South African Women In Mining Investment Holdings (Pty) Ltd

Trading as

SAWIMIH

(Registration Number 2003/025168/07)

Annual Financial Statements

for the year ended 28 February 2021

Audited Financial Statements

in compliance with the Companies Act of South Africa

Prepared by: G Chovuchovu

Index

General Information

Country of Incorporation and Domicile	South Africa
Registration Number	2003/025168/07
Nature of Business and Principal Activities	Investment holding
Directors	LP Ngwabeni N Qabaka N Langeni MG Mapanzela MP Sibisi
Registered Office	Rosebank Corner 191 Jan Smuts Ave Parktown North Gauteng 2196
Business Address	Rosebank Corner 191 Jan Smuts Ave Parktown North Gauteng 2196
Bankers	The Standard Bank of South Africa Limited
Tax Number	9117672155
Level of Assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Auditors	Blake & Associates 494 Spionkop Avenue North Riding 2194
Company Secretary	TumboScott Ground Floor, Block 3 Commerce Square 39 Rivonia Rd Sandton 2196

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

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

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The financial statements support the viability of the company.

The annual financial statements have been audited by the independent auditing firm, Blake & Associates, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholders, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 6 to 8.

The annual financial statements set out on pages 9 to 29, and the supplementary information set out on pages 30 to 32 which have been prepared on the going concern basis, were approved by the directors and were signed on 6 January 2022 on their behalf by:

NTLangeni

Director

Director

Directors' Report

The directors present their report for the year ended 28 February 2021.

1. Review of financial results and activities

Main business and operations

The company Investment holding. There were no major changes herein during the year.

The company generated a profit after tax for the year ended 28 February 2021 of R23,246,194 (2020: R2,740,746).

The company's revenue increased from R18,999,610 in the prior year to R20,134,989 for the year ended 28 February 2021.

Company cash flows from operating activities changed from an outflow of R5,490,583 in the prior year to an inflow of R11,520,249 for the year ended 28 February 2021.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after reporting date

Impact of COVID-19

Since 31 December 2019, the spread of the COVID-19 virus has severely impacted most economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinte periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic lockdown. Global stock markets have also experienced great volatility and a significant weakening. Government and the South African Reserve Bank have responded with monetary and fiscal interventions to stabilise economic conditions.

The directors have determined that these events are non-adjusting events. Accordingly, the financial position and results of operations for the year ended 28 February 2021 have not been adjusted to reflect the impact. The duration and impact of the COVID-19 pandemic remain unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial performance and financial position of the company for future periods. The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

4. Directors' interest in contracts

To our knowledge none of the directors had any interest in contracts entered into during the year under review.

5. 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.

6. Borrowing limitations

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

Directors' Report

7. Dividend

A dividend of R6,530,720 (2020: R0) was declared during the year.

8. Directors

The directors of the company during the year and up to the date of this report are as follows:
LP Ngwabeni
N Qabaka
N Langeni
MG Mapanzela
MP Sibisi

9. Social and ethics committee

In line with the requirements of the Companies Act of South Africa, South African Women In Mining Investment Holdings (Pty) Ltd has appointed a social and ethics committee who will present their report at the Annual General Meeting. The members of the committee are:

Name
N Qabaka
N Langeni
T Phiri
G Bam

10. Secretary

The company designated secretary is TumboScott.

11. Solvency and liquidity test

The directors have performed the required solvency and liquidity tests required by the Companies Act of South Africa.

12. Independent Auditors

Blake & Associates were the independent auditors for the year under review.

Independent Auditor's Report

To the Shareholders of South African Women In Mining Investment Holdings (Pty) Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of South African Women In Mining Investment Holdings (Pty) Ltd set out on pages 9 to 29, which comprise the statement of financial position as at 28 February 2021, and the statement of profit or loss and other 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 South African Women In Mining Investment Holdings (Pty) Ltd as at 28 February 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards 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 corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Shareholding and share register - there is an ongoing process of reconciling and updating the share register as a number of subscribers to shares did not complete the initial documentation correctly and therefore cannot be traced. The management of the company has appointed tracing consultants, run road shows and social media campaigns to urge shareholders to come forward and update their details.

