

PT NIAGA LINTAS SAMUDRA

Financial Statements

For the year ended March 31, 2017

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INDEPENDENT AUDITORS' REPORT

Ref. : R-039/NLS-KPS/SYM05/IV/2017

The Shareholders, Boards of Commissioners and Directors
PT Niaga Lintas Samudra

We have audited the accompanying financial statements of PT Niaga Lintas Samudra (the Company)", which comprise the statement of financial position as of 31 March 2017, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the 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 financial statements.

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

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT Niaga Lintas Samudra as of 31 March 2017, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.



Syamsudin
NRAP.0209

25 April 2017



PT. NIAGA LINTAS SAMUDRA

Graha Mustika Ratu Lt.3, Jl. Gatot Subroto Kav. 74-75 Jakarta Selatan, 12870

Telp: 021- 8307406 - 8307420

Fax : 021- 8307407

BOARD OF DIRECTORS' STATEMENT

REGARDING

THE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEARS ENDED 31 MARCH 2017 AND 2016

PT NIAGA LINTAS SAMUDRA

We, the undersigned :

- | | | |
|------------------|---|---|
| 1. Name | : | Mr. Dani Daksinaputra |
| Office address | : | Graha Mustika Ratu, lantai 3, Jl. Jend.Gatot Subroto Kav. 74 - 75 |
| Domicile address | : | Jl. Destarata 7 no. 10 – Tegal Gundil, Bogor Utara, |
| based on ID Card | : | Kota Bogor 16152 |
| Phone number | : | 021 - 8307406 / Fax 83007407 Kode Pos: 12870 |
| Function | : | Director |

declare that :

1. We are responsible for the preparation and presentation of PT Niaga Lintas Samudra's financial statements;
2. PT Niaga Lintas Samudra's financial statements have been prepared and presented in accordance with accounting principles generally accepted in Indonesia;
3. a. All information in the PT Niaga Lintas Samudra's Financial Statements have been disclosed in a complete and truthful manner;
b. PT Niaga Lintas Samudra's financial statements do not contain incorrect information nor materials fact, nor do they omit information or material facts;
4. We are responsible for PT Niaga Lintas Samudra's internal control systems.

Thus this statement is made truthfully.

For and on behalf of the Board of Directors

Jakarta, 25 April 2017

Mr. Dani Daksinaputra

Director

PT NIAGA LINTAS SAMUDRA
STATEMENTS OF FINANCIAL POSITION
For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

	Notes	2017	2016
ASSETS			
Current Assets			
Cash and cash equivalents	4	58,666,177	49,991,860
Prepaid expenses	5	751,200	832,000
Prepaid taxes	12	-	1,500,000
Loans and advances	6	-	2,100,000
Total Current Assets		59,417,377	54,423,860
Non Current Assets			
Fixed assets - net	3e, 7	109,550,959	138,600,000
Investment	3f, 8	809,474,163	589,522,161
Deferred tax assets	12f	-	889,489,058
Others assets	9	-	36,534,885
Total Non Current Assets		919,025,122	1,654,146,104
TOTAL ASSETS		978,442,499	1,708,569,964
LIABILITIES AND EQUITY			
LIABILITIES			
Current Liabilities			
Sundry creditors	10	33,050,000	8,850,000
Provisions	11	-	40,778,502
Taxes payables	3g, 12b	34,998,043	1,707,103
Other payables	13	2,441,285	721,489,731
Total Current Liabilities		70,489,328	772,825,336
Non Current Liabilities			
Unsecured loans	14	-	3,697,000,000
Total Non Current Liabilities		-	3,697,000,000
TOTAL LIABILITIES		70,489,328	4,469,825,336
EQUITY			
Authorized capital - 4,000 shares Rp 500,000 par value per share			
Share capital - 1020 shares subscribed and fully paid up	15	510,000,000	510,000,000
Accumulated profit/ (loss)		397,953,171	(3,271,255,372)
TOTAL EQUITY		907,953,171	(2,761,255,372)
TOTAL LIABILITIES AND EQUITY		978,442,499	1,708,569,964

