Law No. 8 of 1984, as amended, or the Group's Articles of Association which might have materially affected the financial position of the Group or its financial performance.

Deloitte & Touche
30 April 2015

Combined statement of financial position

as at 31 March 2015

	Notes	2015 AED	2014 AED
ASSETS			
Non-current assets			
Property, plant and equipment	5	7,696,403	8,004,136
Current assets			
Inventories	6	17,088,226	11,890,044
Other financial assets	7	458,000	347,000
Trade and other receivables	8	44,115,464	37,918,842
Due from related parties	9	624,534	1,925,295
Cash and cash equivalents	10	5,254,126	3,891,141
Total current assets		**67,540,350**	**55,972,322**
Total Assets		**75,236,753**	**63,976,458**
FUNDS AND LIABILITIES			
Equity			
Share capital	11	1,000,000	1,000,000
Statutory reserve	12	500,000	500,000
General reserve	13	10,851,738	10,851,738
Retained earnings		5,725,885	3,045,391
Total Equity		18,077,623	15,397,129
Subordinated loan from a related party	9	16,797,741	16,797,741
Total Funds		**34,875,364**	**32,194,870**
Non-current liabilities			
Provision for employees' end of service indemnity	14	2,316,977	1,963,789
Loan from a related party	9	-	2,918,000
Total non-current liabilities		**2,316,977**	**4,881,789**
Current liabilities			
Trade and other payables	16	30,172,740	24,104,094
Due to related parties	9	2,525,672	2,795,705
Loan from a related party	9	5,346,000	-
Total current liabilities		**38,044,412**	**26,899,799**
Total Liabilities		**40,361,389**	**31,781,588**
Total Funds and Liabilities		**75,236,753**	**63,976,458**

Director

The accompanying notes form an integral part of these combined financial statements.

Combined statement of comprehensive income

for the year ended 31 March 2015

	Notes	2015 AED	2014 AED
Revenue	17	130,446,788	115,151,728
Cost of sales	18	(94,837,193)	(82,900,102)
Gross profit		**35,609,595**	**32,251,626**
Selling and distribution expenses	19	(24,298,110)	(23,309,930)
General and administrative expenses	20	(9,873,536)	(8,154,691)
Other income	21	1,286,397	847,226
Finance costs	22	(43,852)	(26,361)
Profit for the year		**2,680,494**	**1,607,870**
Other comprehensive income for the year		-	-
Total comprehensive income for the year		**2,680,494**	**1,607,870**

The accompanying notes form an integral part of these combined financial statements.

Combined statement of changes in equity

for the year ended 31 March 2015

	Share capital	Statutory reserve	General reserve	Retained earnings	**Total**
	AED	AED	AED	AED	**AED**
Balance at 31 March 2013	1,000,000	500,000	10,851,738	1,437,521	13,789,259
Total comprehensive income for the year	-	-	-	1,607,870	1,607,870
Balance at 31 March 2014	1,000,000	500,000	10,851,738	3,045,391	15,397,129
Total comprehensive income for the year	-	-	-	2,680,494	2,680,494
Balance at 31 March 2015	**1,000,000**	**500,000**	**10,851,738**	**5,725,885**	**18,077,623**

The accompanying notes form an integral part of these combined financial statements.

Combined statement of cash flows

for the year ended 31 March 2015

	2015 AED	2014 AED
Cash flows from operating activities		
Profit for the year	2,680,494	1,607,870
Adjustments for:		
Depreciation of property, plant and equipment	1,781,336	1,599,030
Provision for employees' end of service indemnity	537,195	294,916
Allowance for doubtful debts	2,161,454	801,665
Allowance/(Reversal of allowance) for slow moving inventories	182,605	(18,806)
Loss/(gain) on sale of property, plant and equipment	39,135	(36,243)
Finance costs	43,852	26,361
Operating cash flows before changes in operating assets and liabilities	**7,426,071**	**4,274,793**
Increase in other financial assets	(111,000)	-
Increase in trade and other receivables	(8,358,076)	(972,918)
Increase in inventories	(5,380,787)	(2,014,229)
Decrease/(increase) in due from related parties	1,300,761	(1,214,222)
Increase in trade and other payables	6,068,646	1,556,201
(Decrease)/increase in due to related parties	(270,033)	1,710,042
Cash generated from operations	**675,582**	**3,339,667**
Employees' end of service indemnity paid	(184,007)	(242,751)
Finance costs paid	(43,852)	(26,361)
Net cash from operating activities	**447,723**	**3,070,555**
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,677,657)	(1,956,090)
Proceeds from sale of property, plant and equipment	164,919	84,288
Net cash used in investing activities	**(1,512,738)**	**(1,871,802)**
Cash flows from financing activities		
Loan drawn/(repayment of loan) from a related party	2,428,000	(43,200)
Net cash from/(used in) financing activities	**2,428,000**	**(43,200)**
Net increase in cash and cash equivalents	1,362,985	1,155,553
Cash and cash equivalents, at the beginning of the year	3,891,141	2,735,588
Cash and cash equivalents, at the end of the year (Note 10)	**5,254,126**	**3,891,141**

