

**ROTO PUMPS AFRICA PROPRIETARY LIMITED**  
**(REGISTRATION NUMBER 2014/084040/07)**  
**ANNUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**accounting • tax • statutory**

JOHANNESBURG | CAPE TOWN | DURBAN

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**DIRECTORS** A. Narunsky | C.M. Johnston | D. Sewnarain | R.A. van der Walt | B.A. Szoke | N. Kapena | N. Aldrighetti | D.R. Vogt

1.2.3. Consulting is an independent member of TGS. As a separate and independent legal entity to TGS, 1.2.3. Consulting is solely responsible for the work it carries out and services it provides to its clients. TGS and the other members of the Network are not responsible and have no liability for the acts or omissions of 1.2.3. Consulting and 1.2.3. Consulting has no liability for the acts or omissions of other member firms. Reg no.: 2015/113898/07

# **Roto Pumps Africa Proprietary Limited**

## **Annual Financial Statements for the year ended 31 March 2019**

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### **Level of assurance**

These Annual Financial Statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

### **Preparer**

1.2.3. Consulting Proprietary Limited  
represented by B. Szoke, Professional Accountant (SAIPA)

### **Published**

13 May 2019



**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Directors' Responsibilities and Approval**

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The directors are required by the Companies Act 71 of 2008, 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 period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's is 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 board 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.

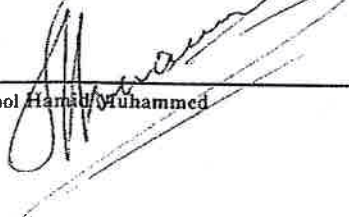
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the Annual Financial Statements. However, any system of internal financial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

The directors have reviewed the company's cash flow forecast for the year to 31 March 2020 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 examined by the company's external auditors and their report is presented on page 3 and 4.

The Annual Financial Statements set out on pages 5 to 19, which have been prepared on the going concern basis, were approved by the board on 13 May 2019 and were signed on its behalf by:

  
\_\_\_\_\_  
Vinay Kumar Dhar

  
\_\_\_\_\_  
Abdool Hamid Muhammed



## Independent Auditors Report

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### To the shareholders of Roto Pumps Africa Proprietary Limited

#### Opinion

We have audited the Annual Financial Statements of Roto Pumps Africa Proprietary Limited set out on pages 7 to 16, which comprise the Statement of Financial Position as at 31 March 2019, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and 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 Roto Pumps Africa Proprietary Limited as at 31 March 2019, 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 71 of 2008.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's 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 financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. Other information does not include the Annual Financial Statements and our auditor's 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.

Johannesburg | Cape Town | Durban

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[www.tgssouthafrica.co.za](http://www.tgssouthafrica.co.za)

Directors | F.L. Aldrighetti B.Comm, B.Acc, CA(SA), RA, CIMA, Dip.Prod.Mgmt | D.H. Odendaal B.Compt(Hons), CTA, CA(SA), RA | P. Daver Rampersadh B.Comm(Acc), PGDA, CA(SA), RA | L.J. Wood CA(SA) | N.P. Shaikh-Arab B.Comm, B.Compt(Hons), CA(SA), ACCA, RA | A. Cecchin B.Comm(Acc), B.Compt(Acc)(Hons), CA(SA), RA

TGS South Africa is an independent member of TGS. As a separate and independent legal entity to TGS, TGS South Africa is solely responsible for the work it carries out and services it provides to its clients. TGS and the other members of the Network are not responsible and have no liability for the acts or omissions of TGS South Africa and TGS South Africa has no liability for the acts or omissions of other member firms. Reg no.: 2015/058538/21



## Independent Auditors Report

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### 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 71 of 2008, 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 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 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 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 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.

  
TGS South Africa Incorporated

D. Odendaal

Director

Chartered Accountants (S.A.)

Registered Auditors

14 May 2019

Johannesburg

# **Roto Pumps Africa Proprietary Limited**

## **Annual Financial Statements for the year ended 31 March 2019**

### **Directors' Report**

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The directors have pleasure in submitting their report on the Annual Financial Statements of Roto Pumps Africa Proprietary Limited for the year ended 31 March 2019.

#### **1. Nature of business**

Roto Pumps Africa Proprietary Limited was incorporated in South Africa with interests in the distribution of pumps and pumping projects. The company operates principally 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 71 of 2008. 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. Share capital**

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

#### **4. Dividends**

The company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the board may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the board may pass on the payment of dividends.

Given the current state of the global economic environment, the board believes that it would be more appropriate for the company to conserve cash and maintain adequate debt headroom to ensure that the company is best placed to withstand any prolonged adverse economic conditions. Therefore the board has resolved not to declare a dividend for the financial year ended 31 March 2019.