PT NIAGA LINTAS SAMUDRA
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

	Notes	2017	2016
SALES	3i, 16	4,720,837,000	-
COST OF SALES	3i, 17	(187,417,215)	(285,396,508)
GROSS PROFIT(LOSS)		4,533,419,785	(285,396,508)
INDIRECT EXPENSES	3i, 18	(147,005,625)	(176,905,520)
OPERATING PROFIT(LOSS)		4,386,414,160	(462,302,028)
OTHER INCOME (EXPENSES)	3i, 19		
Other income		41,808	98,219
Other expenses		(501,999)	(85,762,719)
		(460,191)	(85,664,500)
PROFIT(LOSS) FROM ASSOCIATED COMPANY		219,952,002	(34,104,055)
PROFIT(LOSS) BEFORE INCOME TAX		4,605,905,971	(582,070,583)
TAX INCOME (EXPENSES)			
Current tax		(47,208,370)	-
Deferred tax		(889,489,058)	143,476,382
		(936,697,428)	143,476,382
PROFIT(LOSS) FOR THE YEAR		3,669,208,543	(438,594,200)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		3,669,208,543	(438,594,200)

PT NIAGA LINTAS SAMUDRA
STATEMENTS OF CHANGES IN EQUITY
For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

	<u>Share capital</u>	<u>Accumulated profit/ (loss)</u>	<u>Total</u>
Balance as of April 1, 2015	510,000,000	(2,832,661,171)	(2,322,661,171)
Comprehensive income (loss) for the year	-	(438,594,200)	(438,594,200)
Balance as of March 31, 2016	510,000,000	(3,271,255,372)	(2,761,255,372)
Comprehensive income (loss) for the year		3,669,208,543	3,669,208,543
Balance as of March 31, 2017	510,000,000	397,953,171	907,953,171

PT NIAGA LINTAS SAMUDRA
STATEMENTS OF CASH FLOW
For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

	2017	2016
Cash flows from operating activities		
Profit/(loss) before income tax	4,605,905,971	(582,070,583)
<i>Add items not affecting operating cash flows</i>		
Depreciation	29,049,041	34,650,000
Loss from associated company	(219,952,002)	(228,395,946)
Operating cash flows before changes in working capital	4,415,003,010	(775,816,528)
Changes in working capital		
Sundry debtors	-	706,776,600
Prepaid taxes	1,500,000	3,900,000
Loans and advances	2,100,000	-
Other assets	36,534,885	(6,676,900)
Sundry creditors	24,200,000	(371,857,000)
Provision	(40,778,502)	7,778,502
Prepaid Expense	80,800	(832,000)
Taxes payables	(13,917,430)	(3,756,857)
Other payables	(719,048,446)	486,862,256
Net changes in working capital	(709,328,693)	822,194,601
Net cash flows provided from (used in) operating activities	3,705,674,317	46,378,073
Cash flows from investing activities		
Investments	-	-
Net cash flows used in investing activities	-	-
Cash flows from financing activities		
Unsecured loans	(3,697,000,000)	-
Net cash flows provided from financing activities	(3,697,000,000)	-
Net increase/(decrease) in cash and cash equivalents	8,674,317	46,378,073
Cash and cash equivalents at the beginning of the year	49,991,860	3,613,787
Cash and cash equivalents at the end of the year	58,666,177	49,991,860

PT NIAGA LINTAS SAMUDRA
NOTES TO THE FINANCIAL STATEMENTS
For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

1. GENERAL

a. Establishment and General Information

PT NIAGA LINTAS SAMUDRA (the "Company") was established on November 20, 2009 based on notarial deed No. 12 of Rohana Frieta, SH. The deed of establishment was approved by the Ministry of Justice in its decision letter No. AHU-57808.AH.01.01.TH 2009 dated November 26, 2009. The Articles of Association has been amended several times, most recently by notarial deed No.14 dated June 16, 2010, of Rohana Frieta, SH concerning changes in the Company's management composition. The latest amendment was recorded by the Ministry of Justice and Human Rights in Company List No. AHU.AH.01.10-20563 TH 2013 dated May 28, 2013.