The accompanying notes form an integral part of these combined financial statements.

Notes to the combined financial statements

for the year ended 31 March 2015

1. Establishment and operations

Berger Paints Emirates Limited Co (LLC) (the "Company") is incorporated as a limited liability company and operates in the United Arab Emirates under a trade license issued by the Department of Economic Development of the Government of Dubai. The Company commenced its operations on 1 August 1985. The address of the Company's registered office is P.O. Box 27524, Dubai, United Arab Emirates.

These combined financial statements incorporate the operations and assets and liabilities of the Company and Berger Paints Establishment, a related party, which is registered in the Emirate of Abu Dhabi as a sole proprietorship owned by one of the shareholders on trust and for the benefit of the Group.

During the current year, the Company has established a new branch named Berger Paints Emirates Limited Co (LLC) (The "Branch") in United Arab Emirates under a trade license issued by the Department of Economic Development of the Government of Dubai.

The above entities are together referred to as the "Group".

The principal activities of the Group are manufacturing and marketing of paints and chemicals.

2. Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and revised IFRSs affecting amounts reported and/or disclosures in the financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2014, have been adopted in these financial statements. The application of these revised and new IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Amendments to IAS 32 Financial Instruments: Presentation relating to application guidance on the offsetting of financial assets and financial liabilities.
- Amendments to IAS 36 Recoverable Amount Disclosures. The amendments restrict the requirements to disclose the recoverable amount of an asset or CGU to the period in which an impairment loss has been recognised or reversed. They also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less costs of disposal.
- Amendments to IAS 39 Financial Instruments: Recognition and Measurement, Novation of Derivatives and Continuation of Hedge Accounting. The amendment allows the continuation of hedge accounting when a derivative is novated to a clearing counterparty and certain conditions are met.
- Amendments to IFRS 10, IFRS 12 and IAS 27 - Guidance on Investment Entities. On 31 October 2012, the IASB published a standard on investment entities, which amends IFRS 10, IFRS 12, and IAS 27 and introduces the concept of an investment entity in IFRSs.

2.2 New and revised IFRSs in issue but not yet effective and not early adopted

The Group has not early applied the following new standards, amendments and interpretations that have been issued but are not yet effective:

New and revised IFRSs	Effective for annual periods beginning on or after
• Amendments to IFRS 7 Financial Instruments: Disclosures relating to disclosures about the initial application of IFRS 9.	When IFRS 9 is first applied
• IFRS 7 Financial Instruments: Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9.	When IFRS 9 is first applied
• IFRS 9 Financial Instruments (2009) issued in November 2009 introduces new requirements for the classification and measurement of financial assets. IFRS 9 Financial Instruments (2010) revised in October 2010 includes the requirements for the classification and measurement of financial liabilities, and carrying over the existing derecognition requirements from IAS 39 Financial Instruments: Recognition and Measurement.	

