

Talbert Pivots (Pty) Ltd
(Registration Number 2001/012420/07)
Financial Statements
for the 14 month period ended 29 February 2024

Talbert Pivots (Pty) Ltd

(Registration Number 2001/012420/07)

Financial Statements for the 14 month period ended 29 February 2024

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Talbert Pivots (Pty) Ltd

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Financial Statements for the 14 month period ended 29 February 2024

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 financial statements and related financial information included in this report. It is their responsibility to ensure that the 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 14 month financial period. The 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 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 compilers are responsible for reporting on the company's financial statements. The compilation report is presented on page 4.

The financial statements set out on pages 5 to 19 which have been prepared on the going concern basis, were approved by the directors and were signed on 30 April 2024.

D.L. Steyl

JF. Steyl

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Directors' Report

The directors present their report for the 14 month period ended 29 February 2024.

1. Review of activities

Main business and operations

The company was incorporated in South Africa with interest in the manufacturing industry. There were no major changes herein during the period.

The operating results and statement of financial position of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The 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.

The directors draw attention to the statement of changes in equity in the financial statements which indicates that the company incurred a net loss of R3 311 344 during the 14 month period ended 29 February 2024, and as of that date, the company's total liabilities exceeded its total assets by R14 735 892. These conditions indicate the existence of uncertainty which may cast doubt about the company's ability to continue as a going concern.

3. Events after reporting date

All events subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial period to the date of this report that could have a material effect on the financial position of the company.

4. Authorised and issued share capital

No changes were approved or made to the authorised or issued share capital of the company during the period under review.

5. Dividend

No dividend was declared or paid to the shareholders during the current or prior period.

6. Directors

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

D.L. Steyl

JF. Steyl

7. Shareholders

There have been no changes in ownership during the current financial period.

The shareholders and their interests at the end of the 14month period are:

	Holding
D.L. Steyl	66.00%
JF. Steyl	34.00%

Report of the Compiler

To the Directors of Talbert Pivots (Pty) Ltd

We have compiled the accompanying financial statements of Talbert Pivots (Pty) Ltd based on information you have provided. These financial statements comprise the statement of financial position as at 29 February 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the 14 month period then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

Marais Crowther CA (SA)
Per: K. Hulse
Director
Chartered Accountant (SA)

30 April 2024
19 Reid Street
Westdene
Bloemfontein
9301

Talbert Pivots (Pty) Ltd

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Financial Statements for the 14 month period ended 29 February 2024

Statement of Financial Position

Figures in R	Notes	29 February 2024	31 December 2022
Assets			
Non-current assets			
Property, plant and equipment	3	2 424 963	3 218 066
Deferred tax assets	6	7 275 203	6 447 652
Total non-current assets		9 700 166	9 665 718
Current assets			
Inventories	4	2 339 839	4 066 799
Trade and other receivables	5	215 820	852 331
Other financial assets	7	10 360	595 772
Loan to director, manager or employee	8	-	100
Cash and cash equivalents	9	3	89 033
Total current assets		2 566 022	5 604 035
Total assets		12 266 188	15 269 753
Equity and liabilities			
Equity			
Issued capital	10	100	100
Accumulated loss		(14 735 992)	(11 424 648)
Total equity		(14 735 892)	(11 424 548)
Liabilities			
Non-current liabilities			
Loans from shareholders	13	17 419 323	19 784 706
Current liabilities			
Trade and other payables	11	8 513 905	6 905 037
Current tax liabilities		4 558	4 558
Other financial liabilities	12	1 062 892	-
Bank overdraft	9	1 402	-
Total current liabilities		9 582 757	6 909 595
Total liabilities		27 002 080	26 694 301
Total equity and liabilities		12 266 188	15 269 753

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Statement of Comprehensive Income

Figures in R	Notes	14 month period ended 29 February 2024	12 month period ended 31 December 2022
Revenue		19 672 656	23 156 492
Opening stock		(4 066 799)	(6 842 671)
Purchases		(17 475 333)	(17 935 166)
Closing stock		2 339 839	4 066 799
Cost of sales		(19 202 293)	(20 711 038)
Gross profit		470 363	2 445 454
Other income		-	68 102
Other expenses		(3 897 457)	(3 807 181)
Other gains and (losses)	14	4 345	(348 035)
Loss from operating activities		(3 422 749)	(1 641 660)
Finance income	15	21 844	-
Finance costs	16	(737 990)	(273 622)
Loss before tax		(4 138 895)	(1 915 282)
Income tax credit	17	827 551	477 788
Loss for the period		(3 311 344)	(1 437 494)

