

NATIONAL TECHNOLOGIES IMPLEMENTATION PLATFORM PROPRIETARY LIMITED
(REGISTRATION NUMBER 2005/023407/07)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

National Technologies Implementation Platform Proprietary Limited
(Registration number: 2005/023407/07)
Financial Statements for the year ended 31 March 2021

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The following supplementary information does not form part of the financial statements:

Detailed Statement of Profit or Loss	21
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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 by Jacques Coetzer CA (SA), Director at RSM South Africa Inc.

Published

Same date as audit report date.

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DIRECTORS' REPORT

The directors have pleasure in submitting their report on the annual financial statements of National Technologies Implementation Platform Proprietary Limited for the year ended 31 March 2021.

1. INCORPORATION

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

2. NATURE OF BUSINESS

National Technologies Implementation Platform Proprietary Limited was incorporated in South Africa. The company is engaged in the promotion and advancement of tooling and future production technologies and operates principally in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

3. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

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

4. SHARE CAPITAL

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

5. DIRECTORS

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

Name

A A Grech-Cumbo
B J Davis
R Williamson

There have been no changes to the directorate for the period under review.

6. HOLDING COMPANY

The company's holding company is Production Technologies Association of South Africa NPC which holds 100% (2020: 100%) of the company's equity. Production Technologies Association of South Africa NPC is incorporated in South Africa.

7. AUDITORS

RSM South Africa Inc. continued in office as auditors for the company for 2021.

8. SECRETARY

The company had no secretary during the year.

9. EVENTS AFTER THE REPORTING PERIOD

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

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DIRECTORS' REPORT

10. GOING CONCERN

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

The current COVID-19 pandemic changed the way the world and therefore NTIP will do business and training in the future. In NTIP's case this specifically applies how to present occupational training in an environment where quality is not compromised but the safety and health of its employees and students remain of the utmost importance.

Due to the exposure risk of most of the NTIP students during travelling and interaction in the face-to-face learning environment, NTIP has had to consider various alternatives to continue with training activities. NTIP used the national lockdown since 26 March 2020 to review the occupational training model and strategy and plan and prepare for the implementation of the new strategy when possible.

After assessing the nature of NTIP's occupational qualifications and the practical and workplace experience requirements, a Fully Online approach was not a practical alternative, but a blended learning approach was found to be a more conducive learning environment for the future. NTIP blended learning strategy and approach will consist of the following elements:

- Access to online videos through the Haas Technical Education Centre network (HTEC) and the Edge Factor webpage to all NTIP students and lecturing staff via their cell phones. These videos supplement their available textbook learning materials.
- Preferential access (through NTIP's international partnership with the National Institute for Metalworking Skills (NIMS)), to the already developed and implemented ToolingU online learning materials and classes. The available materials and classes cover a wide spectrum of the theoretical training elements for the practical competencies and subjects applicable to metalworking, machining, and toolmaking from basic to advanced level.
- All practical work with students to complete their credential work pieces as well as international examinations associated with it will be completed at the learning factories.
- All tests and examinations for trade theory will take place at the learning factories.

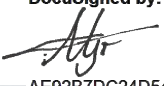
The blended learning approach is an integrated instructional approach that combines face-to-face interactions within the classroom and online activities.

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DIRECTORS' REPORT

11. APPROVAL

The annual financial statements set out on pages 8 to 20, which have been prepared on the going concern basis, were approved by the board of directors and were signed on their behalf by:

DocuSigned by:

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A A Grech-Cumbo

09 September 2021

Date

DocuSigned by:

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R Williamson

14 September 2021

Date



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INDEPENDENT AUDITOR'S REPORT

To the shareholder of National Technologies Implementation Platform Proprietary Limited

Opinion

We have audited the financial statements of National Technologies Implementation Platform Proprietary Limited (the company) set out on pages 8 to 20, which comprise the statement of financial position as at 31 March 2021, and the statement of income and retained earnings and statement of cash flows for the year then ended, and notes to the financial statements, including 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 2021, and its financial performance and cash flows for the year then ended in accordance with 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 Auditor's Responsibilities for the Audit of the 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 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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). 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 information included in the document titled "National Technologies Implementation Platform Proprietary Limited annual financial statements for the year ended 31 March 2021", which includes 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. The other information does not include the financial statements and our auditor's report thereon.