New and revised IFRSs	Effective for annual periods beginning on or after
IFRS 9 Financial Instruments (2013) was revised in November 2013 to incorporate a hedge accounting chapter and permit the early application of the requirements for presenting in other comprehensive income the own credit gains or losses on financial liabilities designated under the fair value option without early applying the other requirements of IFRS 9. Finalized version of IFRS 9 (IFRS 9 Financial Instruments (2014)) was issued in July 2014 incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition. IFRS 9 (2009) and IFRS 9 (2010) were superseded by IFRS 9 (2013) and IFRS 9 (2010) also superseded IFRS 9 (2009). IFRS 9 (2014) supersedes all previous versions of the standard. The various standards also permit various transitional options. Accordingly, entities can effectively choose which parts of IFRS 9 they apply, meaning they can choose to apply: (1) the classification and measurement requirements for financial assets: (2) the classification and measurement requirements for both financial assets and financial liabilities: (3) the classification and measurement requirements and the hedge accounting requirements provided that the relevant date of the initial application is before 1 February 2015.	1 January 2018
• IFRS 15 Revenue from Contracts with Customers: In May 2014, IFRS 15 was issued which established a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition: • Step 1: Identify the contract(s) with a customer. • Step 2: Identify the performance obligations in the contract. • Step 3: Determine the transaction price. • Step 4: Allocate the transaction price to the performance obligations in the contract. • Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.	1 January 2017
• Under IFRS 15, an entity recognises when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.	
• Amendments to IAS 16 and IAS 38 to clarify the acceptable methods of depreciation and amortization.	1 January 2016
• Amendments to IFRS 11 to clarify accounting for acquisitions of Interests in Joint Operations.	1 January 2016
• Amendments to IAS 16 and IAS 41 require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with IAS 16.	1 January 2016
• Amendments to IFRS 10 and IAS 28 clarify that the recognition of the gain or loss on the sale or contribution of assets between an investor and its associate or joint venture depends on whether the assets sold or contributed constitute a business.	1 January 2016
• Amendments to IAS 27 allow an entity to account for investments in subsidiaries, joint ventures and associates either at cost, in accordance with IAS 39/IFRS 9 or using the equity method in an entity's separate financial statements.	1 January 2016
• Amendments to IFRS 10, IFRS 12 and IAS 28 clarifying certain aspects of applying the consolidation exception for investment entities.	1 January 2016
• Amendments to IAS 1 to address perceived impediments to preparers exercising their judgment in presenting their financial reports.	1 January 2016

New and revised IFRSs	Effective for annual periods beginning on or after
• Annual Improvements to IFRSs 2010 - 2012 Cycle that includes amendments to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 38 and IAS 24.	1 July 2014
• Annual Improvements to IFRSs 2011 - 2013 Cycle that includes amendments to IFRS 1, IFRS 3, IFRS 13 and IAS 40.	1 July 2014
• Amendments to IAS 19 Employee Benefits clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service.	1 July 2014

Management anticipates that IFRS 15 and IFRS 9 will be adopted in the group's combined financial statements for the annual period beginning 1 January 2017 and 1 January 2018 respectively. The application of IFRS 15 and IFRS 9 may have significant impact on amounts reported and disclosures made in the Group's combined financial statements in respect of revenue from contracts with customers and the Group's combined financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of effects of the application of these standards until the Group performs a detailed review.

3. Significant accounting policies

Statement of compliance

The combined financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The principal accounting policies are set out below:

Basis of preparation

The combined financial statements have been prepared on the historical cost basis.

Basis of combination

The combined financial statements comprise the financial statements of Berger Paints Emirates Limited, Dubai and Berger Paints Establishment, Abu Dhabi. The financial statements are combined by virtue of common beneficial ownership. All inter-company balances, sales, purchases, income and expenses have been eliminated upon combination. Unrealized profits on closing inventories arising out of inter-company sales have been eliminated upon combination.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group 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 Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from construction contracts is recognized in accordance with the Group's accounting policy on construction contracts (see below).

Contract revenue

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognized by reference to the stage of completion of the contract activity at the reporting date, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognized as expenses in the period/year in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Foreign currency transactions

The combined financial statements of the Group are presented in the currency of the primary economic environment in which the Group operates. For the purpose of the combined financial statements, the combined results and financial position of the Group are expressed in Arab Emirates Dirhams (AED), which is the functional currency of the Group, and the presentation currency for the combined financial statements.

Transactions in currencies other than the Group's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting 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 arising on the settlement of monetary items, and on the retranslation of monetary items, are included in combined statement of comprehensive income for the period.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the combined income statement when incurred.

Depreciation is charged so as to write off the cost of assets other than capital work in progress over their estimated useful lives, using the straight-line method, as follows:

	Years
Building	5 to 25
Plant and machinery	3 to 10
Motor vehicles	4 to 5
Fixtures and office equipment	5 to 8

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in combined statement of comprehensive income.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready 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 directly recognised in the combined statement of comprehensive income in the period in which they are incurred.

