INTSIMBI FUTURE PRODUCTION TECHNOLOGIES INITIATIVE NPC
(REGISTRATION NUMBER 2007/007719/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

HLB BARNETT CHOWN INC.
REGISTERED AUDITORS

Registered Auditors
Practice No 902230 Reg No. 2006/011332/21

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The reports and statements set out below comprise the annual financial statements presented to the directors:

Level of assurance

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

Preparer

MP Lock Professional Accountant (SA). a manager of HLB Barnett Chown Proprietary Limited.

INTSIMBI FUTURE PRODUCTION TECHNOLOGIES INITIATIVE NPC
(REGISTRATION NUMBER: 2007/007719/08)
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 March 2023 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been audited by the company's external auditors and their report is presented on page 6 to 7.

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 on 15 February 2023 and were signed on its behalf by:

15 Feb 2023

15 Feb 2023

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the annual financial statements of Intsimbi Future Production Technologies Initiative NPC for the year ended 31 March 2022.

1. Nature of business

Intsimbi Future Production Technologies Initiative NPC was incorporated in South Africa with interests in the promotion and advancement of tooling and future production technologies industry. The company operates in South Africa.

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

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with 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 annual financial statements.

3. 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.

4. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual 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.

5. Share capital

There have been no changes to the authorised or issued share capital during the year under review (2021: Rnil).

6. Dividends

The directors did not recommend the declaration of a dividend for the year (2021: Rnil).

DIRECTORS' REPORT

7. Directors

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

Directors	Changes
AA Grech-Cumbo	
R Williamson	
I Karg	
C Beyers	Deceased
AO Sematle	
C Phillips	Appointed 08 September 2022
E Bruggerman	Appointed 08 September 2022
P George	Appointed 08 September 2022

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

8. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

9. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the company or in the policy regarding their use.

At 31 March 2022 the company's investment in property, plant and equipment amounted to R33 254 959 (2021:R4 488 228), of which R357 698 (2021: R55 741) was added in the current year through additions and disposals with a carrying value of R561 (2021: R646,293).

10. Borrowing powers

In terms of the Memorandum of Incorporation, the borrowing powers of the company are unlimited. However all borrowings by the company are subject to board approval as required by the board delegation of authority.

11. Auditors

HLB Barnett Chown Incorporated continued in office as auditors for the company for 2022.

At the AGM, the shareholder will be requested to reappoint HLB Barnett Chown Incorporated as the independent external auditors of the company and to confirm Mrs DB Bezuidenhout as the designated lead audit partner for the 2023 financial year.

12. Secretary

The company secretary is P Lategan.

13. Registered and physical address

The registered and physical address of the company is:

Taaibos Building
265 West Avenue
Centurion
0046

14. Litigation statement

The company becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The company is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

15. Statement of disclosure to the company's auditors

With respect to each person who is a director on the day that this report is approved:

- there is, so far as the person is aware, no relevant audit information of which the company's auditors are unaware; and
- the person has taken all the steps that he or she ought to have taken as a director to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT

To the directors of Intsimbi Future Production Technologies Initiative NPC

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the annual financial statements of Intsimbi Future Production Technologies Initiative NPC (the company) set out on pages 8 to 19, which comprise the statement of financial position as at 31 March 2022, statement of surplus or deficit and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Intsimbi Future Production Technologies Initiative NPC as at 31 March 2022, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Annual 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 annual 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 which includes the Directors' Report as required by the Companies Act of South Africa and the Supplementary Information as set out on pages 3 to 5 and page 20 respectively. The other information does not include the annual financial statements and our auditors' report thereon.

Our opinion on the annual 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 annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual 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 Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual 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 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.

INDEPENDENT AUDITORS' REPORT

Auditors' Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 annual 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 annual 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 couditions 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 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 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 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.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that HLB Barnett Chown Incorporated has been the auditor of Intsimbi Future Production Technologies Initiative NPC for 1 year.

HLB Barnett Chown Incorporated

Per: DB Bezuidenhout
Capacity: Engagement Partner
Chartered Accountants (SA)
Registered Auditors

16 January 2023
Bedfordview

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Note(s)	2022 R	2021 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	33 254 959	4 488 228
Current Assets			
Trade and other receivables	3	1 507 322	1 065 551
Cash and cash equivalents	4	5 255 852	5 357 921
		6 763 174	**6 423 472**
Total Assets		**40 018 133**	**10 911 700**
Equity and Liabilities			
Equity			
Accumulated surplus (deficit)		30 797 095	1 925 143
Liabilities			
Current Liabilities			
Trade and other payables	5	9 221 038	8 986 557
Total Equity and Liabilities		**40 018 133**	**10 911 700**