Due to the above matter the payment of Dividend Withholding Tax to the South African Revenue Service continues to be delayed.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "South African Women In Mining Investment Holdings (Pty) Ltd Annual Financial Statements for the year ended 28 February 2021", which includes the Directors' Report, and the statement of Directors' Responsibilities and Approval as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the supplementary information set out on pages 30 to 32. The other information does not include the financial statements and our auditor's report thereon.

Registered Auditors: RG Blake CA(SA) and JL Ungerer CA(SA) PO Box 1310 Northriding 2162 Telephone 011 462 3060

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine 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 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 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 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 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 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The company has not complied with Section 30(1) of the Companies Act of South Africa which states that the company should prepare annual financial statements within six months after the end of its financial year.

Blake + Associates

Per: RG Blake CA(SA) - Partner
6 January 2022

Statement of Financial Position

Figures in R	Notes	2021	2020
Assets			
Non-current assets			
Listed investments	6	21,037,475	10,788,469
Unlisted investments	7	479,400	479,400
Total non-current assets		**21,516,875**	**11,267,869**
Current assets			
Shareholders' loans - dividends overpaid		235,471	2,969,816
Shareholders' loans - withholding tax to recover		4,901,087	4,901,087
Cash and cash equivalents	8	35,368,691	25,337,284
Total current assets		**40,505,249**	**33,208,187**
Total assets		**62,022,124**	**44,476,056**
Equity and liabilities			
Equity			
Issued capital	9	8,008,312	8,008,312
Retained income		28,977,289	12,261,815
Total equity		**36,985,601**	**20,270,127**
Liabilities			
Non-current liabilities			
Other financial liabilities	12	470,770	470,770
Current liabilities			
Trade and other payables	10	6,453,251	5,272,196
Current tax liabilities	5	10,063,788	10,220,291
Dividends payable	13	7,950,431	8,150,130
Loans from directors	14	98,283	92,542
Total current liabilities		**24,565,753**	**23,735,159**
Total liabilities		**25,036,523**	**24,205,929**
Total equity and liabilities		**62,022,124**	**44,476,056**

Statement of Profit or Loss and Other Comprehensive Income

Figures in R	Notes	2021	2020
Revenue	15	20,134,989	18,999,610
Other income	16	40,000	-
Administrative expenses		(826,350)	(845,738)
Other expenses		(5,641,240)	(10,363,574)
Other gains and (losses)	17	8,754,423	(4,173,856)
Profit from operating activities	18	**22,461,822**	**3,616,442**
Finance income	19	1,137,449	1,713,166
Finance costs	20	(62,230)	(91,414)
Profit before tax		**23,537,041**	**5,238,194**
Income tax expense	21	(290,847)	(2,497,448)
Profit for the year		**23,246,194**	**2,740,746**

Statement of Changes in Equity

Figures in R		Issued capital	Retained income	Total
Balance at 1 March 2019		8,008,312	9,521,069	17,529,381
Changes in equity				
Profit for the year		-	2,740,746	2,740,746
Total comprehensive income		-	2,740,746	2,740,746
Balance at 29 February 2020		**8,008,312**	**12,261,815**	**20,270,127**
Balance at 1 March 2020		8,008,312	12,261,815	20,270,127
Changes in equity				
Profit for the year		-	23,246,194	23,246,194
Total comprehensive income		-	23,246,194	23,246,194
Dividend recognised as distributions to shareholders		-	(6,530,720)	(6,530,720)
Balance at 28 February 2021		**8,008,312**	**28,977,289**	**36,985,601**
	Notes	**9**		

Statement of Cash Flows

Figures in R	Note	2021	2020
Cash flows from operations			
Profit for the year		**23,246,194**	**2,740,746**
Adjustments to reconcile profit			
Adjustments for income tax expense		290,847	3,005,027
Adjustments for finance income		(1,137,449)	(1,713,166)
Adjustments for finance costs		62,230	91,414
Adjustments for increase in other operating payables		1,181,056	5,058,945
Adjustments for impairment losses and reversal of impairment losses recognised in profit or loss		-	3,757,050
Adjustments for fair value gains and losses		(8,754,423)	4,173,856
Total adjustments to reconcile profit		**(8,357,740)**	**14,373,127**
Net cash flows from operations		**14,888,454**	**17,113,873**
Dividend paid		(3,996,074)	(24,226,208)
Interest paid		(62,230)	(91,414)
Interest received		1,137,449	1,713,166
Income tax		(447,350)	-
Net cash flows from / (used in) operating activities		**11,520,249**	**(5,490,583)**
Cash flows used in investing activities			
Purchase of listed shares		(1,494,583)	-
Cash flows used in investing activities		**(1,494,583)**	**-**
Cash flows from financing activities			
Movement in other financial liabilities		5,741	10,249
Cash flows from financing activities		**5,741**	**10,249**
Net increase / (decrease) in cash and cash equivalents		**10,031,407**	**(5,480,334)**
Cash and cash equivalents at beginning of the year		25,337,284	30,817,618
Cash and cash equivalents at end of the year	**8**	**35,368,691**	**25,337,284**