#### **5. Directors**

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

<b>Directors</b>	<b>Changes</b>
Harish Chandra Gupta	Resigned 28 March 2019
Anurag Gupta	Resigned 28 March 2019
Arvind Gupta	Resigned 28 March 2019
Abdool Hamid Muhammed	
Ramesh Chandra Vaish	
Vinay Kumar Dhar	Appointed 28 March 2019
Ravin Munsook Sewnarain	Appointed 28 March 2019

#### **6. 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.

#### **7. Special resolutions**

No special resolutions, the nature of which might be significant to the shareholders in their appreciation of the state of affairs of the company were made by the company during the period covered by this report.

#### **8. 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.



**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Directors' Report**

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**9. 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.

**10. Auditors**

TGS South Africa Incorporated continued in office as auditors for the company for 2019.



**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Statement of Financial Position as at 31 March 2019**

Figures in Rand	Note(s)	2019	2018
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	144 324	194 344
Deferred tax	3	21 543	161 189
		<b>165 867</b>	<b>355 533</b>
<b>Current Assets</b>			
Inventories	4	5 064 276	3 451 896
Trade and other receivables	5	4 065 193	2 546 265
Current tax receivable		6 249	-
Cash and cash equivalents	6	250 440	224 371
		<b>9 386 158</b>	<b>6 222 532</b>
<b>Total Assets</b>		<b>9 552 025</b>	<b>6 578 065</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	7	2 000 100	2 000 100
Retained income		137 595	(421 423)
		<b>2 137 695</b>	<b>1 578 677</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Loan from shareholder	8	4 570 551	1 672 000
<b>Current Liabilities</b>			
Trade and other payables	9	2 843 779	3 327 388
<b>Total Liabilities</b>		<b>7 414 330</b>	<b>4 999 388</b>
<b>Total Equity and Liabilities</b>		<b>9 552 025</b>	<b>6 578 065</b>





**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Statement of Comprehensive Income**

Figures in Rand	Note(s)	2019	2018
Revenue	10	12 500 399	9 595 402
Cost of sales	11	(8 057 955)	(6 475 004)
<b>Gross profit</b>		<b>4 442 444</b>	<b>3 120 398</b>
Other income	12	3 768	162 238
Operating expenses		(3 671 021)	(3 054 465)
<b>Operating profit</b>		<b>775 191</b>	<b>228 171</b>
Investment revenue	13		
	14	1 224	-
<b>Profit before taxation</b>		<b>776 415</b>	<b>228 171</b>
Taxation	15	(217 397)	161 189
<b>Total comprehensive income for the year</b>		<b>559 018</b>	<b>389 360</b>



**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Statement of Changes in Equity**

Figures in Rand	Share capital	Retained income	Total equity
<b>Balance at 01 April 2017</b>	<b>2 000 100</b>	<b>(810 783)</b>	<b>1 189 317</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>389 360</b>	<b>389 360</b>
<b>Balance at 01 April 2018</b>	<b>2 000 100</b>	<b>(421 423)</b>	<b>1 578 677</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>559 018</b>	<b>559 018</b>
<b>Balance at 31 March 2019</b>	<b>2 000 100</b>	<b>137 595</b>	<b>2 137 695</b>

Note

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**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Statement of Cash Flows**

Figures in Rand	Note(s)	2019	2018
<b>Cash flows from operating activities</b>			
Cash used in operations	16	(2 379 165)	(155 824)
Interest income		1 224	-
Tax paid	17	(84 000)	-
<b>Net cash from operating activities</b>		<b>(2 461 941)</b>	<b>(155 824)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(8 108)	(12 000)
<b>Cash flows from financing activities</b>			
Advance from shareholders loan		2 898 551	-
<b>Net cash from financing activities</b>		<b>2 898 551</b>	<b>-</b>
<b>Total cash movement for the year</b>		<b>428 502</b>	<b>(167 824)</b>
Cash at the beginning of the year		224 371	229 957
Cash balances		(402 433)	162 238
<b>Total cash at end of the year</b>	6	<b>250 440</b>	<b>224 371</b>



# **Roto Pumps Africa Proprietary Limited**

## **Annual Financial Statements for the year ended 31 March 2019**

### **Accounting Policies**

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#### **1. Presentation of Annual Financial Statements**

The Annual Financial Statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. 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 Property, plant and equipment**

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, or for rental to others or for administrative purposes; and are expected to be used during more than one period.

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

Cost include 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.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Item	Depreciation method	Average useful life
Motor vehicles	Straight line	5 years
IT equipment	Straight line	3 years
Workshop equipment	Straight line	5 years

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are recognised in profit or loss.

