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TESTIMONIALS

I am honestly blown away with your software. It is so easy to use and the layout of the end result is so pretty.

- Adele Cawood
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Draftworx is truly a remarkable software for Financial preparation and saves so much time.

- Demetree Witbooi
Arbitrans Consulting (Pty) Ltd

I am ecstatic! This program is really fantastic!

- Tracy Cowan
Cowan Accounting

We just love working with Draftworx, the program and the people!!!

- Andre Du Toit
Symonds Du Toit Tshiwilowilo Incorporated

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C. Ridden
CRA Property & Sectional Title Accountants

The program is just the best. Where it took me a day to do 2 financials on (Censored Product), I can now do 4 in a day and so easy to modify if the clients want to change something. Brilliant!

- Johan van Gass
VG Accountants

Thank you for the Webinar and also the wonderful support of Draftworx. I have never experienced such great support on any other program! Keep it up!

- Monique Strydom
Strydom & Strydom Financial Services

May I please have another license for the best accounting software ever developed! It's so nice, I want to use it twice!

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FINANCIALS

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Financials+ IFRS SME Proprietary Limited

(Registration Number 2017/012345/07)
Annual Financial Statements
for the year ended 28 February 2017

Audited Financial Statements

in compliance with Companies Act 71 of 2008
Prepared by: John Smith
Professional designation: Director

Financials+ IFRS SME Proprietary Limited

(Registration Number 2017/012345/07)

Annual Financial Statements for the year ended 28 February 2017

Index

Director's Responsibilities and Approval

The director is required by the Companies Act of South Africa to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is his 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 director acknowledges that he is 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 director to meet these responsibilities, the director 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 director is of the opinion, based on the information and explanations given by management and the external auditors, 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 director has 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 have been audited by the independent auditing firm, Draftworx Auditors, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of shareholder, the director and committees of the director. The director believes that all representations made to the independent auditor during the audit were valid and appropriate. The external auditors' unqualified audit report is presented on pages 4 to 5.

The annual financial statements as set out on pages 6 to 20 were approved by the board on 31 May 2017 and were signed by him.

J. Smith

John Smith

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Director's Report

The director presents his report for the year ended 28 February 2017.

1. Review of activities

Main business and operations

The principal activity of the company is retail outlet in central pretoria 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 my opinion require any further comment.

2. 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 Director is 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 of the financial position of the company.

3. 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.

4. Dividend

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

5. Director

The director of the company during the year and to the date of this report is as follows:
John Smith

6. Secretary

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

7. Shareholder

There have been no changes in ownership and the shareholder remains:

	%
John Smith	100

8. Independent Auditors

Draftworx Auditors were the independent auditors for the year under review.

Independent Auditor's Report

To the Shareholder of Financials+ IFRS SME Proprietary Limited

Opinion

We have audited the financial statements of Financials+ IFRS SME Proprietary Limited set out on pages 6 to 20, which comprise the statement of financial position as at 28 February 2017, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as at 28 February 2017, 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 (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the 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.

Responsibilities of the Director for the Financial Statements

The director is responsible for the preparation and fair presentation of the 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 director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the director 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.

Draftworx Auditors

31 May 2017

Per: Jack Smith
Director
Chartered Accountant (SA)

123 Murray Street
Pretoria
0001

Statement of Financial Position

Figures in R	**Notes**	**2017**	**2016**
Non-current assets			
Property, plant and equipment	4	30,847,176	21,889,404
Current assets			
Inventories	5	25,158,794	24,154,465
Trade and other receivables	7	64,504,663	20,012,456
Total current assets		**89,663,457**	**44,166,921**
Total assets		**120,510,633**	**66,056,325**
Equity and liabilities			
Equity			
Issued capital	8	100	100
Retained income		64,128,731	17,754,535
Total equity		**64,128,831**	**17,754,635**
Liabilities			
Current liabilities			
Trade and other payables	9	21,841,996	27,587,172
Other financial liabilities	10	31,393,753	19,005,133
Bank overdraft	11	3,146,053	1,709,385
Total current liabilities		**56,381,802**	**48,301,690**
Total liabilities		**56,381,802**	**48,301,690**
Total equity and liabilities		**120,510,633**	**66,056,325**

