

**NATIONAL TECHNOLOGIES IMPLEMENTATION PLATFORM PROPRIETARY LIMITED
(REGISTRATION NUMBER 2005/023407/07)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

NATIONAL TECHNOLOGIES IMPLEMENTATION PLATFORM PROPRIETARY LIMITED
(Registration number 2005/023407/07)
Annual Financial Statements for the year ended 31 March 2019

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LEVEL OF ASSURANCE

These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.

PREPARER

These financial statements have been prepared under the supervision of Anusha Naidu, Financial Manager.

PUBLISHED

Same date as audit report



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INDEPENDENT AUDITORS' REPORT

To the shareholders of National Technologies Implementation Platform Proprietary Limited

Opinion

We have audited the financial statements of National Technologies Implementation Platform Proprietary Limited set out on pages 7 to 18, which comprise the statement of financial position as at 31 March 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, comprising a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of National Technologies Implementation Platform Proprietary Limited as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the company in accordance with sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the directors' report as required by the Companies Act of South Africa and the detailed statement of profit or loss, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

THE POWER OF BEING UNDERSTOOD
 AUDIT | TAX | CONSULTING

Directors: E. Bergh, B. Coetzee (Hons), CA(SA), C.D. Botha, B. Aucutt, CA(SA), M.G. G. de Faria, B. Eusebio, CA(SA), B. J. Fabian, B. Aucutt, H. Dip. Tax Law, CA(SA), A. D. Gubbins, B. Sc. M. Eng. (Elec), CA(SA), M. Greenbottle, B. Com. (Hons), CA(SA), H. Heynsman, B. Engng. (Hons), M. Gani, FCCA, CA(SA), N. C. Hoopes, B. Comm. (Hons), PG Dip. Adv. Tax, CA(SA), J. Jansen, B. Com. B. Acc., H. Dip. Tax Law, H. Dip. Int. Tax Law, CA(SA), I. Kitching, B. Comm. (Hons), CA(SA), L. MacDonnell, B. Comm. (Hons), CA(SA), L. Sauer, B. Com. (Hons), CA(SA), R. Roussouw, B. Comm. (Hons), CA(SA), P.D. Schaefer, B. Acc. Sc. (Hons), PG Dip. Tax Law, CA(SA), M. Steynkamp, B. Engng. (Hons), CA(SA), L. M. van der Merwe, B. Com. (Hons), CA(SA), A.D. Visag, B. Comm. (Hons), CA(SA)

RSM South Africa Inc. Registration No: 2016/324649/21. Practice No.: 9004. This is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent, self-governing and consulting firm which practices in its own right. The RSM network is not in itself a separate legal entity in any jurisdiction.

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

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 our 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We 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 we identify during our audit.

RSM South Africa Inc.

RSM South Africa Inc.

**Michael Steenkamp
Chartered Accountant (SA)
Registered Auditor
Director**

Date 29/08/19

NATIONAL TECHNOLOGIES IMPLEMENTATION PLATFORM PROPRIETARY LIMITED
(Registration number 2005/023407/07)
Annual Financial Statements for the year ended 31 March 2019

DIRECTORS' REPORT

The directors submit their report for the year ended 31 March 2019.

1. INCORPORATION

The company was incorporated on 01 January 2005 and obtained its certificate to commence business on the same day.

2. REVIEW OF ACTIVITIES

The company is engaged in the promotion and advancement of tooling and future production technologies and operates principally in South Africa.

The operating results and state of affairs of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

3. DIVIDENDS

No dividends were declared or paid to the shareholder during the year.

4. AUTHORISED AND ISSUED SHARE CAPITAL

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

5. DIRECTORS

The directors of the company during the year and to the date of this report are as follows.

DIRECTORS	NATIONALITY
AA Grech-Cumbo	South African
BJ Davis	South African
R Williamson	South African

6. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any matter or circumstance arising since the end of the financial year that may have an effect on the financial statements.

7. GOING CONCERN

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

8. AUDITORS

RSM South Africa Incorporated have expressed their willingness to continue in office as auditors in accordance with section 90 of the Companies Act of South Africa.

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DIRECTORS' REPORT

9. SECRETARY

The company had no secretary during the financial year.