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME

	Note(s)	2022 R	2021 R
Revenue	6	67 791 765	69 435 406
Operating expenses	8	(39 664 383)	(81 736 974)
Operating surplus/(deficit)		**28 127 382**	**(12 301 568)**
Investment revenue	7	744 570	397 014
Surplus/(deficit) for the year		**28 871 952**	**(11 904 554)**
Other comprehensive income		-	-
Total comprehensive surplus/(deficit) for the year		**28 871 952**	**(11 904 554)**

STATEMENT OF CHANGES IN EQUITY

	Accumulated surplus (deficit) R	Total equity R
Balance at 01 April 2020	**13 829 697**	**13 829 697**
Deficit for the year	(11 904 554)	(11 904 554)
Other comprehensive income	-	-
Total comprehensive surplus/(deficit) for the year	**(11 904 554)**	**(11 904 554)**
Balance at 01 April 2021	**1 925 143**	**1 925 143**
Deficit for the year	28 871 952	28 871 952
Other comprehensive income	-	-
Total comprehensive surplus/(deficit) for the year	**28 871 952**	**28 871 952**
Balance at 31 March 2022	**30 797 095**	**30 797 095**

STATEMENT OF CASH FLOWS

	Note(s)	2022 R	2021 R
Cash flows from operating activities			
Cash (used in) generated from operations	11	(488 941)	450 455
Interest income		744 570	397 014
Net cash from operating activities		**255 629**	**847 469**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(357 698)	(55 741)
Total cash movement for the year		**(102 069)**	**791 728**
Cash at the beginning of the year		5 357 921	4 566 193
Total cash at end of the year	4	**5 255 852**	**5 357 921**

ACCOUNTING POLICIES

1. Basis of preparation and summary of significant accounting policies

The annual 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 annual 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

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

Useful lives of property, plant and equipment

Management has made certain estimations with regard to the determination of estimated useful lives and residual values of items of property, plant and equipment.

Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

Provisions are recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

Allowance for doubtful debts

Debtors balances older than 6 months are regularly assessed by management and recorded as an allowance for doubtful debts at their discretion, until their recovery or final write off.

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.

ACCOUNTING POLICIES

1.2 Property, plant and equipment (continued)

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.

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
Furniture and fixtures	Straight line	6 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years
Leasehold improvements	Straight line	3 years
Tooling equipment	Straight line	5 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. They 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.

1.3 Financial instruments (continued)

Financial instruments at cost

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.

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

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.

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 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model may be impaired.

1.6 Impairment of assets (continued)

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its 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.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.7 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

1.8 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

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

1.9 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2022 R	2021 R

2. Property, plant and equipment

	2022			2021		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	1 307 750	(1 159 260)	148 490	1 379 039	(1 059 577)	319 462
Office equipment	2 931 820	(2 926 064)	5 756	2 931 820	(2 646 481)	285 339
IT equipment	2 530 234	(2 180 204)	350 030	2 202 067	(2 171 114)	30 953
Leasehold improvements	8 900 343	(8 468 140)	432 203	8 900 343	(6 013 961)	2 886 382
Tooling equipment	61 490 919	(29 172 439)	32 318 480	61 539 191	(60 573 099)	966 092
Total	**77 161 066**	**(43 906 107)**	**33 254 959**	**76 952 460**	**(72 464 232)**	**4 488 228**

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation and revaluation	Closing balance
Furniture and fixtures	319 462	-	(561)	(170 411)	148 490
Office equipment	285 339	-	-	(279 583)	5 756
IT equipment	30 953	357 698	-	(38 621)	350 030
Leasehold improvements	2 886 382	-	-	(2 454 179)	432 203
Tooling equipment	966 092	-	-	31 352 388	32 318 480
	4 488 228	**357 698**	**(561)**	**28 409 594**	**33 254 959**

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Furniture and fixtures	1 578 577	-	(640 371)	(618 744)	319 462
Office equipment	879 659	-	(5 920)	(588 400)	285 339
IT equipment	69 455	-	-	(38 502)	30 953
Leasehold improvements	5 502 835	-	-	(2 616 453)	2 886 382
Tooling equipment	6 423 877	55 741	-	(5 513 526)	966 092
	14 454 403	**55 741**	**(646 291)**	**(9 375 625)**	**4 488 228**

Revaluations

The company's Tooling Equipment are stated at revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and accumulated impairment losses. Revaluations are considered annually and in intervening years if the carrying amount of the Tooling Equipment differs materially from their fair value.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2022 R	2021 R

3. Trade and other receivables

Prepayments	39 000	125 000
Deposits	125 200	27 100
VAT	1 343 122	913 451
	1 507 322	**1 065 551**

Trade and other receivables are unsecured and are receivable within a period of twelve months. The carrying amounts of trade and other receivables approximate their fair value.