According to Article 3 of its Articles of Association, the Company's scope of activities comprises trading, construction, printing, freight, workshop, services and mining.

The Company domiciled in Jakarta.

b. Board of Commissioners and Directors, and Employees

The composition of the Company's Boards of Commissioner and Director is as follows:

		<u>2017</u>	<u>2016</u>
Commissioner	:	Ms. Prosidawaty Malemta	Ms. Prosidawaty Malemta
President Director	:	Drs.Abdi Khalik Ginting	Drs.Abdi Khalik Ginting
Director	:	Mr. Dani Daksinaputra	Mr. Dani Daksinaputra

As of March 31, 2017 and March 31, 2016, the Company has a total of 2 and 2 employees.

c. Completion of the Company's financial statements

The Company's management has completed and agreed to issue the financial statements for the period ended March 31, 2017 on April 25, 2017.

2. ACCOUNTING STANDARDS APPLIED

These financial statements are prepared in compliance to Indonesian Financial Accounting Standards.

Presented below are the significant accounting policies, which have been used in the preparation of the financial statements of the Company, these are in conformity with the Indonesian Financial Accounting Standards (SFAS).

PT NIAGA LINTAS SAMUDRA
NOTES TO THE FINANCIAL STATEMENTS
For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

2. ACCOUNTING STANDARDS APPLIED (Continued)

a. Basis of presentation of financial statements

The financial statements are prepared in accordance with Statements of Financial Accounting Standards (SFAS). The financial statements have been prepared based on going concern assumption and the basis of historical costs, unless for some certain accounts are prepared on other measurements as mentioned by related accounts accounting policies. The financial statements are prepared under accrual concept, except for the consolidated statements of cash flows. The statements of cash flows have been prepared using the indirect method. For the purpose of the statements of cash flows, cash and cash equivalents include cash on hand, cash in banks and term deposits with a maturity period of three months or less and not pledged.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

b. Sundry debtors

Sundry debtors are presented at net of an allowance for doubtful accounts, based on a review of the status of the individual debtors at year-end.

c. Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined on weighted average basis and comprises mining contractor's cost, directly attributable fixed and variable overheads related to mine coal. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

d. Deferred charges

Deferred charges are miscellaneous expenses amorriized over their periods benefited using the straight line method.

e. Fixed assets

The cost of an item of fixed assets initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company has adopted PSAK 16 (Revised 2007) regarding "Fixed Assets" and has chosen to use the cost model for measuring its fixed assets. Under cost model, fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

Fixed assets are depreciated using the straight line method over their estimated useful lives, as follows:

	Years
Drilling Machine	10

PT NIAGA LINTAS SAMUDRA
NOTES TO THE FINANCIAL STATEMENTS

For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Investment in associated companies

Investments on other companies which the Company have voting rights between 20% to 50% and have a significant influence without the rights to controlling, are accounted with equity method.

Based on this method, the cost of investments is increased or decreased by the Company's share in the net income or loss of the associates from the date of acquisition less any cash dividends received. The carrying amount of the investments is written down to recognize a permanent decline in the value of individual investments and the loss is charged directly to the current year's statement of income.

g. Taxation

The Company has adopted Statements of Financial Accounting Standards (PSAK) No. 46 with respect to "Accounting for Income Tax", for presenting the income tax expense and the income tax payable. Under this method, the tax effects of the temporary differences in the recognition of income and expenses between financial reporting and for tax purposes are recognized as deferred tax assets and/or liabilities. The currently enacted tax rates are used to determine the deferred taxes.