Statement of Comprehensive Income

Figures in R	Notes	2017	2016
Revenue	12	215,015,543	200,124,564
Cost of sales	13	(139,760,103)	(134,083,458)
Gross profit		**75,255,440**	**66,041,106**
Administrative expenses	14	(602,570)	(596,365)
Other expenses	15	(28,278,674)	(25,014,105)
Profit from operating activities	16	**46,374,196**	**40,430,636**
Profit for the year		**46,374,196**	**40,430,636**

Statement of Changes in Equity

Figures in R	Issued capital	Retained income	Total
Balance at 1 March 2015	100	(2,676,101)	(2,676,001)
Changes in equity			
Profit for the period	-	40,430,636	40,430,636
Total comprehensive income	-	40,430,636	40,430,636
Dividend recognised as distributions to owners	-	(20,000,000)	(20,000,000)
Balance at 29 February 2016	100	17,754,535	17,754,635
Balance at 1 March 2016	100	17,754,535	17,754,635
Changes in equity			
Profit for the period	-	46,374,196	46,374,196
Total comprehensive income	-	46,374,196	46,374,196
Balance at 28 February 2017	100	64,128,731	64,128,831
Note	**8**		

Statement of Cash Flows

Figures in R	Note	2017	2016
Cash flows used in operating activities			
Profit for the year		**46,374,196**	**40,430,636**
Adjustments to reconcile profit			
Adjustments for increase in inventories		(1,004,329)	(11,139,181)
Adjustments for increase in trade accounts receivable		(44,492,207)	(12,504,888)
Adjustments for decrease in trade accounts payable		(5,852,677)	(5,070,548)
Adjustments for increase in other operating payables		107,501	506,784
Adjustments for depreciation and amortisation expense		581,895	248,985
Total adjustments to reconcile profit		**(50,659,817)**	**(27,958,848)**
Net cash flows (used in) / from operations		**(4,285,621)**	**12,471,788**
Dividend paid		-	(20,000,000)
Net cash flows used in operating activities		**(4,285,621)**	**(7,528,212)**
Cash flows used in investing activities			
Purchase of property, plant and equipment		(9,539,667)	(1,253,423)
Cash flows used in investing activities		**(9,539,667)**	**(1,253,423)**
Cash flows from financing activities			
Proceeds from other financial liabilities		12,388,620	6,601,846
Cash flows from financing activities		**12,388,620**	**6,601,846**
Net decrease in cash and cash equivalents		**(1,436,668)**	**(2,179,789)**
Cash and cash equivalents at beginning of period		(1,709,385)	470,404
Cash and cash equivalents at end of period	**11**	**(3,146,053)**	**(1,709,385)**

Accounting Policies

Figures in R

1. General information

Financials+ IFRS SME Proprietary Limited ('the company') retail outlet in central Pretoria.

The company is incorporated and domiciled in South Africa. The address of its registered office is 123 Murray Street, Pretoria, 0001.

2. Basis of preparation

The financial statements of Financials+ IFRS SME Proprietary Limited 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.

3. 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.

3.1 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.

The company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Asset class	Depreciation rate
Land	Not depreciated
Machinery	20.00%
Motor vehicles	20.00%
Office equipment	16.67%
Computer equipment	33.33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Accounting Policies

Figures in R

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains/(losses)' in the statement of comprehensive income.

3.2 Financial instruments

Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

Other financial assets

Other financial assets are recognised initially at the transaction price, including transaction costs except where the asset will subsequently be measured at fair value.

Where other financial assets relate to shares that are publically traded, or where fair values can be measured reliably without undue cost or effort, these assets are subsequently measured at fair value with the changes in fair value being recognised in profit or loss. Other investments are subsequently measured at cost less impairment.

