

ROTO PUMPS AFRICA PROPRIETARY LIMITED
(REGISTRATION NUMBER 2014/084040/07)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

accounting · tax · statutory

JOHANNESBURG | CAPE TOWN | DURBAN

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Roto Pumps Africa Proprietary Limited
(Registration number: 2014/084040/07)
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Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act No. 71 of 2008.

Preparer

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

Published

21 May 2021



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Directors' Responsibilities and Approval

The directors are required by the Companies Act No. 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 auditors are engaged to express an independent opinion on the annual financial statements.

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

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of 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.

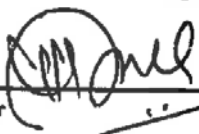
The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical 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.

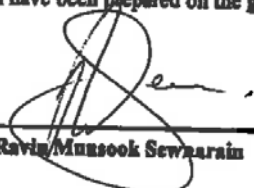
The directors have reviewed the company's cash flow forecast for the year to 31 March 2022 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

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 to 4.

The annual financial statements set out on pages 5 to 21, which have been prepared on the going concern basis, were approved by the board of directors on 21 May 2021 and were signed on its behalf by:



Vinay Kumar Dhar



Ravin Munsook Sewarain



Independent Auditors Report

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 18, which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity and 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 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act No. 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 annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the 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.

Material uncertainty related to going concern

We draw attention to note 22 in the annual financial statements, which indicates that management anticipate the health risk of the COVID-19 virus and the declared South African national disaster to have a negative impact on future income. The events and conditions stated in the respective notes indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Uncertainties related to the potential effects of COVID-19 are relevant to understanding our audit of the annual financial statements. All audits assess and challenge the reasonableness of estimates made by the company, the related disclosures and the appropriateness of the going concern assumption of the annual financial statements. The appropriateness of the going concern assumption depends on assessments of the future economic environment and the company's future prospects and performance. The COVID-19 pandemic is a "black-swan" event which is anticipated to create challenges for humanity and for the global economy, and at the date of this report its effects are subject to levels of uncertainty. An audit cannot predict the unknown factors or all possible future implications for the company and this is particularly the case in relation to COVID-19.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report and the Detailed Income Statement as required by the Companies Act No. 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 on the other information obtained prior to the date of this auditor's report, 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.

Independent Auditors Report

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 International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act No. 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

TGS South Africa Incorporated
F. Aldrighetti
Director
Chartered Accountants (S.A.)
Registered Auditors

21 May 2021
Johannesburg

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Directors' Report

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 2021.

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 No. 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 of directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the board of directors may pass on the payment of dividends.

Given the current state of the global economic environment, the board of directors 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 of directors has resolved not to declare a dividend for the financial year ended 31 March 2021.

The board of directors do not recommend the declaration of a dividend for the year.

5. Directors

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

Directors

Abdool Hamid Muhammad
Ramesh Chandra Vaish
Vinay Kumar Dhar
Ravin Munsook Sewnarain

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

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.

At 31 March 2021 the company's investment in property, plant and equipment amounted to R750 328 (2020:R839 740), of which R90 035 (2020: R863 001) was added in the current year through additions.

7. 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.



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Directors' Report

8. 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.

Management anticipate the health risk of the COVID-19 virus and the declared South African national disaster to have a negative impact on future income of the company, and the existence of this material uncertainty may cast significant doubt on the company's ability to continue as a going concern. However the appropriateness of the going concern assumption depends on assessments of the future economic environment and the company's future prospects and performance which are unknown. The COVID-19 pandemic is a "black-swan" event which is anticipated to create challenges for humanity and for the global economy as a whole, and at the date of this report its effects are subject to levels of uncertainty out of managements control.

Although management at this stage cannot predict the unknown factors or all possible future implications for the company they have concluded, due to the strength of its financial resources, the company will continue to operate as a going concern.

9. Auditors

TGS South Africa Incorporated continued in office as auditors for the company for 2021.