Deferred tax assets relating to the carry forward of unused tax losses, if any, are recognized to the extent, that future taxable profit would be available to compensate for the unused tax losses.

Amendments to the tax obligations are recorded when an assessment is received, or if appealed against, when the result of the appeal is determined.

h. Related party transactions

The Company has entered into transactions with certain related parties as defined in Statement of Financial Accounting Standards (PSAK) No. 7, "Related Party Disclosures". There are no Compensation to the key person during 2015.

i. Revenue and expenses recognition

Revenue is recognized when services are delivered . Expenses are recognized when incurred.

j. Financial assets and liabilities

In accordance with Statement of Financial Accounting Standards ("SFAS") No. 50 (Revised 2006) "Financial Instruments: Presentation and Disclosure" and SFAS No. 55 (Revised 2006) "Financial Instruments: Recognition and Measurement" applicable for financial statements covering periods beginning on or after 1 January 2010, the accounting policy on financial assets and liabilities are as follows :

(Expressed in Rupiah, unless otherwise stated)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Financial assets and liabilities

1. Financial Asset

Financial assets are classified into the following categories (i) financial assets at fair value are recognized through the income statement, (ii) loans and receivables, (iii) financial assets held to maturity, and (iv) financial assets available for sale. The classification is dependent on the objective when the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

(i) Financial assets at fair value are recognized through the income statement

Financial assets at fair value are recognized in the consolidated profit or loss are financial assets classified as assets to be traded. A financial asset is classified as an asset to be traded if it is obtained primarily for the purpose of sale or repurchase in the near future and there is evidence to suggest the background to take advantage of short-term.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or predetermined payment that is not affected by an active market. Loans and receivables are initially recognized at fair value plus transaction costs and subsequently measured at cost which is amortized using the effective interest rate method.

(iii) Financial assets held to maturity

Financial assets held to maturity are non-derivative financial assets with payments and fixed maturity and has determined that the Company's management has the positive intent and ability to hold maturity, other than:

- a. The Company's financial assets are recognized at fair value through profit or loss;
- b. Company's financial assets available for sale; and
- c. Financial assets that meet the definition as loans and receivables.

These financial assets are initially recognized at fair value including transaction costs and subsequently remeasured at amortized cost by applying the effective interest rate method.

(iv) Financial assets available for sale

Financial assets available for sale are financial assets that are held to an unlimited period of time, which can be sold to meet liquidity needs or changes in interest rates, exchange rates, or that are not classified as loans and receivables, financial assets held to maturity tempo or financial assets at fair value are recognized through the income statement.

PT NIAGA LINTAS SAMUDRA
NOTES TO THE FINANCIAL STATEMENTS
For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Financial assets and liabilities

1. Financial Asset

Financial assets available for sale are initially recognized at fair value plus transaction costs and are subsequently remeasured at fair value gains and losses are recognized in the statement of changes in equity, except for impairment losses and foreign exchange gains and losses, until such financial assets no longer recognized. If a financial asset available for sale is impaired, the cumulative gain or loss previously recognized in the statement of changes in equity, will be recognized in the income statement. However, interest calculated using the effective interest rate method, and gains or losses on foreign currency monetary assets which are classified as assets available for sale are recognized in the income statement for the year.

2. Financial Liabilities

The company classifies its financial liabilities in categories (i) financial liabilities at fair value are recognized through the income statement and (ii) financial liabilities measured at amortized cost.

(i) Financial liabilities are recognized at fair value through profit and loss

Financial liabilities are recognized at fair value through profit or loss are financial liabilities classified as trading liabilities. A financial liability is classified as a trading liability if it acquired primarily for the purpose of sale or repurchase in the near future and there is evidence to suggest the background to take advantage of short-term.

(ii) Financial liabilities measured at amortized cost

Financial liabilities not classified as financial liabilities at fair value are recognized through profit and loss are measured at amortized cost. Financial liabilities measured at amortized cost are trade and other payables, accrued expenses, and loans.