Accounting Policies

1. General information

The company is incorporated as an investment holding company and domiciled in South Africa. The address of its registered office is Rosebank Corner, 191 Jan Smuts Ave, Parktown North, Gauteng, 2196.

2. Basis of preparation and summary of significant accounting policies

The financial statements of South African Women In Mining Investment Holdings (Pty) Ltd have been prepared in accordance with International Financial Reporting Standards and the Companies Act of South Africa. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

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

2.1 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right to receive cash or another financial asset from another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include puttable financial instruments classified as equity instruments in accordance with paragraphs 16A and 16B, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments in accordance with paragraphs 16C and 16D, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

Basis of preparation and summary of significant accounting policies continued...

A financial liability is any liability that is:

- a contractual obligation to deliver cash or another financial asset to another entity to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity.
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Also, for these purposes the entity's own equity instruments do not include puttable financial instruments that are classified as equity instruments in accordance with paragraphs 16A and 16B, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments in accordance with paragraphs 16C and 16D, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

As an exception, an instrument that meets the definition of a financial liability is classified as an equity instrument if it has all the features and meets the conditions in paragraphs 16A and 16B or paragraphs 16C and 16D of ISA32.

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

A derivative is a financial instrument or other contract with all three of the following characteristics:

- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying');
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- it is settled at a future date.

A financial liability at fair value through profit or loss is a financial liability that meets one of the following conditions:

- It meets the definition of held for trading. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term, on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument);
- upon initial recognition it is designated by the entity as at fair value through profit or loss in accordance with paragraph 4.2.2 or 4.3.5
- it is designated either upon initial recognition or subsequently as at fair value through profit or loss in accordance with paragraph 6.7.1

Classification and recognition

Classification of a financial instrument, or its component parts takes place on initial recognition. Each instrument is classified as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

Financial assets classification

The company classifies financial assets into the following categories:

- Financial assets subsequently measured at fair value through profit or loss
- Financial assets subsequently measured at fair value through other comprehensive income (OCI)
- Financial assets subsequently measured at amortised cost

Basis of preparation and summary of significant accounting policies continued...

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

Financial liabilities classification

The company classifies financial liabilities into the following categories:

- Financial liabilities subsequently measured at amortised cost
- Financial liabilities subsequently measured at fair value through profit or loss

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Recognition

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the company commits to purchase or sell the asset.

Initial measurement

Financial assets

When a financial asset is recognised initially, it is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial liabilities

Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Subsequent measurement

Financial assets

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and cash flow characteristics of the asset. Debt instruments are subsequently measured at:

- Amortised cost: assets held only for collection of principal and interest payments
    - Interest income is included in finance income using the effective interest rate method.
    - Any gain or loss on derecognition is recognised in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses.
    - Impairment losses are presented as a separate line item in the statement of profit or loss.
    - The company's financial assets at amortised cost includes trade receivables, and loans to associates and directors included under other non-current financial assets.
- Fair value through OCI: assets held only for collection of principal and interest payments and for selling the financial assets
    - Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss.
    - When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses).
    - Interest income from these financial assets is included in finance income using the effective interest rate method.
    - Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
    - The company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.
    - The company elected to classify irrevocably its non-listed equity investments under this category.
- Fair value through profit or loss: assets that do not meet the criteria for amortised cost or fair value through OCI
    - A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.
    - The company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in OCI.
    - This category includes derivative instruments and listed equity investments which the company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Equity instruments

All equity investments are subsequently measured at fair value where possible.

- Fair value through OCI: elected to present fair value gains and losses on equity investments in OCI
    - There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.
    - Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.
    - Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value.
- Fair value through profit or loss: assets that do not meet the criteria for amortised cost or fair value through OCI
    - Changes in the fair value are recognised in other gains/(losses) in the statement of profit or loss as applicable.