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Statement of Financial Position as at 31 March 2021

Figures in Rand	Note(s)	2021	2020
Assets			
Non-Current Assets			
Property, plant and equipment	2	750 328	839 740
Deferred tax	3	47 226	277 676
		797 554	1 117 416
Current Assets			
Inventories	4	7 280 905	7 398 013
Trade and other receivables	5	3 356 050	3 851 921
Cash and cash equivalents	6	467 835	743 915
		11 104 790	11 993 849
Total Assets		11 902 344	13 111 265
Equity and Liabilities			
Equity			
Share capital	7	2 000 100	2 000 100
Retained income		1 561 256	373 079
		3 561 356	2 373 179
Liabilities			
Non-Current Liabilities			
Loan from shareholder	8	4 628 039	5 404 970
Other financial liabilities	9	414 317	581 519
		5 042 356	5 986 489
Current Liabilities			
Trade and other payables	10	3 130 544	4 599 463
Other financial liabilities	9	162 757	140 422
Current tax payable		5 331	11 712
		3 298 632	4 751 597
Total Liabilities		8 340 988	10 738 086
Total Equity and Liabilities		11 902 344	13 111 265



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Statement of Comprehensive Income

Figures in Rand	Note(s)	2021	2020
Revenue	11	13 332 626	16 196 540
Cost of sales	12	(9 051 298)	(10 243 051)
Gross profit		4 281 328	5 953 489
Other income	13	1 361 066	-
Operating expenses		(3 928 533)	(5 553 724)
Operating profit	14	1 713 861	399 765
Investment revenue	15	500	4 456
Finance costs	16	(64 114)	(77 158)
Profit before taxation		1 650 247	327 063
Taxation	17	(462 070)	(91 579)
Total comprehensive income for the year		1 188 177	235 484



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Statement of Changes in Equity

Figures in Rand	Share capital	Retained income	Total equity
Balance at 01 April 2019	2 000 100	137 595	2 137 695
Total comprehensive income for the year	-	235 484	235 484
Balance at 01 April 2020	2 000 100	373 079	2 373 179
Total comprehensive income for the year	-	1 188 177	1 188 177
Balance at 31 March 2021	2 000 100	1 561 256	3 561 356

Note

7



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Statement of Cash Flows

Figures in Rand	Note(s)	2021	2020
Cash flows from operating activities			
Cash generated from operations	18	1 037 367	202 569
Interest income		500	4 456
Finance costs		(64 114)	(77 158)
Tax paid	19	(238 000)	(329 751)
Net cash from operating activities		735 753	(199 884)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(90 035)	(863 001)
Cash flows from financing activities			
Net movement of other financial liabilities		(144 867)	721 941
Net movement of shareholder's loan		(776 931)	834 419
Net cash from financing activities		(921 798)	1 556 360
Total cash movement for the year		(276 080)	493 475
Cash at the beginning of the year		743 915	250 440
Total cash at end of the year	6	467 835	743 915



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Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The Annual Financial Statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act No. 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 assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

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

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of property, plant and equipment have been assessed 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 without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.



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Accounting Policies

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 liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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.



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Accounting Policies

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.

1.11 Foreign exchange

Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

All transactions in foreign currencies are initially recorded in Rand, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.



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Notes to the Annual Financial Statements

Figures in Rand 2021 2020

2. Property, plant and equipment

	2021			2020		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Motor vehicles	1 081 600	(443 037)	638 563	1 081 600	(283 149)	798 451
IT equipment	86 229	(65 798)	20 431	86 229	(50 140)	36 089
Workshop equipment	102 035	(10 701)	91 334	12 000	(6 800)	5 200
Total	1 269 864	(519 536)	750 328	1 179 829	(340 089)	839 740

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Closing balance
Motor vehicles	798 451	-	(159 888)	638 563
IT equipment	36 089	-	(15 658)	20 431
Workshop equipment	5 200	90 035	(3 901)	91 334
	839 740	90 035	(179 447)	750 328

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Depreciation	Closing balance
Motor vehicles	118 608	826 000	(146 157)	798 451
IT equipment	18 116	37 001	(19 028)	36 089
Work equipment	7 600	-	(2 400)	5 200
	144 324	863 001	(167 585)	839 740

Property, plant and equipment encumbered as security

The following assets have been encumbered as security for the long-term borrowings as disclosed in note 9:

Motor vehicles	588 563	720 963
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3. Deferred tax

