

NALEDZI INVESTMENT HOLDINGS (PTY) LTD

(Registration number 2014/093898/07)

Annual financial statements for the year ended 31 March 2018

Naledzi Investment Holdings (Pty) Ltd

(Registration number 2014/093898/07)

Annual Financial Statements for the year ended 31 March 2018

General Information

Nature of business and principal activities	No restrictions on business activities
Director	R E Matodzi
Registered office	Unit 01 10 Evans Road Olivedale 2158
Business address	Unit 01 10 Evans Road Olivedale 2158
Postal address	Unit 01 10 Evans Road Olivedale 2158
Bankers	Nedbank Standard Bank
Accountant	Harvest Chartered Accountants Inc.
Company registration number	2014/093898/07

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

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Directors' Responsibility for Financial Reporting

The Company's directors are responsible for the preparation and fair presentation of the annual financial statements, comprising the statement of financial position at 31 March, 2018, and the income statement, statement of other comprehensive income, the statement of changes in equity and cash flow statement for the year then ended, and the notes to the financial statements, which include a summary of the significant accounting policies and other explanatory notes, and the directors' report, in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by International Accounting Standards Board (IASB) and in the manner required by the Companies Act of South Africa.

The directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

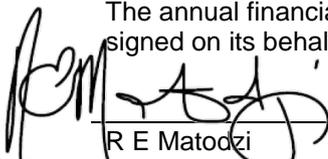
The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the annual financial statements

The annual financial statements were approved by the directors on 11 November 2018 and are signed on its behalf by -



R E Matoozi
Director

Naledzi Investment Holdings (Pty) Ltd

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Certificate by Company Secretary

In terms of section 88(2)(e) of the Companies Act, No 71 of 2008, as amended, I certify that the company has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of this Act and that such returns are true, correct and up to date..



Harvest Chartered Accountants Inc.

Naledzi Investment Holdings (Pty) Ltd

(Registration number 2014/093898/07)

Annual Financial Statements for the year ended 31 March 2018

	<p>PHYSICAL AND POSTAL ADDRESS: 1001 East Rand Junction (AKA PH&D) 23 Frank Road Bardene Boksburg, 1459 (Opposite East Rand Mall, next to Lindsay Saker) Tel: +2711 023 8827, Cell: +2782 572 5410 Fax: +2786 613 2961 Email: info@harvestca.co.za Web: www.harvestca.co.za</p>
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Report of the Compiler

To the Shareholder of Naledzi Investment Holdings (Pty) Ltd

We have compiled the accompanying financial statements of Naledzi Investment Holdings (Pty) Ltd based on information you have provided. These financial statements comprise the statement of financial position of Naledzi Investment Holdings (Pty) Ltd as at 31 March 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by International Accounting Standards Board (IASB) and in the manner required by the Companies Act of South Africa.

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 on the basis of accounting described in Note 1 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 basis of accounting described in Note 1



Harvest Chartered Accountants

IRBA Practice Number: 958808

30/08/2018

Naledzi Investment Holdings (Pty) Ltd

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Annual Financial Statements for the year ended 31 March 2018

Directors' Report

The directors have pleasure in submitting their report together with the annual financial statements for the year ended 31 March 2018.

General review

Naledzi Investment Holdings (Pty) Ltd a company incorporated in the Republic of South Africa.

No matter which is material to the financial affairs of the company has occurred between 31 March 2018 and the date of approval of the financial statements.

Statements of responsibility

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information.

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities, and in the manner required by the Companies Act, 2008.

The directors are also responsible for the company's system of internal financial controls. This is designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

Financial results

The results of the company for the year under review are fully set out in the attached financial statements and require no further comment.

Post balance sheet events

No material fact or circumstance, which requires comment, has occurred between the accounting date and the date of this report.

Dividends

No dividends were declared or proposed during the year under review.

Share capital

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

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Annual Financial Statements for the year ended 31 March 2018

Directors' Report continued

Directors and secretary

The directors of the company during the accounting period and up to the date of this report were as follows:

R E Matodzi

Naledzi Investment Holdings (Pty) Ltd

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Annual Financial Statements for the year ended 31 March 2018

Statement of Financial Position

Figures in Rand	Note	2018	2017
ASSETS			
Non- Current			
Property, Plant & Equipment	9	7,289	14,956
Non - Current Assets		7,289	14,956
Current			
Cash and Cash equivalents	7	-	-
Current assets		-	-
Total assets		7,289	14,956
EQUITY AND LIABILITIES			
Equity			
Share capital			
Retained Income/(Loss)		(406,465)	(299,785)
Member's interest and Reserves		(406,465)	(299,785)
Liabilities			
Non- Current			
Shareholders loan	8	413,518	314,619
Non- Current Liabilities		413,518	314,619
Current			
Cash and Cash equivalents	3	236	122
Current Liabilities		236	122
Total liabilities		413,754	314,741
Total equity and liabilities		7,289	14,956

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Annual Financial Statements for the year ended 31 March 2018