3. Fair value estimation

The Company uses several assessment techniques that are used in general to determine the fair value of financial instruments. Inputs used in valuation techniques for financial instruments on the market data that can be observed.

4) Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Due to the inherent uncertainty in making estimates, actual results reported in the future periods may be based on amounts that differ from these estimates.

PT NIAGA LINTAS SAMUDRA
NOTES TO THE FINANCIAL STATEMENTS
For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Adoption of New Accounting Standards

Effective since 1 January 2015, the Company adopted the following revised accounting standards, which are considered relevant to the statements but do not have significant impact:

- SFAS No. 1, Presentation of Financial Statements
- SFAS No. 46 (2013 Revision), Income Taxes
- SFAS No. 48 (2013 Revision), Impairment of Assets
- SFAS No. 50 (2013 Revision), Financial Instruments : Presentation
- SFAS No. 55 (2013 Revision), Financial Instruments : Recognition and Measurements
- SFAS No. 60 (2013 Revision), Financial Instruments : Disclosures
- SFAS No. 68 (2013 Revision), Fair Value Measurement

4. CASH AND CASH EQUIVALENTS

	2017	2016
Bank Accounts:		
Bank Mandiri IDR Jakarta	58,666,177	49,991,860
	58,666,177	49,991,860

5. PREPAID EXPENSES

	2017	2016
Prepaid Expense	751,200	832,000
	751,200	832,000

6. LOANS AND ADVANCES

	2017	2016
Staff Relocation Advance	-	2,100,000
	-	2,100,000

PT NIAGA LINTAS SAMUDRA
NOTES TO THE FINANCIAL STATEMENTS
For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

7. FIXED ASSETS

	2017			
	Beginning Balance	Additions	Deductions	Ending Balance
Acquisition cost:				
Drilling machine	346,500,000	-	-	346,500,000
	346,500,000	-	-	346,500,000
Accumulated depreciation:				
Drilling machine	207,900,000	29,049,041	-	236,949,041
	207,900,000	29,049,041	-	236,949,041
	138,600,000			109,550,959

As of March 31, 2017, fixed assets are covered by insurance under the blanket policies of PT Allianz insurance with a total sum insured amounting to Rp253,750,000,-. Based on Management's opinion, the insurance is adequate to cover possible losses.

	2016			
	Beginning Balance	Additions	Deductions	Ending Balance
Acquisition cost:				
Drilling machine	346,500,000			346,500,000
	346,500,000	-	-	346,500,000
Accumulated depreciation:				
Drilling machine	173,250,000	34,650,000	-	207,900,000
	173,250,000	34,650,000	-	207,900,000
	173,250,000			138,600,000

As of March 31, 2016, fixed assets are covered by insurance under the blanket policies of PT Allianz insurance with a total sum insured amounting to Rp253,750,000,-. Based on Management's opinion, the insurance is adequate to cover possible losses.

8. INVESTMENTS

Investee	Percentage ownership	2017	2016
Associated Company :			
PT Hasta Mundra	25%	239,633,040	242,307,148
PT Suar Harapan Bangsa	25%	127,035,173	131,720,173
PT Tambang Sejahtera Bersama	25%	112,727,372	116,876,875
PT Gemilang Putra Pertiwi	25%	86,427,799	98,617,966
PT Lamindo Inter Multikon	25%	-	-
PT Mitra Niaga Mulia	25%	243,650,779	-
Total	50%	809,474,163	589,522,161

PT NIAGA LINTAS SAMUDRA
NOTES TO THE FINANCIAL STATEMENTS

For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

8. INVESTMENTS (continued)

The movement in long-term investment 2017 were as follows :