Deferred tax liability	(31 331)	(18 794)
Deferred tax asset	78 557	296 470
Total net deferred tax asset	47 226	277 676

The major components of the deferred tax balance are as follows:

Deferred tax liability

Arising as a result of temporary differences on:

Property, plant and equipment	(31 331)	(18 794)
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Deferred tax asset

Arising as a result of temporary differences on:

Provisions	28 075	44 249
Deferred exchange losses/(gains) (s24I (10A))	50 482	252 221
Total deferred tax asset	78 557	296 470



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Figures in Rand	2021	2020
4. Inventories		
Finished goods	7 280 905	7 398 013
5. Trade and other receivables		
Trade receivables	3 044 127	3 669 032
Sundry debtors	-	11 603
Value Added Tax	311 923	171 286
	3 356 050	3 851 921
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	15	15
Bank balances	467 820	743 900
	467 835	743 915
7. Share capital		
Authorised		
3 000 000 ordinary shares at no par value	3 000 000	3 000 000
999 900 unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.		
Issued		
2 000 100 ordinary shares at no par value	2 000 100	2 000 100
8. Loan from shareholder		
Roto Overseas Pte Ltd	(4 628 039)	(5 404 970)
This loan is unsecured, interest free and will not be repaid within the next 12 months.		
The above loan consists of two parts, namely R1 672 000 which is denominated in Rands and the remaining balance of R2 956 039 (2020: R3 732 970) which is denominated in Singapore Dollars to the value of SGD 274 000.		
9. Other financial liabilities		
At amortised cost		
Instalment sales	577 074	721 941
The loans are secured by the assets disclosed in note 2, bear interest at market related rates between 8% and 10% per annum and are repayable through monthly instalments over 60 months.		
Non-current liabilities		
At amortised cost	414 317	581 519
Current liabilities		
At amortised cost	162 757	140 422
	577 074	721 941



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Figures in Rand	2021	2020
10. Trade and other payables		
Trade payables	2 967 188	4 340 918
Accrued employee costs	163 356	258 545
	3 130 544	4 599 463
11. Revenue		
Sale of goods	13 332 626	16 196 540
12. Cost of sales		
Sale of goods		
Cost of goods sold	9 051 298	10 243 051
13. Other income		
Profit on exchange differences	1 360 550	-
Other income	516	-
	1 361 066	-
14. Operating profit		
Operating profit for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	81 200	82 400
Depreciation on property, plant and equipment	179 447	167 585
Employee costs	1 774 756	2 226 244
15. Investment revenue		
Interest revenue		
Bank	500	4 456
16. Finance costs		
Other financial liabilities	64 114	77 158
17. Taxation		
Major components of the tax expense		
Current taxation		
South African normal tax - year	231 619	347 712
Deferred taxation		
South African deferred tax - current year	230 451	(256 133)
	462 070	91 579



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Notes to the Annual Financial Statements

Figures in Rand	2021	2020
18. Cash generated from operations		
Profit before taxation	1 650 247	327 063
Adjustments for:		
Depreciation and amortisation	179 447	167 585
Interest received	(500)	(4 456)
Finance costs	64 114	77 158
Changes in working capital:		
Inventories	117 108	(2 333 737)
Trade and other receivables	495 871	213 272
Trade and other payables	(1 468 920)	1 755 684
	1 037 367	202 569

19. Tax paid

Balance at beginning of the year	(11 712)	6 249
Current tax for the year recognised in profit or loss	(231 619)	(347 712)
Balance at end of the year	5 331	11 712
	(238 000)	(329 751)

20. Related parties

Relationships	
Common directors/shareholder	Roto Overseas Pte Limited
Members of key management	A.H. Muhammad R.C. Vaish V.K. Dhar R.M. Sewnarain

Related party balances and transactions

Related party balances

Loan accounts - Owing (to) by related parties

Roto Overseas Pte Ltd	(4 628 039)	(5 404 970)
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Amounts included in Trade receivable (Trade Payable) regarding related parties

Roto Pumps Limited	(2 208 551)	(3 638 966)
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21. Directors' remuneration

Executive

2021

	Emoluments	Total
Ravin Munsook Sewnarain	831 570	831 570

2020

	Emoluments	Total
Ravin Munsook Sewnarain	879 345	879 345



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Figures in Rand	2021	2020
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22. 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.