10. APPROVAL

The annual financial statements set out on pages 5 to 20, which have been prepared on the going concern basis, have been approved by the board and were signed on its behalf by:



Authorised Director

Date:

27 AUGUST 2019

Authorised Director

Date:

27 AUGUST 2019

NATIONAL TECHNOLOGIES IMPLEMENTATION PLATFORM PROPRIETARY LIMITED
(Registration number 2005/023407/07)

Annual Financial Statements for the year ended 31 March 2019

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

Figures in Rand	Note(s)	2019	2018
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	2	838 411	2 026 106
Deferred tax	3	889 685	642 732
		<u>1 728 096</u>	<u>2 668 838</u>
CURRENT ASSETS			
Inventories		-	431 623
Loans to related parties	4	472 820	-
Current tax receivable		-	167 917
Trade and other receivables	5	3 168 803	1 544 833
Cash and cash equivalents	6	10 749 953	11 422 673
		<u>14 391 576</u>	<u>13 567 046</u>
Total Assets		<u>16 119 672</u>	<u>16 235 884</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	7	100	100
Retained income		1 277 600	1 345 842
		<u>1 277 700</u>	<u>1 345 942</u>
LIABILITIES			
CURRENT LIABILITIES			
Current tax payable		52 499	-
Trade and other payables	8	7 001 901	6 990 707
Deferred income	9	7 787 572	7 899 235
		<u>14 841 972</u>	<u>14 889 942</u>
Total Equity and Liabilities		<u>16 119 672</u>	<u>16 235 884</u>

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Annual Financial Statements for the year ended 31 March 2019

STATEMENT OF INCOME AND RETAINED EARNINGS

Figures in Rand	Note(s)	2019	2018
Revenue	10	94 052 440	96 471 533
Other income		-	117 677
Operating expenses		<u>(94 409 704)</u>	<u>(96 946 780)</u>
Operating profit	11	(357 264)	(357 570)
Investment revenue		<u>262 485</u>	<u>290 628</u>
(Loss) profit before taxation		(94 779)	(66 942)
Taxation	12	<u>26 537</u>	<u>101 069</u>
(Loss) profit for the year		(68 242)	34 127
Balance at beginning of year		<u>1 345 842</u>	<u>1 311 715</u>
Balance at end of year		<u>1 277 600</u>	<u>1 345 842</u>

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STATEMENT OF CASH FLOWS

Figures in Rand	Note(s)	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from (used in) operations	13	(415 741)	5 268 863
Interest income		262 485	290 628
Tax paid	14	-	(1)
Net cash from operating activities		(153 256)	5 559 490
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	2	(70 096)	(28 193)
Proceeds on transfer of property, plant and equipment	2	23 452	6 257
Net cash from investing activities		(46 644)	(21 936)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loans advanced to related parties		(472 820)	-
Net cash from financing activities		(472 820)	-
Total cash movement for the year		(672 720)	5 537 554
Cash at the beginning of the year		11 422 673	5 885 119
Total cash at end of the year	6	10 749 953	11 422 673

NATIONAL TECHNOLOGIES IMPLEMENTATION PLATFORM PROPRIETARY LIMITED

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Annual Financial Statements for the year ended 31 March 2019

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing the financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Management did not make critical judgements in the application of accounting policies which would significantly affect the financial statements. The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

1.2 PROPERTY, PLANT AND EQUIPMENT

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

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

Property, plant and equipment are depreciated on the straightline basis over their expected useful lives to their estimated residual value.

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

ITEM	AVERAGE USEFUL LIFE
Leasehold property	3 years
Furniture and fixtures	6 years
Office equipment	3 years
IT equipment and computer software	3 years

1.3 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 reporting date.

ACCOUNTING POLICIES

1.3 TAX (continued)

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).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

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.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

1.4 LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

OPERATING LEASES – LESSEE

Operating lease payments are recognised as an expense on a straight-line basis over the lease term except in cases where another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or where the payments are structured to increase in line with expected general inflation.

1.5 REVENUE

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and Value-added Taxation (VAT).

Revenue is recognised to the extent that it is probable that economic benefits will flow to the company and that revenue can be reliably measured.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.6 FINANCIAL INSTRUMENTS

INITIAL RECOGNITION

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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ACCOUNTING POLICIES

1.6 FINANCIAL INSTRUMENTS (continued)

FINANCIAL INSTRUMENTS AT AMORTISED COST

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.