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Statement of Changes in Equity

Figures in R	Issued capital	Accumulated loss	Total
Balance at 1 November 2021	100	(9 987 154)	(9 987 054)
Changes in equity			
Loss for the year	-	(1 437 494)	(1 437 494)
Total comprehensive income for the period	-	(1 437 494)	(1 437 494)
Balance at 31 December 2022	100	(11 424 648)	(11 424 548)
Balance at 1 January 2023	100	(11 424 648)	(11 424 548)
Changes in equity			
Loss for the period	-	(3 311 344)	(3 311 344)
Total comprehensive income for the period	-	(3 311 344)	(3 311 344)
Balance at 29 February 2024	100	(14 735 992)	(14 735 892)
Notes	10		

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Statement of Cash Flows

Figures in R	Notes	14 month period ended 29 February 2024	12 month period ended 31 December 2022
Cash flows from operations			
Cash receipts from customers		20 222 812	19 169 915
Cash paid to suppliers and employees		(19 393 102)	(18 947 376)
Net cash flows from operations	20	829 710	222 539
Interest paid		(522 461)	(68 177)
Interest received		21 844	-
Income taxes paid		(215 529)	(19 997)
Net cash flows from operating activities		113 564	134 365
Cash flows from investing activities			
Proceeds from sales of property, plant and equipment		512 981	1 040 215
Purchase of property, plant and equipment		-	(147 826)
Purchase of other financial assets		585 512	-
Proceeds from disposal of other financial assets		-	(595 772)
Cash flows from investing activities		1 098 493	296 617
Cash flows used in financing activities			
Proceeds from other financial liabilities		(364 462)	-
Repayments of other financial liabilities		(938 029)	(660 797)
Cash flows used in financing activities		(1 302 491)	(660 797)
Net decrease in cash and cash equivalents		(90 434)	(229 815)
Cash and cash equivalents at beginning of the period		89 033	318 850
Cash and cash equivalents at end of the period	9	(1 401)	89 035

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Financial Statements for the 14 month period ended 29 February 2024

Accounting Policies

1. General information

Talbert Pivots (Pty) Ltd ('the company') was incorporated in South Africa with interest in the manufacturing industry.

The company is incorporated as a private company and domiciled in South Africa. The address of its registered office is 38 Ben Jones street , Hamilton, Bloemfontein, 9301.

2. Basis of preparation and summary of significant accounting policies

The financial statements of Talbert Pivots (Pty) Ltd have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Companies Act of South Africa. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment property, certain property, plant and equipment, biological assets and derivative financial instruments at fair value. They are presented in South African Rand.

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

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

2.1 Property, plant and equipment

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

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

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

Asset class	Useful life / depreciation rate
Machinery	15 Years
Motor vehicles	10 Years
Office equipment	10 Years
Computer equipment	3 Years

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

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

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

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Accounting Policies

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

2.2 Financial instruments

Loan to (from) director, manager or employee

The loan to director, manager or employee is classified as a debt instrument, and is initially measured at transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

The loan from director, manager or employee is classified as a debt instrument, and is initially measured at transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans to (from) shareholders

The loan to shareholder is classified as a debt instrument, and is initially measured at transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

The loans from shareholders are classified as debt instruments, and are initially measured at transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

Trade and other receivables

Most sales are made on the basis of normal credit terms and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

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

Other financial assets

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

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

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

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

Cash and cash equivalents

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

Trade and other payables

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

Other financial liabilities

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

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

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Accounting Policies

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

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

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

2.3 Inventories

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

2.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Revenue from the sale of goods is recognised when:

- significant risks and rewards of ownership of the goods have been transferred to the buyer;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of transactions involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

The stage of completion of a transaction may be determined by a variety of methods, depending on the nature of the transaction:

- surveys of work performed;
- services performed to date as a percentage of total services to be performed;
- the proportion that costs incurred to date bear to the estimated total costs of the transaction. Only costs that reflect services performed to date are included in costs incurred to date. Only costs that reflect services performed or to be performed are included in the estimated total costs of the transaction.

Interest income is recognised using the effective interest method.

Rental income from investment property that is leased to a third party under an operating lease is recognised in the statement of comprehensive income on a straight-line basis over the lease term and is included in 'other income'.

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Accounting Policies

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

Dividend income is recognised when the company's right to receive payment has been established and is shown as 'finance income'.

Royalties are recognised on an accrual basis in accordance with the substance of the relevant agreement.

