

# **Akata Integrated Mining Solutions (Pty) Ltd**

**(Registration Number 2016/251176/07)**

**Annual Financial Statements  
for the year ended 28 February 2018**

## **Compiled Financial Statements**

**In compliance with Companies Act of South Africa**

**Prepared by: Grobler and Associates Incorporated**

**Professional designation: Registered auditors**

# **Akata Integrated Mining Solutions (Pty) Ltd**

(Registration Number 2016/251176/07)

Annual Financial Statements for the year ended 28 February 2018

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# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Annual Financial Statements for the year ended 28 February 2018

## General Information

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<b>Country of Incorporation and Domicile</b>	South Africa
<b>Nature of Business and Principal Activities</b>	Mining solutions
<b>Directors</b>	A Steenkamp CL Mashava
<b>Registered Office</b>	37 Chevrolet Street Aureus Randfontein 1759
<b>Bankers</b>	FNB
<b>Level of Assurance</b>	Compiled in terms of the Companies Act of South Africa
<b>Chartered Accountants CA(SA)</b>	Grobler and Associates Incorporated 77 Steyer Street Aureus Randfontein 1759

# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Annual Financial Statements for the year ended 28 February 2018

## Directors' Responsibilities and Approval

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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 satisfy the financial reporting standards as to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company 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 sets 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.

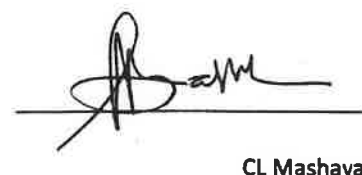
The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical 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 going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The financial statements support the viability of the company.

The annual financial statements as set out on pages 6 to 12 were approved by the directors on 5 March 2018 and were signed on their behalf by:



A Steenkamp



CL Mashava

# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Annual Financial Statements for the year ended 28 February 2018

## Directors' Report

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The directors present their report for the year ended 28 February 2018.

### 1. Review of activities

#### Main business and operations

The principal activity of the company is mining solutions and there were no major changes herein during the year.

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

### 2. Going concern

The annual 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.

### 3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

### 4. Authorised and issued share capital

No changes were approved or made to the authorised or issued share capital of the company during the year under review.

### 5. Borrowing limitations

In terms of the Memorandum of Incorporation of the company, the directors may exercise all the powers of the company to borrow money, as they consider appropriate.

### 6. Dividend

No dividend was declared nor paid to the shareholder during the year.

### 7. Directors

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

A Steenkamp

CL Mashava

### 8. Secretary

No secretary has been formally appointed during the current financial year.

### 9. Compilers

Grobler and Associates Incorporated were the compilers for the year under review.

# GROBLER & ASSOCIATES

## INCORPORATED

### Report of the Compiler

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#### To the Shareholder of Akata Integrated Mining Solutions (Pty) Ltd

We have compiled the accompanying financial statements of Akata Integrated Mining Solutions (Pty) Ltd based on information you have provided. These financial statements comprise the statement of financial position of Akata Integrated Mining Solutions (Pty) Ltd as at 28 February 2018, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities to the financial statements and the requirements of the Companies Act of South Africa. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

Grobler and Associates Incorporated

5 March 2018



Per: PC Grobler CA (SA)  
Chartered Accountant (SA)

77 Steyer Street  
Aureus  
Randfontein  
1759

# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Financial Statements for the year ended 28 February 2018

## Statement of Financial Position

Figures in R

Notes

2018

### Assets

#### Current assets

Trade and other receivables	4	798,462
Cash and cash equivalents	5	3,961
<b>Total current assets</b>		<b>802,423</b>

#### Total assets

**802,423**

### Equity and liabilities

#### Equity

Issued capital	6	100
Accumulated loss		(33,461)
<b>Total equity</b>		<b>(33,361)</b>

#### Liabilities

##### Current liabilities

Trade and other payables	7	451,024
Other financial liabilities	8	384,760
<b>Total current liabilities</b>		<b>835,784</b>

#### Total liabilities

**835,784**

#### Total equity and liabilities

**802,423**

# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Financial Statements for the year ended 28 February 2018

## Statement of Comprehensive Income

Figures in R

2018

Revenue	2,684,489
Cost of sales	(900,059)
<b>Gross profit</b>	<b>1,784,430</b>
Administrative expenses	(22,158)
Other expenses	(1,796,183)
<b>Loss from operating activities</b>	<b>(33,911)</b>
Finance income	450
<b>Loss for the year</b>	<b>(33,461)</b>



# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Financial Statements for the year ended 28 February 2018