Impairment of tangible assets

At the end of each reporting date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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 discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in combined statement of comprehensive income.

Where 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 recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in combined statement of comprehensive income.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to combined statement of comprehensive income on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Financial instruments

Financial assets and financial liabilities are recognized on the Group's combined statement of financial position when the Group has become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the combined statement of comprehensive income) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate on initial recognition.

Financial assets

Financial assets consist of "loans and receivables" and "cash and cash equivalents". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, due from related parties, other financial assets and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when 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 the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 125 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets measured at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the combined statement of comprehensive income.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the combined statement of comprehensive income to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognized in the combined statement of comprehensive income.

On derecognition of a financial asset other that in its entirety (e.g. when the Group retains an option to repurchase a part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of relative fair values of those parts on the date of transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the combined statement of comprehensive income. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the related fair values of those parts.

Financial liabilities and equity instruments issued by the Group

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

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 Group are recorded at the proceeds received, net of direct issue costs.

Other financial liabilities

Other financial liabilities, including trade and other payables and due to related parties are initially measured at fair value, net of transaction costs.

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

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability dercognised and the consideration paid and payable is recognised in the combined statement of comprehensive income

Effective interest method

The effective interest 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.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the 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.

4. Critical accounting judgments and key sources of estimation uncertainty

Critical judgments in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 3 to the combined financial statements, management has made the following judgments that have the most significant effect on the amounts recognized in the combined financial statements (apart from those involving estimations, which are dealt with below).

Revenue recognition

The Group has considered the detailed criteria for the recognition of revenue from the sale of goods set out in IAS 18 Revenue and, in particular, whether the Group had transferred the significant risks and rewards of ownership of the goods. Based on the acceptance by the customer of the liability of the goods sold, management is satisfied that the significant risks and rewards have been transferred and the recognition of the revenue is appropriate.

Percentage-of-completion

The Group uses the percentage-of-completion method in accounting for its contract sales. Use of the percentage-of-completion method requires the Group to estimate the contract work performed to date as a proportion of the total contract work to be performed.

Warranties

The Group provides warranties to customers on the performance of their products. Based on past experience and assuming this for the future, management has assessed that a provision for warranty claims need not be established.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Allowance for slow-moving inventories

Inventories are stated at the lower of cost or net realizable value. Adjustments to reduce the cost of inventory to its realizable value, if required, are made at the product level for estimated excess, obsolescence or impaired balances. Factors influencing these adjustments include changes in demand, technological changes, physical deterioration and quality issues.

Allowance for doubtful debts

Allowance for doubtful debts is determined using a combination of factors to ensure that the trade receivables are not overstated due to uncollectability. The allowance for doubtful debts for all customers is based on a variety of factors, including the overall quality and aging of receivables, continuing credit evaluation of the customers' financial conditions and collateral (e.g. post dated cheques and letters of credit) requirements from customers in certain circumstances. Also, specific allowances for individual accounts are recorded when the Group becomes aware of the customer's inability to meet its financial obligations.

Property, plant and equipment

The cost of property, plant and equipment is depreciated over its estimated useful life, which is based on expected usage of the asset, expected physical wear and tear, which depends on operational factors. The management has not considered any residual value as it is deemed immaterial.

Buildings and plant and machinery have been constructed on leased land. The lease agreement is renewed annually. Management believes that the lease will be available to the Group on an ongoing basis for the foreseeable future.