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Financial liabilities

- Fair value through profit or loss: financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss
    - Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
    - This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9.
    - Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.
    - Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.
    - Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The company has not designated any financial liability as at fair value through profit or loss.
- Amortised cost: Loans and borrowings
    - After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.
    - Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.
    - Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.
    - The effective interest rate amortisation is included as finance costs in the statement of profit or loss.
    - This category generally applies to interest-bearing loans and borrowings.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or when it is transferred and the transfer qualifies for derecognition.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

A forward looking allowance for expected credit losses is recognised for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The impairment methodology applied depends on whether there has been a significant increase in credit risk:

- For credit exposures with no significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month expected credit loss).
- For credit exposures with significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime expected credit loss).

Basis of preparation and summary of significant accounting policies continued...

For debt instruments at fair value through OCI, the low credit risk simplification is applied. At every reporting date, the company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. The internal credit rating of the debt instrument is reassessed during this evaluation. It is also considered whether there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Loans to (from) director, manager or employee

The loans from directors, managers or employees are classified as a financial liabilties at amortised cost, and are initially measured at fair value plus transactions costs and subsequently measured at amortised cost using the effective interest method.

Loan to (from) shareholder

The loans to shareholders are classified as financial assets at amortised cost, and are initially measured at fair value plus transactions costs and subsequently measured at amortised cost using the effective interest method.

The loans from shareholders are classified as financial liabilties at amortised cost, and are initially measured at fair value plus transactions costs and subsequently measured at amortised cost using the effective interest method.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest rate method, less allowance for expected credit losses. For trade receivables and contract assets, a simplified approach is applied in calculating expected credit losses. Instead of tracking changes in credit risk, a loss allowance is recognised based on lifetime expected credit losses at each reporting date. A provision matrix was established that is based on the company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially recorded at fair value and subsequently carried at amortised cost.

Trade and other payables

Trade payables are initially measured at fair value plus direct transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

2.2 Tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Basis of preparation and summary of significant accounting policies continued...

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:
- deductible temporary differences;
- the carry forward of unused tax losses; and
- the carry forward of unused tax credits.

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. The amount already paid in respect of current and prior periods which exceeds the amount due for those periods, is recognised as an asset.

The benefit relating to a tax loss that can be carried back to recover current tax of a previous period 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 taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset only where:
- there is a legally enforceable right to set off the recognised amounts; and
- there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Tax expense (income)

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:
- a transaction or event which is recognised, in the same or a different period, outside profit or loss, either in other comprehensive income or directly in equity.
- a business combination other than the acquisition by an investment of a subsidiary that is required to be measured at fair value through profit or loss.

Current tax and deferred tax is recognised outside profit or loss if the tax relates to items that are recognised, in the same or a different period, outside profit or loss. Therefore, current tax and deferred tax that relates to items that are recognised, in the same or a different period:
- in other comprehensive income, will be recognised in other comprehensive income;
- directly in equity, will be recognised directly in equity.

2.3 Revenue

Revenue is income arising in the course of an entity's ordinary activities.

The company earns income from dividends received on investments as well as capital gains or losses arising on the disposal of investments.

2.4 Borrowing costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds.

Basis of preparation and summary of significant accounting policies continued...

2.5 Related parties

A related party is a person or entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:

- A person or a close member of that person's family is related to a reporting entity if that person:
  - has control or joint control of the reporting entity;
  - has significant influence over the reporting entity; or
  - is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- An entity is related to the reporting entity if any of the following conditions apply:
  - The entity and the reporting entity are members of the same Company (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Company of which the other entity is a member);
  - Both entities are joint ventures of the same third party;
  - One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
  - The entity is controlled or jointly controlled by a person identified as a related party;
  - A person identified as having control or joint control over the reporting entity has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
  - The entity, or any member of a Company of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

3.1.1 Going concern

The going concern assumption is evaluated based on information available up to the date on which the Annual Financial Statements are approved for issuance by the Board. While there is widespread uncertainty regarding the extent of the financial impact of the COVID-19 global pandemic on the economy of South Africa, the going concern assumption was considered to be appropriate for the preparation of the Company's Annual Financial Statements for the year under review.

Critical accounting estimates and judgements continued...