Management anticipate the health risk of the COVID-19 virus and the declared South African national disaster to have a negative impact on future income of the company, and the existence of this material uncertainty may cast significant doubt on the company's ability to continue as a going concern. However the appropriateness of the going concern assumption depends on assessments of the future economic environment and the company's future prospects and performance which are unknown. The COVID-19 pandemic is a "black-swan" event which is anticipated to create challenges for humanity and for the global economy as a whole, and at the date of this report its effects are subject to levels of uncertainty out of managements control.

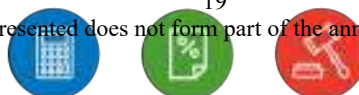
Although management at this stage cannot predict the unknown factors or all possible future implications for the company they have concluded, due to the strength of its financial resources, the company will continue to operate as a going concern.



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Detailed Income Statement

Figures in Rand	Note(s)	2021	2020
Revenue			
Sale of goods		13 332 626	16 196 540
Cost of sales			
Opening stock		(7 398 013)	(5 064 276)
Purchases		(8 934 190)	(12 576 788)
Closing stock		7 280 905	7 398 013
	12	(9 051 298)	(10 243 051)
Gross profit		4 281 328	5 953 489
Other income			
Interest received	15	500	4 456
Profit on exchange differences		1 360 550	-
Sundry income		516	-
		1 361 566	4 456
Expenses (Refer to page 20)			
		(3 928 533)	(5 553 724)
Operating profit	14	1 714 361	404 221
Finance costs	16	(64 114)	(77 158)
Profit before taxation		1 650 247	327 063
Taxation	17	(462 070)	(91 579)
Total comprehensive income for the year		1 188 177	235 484



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Detailed Income Statement

Figures in Rand	Note(s)	2021	2020
Operating expenses			
Accounting fees		608 625	649 893
Bad debts		683 305	-
Bank charges		27 908	40 423
Computer expenses		32 427	35 307
Consulting and professional fees		113 500	188 419
Consumables		46 903	8 992
Depreciation, amortisation and impairments		179 447	167 585
Dispatch		28 250	48 199
Employee costs		1 774 756	2 226 244
Entertainment		16 263	29 158
Insurance		80 291	72 920
Lease rentals on operating lease		81 200	82 400
Legal expenses		4 000	7 000
Loss on exchange differences		-	1 475 394
Motor vehicle expenses		111 857	168 887
Postage		-	25 000
Printing and stationery		2 866	11 353
Protective clothing		3 082	8 056
Repairs and maintenance		10 893	24 701
Small asset written off		-	3 500
Staff recruitment and human resources		-	46 880
Staff welfare		6 355	25 349
Telephone and fax		112 774	110 168
Travel - local		3 831	62 787
Travel - overseas		-	35 109
		3 928 533	5 553 724



Roto Pumps Africa Proprietary Limited

(Taxpayer reference number 9455090184)

Annual Financial Statements for the year ended 31 March 2021

Tax Computation

Figures in Rand	2021
Net profit per income statement	1 650 247
Temporary differences	
Depreciation according to financial statements	179 447
Wear and tear allowance (s11(e))	(224 223)
Provision for leave pay not deductible current year	100 269
Provision for leave pay previously raised	(158 031)
Unrealised foreign exchange loss adjustment (s24I (10A))	180 292
Unrealised foreign exchange loss adjustment (s24I (10A)) previously raised	(900 791)
	(823 037)
Assessed loss brought forward	-
Taxable income for 2021	827 210
Tax thereon @ 28% in the Rand	231 619
Reconciliation of tax balance	
Amount owing/(prepaid) at the beginning of year	11 712
Prior year adjustment	-
Amount refunded/(paid) in respect of prior year	-
Tax owing/(prepaid) for the current year:	
Normal tax	
Per calculation	231 619
1st provisional payment	(84 000)
2nd provisional payment	(154 000)
Other payments	-
	(6 381)
Amount owing/(prepaid) at the end of year	5 331

