

Production Technologies Association of South Africa NPC
Formerly Toolmaking Association of South Africa NPC
(Registration number 2006/007417/08)
Separate financial statements
for the year ended 31 March 2018

Production Technologies Association of South Africa NPC

Formerly Toolmaking Association of South Africa NPC

(Registration number 2006/007417/08)

Separate Financial Statements for the year ended 31 March 2018

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The reports and statements set out below comprise the separate financial statements presented to the members:

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The following supplementary information does not form part of the separate financial statements and is unaudited:

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Level of assurance

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

Preparer

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

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Separate Financial Statements for the year ended 31 March 2018

Directors' Approval

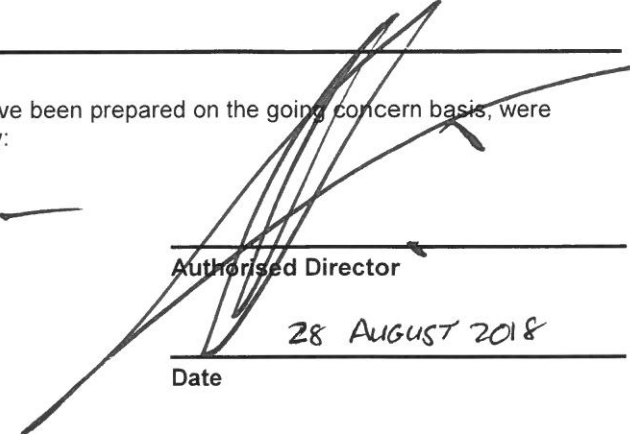
The separate financial statements set out on pages 6 to 13, which have been prepared on the going concern basis, were approved by the board of directors and were signed on their behalf by:



Authorised Director

28 AUGUST 2018

Date



Authorised Director

28 AUGUST 2018

Date



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INDEPENDENT AUDITORS' REPORT

To the members of Production Technologies Association of South Africa NPC

Opinion

We have audited the separate financial statements of Production Technologies Association of South Africa NPC set out on pages 6 to 12, which comprise the statement of financial position as at 31 March 2018, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of Production Technologies Association of South Africa NPC as at 31 March 2018, 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 Separate financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of separate financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). 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 detailed statement of profit or loss. The other information does not include the separate financial statements and our auditors' report thereon.

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Directors E Bergh, B Com (Hons), CA(SA), C D Betty, B Acc, CA(SA), A Bignaut-de Waal, B Com, B Compt (Hons), M Com (FORP), CA(SA), M G Q de Faria, B Bus Sc, CA(SA), B J Eaton, B Acc, H Dip Tax Law, CA(SA), A C Galloway, B Sc Mech Eng, CA(SA), H Heymans, B Compt (Hons), M Com, FCCA, CA(SA), N C Hughes, B Compt (Hons), PG Cert Adv Tax, CA(SA), J Jones, B Com, B Acc, H Dip Tax Law, H Dip Int Tax Law, CA(SA), J Kitching, B Compt (Hons), CA(SA), B Kooi, B Compt (Hons), M Com (GFA), CA(SA), L Mac Donald, B Compt (Hons), CA(SA), L Quintal, B Com (Hons), CA(SA), R Rawoot, B Compt (Hons), CA(SA), P D Schulze, B Acc Sc (Hons), PG Dip Tax Law, CA(SA), M Steenkamp, B Compt (Hons), CA(SA), L M van der Merwe, B Com (Hons), CA(SA), A D Young, B Compt (Hons), CA(SA)

RSM South Africa Inc. Registration No. 2016/324649/21, Practice No. 900435 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 accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate 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 separate financial statements

The directors are responsible for the preparation and fair presentation of the separate 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 separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate 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 separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate 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 ISAs 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 separate financial statements.

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

- Identify and assess the risks of material misstatement of the separate 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 material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate 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 separate financial statements, including the disclosures, and whether the separate 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.