Statement of Comprehensive income

Figures in Rand	Notes	2018	2017
Revenue	2	1 061 406	2 345 363
Cost of Sales		(989 649)	(2 211 695)
Employee salaries and benefits expense	3	-	-
Depreciation	9	(7 668)	(7 668)
Other expense	4	(170 770)	(232 915)
Operating profit (Loss)		(106 681)	(106 915)
Finance income	5	-	-
Finance cost	5	-	(3)
Finance cost -net	5	-	(3)
Profit/(Loss) before income		(106 681)	(106 918)
Income tax expense	6	-	-
Profit (loss) for the year		(106 681)	(106 918)
Other comprehensive income			
Change in fair value of hedging instruments, net of tax		-	-
Other comprehensive income ,net of tax		-	-
Total comprehensive income (loss) for the year		(106 681)	(106 918)

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Statement of Changes in Equity

Figures in RAND	Retained earnings	Total equity
Opening Balance as at 01 April 2016	(192,866)	(192,866)
Net profit for the year	(106,918)	(106,918)
Balance as at 01 April 2017	(299,785)	(299,785)
Net profit for the year	(106,681)	(106,681)
Balance as at 31 March 2018	(406,465)	(406,465)

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Annual Financial Statements for the year ended 31 March 2018

Statement of Cash Flows

Figures in Rand	Notes	2017	2018
Cash flows from operating activities			
Profit for the year		(106,681)	(106,918)
Adjustment for non-cash income and expenses			
-Depreciation		(7,668)	7,668
-Finance cost -net			
Changes in working capital			
Cash generated from operations		(114,348)	(99,251)
Interest paid		-	-
Income tax paid		-	-
Net cash from operating activities		(114,348)	(99,251)
Cash flow from investing activities			
Purchase of property, plant and equipment (PPE)		-	-
Net cash used in investing activities		-	-
Cash flow from financing activities			
Proceeds from shareholders		114,234	99,129
Net cash used in financing activities		114,234	99,129
Net (decrease)/increase in cash, cash equivalents and bank overdraft		(114)	(122)
Cash equivalents and bank overdrafts at the beginning of the year		(122)	-
Cash, cash equivalents and bank overdrafts at the end of the year	7	(236)	(122)

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Accounting Policies

1. Basis of preparation

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

1.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and the Companies Act of South Africa, 2008.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets at fair value through equity, and are prepared on the going concern basis.

The preparation of financial statements in conformity with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) 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. The estimates and underlying assumptions are reviewed on an ongoing basis.

All amounts in the financial statements and the notes thereto are shown in South African Rands.

1.2 Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the group's activities. Revenue is shown net of sales/value-added tax, returns, rebates and discounts and after eliminating sales within the group.

The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity.

1.3 Property, plant and Equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The period generally applicable are:

Item	Average useful life
Furniture & Fittings	5 years

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If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations

Gains and losses on disposal of equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.

1.4 Financial instruments

Financial assets

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call and fixed deposits. Cash and cash equivalents are measured at fair value.

Financial liabilities

The company financial liabilities include borrowings and trade and other payables. Financial liabilities are recognised initially at transaction price. After initial recognition they are measured at amortised cost using the effective method. Trade payables are on normal credit terms and do not bear interest.

1.5 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of taxation. Incremental costs directly attributable to the issue of equity instruments as consideration for the acquisition of a business are included in the cost of the acquisition.

1.6 Income taxes

Income tax expense represents the sum of the tax currently payable as well as deferred tax. The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income and expenses that are taxable or deductible in other years. It further excludes items that will never be taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial transaction (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable nor the accounting profit. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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Notes to the Annual Financial Statements

Figures in Rand 2018 2017

2 Revenue

The breakdown of the revenue is as follows:

Analysis of revenue by category

Sales	1 061 406	2 345 363
Rental income		
Total	1,061,406	2,345,363

3 Employee salaries and benefits expense

Wages and Salaries

Share options granted to directors and selected employees

Total

Number of employees

4 Other expenses

Included in other operating expense are :

Office Rent	39,848	40,506
Travel	15,668	34,911
Marketing	17,135	30,949
Licensing / Subscriptions	23,177	8,266
Stationery	8,386	28,227
Assets < 7000	2,800	2,145
Internet	11,911	22,089
Telephone / Mobile	9,889	34,314
Bank Charges	3,119	4,005
Insurance	8,399	6,534
Entertainment	30,438	20,970
Total	170,770	232,915

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Notes to the Annual Financial Statements

Figures in Rand

2018

2017

5 Finance income and costs

Interest expense on financial liabilities measured at amortised costs		3.48
Other finance costs		
Finance cost		3.48
Finance income:		
Interest income on financial assets measured at amortised cost		
Other finance income		
Finance income		

6 Income tax

No tax is payable as the company has incurred assessed loss

7 Cash and cash equivalents

Cash at bank and on hand

Petty cash

Total

Cash, cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

Cash and cash equivalents		
Bank overdrafts	236	122
Total	236	122

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Figures in Rand

2018

2017

8 Shareholders loan

R E Matodzi	413,518	314,619
Other		
Total	413,518	314,619

9 Property, plant and equipment

	Computer Equipment	Office Equipment	Total
Cost			
At 1 April 2015	15,570	12,388	27,958
Additions	-	-	-
Disposal			-
At 31 March 2016	15,570	12,388	27,958
Accumulated depreciation and impairment			
At 1 April 2015	(8,047)	(4,955)	(13,002)
Annual depreciation	(5,190)	(2,478)	(7,668)
Accumulated depreciation of assets disposed of			-
At 31 March 2016	(13,237)	(7,433)	(20,670)
Carrying amount			
At 31 March 2015	7,523	7,433	14,956
At 31 March 2016	2,333	4,956	7,289