5. Property, plant and equipment

	Building	Plant and machinery	Motor vehicles	Fixtures and office equipment	Capital work-in-progress	Total
	AED	AED	AED	AED	AED	AED
Cost						
Balance at 31 March 2013	10,299,133	15,366,660	51,000	2,481,022	697,605	28,895,420
Additions	-	-	-	-	1,956,090	1,956,090
Transfers from capital work-in-progress	-	1,642,961	-	360,144	(2,003,105)	-
Disposals/write offs	-	(98,425)	-	(330,908)	-	(429,333)
Balance at 31 March 2014	10,299,133	16,911,196	51,000	2,510,258	650,590	30,422,177
Additions	-	-	-	-	1,677,657	1,677,657
Transfers from capital work-in-progress	-	1,440,171	-	276,172	(1,716,343)	-
Disposals/write offs	-	(299,180)	-	(278,745)	-	(577,925)
Balance at 31 March 2015	**10,299,133**	**18,052,187**	**51,000**	**2,507,685**	**611,904**	**31,521,909**
Accumulated depreciation						
Balance at 31 March 2013	7,956,587	11,763,051	49,642	1,431,019	-	21,200,299
Charge for the year	494,690	839,993	1,358	262,989	-	1,599,030
Eliminated on disposal/write offs	-	(56,806)	-	(324,482)	-	(381,288)
Balance at 31 March 2014	8,451,277	12,546,238	51,000	1,369,526	-	22,418,041
Charge for the year	494,690	999,297	-	287,349	-	1,781,336
Eliminated on disposal/write offs	-	(221,987)	-	(151,884)	-	(373,871)
Balance at 31 March 2015	**8,945,967**	**13,323,548**	**51,000**	**1,504,991**	-	**23,825,506**
Carrying amount						
At 31 March 2015	1,353,166	4,728,639	-	1,002,694	611,904	7,696,403
At 31 March 2014	**1,847,856**	**4,364,958**	-	**1,140,732**	**650,590**	**8,004,136**

- At 31 March 2015, the cost of fully depreciated property, plant and equipment that was still in use amounted to AED 11.6 million (31 March 2014: AED 11.8 million).
- Buildings and plant and machinery have been constructed on land leased on an annual basis. Management believes that the lease will be available to the Group on an ongoing basis for the foreseeable future.

6. Inventories

	2015 AED	2014 AED
Raw materials	7,789,460	5,461,169
Work in progress	409,387	386,037
Finished goods	7,770,724	5,534,587
	15,969,571	11,381,793
Less: Allowance for slow-moving and obsolete inventories	(835,708)	(653,103)
	15,133,863	10,728,690
Goods in transit	1,954,363	1,161,354
	17,088,226	**11,890,044**

Movement in the allowance for slow-moving inventories:

	2015 AED	2014 AED
Balance at the beginning of the year	653,103	752,020
Allowance/(reversal) for the year	182,605	(18,806)
Inventory written off	-	(80,111)
Balance at the end of the year	**835,708**	**653,103**

7. Other financial assets

Other financial assets represent margin deposits held by banks against letters of guarantee and labor deposits held by the Ministry of Labor, Government of Dubai.

8. Trade and other receivables

	2015 AED	2014 AED
Trade receivables	53,415,516	45,036,227
Less: Allowance for doubtful debts	(11,521,509)	(9,360,055)
	41,894,007	**35,676,172**
Prepaid expenses	965,171	950,842
Refundable deposits	131,500	232,297
Advances to suppliers	343,452	178,359
Other receivables	781,334	881,172
	44,115,464	**37,918,842**

The average credit period on the sale of goods ranges from 90 to 180 days (2014: 90 to 180 days). No interest is charged on the past due trade receivables. The Group has made full allowance for all receivables which are past due and over 180 days because historical experience is such that receivables that are past due, and are beyond 180 days are generally not recoverable. Allowance for trade receivables aged less than 180 days is made based on estimated irrecoverable amounts determined on a case by case basis.

Of the trade receivables at the reporting date, AED 9.1 million is due from one customer (31 March 2014: AED 8.5 million from one customer). There are no other customers who represent more than 10% of the total balance of trade receivables.

Included in the Group's trade receivable balance are debtors with a carrying amount of AED 2.3 million (31 March 2014: AED 1.77 million) which are past due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable.

Ageing of past due but not impaired:

	2015 AED	2014 AED
Overdue by:		
Less than 90 days	2,343,517	1,606,910
Greater than 181 days and less than 270 days	-	160,446
Total	**2,343,517**	**1,767,356**

Movement in the allowance for doubtful debts:

	2015 AED	2014 AED
Balance at beginning of the year	9,360,055	8,558,390
Allowance for doubtful debts during the year	2,161,454	801,665
Balance at end of the year	**11,521,509**	**9,360,055**

In determining the recoverability of a trade receivable, the Group considers changes in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The management believes that there is no further allowance required in excess of the allowance for doubtful debts.

The ageing of impaired trade receivables is as follows:

	2015 AED	2014 AED
Less than 365 days	3,554,730	2,231,604
Greater than 365 days and less than 720 days	2,690,017	2,526,671
Greater than 720 days	**5,276,762**	4,601,780
	11,521,509	**9,360,055**

9. Related party transactions

(a) The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard 24: Related Party Disclosures Related parties comprise companies under common ownership and/or common management and control and key management personnel. Management decides on the terms and conditions of the transactions with related parties.