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

Date

Production Technologies Association of South Africa NPC

Formerly Toolmaking Association of South Africa NPC

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Separate Financial Statements for the year ended 31 March 2018

Statement of Financial Position as at 31 March 2018

Figures in Rand	Note(s)	2018	2017
Assets			
Current Assets			
Trade and other receivables	2	440 147	362 932
Cash and cash equivalents		1 211	2 460
		441 358	365 392
Equity and Liabilities			
Equity			
Retained income		414 665	359 392
Liabilities			
Non-Current Liabilities			
Loan from group company	3	6 000	6 000
Current Liabilities			
Trade and other payables		20 693	-
Total Liabilities		26 693	6 000
Total Equity and Liabilities		441 358	365 392

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Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2018	2017
Revenue	4	276 667	263 059
Cost of sales	5	(193 667)	(181 516)
Gross surplus		83 000	81 543
Operating expenses		(27 727)	(5 176)
Operating surplus		55 273	76 367
Finance costs		-	(6)
Surplus for the year		55 273	76 361

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Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 April 2016	283 031	283 031
Surplus for the year	76 361	76 361
Total comprehensive income for the year	76 361	76 361
Balance at 01 April 2017	359 392	359 392
Surplus for the year	55 273	55 273
Total comprehensive income for the year	55 273	55 273
Balance at 31 March 2018	414 665	414 665

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Statement of Cash Flows

Figures in Rand	Note(s)	2018	2017
Cash flows from operating activities			
Cash receipts from customers		199 476	313 603
Cash paid to suppliers and employees		(200 725)	(315 228)
Cash used in operations	6	(1 249)	(1 625)
Finance costs		-	(6)
Net cash from operating activities		(1 249)	(1 631)
Cash flows from financing activities			
Movement in NTIP loan		-	3 000
Total cash movement for the year		(1 249)	1 369
Cash at the beginning of the year		2 460	1 091
Total cash at end of the year		1 211	2 460

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Separate Financial Statements for the year ended 31 March 2018

Accounting Policies

1. Presentation of separate financial statements

The separate financial statements have been prepared in accordance with the International Financial Reporting Standards. The separate 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.

1.1 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.

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.

1.2 Revenue

Revenue from fees received is recognised over the period to which the subscription relates.

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Notes to the Separate Financial Statements

Figures in Rand	2018	2017
2. Trade and other receivables		
Fees receivable	439 865	362 674
VAT	282	258
	440 147	362 932
3. Loan from group company		
National Technologies Implementation Platform Proprietary Limited	6 000	6 000
The loan is unsecured, interest free and has no fixed terms of repayment.		
4. Revenue		
Membership fees invoiced via NTIP	276 667	263 059
5. Cost of sales		
NTIP administration fee	193 667	181 516
6. Cash used in operations		
Profit before taxation	55 273	76 361
Adjustments for:		
Finance costs	-	6
Changes in working capital:		
Trade and other receivables	(77 215)	(77 992)
Trade and other payables	20 693	-
	(1 249)	(1 625)
7. Related parties		
Relationships		
Subsidiaries	National Technologies Implementation Platform Proprietary Limited	
Loan accounts - Owing to related parties		
National Technologies Implementation Platform Proprietary Limited	6 000	6 000
Amounts included in Trade receivable regarding related parties		
National Technologies Implementation Platform Proprietary Limited	439 865	362 674
Net administration fees received from related party		
National Technologies Implementation Platform Proprietary Limited	83 000	81 543
8. Directors' emoluments		
No emoluments were paid to the directors or any individuals holding a prescribed office during the year.		
9. Tax		
No provision has been made for current tax as the company is in the process of applying for the tax exempt status and the directors believe that the application will be successful.		

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Notes to the Separate Financial Statements

10. Consolidated annual financial statements

These financial statements comprise the separate financial statements of the company. Consolidated annual financial statements, including the subsidiary, National Technologies Implementation Platform Proprietary Limited (NTIP), have been prepared separately and approved by the directors.

11. Company information

The company is domiciled in the Republic of South Africa and is incorporated as a limited liability company as defined in the Companies Act of South Africa.

Business address:
1st Floor Taaibos Building
Tuinhof Office Park
265 West Avenue
Centurion
2090

The company is engaged in the promotion of tooling and operates principally in South Africa.

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Detailed Statement of Profit or Loss

Figures in Rand	Note(s)	2018	2015
Revenue			
Membership fees - 2017/2018		276 667	263 059
Cost of sales	5	(193 667)	(181 516)
Gross profit		83 000	81 543
Operating expenses			
Bad debts		(5 808)	(3 751)
Bank charges		(1 226)	(1 425)
Consulting and professional fees		(20 693)	-
		(27 727)	(5 176)
Operating profit		55 273	76 367
Finance costs		-	(6)
Surplus for the year		55 273	76 361