##### **1.2 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.

###### **Financial instruments at cost**

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably 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, are measured at fair value through profit and loss.



# **Roto Pumps Africa Proprietary Limited**

## **Annual Financial Statements for the year ended 31 March 2019**

### **Accounting Policies**

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#### **1.3 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.

##### **Deferred tax assets and liabilities**

A deferred tax asset is recognised for all deductible temporary differences and for the carry forward of unused tax losses and unused tax credits.

Deferred tax assets and liabilities are measured at an amount that includes the effect of the possible outcomes of a review by the tax authorities using tax rates that, on the basis of enacted or substantively enacted tax law at the end of the reporting period, are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

##### **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.

#### **1.4 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.

#### **1.5 Inventories**

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell, on the weighted average cost basis.

#### **1.6 Impairment of assets**

The company assesses at each reporting date whether there is any indication that assets may be impaired.

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 Share capital and equity**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.





**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Accounting Policies**

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**1.8 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, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

**1.9 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.

**1.10 Borrowing costs**

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



**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Notes to the Annual Financial Statements**

Figures in Rand

2019 2018

**2. Property, plant and equipment**

	2019			2018		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Motor vehicles	255 600	(136 992)	118 608	255 600	(95 872)	159 728
IT equipment	49 228	(31 112)	18 116	41 120	(16 504)	24 616
Workshop equipment	12 000	(4 400)	7 600	12 000	(2 000)	10 000
<b>Total</b>	<b>316 828</b>	<b>(172 504)</b>	<b>144 324</b>	<b>308 720</b>	<b>(114 376)</b>	<b>194 344</b>

**Reconciliation of property, plant and equipment - 2019**

	Opening balance	Additions	Depreciation	Total
Motor vehicles	159 728	-	(41 120)	118 608
IT equipment	24 616	8 108	(14 608)	18 116
Workshop equipment	10 000	-	(2 400)	7 600
	<b>194 344</b>	<b>8 108</b>	<b>(58 128)</b>	<b>144 324</b>

**Reconciliation of property, plant and equipment - 2018**

	Opening balance	Additions	Depreciation	Total
Motor vehicles	200 848	-	(41 120)	159 728
IT equipment	32 840	-	(8 224)	24 616
Work equipment	-	12 000	(2 000)	10 000
	<b>233 688</b>	<b>12 000</b>	<b>(51 344)</b>	<b>194 344</b>

**3. Deferred tax**

**Deferred tax asset**

Other deferred tax asset	21 543	161 189
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**4. Inventories**

Finished goods	5 064 276	3 451 896
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**5. Trade and other receivables**

Trade receivables	3 878 738	2 451 736
Sundry debtors	10 027	94 529
Value Added Tax	176 428	-
	<b>4 065 193</b>	<b>2 546 265</b>

**6. Cash and cash equivalents**

Cash and cash equivalents consist of:

Cash on hand	415	213
Bank balances	250 025	224 158
	<b>250 440</b>	<b>224 371</b>



**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Notes to the Annual Financial Statements**

Figures in Rand

	2019	2018
<b>7. Share capital</b>		
<b>Authorised</b>		
3 000 000 ordinary shares at no par value	3 000 000	3 000 000
<b>Issued</b>		
2 000 100 ordinary shares at no par value	2 000 100	2 000 100
<b>8. Loan from shareholder</b>		
Roto Overseas Pte Ltd	(4 570 551)	(1 672 000)
This loan is unsecured, interest free and will not be repaid within the next 12 months.		
<b>9. Trade and other payables</b>		
Trade payables	2 697 662	3 110 749
Accrued employee costs	146 118	136 448
Accrued expenses	-	165
Value Added Tax	-	43 173
Provision for accruals	-	36 854
	<b>2 843 780</b>	<b>3 327 389</b>
<b>10. Revenue</b>		
Sale of goods	12 500 399	9 595 402
<b>11. Cost of sales</b>		
<b>Sale of goods</b>		
Cost of goods sold	8 057 955	6 475 004
<b>12. Other income</b>		
Profits on exchange differences	-	162 238
Other income	3 768	-
	<b>3 768</b>	<b>162 238</b>
<b>13. Operating profit</b>		
Operating profit for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts	79 200	78 600
Depreciation on property, plant and equipment	58 128	51 344
Employee costs	1 987 241	2 000 518
<b>14. Investment revenue</b>		
<b>Interest revenue</b>		
Bank	1 224	-