(b) At the reporting date, due from related parties were as follows:

	2015 AED	2014 AED
Due from related parties		
(Entities under common control)		
Asian Paints (Middle East) LLC, Sultanate of Oman	456,562	1,696,632
Berger Paints Bahrain WLL, Kingdom of Bahrain	167,972	228,663
	624,534	**1,925,295**

(c) At the reporting date, due to related parties were as follows:

	2015 AED	2014 AED
(i) Due to related parties		
(Entities under common control)		
Berger International Limited, Singapore	2,263,403	2,110,940
Asian Paints Limited, India	249,489	684,765
SCIB Chemicals, S.A.E., Egypt	12,780	-
	2,525,672	**2,795,705**

(ii) Loans from a related party		
(Entities under common control)		
Subordinated loan from Berger International Limited, Singapore (Note a)	16,797,741	16,797,741
Term loan from Berger International Limited (Note b)	**5,346,000**	**2,918,000**

a) Loan from Berger International Limited, Singapore is interest-free and without any repayment schedule and is subordinated to a bank towards credit facilities granted to the Group. The related party has confirmed that there is no contractual obligation to repay the loan except in the event of liquidation of the companies in the Group.

b) Term loan of AED 2.9 million from Berger International Limited, Singapore carries interest at monthly SIBOR + 0.55%. The loan was due for repayment on 31 March 2015, but has been renewed with a maturity date of 30 April 2015.

Additional term loan of AED 2.4 million carrying interest at monthly SIBOR + 0.55% was obtained by the Group from Berger International Limited, Singapore during the current year. The loan is due for repayment in 3 installments starting from 27 August 2015 till 8 September 2015.

(d) Trading transactions

During the year, the Group entered into the following transactions with related parties:

	2015 AED'000	2014 AED'000
Shareholder		
Rent expense	565	565
Entities under common control		
Sales of raw materials and finished goods	2,976	2,484
Purchases of materials and recharge of expenses (net)	1,411	1,871
Management fee (Note 20)	368	368
Royalties for technical expertise (Note 19)	2,351	2,107
Interest expenses	43	26

Royalties for technical expertise are governed by the terms of the agreement entered on 3 January 2006 with Berger International Limited, requiring the Group to pay a royalty of 2% (2014: 2%) on paint sales, net of discounts.

(h) Compensation of key management personnel

Remuneration of key management personnel during the year was as follows:

	2015 AED'000	2014 AED'000
Short-term benefits	1,313	1,489
Long-term benefits	44	53
	1,357	1,542

Notes to the combined financial statements
for the year ended 31 March 2015

10. Cash and cash equivalents

	2015 AED	2014 AED
Cash in hand	212,906	113,828
Cash at bank	5,041,220	3,777,313
	5,254,126	**3,891,141**

11. Share capital

At 31 March 2015, the authorized and paid up capital of Berger Paints Emirates Limited is as follows:

	2015 AED	2014 AED
Authorized, issued and fully paid: 1,000 ordinary shares of AED 1,000 each	**1,000,000**	**1,000,000**

There were no movements in the capital during 2015 and 2014.

12. Statutory reserve

In accordance with United Arab Emirates Federal Commercial Companies Law Number 8 of 1984, as amended, the Company has established a statutory reserve by appropriation of 10% of net profit for each year until the reserve equals 50% of the share capital of the Company. This reserve is not available for distribution except as stipulated by the Law. No transfers were made during the year as the reserve equals 50% of the share capital.

13. General reserve

During 2012, Enterprise Paints Ltd, a shareholder of the Company, by way of a resolution of its board of directors dated 22 January 2012, resolved to forgive the loan given to the Group amounting to AED 14.85 million. Subsequent to the forgiveness of the loan by Enterprise Paints Ltd, the loan amount was transferred to the general reserve without any restrictions on withdrawals by the shareholders of the Company.

14. Provision for employees' end of service indemnity

The movements in the net liability were as follows:

	2015 AED	2014 AED
Balance, at the beginning of the year	1,963,789	1,911,624
Amounts charged to income	537,195	294,916
Payments made during the year	(184,007)	(242,751)
Balance, at the end of the year	**2,316,977**	**1,963,789**

Provision for employees' end of service indemnity is made in accordance with the U.A.E. labour law and is based on current remuneration and cumulative years of service at the reporting date.