## Statement of Changes in Equity

Figures in R	Issued capital	Accumulated loss	Total
Balance at 1 March 2017	100	-	100
Changes in equity			
Loss for the period	-	(33,461)	(33,461)
Total comprehensive income	-	(33,461)	(33,461)
Balance at 28 February 2018	100	(33,461)	(33,361)
Note	6		

# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Financial Statements for the year ended 28 February 2018

## Statement of Cash Flows

Figures in R

Note

2018

### Cash flows used in operations

#### Loss for the year

(33,461)

#### Adjustments to reconcile loss

##### Adjustments for finance income

(450)

##### Adjustments for increase in trade accounts receivable

(798,462)

##### Adjustments for increase in trade accounts payable

174,669

##### Adjustments for increase in other operating payables

276,355

#### Total adjustments to reconcile loss

(347,888)

#### Net cash flows used in operations

(381,349)

#### Interest received

450

#### Net cash flows used in operating activities

(380,899)

### Cash flows from financing activities

#### Proceeds from issuing shares

100

#### Cash flows from financing activities

384,860

#### Net increase in cash and cash equivalents

3,961

#### Cash and cash equivalents at end of period

5

3,961

# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Financial Statements for the year ended 28 February 2018

## Accounting Policies

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### 1. Basis of preparation

The financial statements of Akata Integrated Mining Solutions (Pty) Ltd 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 under the historical cost convention, as modified by the revaluation of investment property, certain property, plant and equipment, biological assets and derivative financial instruments at fair value.

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

### 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Tax

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the entity operates and generates taxable income.

#### 2.2 Provisions

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

#### 2.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is recognised using the effective interest method.

# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Financial Statements for the year ended 28 February 2018

## Notes to the Financial Statements

Figures in R

2018

### 4. Trade and other receivables

#### 4.1 Trade and other receivables comprise:

Trade receivables	798,462
Total current receivables	<u>798,462</u>

### 5. Cash and cash equivalents

#### 5.1 Cash and cash equivalents comprise:

<b>Cash</b>	
Balances with banks	3,961
<b>Total cash</b>	<u>3,961</u>
<b>Total cash and cash equivalents included in current assets</b>	<u>3,961</u>
<b>Net cash and cash equivalents</b>	<u>3,961</u>

### 6. Issued capital

#### 6.1 Authorised and issued share capital

<b>Authorised</b>	
1000 Ordinary shares of R1 each	1,000
<b>Issued</b>	
100 Ordinary shares of R1 each	<u>100</u>

### 7. Trade and other payables

#### 7.1 Trade and other payables are made up as follows:

Trade creditors	174,669
Value added tax	276,355
<b>Total trade and other payables</b>	<u>451,024</u>
<b>Current liabilities</b>	<u>451,024</u>

# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Financial Statements for the year ended 28 February 2018

## Notes to the Financial Statements

Figures in R

2018

### 8. Other financial liabilities

#### 8.1 Carrying amount of other financial liabilities by category

##### Year ended 28 February 2018

Loan from group company

Renlyn Mining Solutions (Pty) Ltd

**Components listed under other financial liabilities on the statement of financial position**

Trade and other payables excluding non-financial liabilities (Note 7)

**Components listed separately on the statement of financial position**

**Other financial liabilities comprise the following on the statement of financial position:**

Current portion

Non-current portion

Debt instruments at amortised cost	Total	Difference
384,760	384,760	-
<b>384,760</b>	<b>384,760</b>	-
174,669	174,669	-
<b>174,669</b>	<b>174,669</b>	-
<b>559,429</b>	<b>559,429</b>	-
384,759	384,759	-
1	1	(1)
<b>384,760</b>	<b>384,760</b>	

# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Annual Financial Statements for the year ended 28 February 2018

## Detailed Income Statement

Figures in R

2018

### Revenue

Sale of goods

2,684,489

**Total revenue**

**2,684,489**

### Cost of sales

Sale of goods

(900,059)

**Total cost of sales**

**(900,059)**

**Gross profit**

**1,784,430**

### Other income

Interest received

450

**Total other income**

**450**

### Other operating expenses

Accounting fees

(3,227)

Advertising

(570)

Bank charges

(3,671)

Computer expenses

(9,471)

Employee expense - salaries

(1,746,207)

Motor vehicle expense

(9,789)

Subscriptions

(5,789)

Travel - local

(39,617)

**Total other expenses**

**(1,818,341)**

**Loss before tax**

**(33,461)**

**Loss for the year**

**(33,461)**

# Akata Integrated Mining Solutions (Pty) Ltd

(Registration Number 2016/251176/07)

Annual Financial Statements for the year ended 28 February 2018

## Income Tax Computation

Figures in R	Note	2018
(Loss) / profit before tax		(33,461)
Computed income for the year		(33,461)
Taxable income		(33,461)
Normal tax		-