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Directors: E Bergh, B Com (Hons), CA(SA), C D Betty, B Acc, CA(SA), J Coetzer, B Compt (Hons), 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), M Greisdorfer, B Com (Hons), 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), G Parker, B Com, CA(SA), R V Pita, B Compt (Hons), CA(SA), L Quintal, B Com (Hons), CA(SA), R Rawoat, B Compt (Hons), CA(SA), P D Schütze, B Acc Sc (Hons), PG Dip Tax Law, CA(SA), M Steenkamp, B Compt (Hons), M Com, 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 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 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 on the other information obtained prior to the date of this auditor's report, 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 annual financial statements in accordance with 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 annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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.

Auditor's 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 auditor's 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 auditor's report to the related disclosures in the annual 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 auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual 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.

DocuSigned by:
RSM South Africa Inc.
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RSM South Africa Inc.

Michael Steenkamp
Chartered Accountant (SA)
Registered Auditor
Director

Date 14 September 2021

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STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

Figures in Rand	Note	2021	2020
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	437 029	853 522
Deferred tax	3	1 037 375	998 744
		1 474 404	1 852 266
Current Assets			
Loans to related parties	4	100 000	100 000
Trade and other receivables	5	8 074 323	4 824 183
Cash and cash equivalents	6	6 807 476	9 326 438
		14 981 799	14 250 621
Total Assets		16 456 203	16 102 887
EQUITY AND LIABILITIES			
EQUITY			
Share capital	7	100	100
Retained income		1 621 608	1 224 913
		1 621 708	1 225 013
LIABILITIES			
Current Liabilities			
Trade and other payables	8	5 230 075	5 767 108
Loans from group companies	4	69 571	-
Deferred income	9	9 293 133	9 033 339
Current tax payable		241 716	77 427
		14 834 495	14 877 874
Total Equity and Liabilities		16 456 203	16 102 887

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STATEMENT OF INCOME AND RETAINED EARNINGS

Figures in Rand	Note	2021	2020
Revenue	10	72 852 861	98 470 046
Other income	11	106 597	165 243
Operating expenses		(72 466 889)	(98 991 401)
Operating profit (loss)	12	492 569	(356 112)
Investment revenue	13	109 261	282 935
Profit (loss) before taxation		601 830	(73 177)
Taxation	14	(205 135)	20 490
Profit (loss) for the year		396 695	(52 687)
Opening balance		1 224 913	1 277 600
Retained income at the end of the year		1 621 608	1 224 913

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STATEMENT OF CASH FLOWS

Figures in Rand	Note	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	15	(2 592 916)	(1 479 463)
Interest income		109 261	282 935
Tax paid	16	(79 477)	(63 641)
Net cash from operating activities		(2 563 132)	(1 260 169)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	2	(25 401)	(536 166)
Loans to group companies repaid		69 571	372 820
Net cash from investing activities		44 170	(163 346)
Total cash movement for the year		(2 518 962)	(1 423 515)
Cash at the beginning of the year		9 326 438	10 749 953
Total cash at end of the year	6	6 807 476	9 326 438

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ACCOUNTING POLICIES

GENERAL INFORMATION

National Technologies Implementation Platform Proprietary Limited is a private company incorporated and domiciled in South Africa.

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

The companies business address is 1st Floor Taaibos Building, Tuinhof Office Park, 265 West Avenue, Centurion, 2090.

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on a going concern basis 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 Rand.

These accounting policies are consistent with those of the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

Key sources of estimation uncertainty

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

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

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.

Cost includes 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

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ACCOUNTING POLICIES

1.2 Property, plant and equipment (continued)

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

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

Item	Depreciation method	Average useful life
Leasehold property	Straight line	3 years
Furniture and fixtures	Straight line	6 years
Office equipment	Straight line	3 years
IT equipment	Straight line	3 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Financial instruments

Initial measurement

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.

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ACCOUNTING POLICIES

1.3 Financial instruments (continued)

Financial instruments at cost

Commitments to receive a loan are measured at cost less impairment.

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences.

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.

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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

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ACCOUNTING POLICIES

1.5 Leases (continued)

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave), are recognised in the period in which the service is rendered and are not discounted.

1.7 Revenue

Revenue comprise cost recoveries from a related party for maintaining and managing the promotion of tooling and future production technologies.