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 group (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 group 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); or
 - The entity, or any member of a group 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.

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Notes to the Financial Statements

Figures in R	29 February 2024	31 December 2022
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3. Property, plant and equipment

3.1 Balances for the period

Balance at 29 February 2024	At cost	Accumulated depreciation	Carrying amount
Machinery	2 975 332	(1 479 753)	1 495 579
Motor vehicles	1 776 588	(880 728)	895 860
Office equipment	142 374	(125 967)	16 407
Computer equipment	230 954	(213 837)	17 117
	5 125 248	(2 700 285)	2 424 963

Balance at 31 December 2022	At cost	Accumulated depreciation	Carrying amount
Machinery	5 067 800	(2 915 906)	2 151 894
Motor vehicles	1 776 588	(756 906)	1 019 682
Office equipment	178 374	(153 540)	24 834
Computer equipment	230 954	(209 298)	21 656
	7 253 716	(4 035 650)	3 218 066

3.2 Movements for the period

Movements for year ended 29 February 2024	Carrying amount at 1 January 2023	Additions from acquisitions	Depreciation	Disposals	Carrying amount at 29 February 2024
Machinery	2 151 894	-	(150 283)	(506 032)	1 495 579
Motor vehicles	1 019 682	-	(123 822)	-	895 860
Office equipment	24 834	-	(5 823)	(2 604)	16 407
Computer equipment	21 656	-	(4 539)	-	17 117
	3 218 066	-	(284 467)	(508 636)	2 424 963

Movements for year ended 31 December 2022	Carrying amount at 1 November 2021	Additions from acquisitions	Depreciation	Disposals	Carrying amount at 31 December 2022
Machinery	2 357 192	-	(205 299)	-	2 151 893
Motor vehicles	2 360 866	147 826	(100 759)	(1 388 250)	1 019 683
Office equipment	31 061	-	(6 227)	-	24 834
Computer equipment	29 380	-	(7 724)	-	21 656
	4 778 499	147 826	(320 009)	(1 388 250)	3 218 066

4. Inventories

Inventories comprise:

Raw materials	523 860	134 910
Finished goods	1 815 979	3 931 889
	2 339 839	4 066 799

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Figures in R	29 February 2024	31 December 2022
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5. Trade and other receivables

Trade and other receivables comprise:

Trade receivables	215 820	852 331
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6. Deferred tax

Deferred tax balances and movements

	Balance as at 1 January 2023	(Charged) / credited to profit or loss	Closing balance at 29 February 2024
Assessed loss	7 241 313	542 856	7 784 169
Property, plant and equipment	(806 008)	180 374	(625 634)
Income received in advance	12 347	104 321	116 668
	Balance as at 1 January 2023	(Charged) / credited to profit or loss	Closing balance at 31 December 2022
Assessed loss	6 079 838	1 161 475	7 241 313
Property, plant and equipment	(1 013 798)	207 790	(806 008)
Income received in advance	902 858	(890 511)	12 347

7. Other financial assets

Other financial assets incorporates the following balances:

Steyl Beleggingstrust	-	243 072
The loan was settled during the year.		
Talbert Servises and Sales (Pty) Ltd	10 360	352 700
The loan is unsecured and bears no interest. There are no fixed terms of repayments.		
	<u>10 360</u>	<u>595 772</u>

8. Loan to director, manager or employee

Loan to director, manager or employee comprises the following balances

Loans to directors, managers and employees	-	100
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Notes to the Financial Statements

Figures in R	29 February 2024	31 December 2022
9. Cash and cash equivalents		
9.1 Cash and cash equivalents included in current assets:		
Cash		
Cash on hand	-	13 792
Balances with banks	3	75 241
	<u>3</u>	<u>89 033</u>
9.2 Overdrawn cash and cash equivalents included in current liabilities		
Bank overdrafts	(1 402)	-
9.3 Net cash and cash equivalents		
Current assets	3	89 033
Current liabilities	(1 402)	-
	<u>(1 399)</u>	<u>89 033</u>
10. Issued capital		
Authorised and issued share capital		
Authorised		
1 000 Ordinary shares of R1 each	1 000	1 000
Issued		
Ordinary shares	100	100
11. Trade and other payables		
Trade and other payables comprise:		
Trade payables	5 541 877	5 698 897
Income received in advance	480 114	49 535
Payroll accruals	1 259 116	575 278
Value added tax	1 232 798	581 327
Total trade and other payables	<u>8 513 905</u>	<u>6 905 037</u>
12. Other financial liabilities		
Other financial liabilities comprise:		
Steyl Beleggingstrust	1 062 892	-
The loan is unsecured and bears no interest. There are no fixed terms of repayments.		