3.1.2 Income taxes

The company is subject to income taxes in South Africa. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Notes to the Financial Statements

Figures in R	2021	2020

4. Financial assets

4.1 Carrying amount of financial assets by category

	At fair value through profit or loss	At amortised cost	Total
Year ended 28 February 2021			
Listed investments (Note 6)	21,037,475	-	**21,037,475**
Unlisted investments (Note 7)	479,400	-	**479,400**
Loan to group company	-	235,471	**235,471**
Loans to shareholders	-	4,901,087	**4,901,087**
Cash and cash equivalents (Note 8)	-	35,368,691	**35,368,691**
	21,516,875	**40,505,249**	**62,022,124**

	At fair value through profit or loss	At amortised cost	Total
Year ended 29 February 2020			
Listed investments (Note 6)	13,695,469	-	**13,695,469**
Unlisted investments (Note 7)	5,503,306	-	**5,503,306**
Loan to group company	-	2,969,816	**2,969,816**
Loans to shareholders	-	4,901,087	**4,901,087**
Cash and cash equivalents (Note 8)	-	25,337,284	**25,337,284**
	19,198,775	**33,208,187**	**52,406,962**

4.2 Fair value hierarchy

	Level 1 Quoted Market Prices	Level 2 Other Observable Prices	Level 3 Director's Valuation	Total
Year ended 28 February 2021				
Listed investments (Note 6)	21,037,475	-	-	**21,037,475**
Unlisted investments (Note 7)	-	-	479,400	**479,400**
	21,037,475	**-**	**479,400**	**21,516,875**
Year ended 29 February 2020				
Listed investments (Note 6)	10,788,469	-	-	**10,788,469**
Unlisted investments (Note 7)	(5,023,906)	5,023,906	479,400	**479,400**
	5,764,563	**5,023,906**	**479,400**	**11,267,869**

5. Current tax liabilities

Current tax liabilities comprise the following balances

	2021	2020
Net current tax liability from all items being set off	(10,063,788)	(10,220,291)

Notes to the Financial Statements

Figures in R	2021	2020

6. Listed investments

Listed investments comprise the following balances

Listed investments at market quoted prices		
SASOL ordinary BEE shares	294,700	677,781
SASOL Khanyisa Public (RF) Ltd	3,757,050	-
Exxaro Resources Ltd	15,445,881	10,110,688
	19,497,631	10,788,469
Held in Vunani Securities share account:		
Exxaro Resources Ltd	487,635	-
Fortress REIT A	635,158	-
Fortress REIT B	247,464	-
SASOL Ltd	169,587	-
	1,539,844	-
	21,037,475	10,788,469

7. Unlisted investments

Unlisted investments comprise the following balances

Basadi Ba Kopane Investments (RF) (Pty) Ltd *valued at cost. Valuation at fair value has not been used as there is a liquidity risk due to the investment being held as part of a consortium and there could be delays exiting the consortium and possible price discounting in the event of a sale as opposed to using a principle market (like the Johannesburg Stock Exchange) to monetise the investment. Other limitations include the availability of data (inputs and assumptions) and the valuation technique used for pricing the asset.*	479,400	479,400
Ditswammung Mineral Resources Consortium (Pty) Ltd *valued at cost, the directors have received a draft indicative valuation of the underlying assets in the investment reflecting a value of this investment at 28 February 2021 of R51,8m.*	-	-
	479,400	**479,400**

Notes to the Financial Statements

Figures in R	2021	2020
8. Cash and cash equivalents		
8.1 Cash and cash equivalents comprise:		
Cash		
Balances with banks and other institutions	2,865,316	792,634
Other banking arrangements	32,503,375	24,544,650
Total cash and cash equivalents included in current assets	**35,368,691**	**25,337,284**

8.2 Cash and cash equivalents where availability is restricted

Other banking arrangements comprises monies held in an attorneys trust account in terms of a court order and the availability thereof is dependant on the outcome of a pending court case.