Debt instruments are subsequently stated at amortised cost. Interest income is recognised on the basis of the effective interest method and is included in finance income.

Commitments to receive a loan that meet the conditions in paragraph 11.8(c) are be measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities are recognised initially at the transaction price, including transaction costs except where the liability will subsequently be measured at fair value.

Where the fair value of other financial liabilities can be measured reliably without undue cost or effort, these liabilities are subsequently measured at fair value with the changes in fair value being recognised in profit or loss.

Debt instruments are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Other financial liabilities are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Issued capital

Ordinary shares are classified as equity.

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3.3 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises packaging costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

3.4 Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 company's subsidiaries operate and generate taxable income.

Deferred income tax is recognised on temporary differences (other than temporary differences associated with unremitted earnings from foreign subsidiaries and associates to the extent that the investment is essentially permanent in duration, or temporary differences associated with the initial recognition of goodwill) arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the group. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

3.5 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.

Revenue from the sale of goods is recognised when:

a) significant risks and rewards of ownership of the goods have been transferred to the buyer;

b) there neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

c) the amount of revenue can be measured reliably;

d) it is probable that the economic benefits associated with the transaction will flow to the entity; and

e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income is recognised using the effective interest method.

3.6 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Accounting Policies

Figures in R

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

Short-term employee benefits

Compensation paid to employees for the rendering of services are recognised at the undiscounted amount paid or expected to be paid in the accounting period in which the services were rendered.

Where employees accumulate entitlement for paid absences, an expense is recognised as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. In the case of non-accumulating paid absences, the expense is recognised only when the absences occur.

The expected cost of profit-sharing and bonus payments are recognised when there is a present legal or constructive obligation to make such payments as a result of past events, and a reliable estimate of the obligation can be made. A present obligation exists when there is no realistic alternative but to make the payments.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to an entity during a period, the contribution payable to a defined contribution plan in exchange for that service is recognised:

a) as a liability, after deducting any contribution already paid. Where the contribution already paid exceeds the contribution due for service before the end of the reporting period, the excess is recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

b) as an expense, except where the amount is allowed as an inclusion in the cost of an asset.

Notes to the Annual Financial Statements

Figures in R

4. Property, plant and equipment

4.1 Balances at year end and movements for the year

	Land	Machinery	Motor vehicles	Office equipment	Computer equipment	Total
Reconciliation for the year ended 28 February 2017						
Balance at 1 March 2016						
At cost	20,000,000	10,541,995	5,270,997	3,953,248	6,588,747	**46,354,987**
Accumulated depreciation	-	(9,786,233)	(4,893,117)	(3,669,837)	(6,116,396)	**(24,465,583)**
Net book value	**20,000,000**	**755,762**	**377,880**	**283,411**	**472,351**	**21,889,404**
Movements for the year ended 28 February 2017						
Additions other than through business combinations	-	3,815,867	1,907,934	1,430,949	2,384,917	**9,539,667**
Depreciation	-	(232,758)	(116,379)	(87,284)	(145,474)	**(581,895)**
Property, plant and equipment at end of period	**20,000,000**	**4,338,871**	**2,169,435**	**1,627,076**	**2,711,794**	**30,847,176**
Closing balance at 28 February 2017						
At cost	20,000,000	14,357,862	7,178,931	5,384,198	8,973,664	**55,894,655**
Accumulated depreciation	-	(10,018,991)	(5,009,496)	(3,757,122)	(6,261,870)	**(25,047,479)**
Net book value	**20,000,000**	**4,338,871**	**2,169,435**	**1,627,076**	**2,711,794**	**30,847,176**