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Figures in R	29 February 2024	31 December 2022
13. Loans from shareholders		
Loans from shareholders comprise:		
J.F. Steyl The loan is unsecured and bears no interest. There are no fixed terms of repayment. R 14 735 992 of the loan is subordinated in favor of other creditors until such time as assets of the company exceeds it's liabilities.	16 276 871	19 784 706
D.L. Steyl The loan is unsecured and bears no interest. There are no fixed terms of repayment.	1 142 452	-
	17 419 323	19 784 706
14. Other gains and (losses)		
Other gains and (losses) comprise:		
Gain or (loss) on disposal of assets	4 345	(348 035)
15. Finance income		
Finance income comprises:		
Interest received	21 844	-
16. Finance costs		
Finance costs included in profit or loss:		
Trade and other payables	411 466	58 999
Finance lease obligations	-	1 059
Taxation payables	215 529	205 445
Bank overdraft	110 995	8 119
Total finance costs	737 990	273 622

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Notes to the Financial Statements

Figures in R	29 February 2024	31 December 2022
17. Income tax (credit)		
17.1 Income tax recognised in profit or loss:		
Current tax		
Dividend tax paid	-	966
Deferred tax		
Deferred tax	(827 551)	(478 754)
Total income tax (credit)	(827 551)	(477 788)
17.2 The income tax for the period can be reconciled to the accounting loss as follows:		
Loss before tax from operations	(4 138 895)	(1 915 282)
Income tax calculated at 27.0%	(1 117 502)	(536 279)
Tax effect of		
- SARS interest and penalties	58 193	57 525
- Withholding tax	-	966
- Donations	1 485	-
- Change in tax rate	230 273	-
Tax charge	(827 551)	(477 788)

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Notes to the Financial Statements

Figures in R	29 February 2024	31 December 2022
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18. Related parties

18.1 Other related parties

Entity name	Nature of relationship
J.F. Steyl	Shareholder
D.L. Steyl	Shareholder
Steyl Beleggingstrust	Entity under control of shareholder
Talbert Servises and Sales (Pty) Ltd	Entity under control of shareholder

18.2 Related party transactions and balances

	J.F. Steyl	D.L. Steyl	Talbert Servises and Sales (Pty) Ltd	Total
Period ended 29 February 2024				
Related party transactions				
Purchases of goods	-	-	275 112	275 112
Revenue from sale of goods	-	-	2 000 945	2 000 945
Outstanding loan accounts				
Amounts payable	16 276 871	1 142 452	-	17 419 323
Period ended 31 December 2022				
Related party transactions				
Revenue from sale of goods	-	-	368 396	368 396
Outstanding loan accounts				
Amounts payable	19 784 706	-	-	19 784 706

19. Going concern

The 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.

The directors draw attention to the statement of changes in equity in the financial statements which indicates that the company incurred a net loss of R3 311 344 during the 14 month period ended 29 February 2024, and as of that date, the company's total liabilities exceeded its total assets by R14 735 892. These conditions indicate the existence of uncertainty which may cast doubt about the company's ability to continue as a going concern.

Talbert Pivots (Pty) Ltd

(Registration Number 2001/012420/07)

Financial Statements for the 14 month period ended 29 February 2024

Notes to the Financial Statements

Figures in R	29 February 2024	31 December 2022
20. Cash flows from operating activities		
Loss for the period	(3 311 344)	(1 437 494)
Adjustments for:		
Income tax expense	(827 551)	(477 788)
Finance income	(21 844)	-
Finance costs	737 990	273 622
Depreciation and amortisation expense	284 465	320 009
Impairment losses and reversal of impairment losses recognised in profit or loss	516 934	57 622
Gains and losses on disposal of non-current assets	(4 345)	348 035
Change in operating assets and liabilities:		
Adjustments for decrease in inventories	1 726 960	2 775 872
Adjustments for decrease / (increase) in trade accounts receivable	119 577	(550 020)
Adjustments for (decrease) / increase in trade accounts payable	(157 020)	2 457 314
Adjustments for increase / (decrease) in other operating payables	1 765 888	(3 544 633)
Net cash flows from operations	829 710	222 539

Talbert Pivots (Pty) Ltd

(Registration Number 2001/012420/07)