9. Issued capital

Authorised and issued share capital

Authorised

14 000 000 Ordinary shares

	2021	2020
Issued		
11 662 000 Ordinary shares	(8,008,312)	(8,008,312)

10. Trade and other payables

10.1 Trade and other payables comprise:

	2021	2020
Accrued liabilities	246,020	371,108
Dividend withholding tax	6,207,231	4,901,087
Total trade and other payables	**6,453,251**	**5,272,196**

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

	2021	2020
Total trade and other payables excluding non-financial liabilities included in trade and other payables	6,453,251	5,272,196

Notes to the Financial Statements

Figures in R	2021	2020

11. Financial liabilities

Carrying amount of financial liabilities by category

	At amortised cost	Total
Year ended 28 February 2021		
Other financial liabilities (Note 12)	470,770	**470,770**
Dividend payable (Note 13)	7,950,431	**7,950,431**
Loan from director, manager or employee (Note 14)	98,283	**98,283**
Trade and other payables excluding non-financial liabilities (Note 10)	6,453,251	**6,453,251**
	14,972,735	**14,972,735**
Year ended 29 February 2020		
Other financial liabilities (Note 12)	470,770	**470,770**
Dividend payable (Note 13)	8,150,130	**8,150,130**
Loan from director, manager or employee (Note 14)	92,542	**92,542**
Trade and other payables excluding non-financial liabilities (Note 10)	5,272,196	**5,272,196**
	13,985,638	**13,985,638**

12. Other financial liabilities

Other financial liabilities comprise:

	2021	2020
Loan SAWIMA	470,770	470,770
The loan is non-interest bearing		
	470,770	**470,770**

13. Dividends payable

Dividends payable comprise:

	2021	2020
Dividends payable	7,950,431	8,150,130

14. Loan from director, manager or employee

Loans from directors

	2021	2020
Loans from directors	98,283	92,542
These loans have no fixed terms of repayment and bear interest at market related rates.		

15. Revenue

Revenue comprises:

	2021	2020
Dividends received	20,134,989	18,999,610

Notes to the Financial Statements

Figures in R	2021	2020
16. Other income		
Other income comprises:		
Other income - COVID-19 relief	40,000	-
Received from Basadi Ba Kopane Investments (RF) (Pty) Ltd		
Total other income	**40,000**	**-**
17. Other gains and (losses)		
Other gains and (losses) comprise:		
Fair value gains and (losses) on assets	8,754,423	(4,173,856)
18. Profit from operating activities		
18.1 Profit from operating activities includes the following separately disclosable items		
Other operating expenses		
Financial assets		
- impairment loss on unlisted shares	-	3,757,050
Director and committee member expenses	3,136,383	2,686,943
Auditor's remuneration - fees	207,000	207,000
18.2 Other material items requiring separate disclosure		
Legal fees	600,000	1,853,790
Penalties and interest on income tax	723,150	507,579
Secretarial fees	474,017	503,993
19. Finance income		
Finance income comprises:		
Interest received	1,137,449	1,713,166
20. Finance costs		
Finance costs included in profit or loss:		
Law Society in respect of funds held in trust	56,490	81,164
Loans from directors	5,740	10,250
Total finance costs	**62,230**	**91,414**

Notes to the Financial Statements

Figures in R	2021	2020

21. Income tax expense

21.1 Income tax recognised in profit or loss:

	2021	2020
Current tax		
Current year	(290,847)	(432,410)
Prior year adjustment	-	(2,065,038)
Total current tax	**(290,847)**	**(2,497,448)**
Deferred tax		
Total income tax expense	**(290,847)**	**(2,497,448)**

21.2 The income tax for the year can be reconciled to the accounting profit as follows:

	2021	2020
Profit before tax from operations	23,537,041	5,238,194
Income tax calculated at 28.0%	6,590,371	1,466,694
Tax effect of		
- Dividends received	(5,637,797)	(5,319,891)
- Fair value adjustment in investments	(2,451,238)	1,168,680
- Impairment of investment	-	1,051,974
- Expenses not in the production of income	1,789,511	2,064,952
- Prior year adjustments	-	2,065,038
Tax charge	**290,846**	**2,497,448**

21.3 Additional disclosures

	2021	2020
Additional tax 2017	-	203,840
Understatement penalties for the tax years 2011 to 2018	-	706,756
Under estimation penalty 2019	-	1,154,442
	-	2,065,038

22. Related parties

22.1 Compensation paid to key management personnel

	2021	2020
Directors' emoluments	2,982,997	2,686,943

Notes to the Financial Statements

Figures in R

Related parties continued...