15. Bank borrowings

At 31 March 2015, the Group had arranged for AED 6 million (2014: AED 6 million) of short term financing in the form of short-term loan, overdraft, letters of credit, letters of guarantee and performance/bid bonds with a commercial bank bearing interest rates which vary with the market funds rate.

Bank borrowings are secured by a promissory note for AED 4 million (31 March 2014: AED 4 million), subordination of loan from a related party and the balance due to a shareholder and a comfort letter from Asian Paints Limited, India, for AED 6 million (31 March 2014: AED 6 million).

The bank facilities are subject to a restrictive covenant requiring the Group to maintain a minimum net worth of AED 24 million at all times (Net worth is calculated as the sum of share capital, statutory reserve, general reserve, retained earnings and subordinated loan from a related party).

At the reporting date, the Group has not availed the bank facility.

Notes to the combined financial statements
for the year ended 31 March 2015

16. Trade and other payables

	2015 AED	2014 AED
Trade payables	27,165,013	21,133,547
Accrued expenses and other payables	3,007,727	2,970,547
	30,172,740	24,104,094

17. Revenue

	2015 AED	2014 AED
Sale of finished goods	130,372,705	112,935,076
Less: Discounts	(1,921,345)	(1,569,196)
	128,451,360	**111,365,880**
Sale of raw materials	297,719	306,961
Contract revenue	1,697,709	3,478,887
	130,446,788	**115,151,728**

18. Cost of sales

	2015 AED	2014 AED
(a) Cost of goods manufactured		
Raw materials and work in progress at the beginning of the year	5,847,206	5,069,335
Add: Raw materials purchased during the year	84,178,894	69,097,167
Less: Cost of raw materials sold	(284,481)	(210,086)
Less: Inventories written off	-	(11,503)
Less: Raw materials and work in progress at the end of the year	(8,198,847)	(5,847,206)
Cost of raw materials consumed	**81,542,772**	**68,097,707**
Employees' salaries and benefits	6,939,371	5,406,795
Rent and utilities (apportioned)	1,540,554	1,432,885
Depreciation of property, plant and equipment (apportioned)	1,067,211	831,233
Repairs and maintenance	227,950	221,334
Other direct expenses	603,324	727,160
Cost of goods manufactured	**91,921,182**	**76,717,114**
(b) Movement in finished goods		
Finished goods at the beginning of the year	5,534,587	4,910,623
Add: Finished goods purchased during the year	3,169,958	3,186,587
Less: Finished goods written off	-	(68,608)
Less: Finished goods at the end of the year	(7,770,724)	(5,534,587)
Cost of sales (a+b)	**92,855,003**	**79,211,129**
(c) Cost of raw materials sold	284,481	210,086
(d) Contract costs	1,697,709	3,478,887
	94,837,193	**82,900,102**

Notes to the combined financial statements

for the year ended 31 March 2015

19. Selling and distribution expenses

	2015 AED	2014 AED
Employees' salaries and benefits	6,935,994	6,768,852
Advertising, promotion and marketing expenses	6,811,743	7,146,416
Freight and documentation charges	3,393,033	2,874,442
Royalties for technical expertise (Note 9)	2,350,976	2,106,605
Depreciation of property, plant and equipment (apportioned)	426,776	305,574
Other selling and distribution costs	4,379,588	4,108,041
	24,298,110	**23,309,930**

20. General and administrative expenses

	2015 AED	2014 AED
Employees' salaries and benefits	3,800,113	3,751,538
Depreciation of property, plant and equipment (apportioned)	287,349	462,223
Management fee (Note 9)	368,000	368,000
Allowance for doubtful debts (Note 8)	2,161,454	801,665
Insurance	172,937	166,475
Travel and entertainment	712,648	753,513
Communication	547,075	528,220
Legal and professional	51,056	175,237
Repairs and maintenance	246,900	192,681
Printing, stationery and office supplies	210,211	166,878
Bank charges	188,948	203,042
Allowance for/(reversal of allowance) for slow moving inventories	182,605	(18,806)
Other general and administrative expenses	944,240	604,025
	9,873,536	**8,154,691**