Financial Statements for the 14 month period ended 29 February 2024

Detailed Income Statement

Figures in R	Notes	14 month period ended 29 February 2024	12 month period ended 31 December 2022
Revenue		19 672 656	23 156 492
Cost of sales		(19 202 293)	(20 711 038)
Gross profit		<u>470 363</u>	<u>2 445 454</u>
Other income		-	68 102
Other expenses (Refer page 21 for details)		(3 897 457)	(3 807 181)
Other gains and losses	14		
Gain or loss on sale - property, plant and equip.		4 345	(348 035)
Loss from operating activities		<u>(3 422 749)</u>	<u>(1 641 660)</u>
Finance income	15		
Interest received		21 844	-
Finance costs	16	(737 990)	(273 622)
Loss before tax		<u>(4 138 895)</u>	<u>(1 915 282)</u>
Income tax	17		
Current tax		-	(966)
Deferred tax		827 551	478 754
		<u>827 551</u>	<u>477 788</u>
Loss for the period		<u>(3 311 344)</u>	<u>(1 437 494)</u>

Talbert Pivots (Pty) Ltd

(Registration Number 2001/012420/07)

Financial Statements for the 14 month period ended 29 February 2024

Detailed Income Statement

Figures in R	Notes	14 month period ended 29 February 2024	12 month period ended 31 December 2022
Other expenses detail			
Advertising		(132 030)	(61 333)
Auditors remuneration - Fees		(183 067)	(155 891)
Bad debts		(516 934)	(57 622)
Bank charges		(43 653)	(23 045)
Cleaning		(11 962)	(2 253)
Commission paid		(343 397)	(196 777)
Computer expenses		(1 500)	-
Depreciation - property, plant and equipment		(134 182)	(114 710)
Donations		(5 500)	-
Employee costs - salaries		(1 106 818)	(2 354 405)
Entertainment		-	(9 836)
Hire - Equipment		(77 958)	(109 952)
Insurance		(90 812)	(72 486)
Legal expense		(28 843)	(29 004)
Levies		-	122 840
Motor vehicle expenses		(591 435)	(451 286)
Office expenses		(8 983)	(9 923)
Postage		(41 679)	(36 181)
Printing and stationery		(4 114)	(8 321)
Protective clothing		-	(12 747)
Repairs and maintenance		(33 702)	(31 507)
Security		(15 282)	(12 013)
Telecommunication		(206 194)	(161 306)
Theft		(301 607)	-
Training		(1 440)	-
Transport		(2 257)	(757)
Travel - Overseas		(14 108)	(18 666)
		<u>(3 897 457)</u>	<u>(3 807 181)</u>

Talbert Pivots (Pty) Ltd

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Financial Statements for the 14 month period ended 29 February 2024

Income Tax Computation

Figures in R	Notes	14 month period ended 29 February 2024	12 month period ended 31 December 2022
Loss before tax		(4 138 895)	(1 915 282)
Donations		5 500	-
Interest and penalties paid in respect of taxes (s23(d))		215 529	205 445
		221 029	205 445
Small Business and Medium to Large Business tax adjustments			
Debit Adjustments (decrease net profit / increase net loss) (insert as negative)			
Amounts previously taxed as received in advance		(49 535)	(3 554 194)
Wear and tear allowance (s11(e))		(231 666)	(333 683)
Taxable amount of amounts received in advance - Current year		(48 011)	(5 439)
Accounting profit on disposal of fixed and / or other assets		(4 345)	-
Credit Adjustments (increase net profit / decrease net loss) (insert as positive)			
Accounting loss on disposal of fixed and / or other assets		-	348 035
Taxable amount of amounts received in advance - Prior year		5 439	329 701
Depreciation according to financial statements		284 465	320 008
Amounts received in advance - current year		480 114	49 535
Wear and tear recouped (s8(4))		512 982	407 747
		949 443	(2 438 290)
Taxable loss		(2 968 423)	(4 148 127)
Normal tax		-	-
Deferred tax		(827 551)	(478 754)
Other tax 1		-	966
Total per statement of comprehensive income		(827 551)	(477 788)
Less : Assessed tax payments / refunds		-	185 448
Deferred tax		827 551	478 754
(Debit) / Credit balance brought forward		4 558	(181 856)
Total per statement of financial position - (Asset) / Liability		4 558	4 558
Assessed loss limitation calculation			
Assessed loss brought forward		(25 861 833)	(21 713 706)
Assessed loss movement for the period		(2 968 423)	(4 148 127)
Assessed loss carried forward		(28 830 256)	(25 861 833)