**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Notes to the Annual Financial Statements**

Figures in Rand

2019 2018

**15. Taxation**

**Major components of the tax expense (income)**

**Current**

Local income tax - current period 77 751 -

**Deferred**

Deferred tax 139 646 (161 189)  
**217 397 (161 189)**

**16. Cash used in operations**

Profit before taxation	776 415	228 171
<b>Adjustments for:</b>		
Depreciation and amortisation	58 128	51 344
Loss (profit) on foreign exchange	402 433	(162 238)
Interest received	(1 224)	-
<b>Changes in working capital:</b>		
Inventories	(1 612 380)	(578 198)
Trade and other receivables	(1 518 928)	(819 048)
Trade and other payables	(483 609)	1 124 145
	<b>(2 379 165)</b>	<b>(155 824)</b>

**17. Tax paid**

Current tax for the year recognised in profit or loss	(77 751)	-
Balance at end of the year	(6 249)	-
	<b>(84 000)</b>	<b>-</b>

**18. Related parties**

**Relationships**

Common directors/shareholder

Roto Overseas Pte Ltd

**Related party balances and transactions**

**Related party balances**

**Loan accounts - Owing (to) by related parties**

Roto Overseas Pte Ltd (4 570 551) (1 672 000)

**Amounts included in Trade receivable (Trade Payable) regarding related parties**

Roto Pumps Limited (1 362 225) (2 384 082)

**19. Comparative figures**

Certain comparative figures have been reclassified.



**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Detailed Income Statement**

Figures in Rand	Note(s)	2019	2018
<b>Revenue</b>			
Sale of goods		12 500 399	9 595 402
<b>Cost of sales</b>			
Opening stock		(3 451 896)	(2 873 698)
Purchases		(9 670 335)	(7 053 202)
Closing stock		5 064 276	3 451 896
	11	<b>(8 057 955)</b>	<b>(6 475 004)</b>
<b>Gross profit</b>		<b>4 442 444</b>	<b>3 120 398</b>
<b>Other income</b>			
Interest received	14	1 224	-
Other income 1		3 768	-
Profit on exchange differences		-	162 238
		<b>4 992</b>	<b>162 238</b>
<b>Expenses (Refer to page 18)</b>		<b>(3 671 021)</b>	<b>(3 054 465)</b>
<b>Profit before taxation</b>		<b>776 415</b>	<b>228 171</b>
Taxation	15	(217 397)	161 189
<b>Total comprehensive income for the year</b>		<b>559 018</b>	<b>389 360</b>





**Roto Pumps Africa Proprietary Limited**  
**Annual Financial Statements for the year ended 31 March 2019**

**Detailed Income Statement**

Figures in Rand	Note(s)	2019	2018
<b>Operating expenses</b>			
Accounting fees		572 560	560 805
Advertising		128 893	1 800
Bank charges		23 832	13 103
Computer expenses		37 221	31 400
Consumables		5 041	16 491
Depreciation, amortisation and impairments		58 128	51 344
Dispatch		21 353	25 430
Employee costs		1 987 241	2 000 518
Entertainment		20 662	16 212
Insurance		35 060	33 457
Lease rentals on operating lease		79 200	78 600
Loss on exchange differences		402 433	-
Motor vehicle expenses		156 531	100 001
Printing and stationery		5 076	5 421
Protective clothing		63	-
Repairs and maintenance		2 661	-
Small asset written off		-	7 559
Staff welfare		15 887	14 476
Telephone and fax		97 104	75 064
Travel - local		22 075	22 784
		<b>3 671 021</b>	<b>3 054 465</b>



**Roto Pumps Africa Proprietary Limited**

(Taxpayer reference number 9455090184)

**(Registration number 2014/084040/07)****Annual Financial Statements for the year ended 31 March 2019****Tax Computation**

Figures in Rand

2019

Net profit per income statement	776 415
<b>Temporary differences</b>	
Depreciation according to financial statements	58 128
Wear and tear allowance (S11(e))	(68 337)
Provision for leave pay not deductible current year	113 030
Provision for leave pay previously raised	(88 415)
	<b>14 406</b>
<b>Calculated tax profit for the year</b>	<b>790 821</b>
Assessed loss brought forward	(513 140)
<b>Taxable income for 2019</b>	<b>277 681</b>
<b>Tax thereon @ 28% in the Rand</b>	<b>77 751</b>
<b>Reconciliation of tax balance</b>	
<b>Tax owing/(prepaid) for the current year:</b>	
<b>Normal tax</b>	
Per calculation	77 751
1st provisional payment	-
2nd provisional payment	(84 000)
Other payments	-
	<b>(6 249)</b>
<b>Amount owing/(prepaid) at the end of year</b>	<b>(6 249)</b>