	Beginning Balance	Additions	Heading of net profit (loss)	Ending Balance
Associated Company :				
PT Hasta Mundra	242,307,148	-	(2,674,108)	239,633,040
PT Gemilang Putra Pertiwi	98,617,966	-	(12,190,167)	86,427,799
PT Suar Harapan Bangsa	131,720,173	-	(4,685,000)	127,035,173
PT Tambang Sejahtera Bersama	116,876,875	-	(4,149,503)	112,727,372
PT Lamindo Inter Multikon	-	-	-	-
PT Mitra Niaga Mulia	-	-	243,650,779	243,650,779
Total	589,522,161	-	219,952,002	809,474,163

The movement in long-term investment 2016 were as follows :

	Beginning Balance	Additions	Heading of net profit (loss)	Ending Balance
Associated Company :				
PT Hasta Mundra	250,000,000	-	(7,692,852)	242,307,148
PT Gemilang Putra Pertiwi	127,500,000	-	(28,882,035)	98,617,966
PT Suar Harapan Bangsa	-	137,500,000	(5,779,827)	131,720,173
PT Tambang Sejahtera Bersama	-	125,000,000	(8,123,125)	116,876,875
Total	377,500,000	262,500,000	(50,477,839)	589,522,161

9. OTHER ASSETS

	2017	2016
Advance Corporate Tax (Article 25)	-	36,534,885
	-	36,534,885

10. SUNDRY CREDITORS

	2017	2016
Kanaka Puradiredja, Suhartono	24,200,000	-
PT Lamindo Inter Service	8,850,000	8,850,000
	33,050,000	8,850,000

PT NIAGA LINTAS SAMUDRA
NOTES TO THE FINANCIAL STATEMENTS

For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

11. PROVISION

	2017	2016
Provision for expenses payable	-	40,778,502
	-	40,778,502

12. TAXATION

	2017	2016
a. Prepaid tax		
VAT (PPN) on Purchases	-	1,500,000
	-	1,500,000
b. Taxes payable		
Income tax - article 21	2,969,643	1,707,103
Income tax - article 23	32,028,400	-
	34,998,043	1,707,103
c. Tax income/(expenses)		
Current tax	47,208,370	-
Deferred tax income/(expenses)	889,489,058	143,476,382
	936,697,428	143,476,382
d. Current tax		

The reconciliation between income before tax as shown in the statements of income and the estimated taxable income are as follows:

	2017	2016
Profit/(loss) before income tax	-	(582,070,583)
<i>Temporary differences:</i>		
Depreciation	-	1,488,867
<i>Permanent differences:</i>		
Profit from associated company	-	34,104,055
Bank Interest	-	(98,219)
Taxable income before tax loss carry forward	-	(546,575,880)

PT NIAGA LINTAS SAMUDRA**NOTES TO THE FINANCIAL STATEMENTS**

For the years ended March 31, 2017

*(Expressed in Rupiah, unless otherwise stated)***12. TAXATION (Continued)**

Less : Tax loss carry forward	-	(2,915,923,059)
Adjustment Tax loss carry forward	-	(625,125,595)
Estimated taxable profit /(loss)	-	(4,087,624,534)

Based on Government Regulation No. 46 year 2013, In 2017 the Company fall under 1% final tax. The calculation as follow:

	2017	2016
Revenue	4,720,837,000	-
Corporate tax payable - article 29 (rate 1%)	47,208,370	-

e. Deferred tax asset (liabilities)

The tax effect of the temporary differences between commercial and fiscal calculation with a tax rate (25%) is as follows:

	2017	2016
Deferred tax assets (liabilities)		
Carry forward loss	-	885,262,164
Depreciation	-	4,226,894
	-	889,489,058

f. Administration

Under the taxation laws of Indonesia, the Company submits tax returns on the basis of self assessment. The tax authorities can assess or amend the taxes within a period of five (5) years from the date the taxes became due.

13. OTHER PAYABLE

	2017	2016
Outstanding Expenses	-	405,663,800
Interest payable	-	315,045,617
Salaries Payable	1,897,909	-
Provision for Jamsostek payable	543,376	780,314
	2,441,285	721,489,731

PT NIAGA LINTAS SAMUDRA
NOTES TO THE FINANCIAL STATEMENTS
For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

14. UNSECURED LOANS

The Company received unsecured loan from related party, PT Adani Global to support working capital.