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	5 255 852	5 357 921

5. Trade and other payables

Trade payables	4 030	2 048 748
Amounts due to related parties	9 217 008	6 937 809
	9 221 038	**8 986 557**

Trade and other payables are unsecured and are receivable within a period of twelve months. The carrying amounts of trade and other payables approximate their fair value.

6. Revenue

Funds received from the Department of Trade, Industry & Competition	67 791 765	69 435 406

7. Investment revenue

Interest revenue		
Bank	744 570	397 014

8. Operating expenses

Operating expenses include the following expenses:

Operating lease charges		
Premises		
• Contractual amounts	481 643	485 092
Equipment		
• Contractual amounts	59 708	19 074
	541 351	**504 166**

Deficit on sale of property, plant & equipment	561	(646 291)
Depreciation	(28 409 594)	9 375 625

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2022 R	2021 R

9. Auditors' remuneration

Previous auditors fees	100 821	108 750

10. Directors' and prescribed officer's remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year (2021: Rnil).

11. Cash (used in) generated from operations

Profit (loss) before taxation	28 871 952	(11 904 554)
Adjustments for:		
Depreciation	(28 409 594)	9 375 625
Deficit on sale of property, plant & equipment	561	646 291
Interest received	(744 570)	(397 014)
Changes in working capital:		
Work in progress	-	35 679
Trade and other receivables	(441 771)	8 517 754
Trade and other payables	234 481	(274 980)
Deferred income	-	(5 548 346)
	(488 941)	**450 455**

12. Commitments

Operating leases – as lessee (expense)

Minimum lease payments due		
- within one year	968 504	466 598
- in second to fifth year inclusive	982 065	-
	1 950 569	**466 598**

Operating lease payments represent rentals payable by the company for certain of its office properties. Leases are negotiated for an average term of two years and rentals are fixed for an average of two years. No contingent rent is payable.

13. Related parties

Relationships	
Common directorship	Production Technologies Association of South Africa NPC National Technologies Implementation Platform Proprietary Limited Mtazari Business Advisory Services Proprietary Limited

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2022 R	2021 R

13. Related parties (continued)

Members of key management: AA Grech-Cumbo, R Williamson, I Karg, CF Beyers, AO Sematle, PN Mngomezulu

Related party balances and transactions

Related party balances

	2022 R	2021 R
Amounts included in trade receivable (trade payable) regarding related parties		
National Technologies Implementation Platform Proprietary Limited	(9 142 008)	(6 937 809)
Production Technologies Association of South Africa NPC	(75 000)	(75 000)
Prepayments paid to related parties		
Production Technologies Association of South Africa NPC	-	125 000

Related party transactions

	2022 R	2021 R
Project fees paid to (received from) related parties		
National Technologies Implementation Platform Proprietary Limited	66 675 813	70 904 180
Production Technologies Association of South Africa NPC	125 000	500 000
Mtazari Business Advisory Services Proprietary Limited	-	514 800

14. Taxation

No provision has been made for South African nomral taxation due to the company being a non profit organisation having been granted exemption from taxation in accordance with section 10(1)(cN) of the Income Tax Act of 1962.

15. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual 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.

16. 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.

DETAILED INCOME STATEMENT

	Note(s)	2022 R	2021 R
Revenue			
Funds received from the Department of Trade, Industry and Competition		67 791 765	69 435 406
Operating expenses			
Accounting fees		11 430	14 960
Advertising		-	23 708
Auditors' remuneration	9	100 821	108 750
Bank charges		5 013	5 267
Consulting and professional fees		-	789 628
Depreciation, amortisation and impairments		(28 409 594)	9 375 625
Insurance		167 174	(31 690)
Lease rentals on operating lease		541 351	504 166
Monyetla work readiness project		409 304	(1 162 969)
Printing and stationery		-	1 029
Profit and loss on sale of assets and liabilities		561	646 291
Project fees		66 675 813	70 924 757
Secretarial fees		125 000	500 000
Travel - local		-	23 834
Travel - overseas		-	(10 354)
Utilities		37 510	23 972
		39 664 383	**81 736 974**
Operating Surplus/(Deficit)		**28 127 382**	**(12 301 568)**
Interest revenue	7	744 570	397 014
Surplus/(Deficit) for the Year		**28 871 952**	**(11 904 554)**

The supplementary information presented does not form part of the annual financial statements and is unaudited