Reconciliation for the year ended 29 February 2016						
Balance at 1 March 2015						
At cost	20,000,000	10,040,626	5,020,313	3,765,235	6,275,391	**45,101,565**
Accumulated depreciation	-	(9,686,639)	(4,843,320)	(3,632,490)	(6,054,150)	**(24,216,599)**
Net book value	**20,000,000**	**353,987**	**176,993**	**132,745**	**221,241**	**20,884,966**
Movements for the year ended 29 February 2016						
Additions other than through business combinations	-	501,369	250,684	188,014	313,356	**1,253,423**
Depreciation	-	(99,594)	(49,797)	(37,348)	(62,246)	**(248,985)**
Property, plant and equipment at end of period	**20,000,000**	**755,762**	**377,880**	**283,411**	**472,351**	**21,889,404**
Closing balance at 29 February 2016						
At cost	20,000,000	10,541,995	5,270,997	3,953,248	6,588,747	**46,354,987**
Accumulated depreciation	-	(9,786,233)	(4,893,117)	(3,669,837)	(6,116,396)	**(24,465,583)**
Net book value	**20,000,000**	**755,762**	**377,880**	**283,411**	**472,351**	**21,889,404**

Notes to the Annual Financial Statements

Figures in R	2017	2016

4.2 Additional disclosures

Assets whose title is restricted and pledged as security

The carrying values of assets pledged as security is as follows:		
Land	20,000,000	20,000,000

4.3 Detail of properties

4.3.1 17 Church Street, Pretoria

Warehouse facility		
Purchase price	10,000,000	10,000,000
Improvements 2015	10,000,000	10,000,000
	20,000,000	**20,000,000**

5. Inventories

5.1 The balances of inventories are as follows:

Merchandise	25,158,794	24,154,465

6. Other financial assets

6.1 Carrying amount of financial assets by category

	Debt instruments at amortised cost	Total
Year ended 28 February 2017		
Trade and other receivables excluding non-financial assets (Note 7)	64,504,663	**64,504,663**
Year ended 29 February 2016		
Trade and other receivables excluding non-financial assets (Note 7)	20,012,456	**20,012,456**

6.2 Financial assets pledged as collateral

Carrying amount of financial assets pledged as collateral for financial or contingent liabilities:	**2017**	**2016**
Trade and other receivables	64,504,663	20,012,456

Notes to the Annual Financial Statements

Figures in R	2017	2016

7. Trade and other receivables

7.1 Trade and other receivables comprise:

Trade receivables	64,504,663	20,012,456

8. Issued capital

8.1 Authorised and issued share capital

Authorised		
1,000 Ordinary shares of R1 each	1,000	1,000
Issued		
100 Ordinary shares of R1 each	100	100

9. Trade and other payables

9.1 Trade and other payables are made up as follows:

Trade creditors	20,964,016	26,816,693
Value added tax	877,980	770,479
Total trade and other payables	**21,841,996**	**27,587,172**

9.2 Items included in trade and other payables not classified as financial liabilities

Value added tax	877,980	770,479
Total non-financial liabilities included in trade and other payables	877,980	770,479
Total trade and other payables excluding non-financial liabilities included in trade and other payables	20,964,016	26,816,693
Total trade and other payables	**21,841,996**	**27,587,172**