As of March 31, 2017 and March 31, 2016 the balance of this account is follows:

	2017	2016
PT Adani Global	-	3,697,000,000
	-	3,697,000,000

The Company received unsecured loan from related party, PT Adani Global to procure heavy equipment, pay land compensation and for working capital. Interest rate for loan is at 10% per annum for IDR and 6,5% per annum for USD.

In 2017, the company has fully repaid unsecured loan.

15. SHARE CAPITAL

The Company's authorized capital consist of 4,000 shares with par value per share of Rp500,000,- of which 1,020 shares were issued and paid up capital.

The composition of issued and paid-up shares as of March 31, 2017 and March 31, 2016 is as follows:

Shareholders	Number of Shares	Percentage of Ownership	Amount
PT Sumber Bara	765	75%	382,500,000
PT Energy Resources	255	25%	127,500,000
	1020	100%	510,000,000

16. SALES

This account represent sales from drilling service for the period ended March 31, 2017 and March 31, 2016 amounting to Rp4,720,837,000 and Rp0.

17. COST OF SALES

	2017	2016
Salaries	158,368,174	250,746,508
Depreciation	29,049,041	34,650,000
	187,417,215	285,396,508

PT NIAGA LINTAS SAMUDRA

NOTES TO THE FINANCIAL STATEMENTS

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(Expressed in Rupiah, unless otherwise stated)

18. INDIRECT EXPENSES

	2017	2016
Tax expense	130,951,625	-
Audit fees	9,200,000	22,000,000
Insurance expenses	4,588,000	9,377,820
Sundry Balances w/off	2,100,000	-
Medical expense	166,000	-
Pension Retirement Benefit	-	118,677,700
Legal and professional fees	-	26,850,000
	147,005,625	176,905,520

19. OTHERS INCOME (EXPENSES)

	2017	2016
Others Income :		
Interest from Bank	41,808	98,219
	41,808	98,219
Others Expenses :		
Bank charges	(501,999)	(712,719)
Interest expenses	-	(85,050,000)
	(501,999)	(85,762,719)
	(460,191)	(85,664,500)

20. FINANCIAL ASSET AND FINANCIAL LIABILITIES

The information given below relates to the Company's financial assets and liabilities by categories as of March 31, 2017:

	Total	Loan and receivable	FVTPL	Other financial liabilities
Financial Asset				
Cash and equivalent	58,666,177	58,666,177	-	-
Loans and advance	-	-	-	-
Investment	809,474,163	-	809,474,163	-
Total	868,140,340	58,666,177	809,474,163	-

PT NIAGA LINTAS SAMUDRA

NOTES TO THE FINANCIAL STATEMENTS

For the years ended March 31, 2017

(Expressed in Rupiah, unless otherwise stated)

20. FINANCIAL ASSET AND FINANCIAL LIABILITIES (continued)

Financial Liabilities

Sundry creditors	33,050,000	-	-	33,050,000
Others payable	2,441,285	-	-	2,441,285
Unsecured loans	-	-	-	-
Total	35,491,285	-	-	35,491,285

The information given below relates to the Company's financial assets and liabilities by categories as of March 31, 2016:

	Total	Loan and receivable	FVTPL	Other financial liabilities
<u>Financial Asset</u>				
Cash and equivalent	49,991,860	49,991,860	-	-
Loans and advance	2,100,000	2,100,000	-	-
Investment	589,522,161	-	589,522,161	-
Total	641,614,021	52,091,860	589,522,161	-
<u>Financial Liabilities</u>				
Sundry creditors	8,850,000	-	-	8,850,000
Others payable	721,489,731	-	-	721,489,731
Unsecured loans	3,697,000,000	-	-	3,697,000,000
Total	4,427,339,731	-	-	4,427,339,731