22.2 Compensation paid to directors and prescribed officers

Name	Board fees	Consulting fees	Committee fees	Interest paid on loans	AGM preparations	Administration and operating expenses	Total remuneration 2021	Total remuneration 2020
LP Ngwabeni	134,000	38,900	342,417	-	50,000	-	565,317	344,450
N Qabaka	120,456	31,500	343,395	-	50,000	1,000	546,351	411,325
N Langeni	123,091	20,000	344,047	2,545	50,000	62,793	602,476	672,945
MG Mapanzela	80,000	30,000	414,437	3,195	50,000	137,425	715,057	895,223
MP Sibisi	129,000	24,000	333,500	-	50,000	17,296	553,796	342,000
SEA Mngomezulu	-	-	-	-	-	-	-	21,000
Total compensation paid to directors and prescribed officers	**586,547**	**144,400**	**1,777,796**	**5,740**	**250,000**	**218,514**	**2,982,997**	**2,686,943**

Notes to the Financial Statements

Figures in R	2021	2020

Related parties continued...

22.3 Related party transactions and balances

	Directors and Shareholders	Total
Year ended 28 February 2021		
Outstanding loan accounts		
Amounts payable	(98,283)	**(98,283)**
Year ended 29 February 2020		
Outstanding loan accounts		
Amounts payable	(92,542)	**(92,542)**

Detailed Income Statement

Figures in R	Notes	2021	2020
Revenue	15		
Dividends received		20,134,989	18,999,610
Total revenue		**20,134,989**	**18,999,610**
Other income	16		
Other income - COVID-19 relief		40,000	-
Total other income		**40,000**	**-**
Administrative expenses			
Accounting fees		(98,700)	(112,744)
Auditors remuneration - fees		(207,000)	(207,000)
Bank charges		(17,912)	(22,001)
Computer expenses		(24,221)	-
Secretarial fees		(474,017)	(503,993)
Subscriptions		(4,500)	-
Total administrative expenses		**(826,350)**	**(845,738)**
Other expenses			
Advertising		(74,738)	(204,619)
AGM and meeting expenses		(162,856)	(281,856)
Consulting fees		(756,770)	(786,059)
Donations		(40,000)	-
Director and committee member expenses		(3,136,383)	(2,686,943)
Food and beverages		(3,953)	(48,040)
Gifts		(1,250)	-
Impairments and reversals - financial assets		-	(3,757,050)
Legal expense		(625,205)	(1,853,790)
Management fees		(61,717)	(53,291)
Penalties and interest - SARS		(723,150)	(507,579)
Printing and stationery		-	(16,300)
Training		-	(70,400)
Travel - local		(55,218)	(97,647)
Total other expenses		**(5,641,240)**	**(10,363,574)**
Other gains and losses	17		
Fair value changes - financial assets		8,754,423	(4,173,856)
Total other gains and losses		**8,754,423**	**(4,173,856)**
Profit from operating activities	18	**22,461,822**	**3,616,442**
Finance income	19		
Interest received		1,137,449	1,713,166
Total finance income		**1,137,449**	**1,713,166**

Detailed Income Statement

Figures in R	Notes	2021	2020
Finance costs	20		
Loans to directors, managers and employees liabilities		(5,740)	(10,250)
Law Society in respect of funds held in trust		(56,490)	(81,164)
Total finance costs		**(62,230)**	**(91,414)**
Profit before tax		**23,537,041**	**5,238,194**
Income tax	21		
Current tax		(290,847)	(2,497,448)
Total income tax expense		**(290,847)**	**(2,497,448)**
Profit for the year		**23,246,194**	**2,740,746**

Income Tax Computation

Figures in R	2021	2020
Profit before tax	23,537,041	5,238,194
Dividends received	(20,134,989)	(18,999,610)
Fair value (gain)/loss	(8,754,423)	4,173,856
Impairment of investments	-	3,757,050
Expenses not in the production of taxable income	6,529,821	7,543,676
Expenses relating to interest received	(138,712)	(168,846)
	(22,498,303)	(3,693,874)
Taxable income	**1,038,738**	**1,544,320**
Normal tax	**290,847**	**432,410**
Under/(over) provision in previous year	-	2,065,038
Total per statement of profit or loss and other comprehensive income	**290,847**	**2,497,448**
Less : Assessed tax payments/refunds	(1,170,500)	-
Penalties and interest paid to SARS	723,150	507,579
(Debit)/Credit balance brought forward	10,220,291	7,215,264
Total per statement of financial position - (Asset)/Liability	**10,063,788**	**10,220,291**