Notes to the Annual Financial Statements

Figures in R	2017	2016

10. Other financial liabilities

10.1 Carrying amount of other financial liabilities by category

	Debt instruments at amortised cost	Total
Year ended 28 February 2017		
Mortgage bonds	15,000,000	**15,000,000**
Instalment sale agreements	10,897,564	**10,897,564**
Loans from shareholders	5,496,189	**5,496,189**
Components listed under other financial assets on the statement of financial position	**31,393,753**	**31,393,753**
Trade and other payables excluding non-financial liabilities (Note 9)	20,964,015	**20,964,015**
Bank overdraft (Note 11)	3,146,053	**3,146,053**
Components listed separately on the statement of financial position	**24,110,068**	**24,110,068**
	55,503,821	**55,503,821**
Other financial assets comprise the following on the statement of financial position:		
Current portion	31,393,753	**31,393,753**
Non-current portion	-	**-**
	31,393,753	**31,393,753**
Year ended 29 February 2016		
Mortgage bonds	10,000,000	**10,000,000**
Instalment sale agreements	1,750,165	**1,750,165**
Loans from shareholders	7,254,968	**7,254,968**
Components listed under other financial assets on the statement of financial position	**19,005,133**	**19,005,133**
Trade and other payables excluding non-financial liabilities (Note 9)	26,816,692	**26,816,692**
Bank overdraft (Note 11)	1,709,385	**1,709,385**
Components listed separately on the statement of financial position	**28,526,077**	**28,526,077**
	47,531,210	**47,531,210**

Notes to the Annual Financial Statements

Figures in R	2017	2016
Other financial assets comprise the following on the statement of financial position:		
Current portion	19,005,133	**19,005,133**
Non-current portion	-	**-**
	19,005,133	**19,005,133**

11. Cash and cash equivalents

11.1 Cash and cash equivalents comprise:

	2017	2016
Bank overdrafts	(3,146,053)	(1,709,385)
Total overdrawn cash and cash equivalents included in current liabilities	**(3,146,053)**	**(1,709,385)**

11.2 Undrawn overdraft facilities

	2017	2016
Limit of overdraft facilities available to the Company	10,000,000	5,000,000
Total undrawn facilities at year end	6,853,947	3,290,615

11.3 Securities provided

Description	**Details**
Trade receivables	Trade receivables are ceded to the bank in case of any recall of facilities

12. Revenue

12.1 Revenue comprises

	2017	2016
Sale of goods	215,015,543	200,124,564

13. Cost of sales

13.1 Cost of sales is analysed as follows:

	2017	2016
Sale of goods	139,760,103	134,083,458

14. Administrative expenses

14.1 Administrative expenses consist:

	2017	2016
Accounting fees	150,546	180,685
Bank charges	452,024	415,680
	602,570	**596,365**

Notes to the Annual Financial Statements

Figures in R	2017	2016

15. Other expenses

15.1 Other expenses consist:

Advertising	385,546	354,848
Cleaning	2,045,468	1,864,796
Hire - equipment	3,059,496	2,781,360
Software expense - Draftworx	150,324	364,865
Petrol and oil	546,810	458,602
Training	1,568,496	1,248,560
Travel - local	254,879	250,489
Employee benefit expenses	19,685,760	17,441,600
Depreciation	581,895	248,985
Total other expenses	**28,278,674**	**25,014,105**

16. Profit from operating activities

16.1 Profit from operating activities includes the following separetely disclosable items

Other operating expenses		
Property plant and equipment		
- depreciation	581,895	248,985
Other employee benefits	19,685,760	17,441,600

Detailed Income Statement

Figures in R	2017	2016
Revenue		
Sale of goods	215,015,543	200,124,564
Total revenue	**215,015,543**	**200,124,564**
Cost of sales		
Sale of goods	(139,760,103)	(134,083,458)
Total cost of sales	**(139,760,103)**	**(134,083,458)**
Gross profit	**75,255,440**	**66,041,106**
Other operating expenses		
Accounting fees	(150,546)	(180,685)
Advertising	(385,546)	(354,848)
Bank charges	(452,024)	(415,680)
Cleaning	(2,045,468)	(1,864,796)
Depreciation - property, plant and equipment	(581,895)	(248,985)
Employee expense - salaries	(19,685,760)	(17,441,600)
Hire	(3,059,496)	(2,781,360)
Petrol and oil	(546,810)	(458,602)
Software expense - Draftworx	(150,324)	(364,865)
Training	(1,568,496)	(1,248,560)
Travel - local	(254,879)	(250,489)
Total other expenses	**(28,881,244)**	**(25,610,470)**
Profit before tax	**46,374,196**	**40,430,636**
Profit for the year	**46,374,196**	**40,430,636**