21. Other income

	2015 AED	2014 AED
Sale of scrap	366,591	261,432
(Loss)/gain on sale of property, plant and equipment	(39,135)	36,243
Foreign currency exchange gain	565,691	65,551
Miscellaneous income	393,250	484,000
	1,286,397	**847,226**

22. Finance costs

	2015 AED	2014 AED
Interest on short term loan	43,374	26,361
Interest on bank overdraft	478	-
	43,852	**26,361**

23. Commitments and contingent liabilities

	2015 AED	2014 AED
Commitments for the purchase of property, plant and equipment		
Committed and contracted for	**1,017,600**	-
Bank guarantees	181,420	706,210
Acceptances	-	**1,269,345**

24. Operating lease arrangements

At the end of the reporting period, the Group had outstanding commitments under a non-cancellable operating lease, which fall due as follows:

	2015 AED	2014 AED
Within one year	**457,860**	**445,517**

25. Financial instruments

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the combined financial statements.

(b) Categories of financial instruments

	2015 AED'000	2014 AED'000
Financial assets		
Loans and receivables (including cash and cash equivalents)	49,144	42,953
Financial liabilities		
At amortized cost	**54,842**	**46,616**

(c) Fair value of financial instruments

The fair values of financial assets and financial liabilities at the end of the reporting period approximate the amounts as shown in the combined statement of financial position.

26. Financial risk management

The Group's overall financial risk management program seeks to minimize potential adverse effects of financial performance of the Group. The Management provides written principles for overall financial risk management and written policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk), credit risk, liquidity risk, use of derivative financial instruments and investing excess cash. Periodic reviews are undertaken to ensure that the Group's policy guidelines are complied with.

The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

The Group does not hold or issue derivative financial instruments for speculative purpose.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(a) Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary liabilities at the reporting date are as follows:

	Liabilities	
	2015	2014
	AED'000	AED'000
Euro	227	184

There were no outstanding derivative financial instruments as at 31 March 2015 and 31 March 2014.

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 10% increase and decrease in the AED against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit where the AED strengthens 10% against the relevant currency. For a 10% weakening of the AED against the relevant currency, there would be an equal and opposite impact on the profit and the balances below would be negative.

	Profit or loss	
	2015	2014
	AED'000	AED'000
Euro	23	18

This is mainly attributable to the exposure to outstanding payables at the year end.

(b) Interest rate risk management

The Group is exposed to interest rate risk as the Group borrows funds at floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between various borrowings.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 March 2015 would decrease/increase by AED 53,460 (2014: AED 29,180). This is attributable to the Group's exposure to interest rates on its variable rate borrowings.

(c) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. This information is supplied by independent debt collection agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management and the Group maintains an allowance for doubtful accounts receivable based on expected collectability of all accounts receivables.

Further details of credit risks on trade receivables are discussed in Note 8.

The credit risk on liquid funds is limited because the counterparties are banks which are registered in the UAE.

(d) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group has access to subordinated interest free loans and short term loans from related parties to further reduce liquidity risk.

Liquidity risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial assets and financial liabilities. The tables have been drawn up based on the discounted cash flows of financial assets and financial liabilities based on the earliest date on which the Group can be required to pay. The table includes principal cash flows only.

	Less than 1 year AED'000	Total AED'000
Financial Assets		
31 March 2015		
Non- interest bearing instruments	49,144	49,144
31 March 2014		
Non- interest bearing instruments	**42,953**	**42,953**

	Weighted average effective interest rate %	Less than 1 year AED'000	Greater than 1 year and less than 5 years AED'000	Total AED'000
Financial liabilities				
31 March 2015				
Variable interest bearing instrument	2%	5,346	-	5,346
Non-interest bearing instruments	-	49,496	-	49,496
		54,842	-	**54,842**
31 March 2014				
Variable interest bearing instrument	2%	-	2,918	2,918
Non-interest bearing instruments	-	43,698	-	43,698
		43,698	**2,918**	**46,616**

27. Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of debt and equity balance. The Group's overall strategy remains unchanged from 2014.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Notes 9 and 15, cash and cash equivalents and equity comprising issued capital, reserves and retained earnings as disclosed in the combined statement of changes in shareholders' equity.

28. Approval of combined financial statements

The combined financial statements for the year ended 31 March 2015 were approved by the Board of Directors and authorized for issue on 30 April 2015.